

# GEF-8 REQUEST FOR CEO ENDORSEMENT/APPROVAL

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## General Project Information

Project Title	
Accelerate Minamata Convention compliance through improved understanding and control of mercury trade in Latin America	
Region	GEF Project ID
Regional	11047
Country(ies)	Type of Project
Regional	FSP
Bolivia	
Colombia	
Ecuador	
Honduras	
Mexico	
Peru	
GEF Agency(ies):	GEF Agency Project ID
UNEP	
Project Executing Entity(s)	Project Executing Type
Basel Convention Coordinating Centre-Stockholm Convention Regional Centre for Latin America and the Caribbean (BCCC-SCRC)	Others
GEF Focal Area (s)	Submission Date
Chemicals and Waste	12/1/2023
Type of Trust Fund	Project Duration (Months)
GET	36
GEF Project Grant: (a)	GEF Project Non-Grant: (b)
3,000,000.00	0.00
Agency Fee(s) Grant: (c)	Agency Fee(s) Non-Grant (d)
285,000.00	0.00
Total GEF Financing: (a+b+c+d)	Total Co-financing
3,285,000.00	15,808,104.00
PPG Amount: (e)	PPG Agency Fee(s): (f)
150,000.00	14,250.00
Total GEF Resources: (a+b+c+d+e+f)	

3,449,250.00

Project Tags

CBIT: No NGI: No SGP: No Innovation: No

Project Sector (CCM Only)

Mixed & Others

Taxonomy

Focal Areas, Chemicals and Waste, Mercury, Artisanal and Scale Gold Mining, Influencing models, Demonstrate innovative approach, Convene multi-stakeholder alliances, Transform policy and regulatory environments, Strengthen institutional capacity and decision-making, Stakeholders, Type of Engagement, Participation, Consultation, Information Dissemination, Beneficiaries, Private Sector, SMEs, Local Communities, Civil Society, Non-Governmental Organization, Academia, Communications, Awareness Raising, Education, Gender Equality, Gender Mainstreaming, Women groups, Sex-disaggregated indicators, Gender-sensitive indicators, Gender results areas, Capacity Development, Knowledge Generation and Exchange, Capacity, Knowledge and Research, Knowledge Generation, Knowledge Exchange, Learning

Rio Markers

Climate Change Mitigation	Climate Change Adaptation	Biodiversity	Land Degradation
No Contribution 0	No Contribution 0	No Contribution 0	No Contribution 0

Project Summary

Provide a brief summary description of the project, including: (i) what is the problem and issues to be addressed? (ii) what are the project objectives, and if the project is intended to be transformative, how will this be achieved? (iii), how will this be achieved (approach to deliver on objectives), and (iv) what are the GEBs and/or adaptation benefits, and other key expected results. The purpose of the summary is to provide a short, coherent summary for readers. (max. 250 words, approximately 1/2 page)

The proposed regional project focuses on accelerating Minamata Convention (the “Convention”) compliance through better understanding and improved control of mercury flows in Latin America (the participating project or target countries are Bolivia, Colombia, Ecuador, Honduras, Mexico and Peru). Despite efforts implemented by countries, mercury trade is still widespread and poorly reported. COMTRADE officially reported decreased levels of mercury trade globally. However, widespread evidence of considerable ongoing mercury use suggests there are significant informal trade activities not recorded in the official mercury supply chain<sup>[1]</sup>. Increased controls and regulations need to focus on specific sectors such as ASGM (main usage of mercury in Latin America). In addition, the inadequacy of effective national and regional initiatives and control mechanisms to reduce illicit financial flows<sup>[2]</sup> and illegal mercury trade, and the lack of sufficient regional coordination, data sharing and cooperation on mercury supply and trade in the region are barriers that the project will be address. The target countries will build and reinforce institutional and legal capacities to monitor and control mercury trade. There is a clear willingness of the countries to collaborate on such an initiative, further building on the decision of the Andean Community (CAN, Comunidad Andina de Naciones) (Bolivia, Colombia, Ecuador and Peru) to create the Andean Mercury Observatory (Observatorio Andino de Mercurio)<sup>[3]</sup>.

The project will specifically support drafting or adapting legal instruments (provisions to control import/export and internal transfers) of the six participating countries in line with their obligations under Article 3 of the Convention. It will also build national consensus for their endorsement. In parallel, it will develop strategies to address illegal trade within and between the countries. The project will provide nationwide training to trade, customs and border control officials in all target countries to ensure the

coherence of procedures and measures for effective national and regional enforcement. All national stakeholders that are key links in the mercury supply chain will fully participate in the intervention, including end users. Finally, the engagement of the Andean Mercury Observatory as a regional network will promote the regional articulation and complementarity of efforts during the execution of the project. It will also ensure the sustainability of project interventions and will continue to monitor and track mercury flows after the project ends.

The proposed project, informed by the 2018 UNEP Global Mercury Assessment, aims to prevent around 176 metric tons of mercury from entering the international market. The prevention strategy was guided by data from the UNEP (Grid Arendal) report on illegal chemical trade, MIA and NAP reports from target countries. The overall target includes approximately 99 metric tons that would have entered the CAN countries – Bolivia, Colombia, Ecuador and Peru<sup>[4]</sup>. In addition, the project will directly benefit 1,000 individuals (500 women and 500 men) through meetings, workshops and trainings, and indirectly an estimate of 800,000 individuals through the reduction of mercury trade flows, and consequently related emissions and releases.

The Implementing Agency (IA) for the project is the United Nations Environment Programme (UNEP). The Executing Agency (EA) will be the Basel Convention Coordinating Centre - Stockholm Convention Regional Centre for Latin America and the Caribbean (BCCC-SCRC) of Uruguay. Participating countries will be members of the Project Steering Committee (PSC), and each country will identify its National Executing Organization.

Finally, the project will seek strong cooperation and coordination of efforts with the UN National Country Teams, the UN Resident Coordinator in the project countries and UNEP Regional Office for Latin America and the Caribbean to ensure adequate implementation in line with the UN national and regional strategies.

<sup>[1]</sup> Resources, Conservation and recycling (2022). Examining the inconsistency of mercury flow in post-Minamata Convention global trade concerning artisanal and small-scale gold mining activity. Available at:

<https://www.sciencedirect.com/science/article/pii/S0921344922003044#bib0058>

<sup>[2]</sup> Illicit financial flows refer to activities considered as criminal offences, but also some behaviors related to tax and commercial practices. Source: UNODC

<sup>[3]</sup> The Andean Mercury Observatory (OAM), created through the adoption of the supranational normative Decision 844 and respective Regulation, mandates the participating countries to develop official periodic reports on the production, import, export, commercialization, transport, use and seizures of mercury, with conclusions and recommendations. The OAM began activities with the appointment of two experts for each CAN member country (Bolivia, Colombia, Ecuador, Peru) and issued its first reports. The OAM is still in its initial stages, however, and this project - proposed by the CAN countries - will strengthen its mandates.

<sup>[4]</sup> Andean Observatory on Mercury (2021). Report 1<sup>st</sup> Semester 2021. Available at:

<https://www.comunidadandina.org/wp-content/uploads/2022/08/I-Informe-Observatorio-Andino-del-Mercurio.pdf>

## Project Description Overview

### Project Objective

Accelerate Minamata Convention compliance through better understanding of mercury trade trends in Latin America and promotion of regional cooperation towards an improved control of major mercury flows

### Project Components

#### Component 1: Coordinated strategies on mercury trade issues at national and regional levels

Component Type

Trust Fund

Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
1,101,000.00	5,749,716.00

Outcome:

Outcome 1.1. A coordinated institutional approach at national and regional levels for addressing mercury trade issues is adopted by strengthened participating governments

Output:

Output 1.1. Project countries have increased knowledge of existing mercury supply sources and legal/illegal mercury flows

Output 1.2. Project countries have strengthened capacity on how to improve existing mercury trade control mechanisms

## Component 2: Legal instruments of mercury trade and control at national and regional levels

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
996,000.00	5,300,560.00

Outcome:

Outcome 2.1. Improved strategies and regulations for monitoring and controlling legal and illegal trading of mercury at national and regional levels adopted by participating countries

Output:

Output 2.1. Target countries have increased capacity to effectively monitor and control legal mercury flows through drafting of regulations and procedures at national levels

Output 2.2. Target countries have increased capacities to monitor and control illegal trading of mercury at the national and regional levels

## Component 3: Regional cooperation to reduce mercury trade and sustainability of project results

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
673,000.00	3,514,296.00

Outcome:

Outcome 3.1. Formal mechanisms for networking and cooperation at regional level on mercury trade are operational and adopted by participating countries

Output:

Output 3.1 Project countries agreed on a priority list of regional activities covering both legal and illegal trade of mercury

Output 3.2 Latin America regional network and cooperation on mercury trade are established and functional

Output 3.3 Project countries adopted Andean Observatory as the information sharing platform on mercury trade in Latin America

## M&E

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
87,500.00	458,127.00

Outcome:

Project achieves objective in time based on effective monitoring and evaluation

Output:

Project monitored and evaluated

## Component Balances

Project Components	GEF Project Financing (\$)	Co-financing (\$)
Component 1: Coordinated strategies on mercury trade issues at national and regional levels	1,101,000.00	5,749,716.00
Component 2: Legal instruments of mercury trade and control at national and regional levels	996,000.00	5,300,560.00
Component 3: Regional cooperation to reduce mercury trade and sustainability of project results	673,000.00	3,514,296.00
M&E	87,500.00	458,127.00
<b>Subtotal</b>	<b>2,857,500.00</b>	<b>15,022,699.00</b>
Project Management Cost	142,500.00	785,405.00

<b>Total Project Cost (\$)</b>	<b>3,000,000.00</b>	<b>15,808,104.00</b>
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Please provide Justification

## PROJECT OUTLINE

### A. PROJECT RATIONALE

Describe the current situation: the global environmental problems and/or climate vulnerabilities that the project will address, the key elements of the system, and underlying drivers of environmental change in the project context, such as population growth, economic development, climate change, sociocultural and political factors, including conflicts, or technological changes. Describe the objective of the project, and the justification for it. (Approximately 3-5 pages) see guidance here

### Changes from the PIF

The amounts and sources of co-financing increased from USD 7,093,273 to USD 15,708,105 since the development of the PIF. Several partners were removed from the co-financing table since their activities were completed by the time of CEO Endorsement. However, the results generated have contributed to the baseline and will be used as preliminary knowledge to build upon (e.g., AGC, IUCN); despite the lack of active co-financing, other partners have confirmed their interest and support to the project and will still participate in the activities in different capacities (e.g., OECD, Interpol, OAS). Co-financing amounts from participating countries have increased significantly and new sources were identified (ARM; UNODC).

In addition, at the PIF stage the number of beneficiaries was undetermined due to lack of information. During the preparatory phase, it has been estimated that the project will directly benefit 1,000 individuals (500 women and 500 men) and indirectly impact 800,000 people.

### Mercury sources and risks

Mercury is an element emitted to the atmosphere and released into waters from natural sources, such as volcanoes and rock weathering. Over the years, studies and reports have evidenced that a significant amount of mercury (in elemental, organic and inorganic forms) currently present in the environment has been mobilized based on anthropogenic activities. The latest Global Mercury Assessment 2018 (UNEP, 2019)<sup>[1]</sup> highlighted that human activities have increased total atmospheric mercury concentrations by about 450% above natural levels.

Since mercury is very mobile due to its capacity for long-range transfer, concerns are exacerbated due to mercury's acute adverse effects on human health, and human exposure through the food chain. Exposures to elemental mercury may affect the nervous system, while exposures to inorganic mercury compounds may affect the kidneys. Finally, exposures to methylmercury are associated with adverse effects on the nervous system, especially brain development in fetuses (UNEP, 2019). Mercury that is released into the environment may be transformed into methylmercury through microbial action in aquatic ecosystems. Methylmercury is the most toxic form of mercury, which bioaccumulates and biomagnifies up the food chain. Currently, consumption of contaminated fish is the main source of methylmercury for humans. The more mercury that is released into the environment, the greater the likelihood of contamination in fish and consequent human exposure.

Mercury exposure and vulnerability vary according to gender roles and socioeconomic dynamics. Women, children and indigenous communities are the most affected by mercury exposure due to socioeconomic, biological and cultural factors. Therefore, it is essential to incorporate a gender approach in mercury-related regulations and policies to equally protect men and women. For instances, women in mining communities often play secondary and subordinate roles and generally tend to have less access to resources, information



and decision-making mechanisms. In addition, they are more vulnerable to the exposure of mercury without having the ability to influence roles along the supply chain. Distribution of roles and resources can also exacerbate vulnerability as women may face more challenges to switch to alternative livelihoods or escape exploitative practice. Solutions to address mercury trade and its use will be made with gender inequalities in mind in order to ensure that women and men benefit equally from the interventions (more information is available in Appendix 5 Gender Analysis and Action Plan).

## Mercury supply and trade and the Minamata Convention

The Minamata Convention on Mercury<sup>[2]</sup> was developed by the United Nations as a global framework for action to achieve a significant reduction of mercury emissions and releases from anthropogenic sources, which would in turn bring important reductions of mercury levels in the environment over time. It entered into force on 16 August 2017 and has been ratified by 147 countries<sup>[3]</sup>.

The Minamata Convention recognizes the importance of controlling, regulating, and gradually reducing mercury supply and trade (Article 3), as well as its use in different products and processes, in order to reduce global emissions and releases. As part of Annex C of the Convention, which requires National Action Plans (NAPs) for the ASGM sector, an improved understanding and control of mercury supply and trade is required in order to deal with mercury flows to ASGM activities, which are highly dispersive activities that use large quantities of mercury.

The global mercury supply feeds from five main sources:

- Primary mercury mining, involving the processing of cinnabar ore (this source of mercury is prohibited for use in ASGM, per Article 3.4).
- By-product mercury recovery (where mercury is present as a trace contaminant) from other non-ferrous mining operations, as well as oil and gas processing (this source of mercury is permitted for allowable uses, including ASGM).
- Decommissioning (closure or conversion) of chlor-alkali facilities, which involves the recovery of mercury from the electrolytic cells and other parts of the plant (this source of mercury is prohibited for ASGM use, as per Article 3.5).
- Recycling of mercury-added products and other mercury-bearing wastes.
- Drawdown of government or private stocks of mercury.

Recognizing the importance of written trade consent procedures, as set out in Article 3 of the Minamata Convention on Mercury, to track the supply and trade of mercury, the Conference of the Parties (COP) of the Minamata Convention adopted specific forms (during COP1 in 2017) for the provision of written consent among parties that are importing or exporting mercury<sup>[4]</sup>. However, most countries are still unfamiliar with the forms, the procedure and its practical implementation. Therefore, improvements can and should be made to streamline and build capacity to fully implement the agreed process.

The project examines a wide range of global issues related to mercury trade; however, there are also recognized regional challenges regarding mercury supply and trade that require regional solutions. Latin America has significant trade volumes and associated ASGM usage<sup>[5]</sup> accounting for 20% of the reported global imports and a considerable informal market for this chemical<sup>[6]</sup>. For these reasons, among others, the Andean Community (CAN) decided to implement a Mercury Trade Information Management initiative within the framework of its Andean Policy to Combat Illegal Mining which resulted in the creation of the Andean Observatory on Mercury. This project will build on the progress of that initiative and lessons learned so far. Mechanisms to integrate non-Andean countries (Honduras, Mexico) will be adopted during the inception phase of this project with the understanding that lasting solutions can only be achieved through collaboration with other countries.

## Baseline information

Except for Mexico, primary extraction of mercury in the region of Latin America and the Caribbean is minimum. Therefore, formal and informal global and intraregional flows satisfy mercury demand by countries. According to legal market flows reported by the nine South American countries and collected in COMTRADE, the main suppliers of mercury for these countries between 1997 and 2016 were the United States, Spain, Mexico and Germany. Nonetheless, due to regulations introduced by the European Union (2011) and the United States (2013) prohibiting mercury exports, as well as by the adoption of the Minamata Convention on Mercury in 2013, mercury dealers in the United States and Spain in 2010 are no longer in the business. According to the COMTRADE portal, the main exporters of mercury in 2018 were Mexico (163.2 tons), Russia (105.3 tons), the United Arab Emirates (98.9 tons), Canada (91 tons), while the main importers were Bolivia (196.4 tons) and India (141.3 tons).

Regional mercury trade flows, marked by sometimes large annual variations and often conflicting data, only make sense when put in the context of the relevant mercury supply sources and ultimate demand. The need to have a clear understanding of the mercury flows in Latin America is evident, as all the most important and common sources of supply of mercury are present in the region, namely mining and processing of primary mercury ores, by-product mercury recovered from the refining of some ferrous and non-ferrous metals, mercury recovered from mercury cell chlor-alkali plants, recycled mercury from products, and stocks of mercury accumulated over time.

According to data reported by the UN COMTRADE database, the main countries importing mercury during the period 1996-2017 were Peru (2,055 tons), Brazil (1,649 tons), Colombia (1,677 tons), Guyana (790 tons), Bolivia (438 tons), Ecuador (276), Venezuela (32 tons) and Suriname (6 tons). During the same period, all countries in the region imported a total of 6,923 tons.

While there is limited information on the dynamics of illegal trade between countries, data on mercury emissions and releases indicates a steady increased demand of mercury for its use in ASGM. Accordingly, the supply of mercury in the region has remained constant over the last 15 years although there are variations within each country.

These inter-linked issues pose a significant problem for Parties of the Convention in the region as Article 3 prohibits the use of newly mined mercury for use in ASGM. Since both mercury mining and small-scale gold mining are both largely informal, most Governments have difficulties managing them properly. To fully implement the Minamata Convention, Parties will need a better understanding of the sources of mercury used in their countries.

Collaboration among countries in the region has taken different forms, as part of the binational cabinets<sup>[7]</sup> among countries; as part of the regional cooperation agenda of the Andean Community with the Andean Committee on Illegal Mining (CAMI) and the Andean Observatory on Mercury; or as part of broader efforts such as the recent Belem Declaration adopted by Amazon countries to fight illegal mining and curb mercury use.

Refer to Appendix 14 for the regional and national level baseline of mercury trade and related initiatives.

### **Barriers to be addressed.**

#### Lack of accurate mercury trade data from sources to end-users (especially ASGM sector) in Latin America

ASGM is the largest sector in terms of total mercury use and total releases of mercury into the environment. Mercury use in ASGM (in more than 70 countries), together with its use in the production of vinyl chlorine monomer (occurring primarily in China), constitute over 60% of global mercury demand<sup>[8]</sup>. The Global Mercury Assessment 2018 reports that the majority of mercury emissions occur in Latin America,

accounting for 53% of global emissions. More specifically, artisanal and small-scale gold mining (ASGM) accounts for about 70% of the emissions in the region<sup>[9]</sup>. An average of 275 tons have been formally imported<sup>[10]</sup>. Due to an increase in the price of gold in recent decades, ASGM activities are not likely to disappear. In that sense, demand for mercury in the region, if not effectively managed through other interventions, may continue or even increase beyond the levels seen nowadays.

Demand for and use of mercury in activities such as ASGM are being increasingly scrutinized as the Minamata Convention provisions are more widely implemented. Meanwhile, most ASGM operators rely on mercury, and many remain unaware of its toxic effects. For those who would prefer not to use mercury, the mercury-free alternatives may be unknown, less accessible, assumed more expensive or simply inconvenient. ASGM operations are typically part of the informal economy. Many are undocumented but not in violation of legislation. Unless mercury demand for ASGM can be reduced significantly in the near term, the size of this demand will further stimulate formal and informal mercury supplies and trade and will add to the difficulty of changing course (UNEP, 2017)<sup>[11]</sup>.

Informal mercury suppliers and gold buyers<sup>[12]</sup> have a strong influence on mercury trade for ASGM by supplying, storing and even recycling mercury - as well as trading mercury for gold. Activities that are not documented or reported, and therefore not transparent. They are referred to in the literature in a variety of ways. Some refer to “middlemen” who buy gold from miners, smuggle mercury and may be involved in money laundering and other criminal activities. Others describe “brokers” who facilitate the mercury trade and help to hide mercury storage and mercury recycling activities. Others speak of “smugglers” or “illegal dealers” who buy gold, promote the use of mercury and often accept gold in exchange for a reduced price or a “free” supply of mercury. Only slightly less influential are the hired guards and security personnel who ensure that mercury reaches the ASGM sites. Because of their importance and influence, these stakeholders also represent a significant barrier to the common objectives of reducing mercury use in ASGM. These informal traders facilitate the continued use of mercury by miners even when mercury is formally prohibited (in some countries). Moreover, in places where mercury is traded informally, the trade may sometimes appear in official data only at the time of import into the country, and the subsequent pathways and end uses are not documented. This is one of the main reasons that the legalization of ASGM and the development of specific ASGM regulations are key measures required to support the transition to mercury-free ASGM (Annex C explicitly requires the management of mercury trade and the prevention of diversion from other uses to ASGM as required strategies in any Party’s National Action Plan for ASGM).

#### Lack of effective national and limited regional initiatives to control mechanisms to reduce illicit financial flows and illegal mercury trade in Latin America

Researchers report that the price of mercury sold onsite to ASGM operations may easily be two to three times higher than the market value of imported mercury<sup>[13]</sup>. This suggests that the cost of mercury to ASGM operators could be US \$150,000–200,000 per ton. If half of all mercury supplied to ASGM worldwide is illegally traded, as estimated above, the value of that illegally traded mercury is likely in the range of US \$100–215 million annually.

In terms of transport, mercury may be shipped in containers of one ton, in small plastic bottles containing less than one kg, or in various intermediate sizes such as the traditional mercury flasks of about 2.5 liters and containing 34.5 kg of mercury. As such, the space needed to hide undeclared mercury, despite its weight, is quite small.

Literature and expert knowledge suggest that the most common strategies for illegally moving mercury tend to include<sup>[14]</sup>:

§ Falsifying documents by declaring the wrong classification of goods, as in the case of sacks of cinnabar shipped from Indonesia to the Philippines, or commercial quality mercury classified as low-value mercury or waste.

- § Transporting mercury without documentation.
- § Evading tariffs or tax payments by double invoicing schemes whereby the shipper fills out two sets of invoices – one showing the true value of the sale, and one showing a false value for submission to Customs (overstated in some cases and understated in others).
- § Shipping goods through third countries expressly to disguise the country of origin, simply producing a false declaration of origin of the goods, changing markings after importation to falsify the country of origin, repackaging goods from a container that was supposed to remain sealed, e.g, in a bonded warehouse.
- § Failing to obtain the required permits or licenses.
- § Smuggling goods via an unauthorized point of entry.
- § Disguising controlled goods within a shipment of uncontrolled commodities such as mining equipment, or simply hiding mercury among other goods.
- § Using substandard, non-certified flasks for mercury shipments.

Illicit financial flows (IFF)<sup>[15]</sup> are a widely recognized global threat to stability and development, especially for less developed countries. They are also commonly associated with criminality, the financing of terrorism and human trafficking, etc. In the LAC region, there is a strong relationship between the routes of trafficking and commercialization of mercury on the one hand, and the routes that extract gold or drugs from a territory, on the other hand. However, there is very little agreement around IFF terminology and there are significant challenges to developing measures restricting these flows. The lack of full understanding of IFF and their impact on developing nations carries great risks, both to human welfare as well as to economic and political development.

Countries in the Latin American region continue to reduce mercury import quotas, or entirely ban mercury imports for ASGM. There is a risk that illegal trade will increase and become more resilient unless appropriate controls and strategies are implemented to deal with mercury and ASGM as well. A better understanding of the transnational migrations of miners throughout the region, as well as regional supply chains for mercury and other inputs to ASGM, would greatly help to comprehend the dynamics of illegal mercury markets.

Several tools developed internationally such as the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals<sup>[16]</sup> provide a framework for responsible supply chain management of gold, including mercury use.

#### Lack of sufficient regional coordination, data sharing and cooperation on mercury supply and trade in Latin America

Since there is still a large global demand for mercury, significant gaps in information on trade flows worldwide present difficulties for an appropriate assessment of the global situation. This also goes for the Latin American region, which lacks a comprehensive understanding of legal and illegal exports, imports, supply and internal distribution patterns.

At the national level, the absence of national schemes to track mercury trade in some countries, and the relatively weak schemes in others, prevent countries from having accurate records of where mercury originates and where it is being used. Without accurate data on mercury supply and trade, Parties do not have the baseline to make informed decisions to regulate mercury trade and restrict activities not compliant with the Convention. This in turn can bring important challenges for the implementation of the Convention, hindering its efforts to reduce mercury cycling and emissions worldwide.

Neither national trade databases, nor the regional database for Mercosur, nor the COMTRADE database is sufficiently precise, comprehensive, and accurate to allow proper analysis and tracking, enforcement and control of cross border issues on mercury trade. There are few coordination mechanisms to monitor and

control trans-boundary exports and imports. Elaborating and implementing an effective regional system that produces reports, monitors the import and export of mercury as well as customs tariffs in Latin America, is crucial to fully comply with the provisions of the Minamata Convention.

This was precisely the concern that encouraged the Andean Community to approve Decision 844<sup>[17]</sup> creating the Andean Observatory on Mercury in 2019. The Observatory is responsible for the management of official information on mercury in the Andean countries and/or its relationship with third countries, and for supporting the exchange of objective, reliable, updated and comparable information. In its first report<sup>[18]</sup>, it listed several administrative and regulatory barriers, as well as those related to data availability and access to official information.

## Stakeholder Engagement

This project will work in close coordination with the UNEP Global Mercury Partnership, which will provide assistance with the engagement of stakeholders at the project design and implementation phases. Members of the Partnership represent the diversity of institutions involved in mercury trade issues, from government, intergovernmental and non-governmental organizations to industry and academic researchers. Under the experienced coordination of UNEP, trading partners, customs authorities, statistical agencies and other government regulatory bodies that monitor and control the import and export of commodities will take part in the project, according to their expertise and roles.

A stakeholder mapping took place during the preparatory phase. The main actors were identified according to different categories (public, private, civil society, NGO, academia, etc.), their role along the mercury supply chain, and whether they operate at the local, national, regional and/or international level. A full description of the duties and responsibilities of the stakeholders is found in [Appendix 5.c.b.](#)

The main project stakeholders are:

National and local authorities: At the national level, the main stakeholders are line Ministries (Environment, Mining, Customs, Trade) and local governments that will play a key role in the project decisions as well as the implementation of project activities. The countries will involve their Minamata Convention Focal Points and GEF Operational Focal Points. The United Nations Resident Coordinator (UNRC) will be invited to participate in the project activities and coordination mechanisms.

Academia: This group will participate by exchanging useful information and generating partnerships for research, awareness raising and capacity building. Includes, among others, the Geosciences Center of the National Autonomous University of Mexico who currently has activities applying the technological isotope research on mercury.

NGOs and CSOs: They will contribute to collection of data and outreach to mining communities. They can also contribute by sharing knowledge on the hazards posed by mercury to the environment and human health. Specifically, NGOs and CSOs working on gender equality and women empowerment will be actively engaged in project activities.

ASGM mining cooperatives, groups and/or individuals: These groups will be useful agents in data collection and information sharing and they are the ultimate drivers to reduce mercury demand. They will be sensitized, trained and involved in the development of new regulations and procedures for mercury trade as well as its health and environmental impacts. [Women working in ASGM sector will be invited to workshops, regional forums and capacity building activities](#) (, identified cooperatives from Ecuador, Honduras and Peru through their respective NAP and planetGOLD projects) to ensure their needs, views and concerns are adequately represented during the implementation of the project.

Mercury importers and exporters: This group will be potentially negatively affected by the project outcomes and may hinder and/or oppose project activities. Owners of mercury processing systems can also be considered in this category as they can be affected by a reduction in the trade flows and use. This group will be consulted and sensitized about the new regulations and actions on mercury trade. For those stakeholders willing to participate in the project activities, alternative livelihoods will be explored in coordination with national institutions, as well as strategies for economic diversification.

UNEP: UNEP Chemicals and Health Branch, GEF C&W Unit, is the IA, responsible for implementing the project in line with the project budget and workplan and overseeing the Executing Agency. The Unit has worked extensively on the development of NAPs for ASGM and is the Lead Agency of the planetGOLD programme. In addition, the UNEP – Latin America and the Caribbean office will facilitate the regional coordination with countries and regional partners.

Global Mercury Partnership: The Global Mercury Partnership, hosted by UNEP, will provide targeted technical assistance to support information sharing and dissemination of knowledge products at a global level.

Minamata Convention Secretariat: In addition to updated and relevant information related to the obligations of the Convention, the Secretariat has developed significant in-house expertise, knowledge and a broad network that will support the project.

OECD: The OECD will provide technical input, as well as support on capacity building for the private sector and law enforcement agencies.

Basel/Stockholm Regional Center in LAC (BCCC-SCRC): The Basel/Stockholm Regional Center in LAC will be the Lead Executing Agency (EA).

INTERPOL: The National Central Bureaus (NCBs) of Interpol will be invited to be part of the national coordination mechanisms to ensure that law enforcement related data is shared through secured channels nationally and regionally, as appropriate, and key personnel will be invited to be part of the International Advisory Board (IAB) (refer to Implementation Arrangements).

General Secretariat of the Andean Community through the Andean Mercury Observatory: The Andean Mercury Observatory will provide regional and technical support to the project; act as a local presence in the region; and serve as a mechanism and platform for information archiving and sharing during and after the project.

Organization of American States (OAS): The OAS ongoing work in the region on mercury and illegal mining will complement the proposed project activities. Key staff from OAS will be part of the International Advisory Board (IAB), and joint planning of activities will be conducted between this regional project and the OAS activities on mercury.

United States Environmental Protection Agency (USEPA): The USEPA's ongoing activities and support in the region will also complement the proposed project.

United Nations Office on Drugs and Crime (UNODC): The Inter-Divisional Task Team on Minerals Trafficking and relevant country offices will be involved in project activities.

World Customs Organization (WCO): the WCO ongoing work in the region through the Regional Intelligent Liaison Offices (RILO) will offer an added layer of information exchange to the already existing intelligence exchange at a strategic level in the region. They will also provide operational support, designing

and implementing target-oriented intelligence analysis, promoting and maintaining regional cooperation with other law enforcement agencies and organizations.

During the PPG phase, online consultations with the main government counterparts and partners took place. The national counterparts provided information on the knowledge and capacity of key stakeholders in relation to mercury trade. Their roles, their existing relationships (conflict, collaboration) and level of commitment towards the project were assessed. A stakeholder engagement plan was developed identifying a series of to ensure proper engagement, participation and communication such as meetings, workshops, training, presentations and the development of different types of guidance that shall be made available in the global management platform. Partners actively working on similar issues will be actively engaged to generate partnerships and synergies.

An online inception workshop was organized in May 2023 (47 participants, 22M, 25F) while the validation workshop took place in August 2023 in the Andean Community, in Lima, Peru (36 participants, 15M, 21F). The national stakeholders and partners also reviewed the project activities, work plan, budget, and other documents.

Among the key recommendations gathered are the need to hold preliminary meetings with mining associations and partnerships to properly communicate the project objectives, outcomes and activities to ASGM organizations across the territory. It is also important to ensure that the project will support and not prosecute those actors wishing to transition away from mercury use and trade. Local entities and actors will be key allies since they hold direct contact with mining communities and populations and are the most knowledgeable about the local dynamics. In order to guarantee the commitment of key actors, inter-institutional agreements were suggested specifying the scope and level of involvement during and beyond implementation. Conducting project activities in places where the most relevant actors are located is a way to ensure their participation and involvement. Finally, synergies with other initiatives as means to complement and strengthen results are highly encouraged (e.g., planetGOLD, Amazon Regional Alliance for the reduction of the impacts of gold mining) (for more information refer to Appendix 5).

In addition to the stakeholder engagement plan, a gender analysis looking at the main gender gaps in the project countries was conducted during the preparatory phase. The analysis looked at several indexes to analyze data related to inequality, women empowerment and gender equity, such as the Global Gender Gap Index<sup>[19]</sup>, the Gender Development Index (GDI) 2021<sup>[20]</sup>, Gender Inequality Index (GII)<sup>[21]</sup> 2021 and Inequality Adjusted Human Development Index (IHDI) 2021. In addition, the main gender gaps in each country in relation to economic opportunities, political participation and health and educational aspects were analyzed. Furthermore, since there is little to no information on mercury trade and the participation of men and women along the supply chain, the gender analysis looked upon the participation, roles, vulnerabilities, risks and opportunities of women in ASGM sector to assess the potential impacts of trade vis a vis the role of women as processors and users (see Appendix 5 for more information).

Attention has been increasing to the relation between gender and chemicals although it is still limited. This has been reflected in the recent resolution on gender adopted by the ICCM5 and the Minamata Convention Action Plan on and Gender Roadmap<sup>[22]</sup>. The project will build on ongoing efforts to advocate for the integration of gender in chemicals management such as the Gender and Chemicals Partnership<sup>[23]</sup>.

### **Project cost effectiveness**

The project intervention and budget have been designed to maximize GEBs/USD benefits through targeted activities with decision makers, law enforcement agencies and actors along the mercury supply chain within the six countries, with the possibility to involve additional stakeholders. Non-target countries will also be invited to participate in project activities expanding the potential benefits in the region.

The executing agency is active and has a well-established relationship with the main national counterparts from participating countries. Project local staff, consultants and advisors will be contracted to complement the existing expertise. In addition, the International Advisory Board (IAB) will provide valuable guidance and support at no additional cost. Project management costs are in line with the GEF policies.

The project's regional approach enables the pooling of resources, reducing duplication of efforts and increasing the overall impact of the project. The activities have been built on existing initiatives to capitalize the existing experiences and knowledge (see section on coordination with existing initiatives). In addition, the project will be implemented in close coordination with the Andean Observatory on Mercury and will integrate the knowledge and information generated within its existing mechanism and structures.

Finally, UNEP possesses a distinctive set of advantages that will help increase the cost effectiveness: deep understanding of the complexities surrounding the trade, use and disposal of mercury; expertise and experience in programmes and projects related to the Minamata Convention; a global network of experts and partners; databases and information sharing platforms for global outreach; possibility to leverage on alliances such as the Global Mercury Partnership; and a solid track record on policy advocacy and capacity building. UNEP is the lead agency of the planetGOLD programme which is closely linked to the project as it aims at reducing mercury use in the ASGM sector and is active in 5 of the 6 targeted countries.

<sup>[1]</sup> UNEP (2019). Global Mercury Assessment 2018. Available at:

<https://www.unenvironment.org/resources/publication/global-mercury-assessment-2018>

<sup>[2]</sup> The Minamata Convention was adopted at the 2013 Conference of Plenipotentiaries in Kumamoto, Japan, and entered into force in August 2017. The objective of this "multilateral environmental agreement" is to protect human health and the environment from anthropogenic emissions and releases of mercury and mercury compounds. Among other provisions, it promotes public information, environmental education, participation and capacity building.

<sup>[3]</sup> As per April 2021.

<sup>[4]</sup> Minamata Convention. Forms and guidance documents. Available at:

<https://minamataconvention.org/en/about/forms-guidance>

<sup>[5]</sup> Over 4,000 tons of mercury are used globally compared to the 600 tons of mercury in the region. Source: UNEP (2017) Global mercury, supply, trade and demand.

<sup>[6]</sup> 182 tons out of 891 tons were imported into Latin America and the Caribbean in 2019. Source: COMTRADE (2019).

<sup>[7]</sup> Highest level instances for the definition and coordination of public policies among countries.

<sup>[8]</sup> UNEP (2018). Quick Start Guide for managing mercury trade in artisanal and small-scale gold mining. Available at:

[https://wedocs.unep.org/bitstream/handle/20.500.11822/26652/hg\\_trade\\_ASGM.pdf?sequence=1&isAllowed=y](https://wedocs.unep.org/bitstream/handle/20.500.11822/26652/hg_trade_ASGM.pdf?sequence=1&isAllowed=y)

<sup>[9]</sup> UNEP (2019). Global Mercury Assessment 2018. Available at:

<https://www.unenvironment.org/resources/publication/global-mercury-assessment-2018>

<sup>[10]</sup> COMTRADE.

<sup>[11]</sup> UNEP (2017). Global Mercury Supply, Trade and Demand. Available at: [https://wedocs.unep.org/bitstream/handle/20.500.11822/21725/global\\_mercury.pdf?sequence=1&isAllowed=y](https://wedocs.unep.org/bitstream/handle/20.500.11822/21725/global_mercury.pdf?sequence=1&isAllowed=y)

<sup>[12]</sup> These groups have been identified and targeted in the actions to be conducted as part of the Stakeholder Engagement Plan (see Appendix 5).

<sup>[13]</sup> IUCN NL (2019). Opening the Black Box: local insights into the formal and informal global mercury trade revealed.

<sup>[14]</sup> Commission for Environmental Cooperation (2017). Enhancing the Alignment of North American Trade Statistics on Elemental Mercury and Mercury-added Products. Montreal, Canada: Commission for Environmental Cooperation. Available at: <http://www3.cec.org/islandora/en/item/11769-enhancing-alignment-north-american-trade-statistics-elemental-mercury-and-en.pdf>

<sup>[15]</sup> Illicit financial flows refer to activities considered as criminal offences, but also to some behaviors related to tax and commercial practices. Source: UNODC

<sup>[16]</sup> OECD Due Diligence Guidance for Responsible Supply Chains of Minerals. Available at:

<https://www.oecd.org/corporate/mne/mining.htm>

<sup>[17]</sup> Decision 844 to optimize the surveillance, control and restrictions on the import, export, transport, processing, and marketing of goods that support illegal mining or cause serious and sometimes irreversible damage to health and the environment.

<sup>[18]</sup> Andean Observatory on Mercury (2021). Report 1<sup>st</sup> Semester 2021. Available

at: <https://www.comunidadandina.org/wp-content/uploads/2022/08/I-Informe-Observatorio-Andino-del-Mercurio.pdf>

<sup>[19]</sup> The global gender gap index benchmarks national gender gaps on economic, political, education, and health-based criteria. The level of progress toward gender parity (the parity score) for each indicator is calculated as the ratio of the value of each indicator for women to the value for men. A parity score of 1 indicates full parity. 2023 values are



as follows: Peru (0.764), Mexico (0.765), Colombia (0.751), Ecuador (0.737), Bolivia (0.73) and Honduras (0.735). Source: World Economic Forum

<sup>[20]</sup> Gender Development Index: Ratio of female to male HDI values. 2021 values are as follows: Peru (0.95), Mexico (0.989), Colombia (0.984), Ecuador (0.980), Bolivia (0.964) and Honduras (0.969). Source: UNDP

<sup>[21]</sup> Gender Inequality Index: A composite measure reflecting inequality in achievement between women and men in three dimensions: reproductive health, empowerment and the labour market. 2021 values are as follows: Peru (0.380), Mexico (0.309), Colombia (0.424), Ecuador (0.362), Bolivia (0.418) and Honduras (0.431). Source: UNDP

<sup>[22]</sup> Minamata Convention. Gender. Available at: <https://minamataconvention.org/en/gender>

<sup>[23]</sup> Gender and Chemicals Partnership. Available at: <https://gender-chemicals.org/>

## B. PROJECT DESCRIPTION

This section asks for a theory of change as part of a joined-up description of the project as a whole. The project description is expected to cover the key elements of good project design in an integrated way. It is also expected to meet the GEF's policy requirements on gender, stakeholders, private sector, and knowledge management and learning (see section D). This section should be a narrative that reads like a joined-up story and not independent elements that answer the guiding questions contained in the guidance document. (Approximately 3-5 pages) see guidance here

The project structure builds around 3 components that address the three barriers described in the above section. The components are:

1. Coordinated strategies for assessing mercury trade issues at national and regional levels.
2. Legal instruments for controlling mercury trade at national and regional levels.
3. Measures for regional cooperation on mercury trade, ensuring the sustainability of project results.

Countries report mercury trade official data, but it is difficult to determine the amount of mercury not reported as well as the accuracy of the information. The records on internal distribution of mercury in countries are rare. Furthermore, illegal traffic of mercury takes place broadly and it is not easy to track at the national and regional levels, so complementary studies and information exchange are required.

Another important issue is the harmonization of data recording systems and the consistency of data. Some countries in the LAC region have already developed mechanisms to control the trade of mercury and other controlled substances, but different approaches have been taken. These add to the data discrepancies among different countries. The different LAC countries lack a comprehensive mapping and comparison of such mechanisms and authorities. Effective control of legal trade and prevention of illegal trade will require enhanced regional cooperation across borders so that systems are harmonized and can work easily together to follow trade flows. These systems should interact with complementary information and tools that could help centralize data for a more timely and effective analysis.

Furthermore, the relevant government authorities require a better understanding of the trade provisions included in the Minamata Convention, including the Article 3 restrictions on certain mercury sources, the trade forms already adopted by the COP, and the related requirements to manage trade and mercury diversion under the NAPs per Annex C. These authorities need to evaluate the potential legal and management needs for implementation, and the potential incremental costs (e.g., human resources, equipment) required to implement and enforce an effective trade control and traceability system for mercury.

In the project scenario, six countries in Latin America aim to build institutional and legal capacities to track and control mercury trade. Based on a careful review of the national situation of each country, including their challenges and opportunities, the GEF investment will specifically support drafting or adapting legal instruments in each target country, as appropriate, in line with obligations under Article 3 of the Convention, and will build national consensus for their endorsement. These will include provisions to control import/export and internal distribution patterns. In parallel, the project countries will develop strategies to address illegal trade including channels that may be used to bypass the existing controls.

In addition, the GEF investment will support harmonization of procedures, strengthen the overall trade control systems and network at the regional level, and support countries to prioritize key actions to improve collaboration and coordination in controlling mercury flows. The recently created Andean Mercury Observatory will be pilot tested during the project as a mechanism for the exchange of experiences, information and lessons learned among countries, as well as for the centralization of information and data that contribute to a better guidance for decision making by the governments involved.

Key national stakeholders in the mercury supply chain, including Minamata focal points, customs authorities, law enforcement authorities, mercury suppliers, ASGM operators, gold buyers, mining authorities, and the private sector, among others, will participate in the project. Periodic regional-level feedback regarding the flows of mercury to ASGM through the routine reports of the Andean Mercury Observatory, including appropriate recommendations will take place.

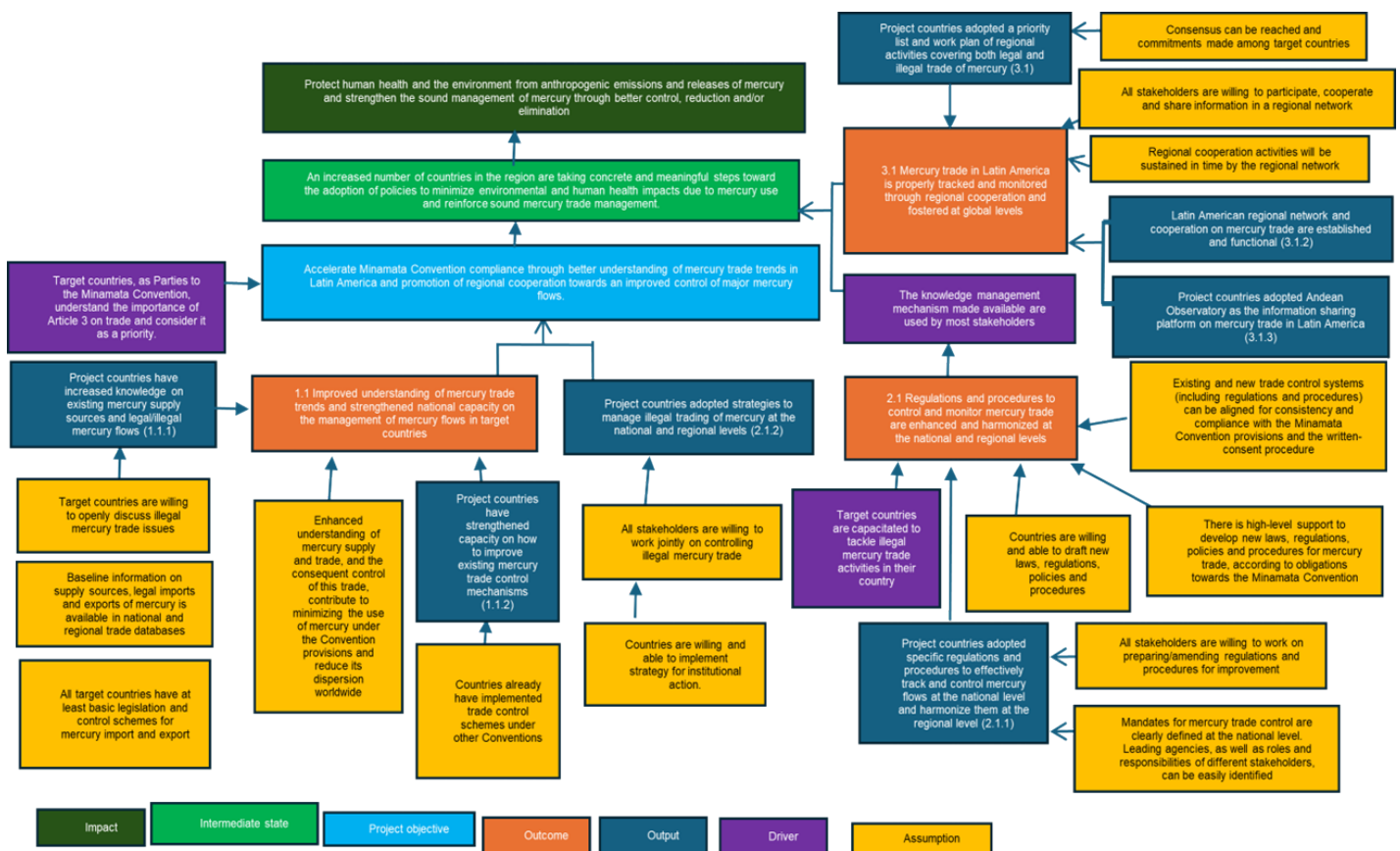


Figure 1. Theory of Change

### Expected overall impact and intermediate impact.

There is recognized and concrete evidence showing environmental and health risks associated with mercury and mercury compounds. Therefore, the overall impact of the proposed project is to protect human health and the environment through improved mercury trade mechanisms in Latin America. The six participating countries will demonstrate the impacts of effective implementation of the Minamata Convention on improving their mercury trade monitoring and control at both national level and regional levels. This model can be utilized by other Parties of the Convention, especially in Asia and Africa where mercury use and trade are also prevalent.

The expected intermediate impact of the project is that an increasing number of countries in the region will adopt rules and procedures to improve their understanding of mercury trade flows, and there will be an increase in collaboration at the regional level to combat illegal trade flows resulting in approximately 176 tons

of mercury prevented from entering the market. The indirect beneficiaries of the project are the people of the target countries, especially people working and living around ASGM communities where mercury is used and emitted, and direct beneficiaries are public officers who will benefit from enhanced knowledge and skills in exercising their responsibilities, as well as other stakeholders participating in the regional workshops, 1,000 individuals (500 women and 500 men) will directly benefit while 800,000 individuals will benefit indirectly. With political support leading to enactment and enforcement of legislation to regulate mercury trade, with the increase in reliable data and an enhanced capacity to tackle illegal trading at the national level, it will be easier to monitor and control mercury trade in the future. Furthermore, continuation of the regional collaboration mechanism and information sharing will be crucial to combat both legal and illegal transnational issues related not only to mercury trade, but to other problematic trade as well. During project implementation, a gender analysis will be integrated into assessments of mercury trade, examining its impact on various groups. This includes addressing women's needs, perspectives, and concerns in technical and legal frameworks, with a focus on adopting regulations to safeguard and empower women in relation to mercury trade. Efforts will also ensure women's meaningful participation in discussions and decision-making processes regarding regional cooperation. Moreover, initiatives will be undertaken to promote training and empowerment for women in leadership roles within national coordination mechanisms.

It will be important to monitor the impacts of the strategies on mercury trade. Actions in one country will have effects in other countries, and therefore it is important to consider from an early stage the effectiveness and impacts of actions taken over the life of the project.

### **Component 1: Coordinated strategies on mercury trade issues at national and regional levels.**

Under Component 1, the project countries will evaluate complementary studies, building on the work conducted during the preparatory phase, the regional baseline as well as on the experience and recommendations of the reports prepared by the Andean Mercury Observatory and other partners. The articulation of the specific content of the studies is important for the sustainability of the initiatives of this project and to avoid duplication or overlap between activities. Gender responsiveness should be incorporated into the assessments of mercury trade including how it affects different groups and women's role along the supply chain, ensuring that women's specific concerns are represented in the agreements. Events, workshops and capacity building activities will be organized to ensure equal participation of both men and women.

A national coordination mechanism grouping relevant institutions and stakeholders (possibly task teams or subcommittees of existing coordination bodies, where appropriate) will be established in each target country taking into account gender balanced composition and gender expertise, resulting in six coordination mechanisms functional at the national level.

Close collaboration with law enforcement entities will be sought at the national and local levels (National Police, Customs) as well as partnerships with international and regional entities, especially in order to strengthen the information available on illegal flows and transboundary dynamics.

A partnership with the Geosciences Center of the National Autonomous University of Mexico will be explored with regards to illegal mercury flows. The University has a laboratory for isotopic studies which could be useful to identify the origin of mercury samples via analysis of mercury isotopes identified in illegal shipments or processing centers in destination countries.

In addition, the GEF investment will support regional technical assistance to review the current trade control in countries – confirming the baseline scenario and preparing a guidance document on development of legal instruments to strengthen these controls (1.2.1 - 1.2.4). Countries will use this guidance document while implementing Component 2 of the project. Exchange of experiences on legal instruments and a comparative analysis of legislation across countries will feed into Component 2.

As a result of the information and knowledge generated, the six participating countries will be able to implement national strategies on national trade control systems harmonized at the regional level.

### **Output 1.1 Project countries have increased knowledge of existing mercury supply sources and legal/illegal mercury flows.**

Under Output 1.1, one inception workshop will be organized targeting at least 50 individuals (25 women and 25 men). Subsequently, one regional baseline study will be produced including sources of mercury supplies in the region identified and classified according to the Convention provisions; pathways of legal mercury flows across borders; at least three illegal mercury imports and routes of entry identified; and quantities estimated; and **educational resources sensitive to gender and its relation to the mercury supply chain**. In addition, each lead national entity will be supported and strengthened on their knowledge and capacities on mercury trade flows, **linkages of mercury exposure, effects on human health and the environment, and gender differences in risks and impacts** (amounting to six entities strengthened in total).

**Activity 1.1.1** Organize an inception workshop with all target countries to agree on the general content of national studies (regional and national)

An inception workshop (**considering gender expertise**) will take place during the first six months of project implementation, where the overall work plan and annual work plans will be presented and validated. In addition, national workshops (**ensuring equal participation of men and women**) will be organized in each country to discuss the activities among the key institutions involved. The necessary inputs and methodologies for the national studies of mercury supply sources and legal/illegal mercury flows will be defined.

**Activity 1.1.2** Identify mercury supply sources and classify as compliant or not compliant under Article 3 of the Minamata Convention (national)

National experts from participating countries will compile the available information (e.g., mercury quantities, origin and destination, etc.) and classify the mercury sources identified (**incorporate gender expertise to better understand how women are involved and affected along the supply chain**) as compliant or non-compliant under Article 3 of the Minamata Convention.

**Activity 1.1.3** Investigate volumes and pathways of legal mercury trade flows across borders and within the country's territory, assess current use of the written trade consent forms and identify any inconsistencies with Article 3 of the Convention (national)

The relevant authorities (customs, ministries, etc.) will assess the volumes and routes of legal mercury imports and exports and estimate the proportion of trade documented in compliance with the Minamata Convention provisions versus the proportion of trade that is not in compliance. Information on the internal supply chain and final users will be gathered. Countries will statistically analyze the usefulness of the written consent forms and identify inconsistencies in the legal and administrative frameworks when complying with Article 3 of the Convention. Information exchange and coordination meetings will be facilitated with the support of the Andean Mercury Observatory.

**Activity 1.1.4** Investigate the sources of illegal mercury imports and exports (**incorporate gender expertise to better understand how women are involved and affected**), including the known or likely mercury entry points into the country, trends, and the distribution networks within the country and regionally (national and regional)

To strengthen the baseline data and understand the routes taken by illegal mercury imports and exports, the counterparts from each country will prepare a heat map with information from the relevant authorities (customs, government, international experts, etc.) to understand how the illegal mercury trade takes place, and which routes and dynamics prevail. Information analysis and the identification of drivers and barriers of illegal mercury trade will be supported by international law enforcement entities (Organization of American States, Interpol, etc.).

**Activity 1.1.5** Develop an inventory of special conditions, “pressure points” or other factors that influence illegal mercury trade (national)

Once the main entry points and routes used for illegal mercury trade have been identified (Activity 1.1.4), the national experts from each country will collaborate to analyze and present the data collected through an inventory of illegal mercury use by country.

**Activity 1.1.6** Identify main institutions and stakeholders relevant to mercury supply, trade and tracking (national)

This activity started in the PPG phase and its purpose was to identify national stakeholders, agencies and institutions associated with mercury trade. During the project implementation, the list of entities per country will be updated regularly, as well as the means to ensure effective participation, engagement and communication with the relevant stakeholders (**ensure gender expertise**).

**Output 1.2 Project countries have strengthened capacity on how to improve existing mercury trade control mechanisms.**

Under output 1.2, a core guidance document will be published containing recommendations on how to strengthen and improve existing mercury trade control systems in the target countries (including how to improve the use of the written consent procedures under the Minamata Convention). **Following the integration of the gender perspective, the guidance documents will reflect a strong understanding of the relationship between gender and mercury trade, promoting equitable participation and inclusion.** Based on this document, each country will tailor and develop its own strategy in order to implement the recommendations at the national level with a harmonized approach (six strategies at the national level developed).

**Activity 1.2.1** Identify main gaps in current national trade control systems and written consent procedures based on national studies (including areas for potential inconsistency between countries) (national and regional)

With the help of the relevant and responsible authorities in each country, the project will identify the main weaknesses and gaps in the control systems and written consent forms. Based on a comparison across countries, a plan to mitigate these inconsistencies will be developed and presented to the national and regional authorities to propose solutions and recommendations to the current systems. The Minamata Convention Secretariat will provide recommendations in this process.

**Activity 1.2.2** Review domestic laws and regulations, and lessons learned from other MEAs regarding mercury trade and control of its distribution and use within the country (national), and assess the adequacy of enforcement authorities

The laws and regulations dealing with mercury imports and trade will be analyzed for the participating countries. Good practices and lessons learned on controlling the trade of other hazardous chemicals through laws and regulations will be explored. In addition, the institutional capacity and coordination mechanism of the relevant institutions will be assessed.

**Activity 1.2.3** Prepare guiding documents on key recommendations for each target country on how to strengthen and improve the consistency of existing national trade control systems (national)

Once the desk study of activity 1.2.2 has been completed, the relevant authorities of the participating countries, with the support of international experts from relevant law enforcement institutions (Interpol, UNODC, **WCO**), will draft guidance documents to address the weaknesses identified in relation to national trade control systems, so as to increase the interoperability of these trade control systems for potential harmonization or regionalization of policies in the future.

**Component 2: Legal instruments of mercury trade and control at the national and regional levels.**

Under Component 2, countries will undertake a process with the national coordinating committee to review obligations on trade under the Minamata Convention in light of the conclusions of the studies developed with regional technical assistance on the current procedures and legal framework (from component 1). The national committees will identify the mandates and legal instruments that will need to be adopted to monitor and control mercury imports and exports, as well as internal distribution channels. Legal instruments will be drafted or adapted in all target countries, and a strategy to ensure their adoption and enforcement will be developed and included as part of the regional work plan. **It will be important to include specific provisions addressing women's needs and concerns in these legal instruments and consider how regulations could be adapted to protect and empower women, especially in the ASGM sector.**

Continuous consultations will be held to obtain stakeholder buy-in and endorsement of the proposed legal drafts. In addition, instruments to improve or enhance other norms and procedures will be explored.

The national committees will also review key findings of the baseline assessment and discuss the main aspects to be considered in a national strategy to prevent illegal trade. These conclusions will be discussed together with the findings of the Andean Mercury Observatory for the subsequent adoption of recommendations at the regional levels. Concrete initial actions will address the need to make borders less permeable for illegal mercury trade.

Finally, training with law enforcement authorities (customs and border control agents) in all target countries will be conducted as part of the regional technical capacity building program to ensure that legal responses to cross-border mercury trade are coherent, cost-effective and coordinated. All of the planned training sessions (**ensuring equal participation of men and women**) will be coordinated closely with co-financing partners who are working in the LAC region in order to maximize synergies and minimize any repetition. A detailed training plan will be validated during the inception workshop after close consultation with co-financing partners and ministries from target countries.

As a result of this outcome, the six countries will agree on harmonized strategies and regulations for monitoring and controlling legal and illegal mercury trade and the key stakeholders have strengthened capacities to monitor and control mercury trade.

### **Output 2.1 Target countries have increased capacity to effectively monitor and control legal mercury flows through drafting of regulations and procedures at national levels.**

Under output 2.1, all six target countries will present draft new and/or revised gender responsive national laws for monitoring and control of legal mercury trade that are regionally aligned (**comprehensive guide to lead gender mainstreaming in acts, regulations, policies and procedures related to Minamata Convention, promoting equity and inclusion in all actions related to mercury control and management at the national level**). During the mid-term workshop, countries will present the progress and challenges encountered (at least 50 attendees, 25 men and 25 women).

**Activity 2.1.1** Draft new laws, regulations, policies and procedures (including written consent forms) to fill legal/policy gaps identified in the baseline study (from Component 1), in compliance with the Minamata Convention and recommendations to improve regional consistency (national) and enforcement (**percentage of laws, regulations, policies and procedures considering the gender mainstreaming guide**).

The national committees will assess the review and proposals for the laws, regulations, policies and procedures (including written consent forms) on trade in compliance with the Minamata Convention conducted under output 1.2. Based on that assessment, possible modifications to the procedures and legal instruments to control mercury imports and exports and internal distribution channels will be proposed.

**Activity 2.1.2** Draft strategies that allow for tracking the distribution of mercury within the country, to prevent illegal diversion to ASGM, that are effective and implementable (national)

In parallel to the legislation review and proposals (Activity 2.1.1), strategies that enable the monitoring of mercury trade within the target countries will be developed during the first year of implementation. Structured interviews and surveys will be conducted with government officials and other key stakeholders within the participating countries to assess their views and experience in preventing illegal diversion of mercury to ASGM.

Consultations will also be conducted with other key stakeholders, including NGOs (**organizations and/or entities that actively work on gender related issues**) and academic researchers. These strategies will be based on the ones outlined in the National Action Plan (NAP) on ASGM (**incorporate mining associations where women are represented**) and will be coordinated with other projects working on ASGM (e.g., planetGOLD).

**Activity 2.1.3** Disseminate and build consensus among national stakeholders about the proposed laws, regulations, policies, procedures and strategies (national)

To encourage and validate the legal and regulatory modifications and proposals in line with obligations under Article 3 of the Minamata Convention, continuous consultations will be held during the project to obtain stakeholder buy-in and endorsement of the modifications and proposals (**ensuring consultations with women and gender experts**).

**Activity 2.1.4** Share national strategies among participating countries, including the producers, importers, exporters, marketers, transporters and main consumers of mercury at regional level (regional)

Once the main stakeholders involved in the mercury supply chain have been identified, each country will be responsible for sharing this information at the regional level with the rest of the countries (**with gender considerations**). This will result in a general database providing a regional overview of the situation on mercury trade, where the different groups and individuals involved can be traced, and from which the target countries can exchange experiences and generate knowledge and information. This data will be compiled, stored and distributed with the support of the Andean Mercury Observatory.

The strategies will assess the feasibility of establishing an international digital platform shared by government authorities to exchange information in terms of authorizations issued to which companies, characteristics of the authorization (export or import, etc.), the amount of mercury authorized, the customs declaration for entry and others.

**Activity 2.1.5** Organize a mid-term workshop with all target countries to present national studies and key recommendations (regional)

At least 1 regional workshop (**ensure equal participation of men and women**) will be held over the course of the project to ensure that relevant stakeholders (government institutions, international and regional entities and other partners) are aware of the national studies on mercury trade and their recommendations. As part of the participatory workshop, key recommendations on legislation and regulation of mercury trade will be proposed, with a strong emphasis on regional collaboration.

**Output 2.2 Target countries have increased capacities to monitor and control illegal trading of mercury at the national and regional levels.**

Each target country will produce a draft national strategy for monitoring and controlling illegal mercury trade that is regionally harmonized (six in total) including gender considerations (**training courses conducted at national and regional levels to empower key actors; established protocols that prioritize and ensure equal participation of women and men in decision-making actions against illegal mercury trade; increased awareness and acknowledgement of specific gender roles and impact on the illegal mercury supply chain**). In addition, three regional investigative meetings will be conducted with law enforcement agencies to discuss issues related to mercury trade (targeting 50 attendees, 25 men and 25 women at each meeting) and at least

three trainings on mercury trade related topics will be conducted (targeting 50 attendees, 25 men and 25 women).

**Activity 2.2.1** Develop strategies for monitoring and controlling illegal mercury trade, in cooperation with law enforcement agencies and cross-border countries, including setting up a multi-national network and conducting regional investigative meetings to enhance information exchange (national and regional **with gender perspective**)

The national coordination mechanisms will also review key findings on illegal trade from the baseline assessment and discuss main aspects to be considered in a national strategy to monitor and control illegal mercury trade. Concrete initial actions will be considered to make borders less permeable for illegal mercury trade.

With the support of law enforcement agencies, regional investigative meetings will be conducted to exchange information and knowledge and develop the necessary strategies with active participation of the relevant authorities (at least 3 investigative meetings are expected).

**Activity 2.2.2** Train law enforcement agencies and custom officials on mercury trade related relevant aspects drawing from the strategies (national and regional)

Training of law enforcement authorities and custom officials (**ensure equal participation of men and women**) will be conducted as part of the technical capacity building program. The training will also include information related to safe mercury management with a focus on seized mercury, especially enforcement, handling, transportation, and storage practices and other relevant aspects such as human rights, gender, inspection and verification of shipments, improved technological capacity for mercury detection.

The training courses are envisaged on an annual basis and will be carried out in conjunction with other related training courses (at least 3 training sessions are expected).

Multimedia communication materials will be prepared to increase the outreach of the training across the responsible entities.

### **Component 3: Regional cooperation to reduce mercury trade and sustainability of project results.**

Component 3 will be dedicated to the exchange of information and expertise among countries and will strengthen the regional network that will be established to effectively collaborate and coordinate to achieve the common goal of controlling mercury trade in the region. The Andean Mercury Observatory will be involved in the implementation of Component 3 as it will be pilot tested as a mechanism for regional exchange of information and knowledge on mercury trade, ensuring confidentiality and privacy of data at different levels.

Members of the Andean Mercury Community, as non-member countries of the proposed project, provided their full consent and support for using the Andean Mercury Observatory as the main platform for collecting and sharing mercury related data and information in the region. Formal cooperation between the Observatory and other countries in the region will be established during the project to ensure that the mandate, responsibilities and funding of this mechanism continue as sustainable means after the project ends.

In year 3, a Regional Forum will be convened to address crucial aspects of mercury trade. Details will be discussed in the project's inception phase, with objectives including agreeing on priority regional activities, establishing a regional implementation workplan, and formalizing the regional cooperation network (**considering gender perspectives and ensuring participation of groups of women in ASGM, such as the National Network of Women in Mining in Bolivia identified during stakeholder mapping, serves to highlight their demands, suggestions, progress, and expertise, thereby facilitating the development of sustainable actions**). The Forum will involve a minimum of 2-3 representatives from each target country and International Advisory Board members. Additionally, invitations will be extended to non-target countries in the region (please refer to Appendix 9 - Implementation Arrangements and Coordination).



Formal commitments from the six participating countries to implement the actions outlined in the regional workplan and the implementation network will take place. The principal points of action and discussion during the Regional Forum will be:

- Exchange information on trade regimes, internal distribution controls, requirements and lessons learned of the Minamata Convention.
- Discuss legal and institutional changes generated under Component 2, considering the need for regional harmonization.
- Identify gaps in information and control systems for better regional cooperation, aiming for harmonization
- Exchange data on illegal trade to facilitate a regional risk assessment
- Strengthen the Andean Mercury Observatory's role, utilizing technological tools and cooperation measures.
- Collaborative set of priorities for regional mercury trade control, including recommendations from the Andean Mercury Observatory.
- Provide training for trade officials on Minamata Convention requirements for Article 3 and Article 7, and its linkage with Observatory Decisions 774 and 844.
- Train customs officials on controlling illegal trade, coordinating with the Andean Mercury Observatory.

Stakeholders' major concern is armed groups' influence in mining areas, posing a threat to project implementation. This may limit access to mining communities, hindering participation in integration activities during the project and for the long-term. Countries also lack capacity to manage seized mercury, which the project indirectly addresses through capacity-building sessions. Therefore, the regional work plan will consider the above factors and also potential solutions for regional storage and disposal of seized mercury.

A gender-sensitive communication strategy will be developed and implemented from project inception to effectively convey objectives and stress the importance of curbing illegal mercury flows at regional, national, and local levels (**ensuring women's participation in the mercury supply chain**). Inclusivity measures will involve tracking male and female participation in key consultations, training, and events, using both genders for knowledge products and communication materials. **Gender expertise will be engaged to review and assess all communications materials, including testing and confirming messages with groups of both men and women.** Gender-balanced language will be employed, portraying women as agents of change rather than victims. References to relevant international and national policy frameworks will be incorporated. The project commits to women's active participation in discussions and decisions on regional cooperation, promoting their training and empowerment in leadership roles.

Capacity building and knowledge exchange will be documented for broader impact and housed in a knowledge repository via the information exchange mechanism. Webinars and peer-to-peer exchanges among policymakers will cover diverse topics. The Global Mercury Partnership will be providing targeted technical assistance in the global dissemination of project results.

### **Output 3.1 Project countries agreed on a priority list for regional activities covering both legal and illegal trade of mercury.**

Under Output 3.1, at least one implementation regional workplan on monitoring and control of both legal and illegal mercury trade will be prepared with a list of priority cooperation and capacity-building activities including gender mainstreaming (**regional workplan reviewed and adjusted based on the recommendations of the assessment tool ensuring proposed activities accurately integrate the gender considerations**). Furthermore,

one regional meeting will be organized in the last year (expecting at least 100 attendees, 50 men and 50 women).

**Activity 3.1.1** Develop and convene a Regional Forum on mercury trade.

Leveraging outcomes from components 1 and 2, the project will host a Regional Forum to discuss contributions and plan next steps. The Observatory, coordinating the event, may invite additional countries for collaboration and result dissemination. Validation will be through the Project Steering Committee, with a dedicated session on key results and lessons learned (**including consultations with women and gender experts**).

**Activity 3.1.2** Agree on priority regional activities for joint work on mercury trade, encompassing enforcement responses and essential capacity building and information exchange at both national and regional levels for law enforcement investigators.

The Andean Observatory, in collaboration with national coordination mechanisms, will consolidate priority activities, entities, and timelines. Emphasizing transparency and ongoing communication, this ensures approval and validation by participating countries, promoting ownership and adaptation to unique contexts and legal frameworks.

**Activity 3.1.3** Develop a preliminary regional implementation workplan for identified activities, endorse it at the Regional Forum on Mercury Trade for follow-up cooperation. Countries will explore pilot activities on key priorities based on available resources.

Building on project progress, a regional work plan on mercury trade will be adopted at last year's Regional Forum. It will detail activities, timelines, responsible entities, budgets, and measures for adopting and implementing legislative actions. The plan will receive approval and endorsement from relevant authorities during the forum.

**Output 3.2 Latin American regional network and cooperation on mercury trade are established and functional.**

Training on regulations, procedures and technology for facilitating collection, processing, analysis and dissemination of legal and illegal mercury trade data (**develop a comprehensive gender plan along with a set of specific indicators to ensure effective inclusion and monitoring of gender perspective in activities, research, generated reports and publications emitted by the Andean Mercury Observatory**), including enforcement responses across national borders (expecting at least 60 attendees from each participating country, 30 men and 30 women and to be conducted in the same week as the Regional Forum in hybrid format).

**Activity 3.2.1** Establish a regional cooperation network or reinforce existing cooperation arrangements.

Aligned with its mandate, the Andean Mercury Observatory intends to expand through incorporation of Mexico and Honduras in its coordination. A dedicated instrument will be developed in the project's initial phase. The Observatory will oversee information sharing, ensuring an updated database accessible to countries and external entities, adhering to project regulations and legal frameworks.

**Activity 3.2.2** Initiate activities to boost technical capacities, aligned with the Regional Forum. This includes deploying technological tools for data sharing among countries, enhancing cross-border enforcement. Activities encompass general and specialized training, a regional strategy for illicit mercury flows, and debrief meetings for lessons learned and recommendations.

Parallely with the mentioned activities, training sessions on technological tools for data collection, processing, analysis, and dissemination will enhance the capacity of relevant authorities and enforcement agencies in participating countries.

### **Output 3.3: Project countries adopted Andean Observatory as the information sharing platform on mercury trade in Latin America.**

A Regional Network Platform developed, operational and functional granting access to participating countries and at least 1 virtual meeting for disseminating of project results and lessons learned to global stakeholders interested in mercury trade (expecting at least 100 participants 50 men and 50 women).

**Activity 3.3.1** Prepare, upload and document pilot trade information in the Andean Mercury Observatory The Andean Mercury Observatory will highlight challenges in compiling, analyzing, and reporting data on the digital platform, ensuring these are addressed in capacity-building activities. The Observatory's capacities will be reinforced through a technological tool aligned with Decision 844 for data collection, processing, analysis, and dissemination. This activity involves biannual expert sessions for analysis, conclusions, and recommendations, published and shared in the Regional Forum. Andean Mercury Observatory experts will identify systematization elements from the project, preparing a document with findings and lessons learned. Experience exchange sessions and feedback to Components 1 and 2 will be conducted to harmonize actions, and the report will be shared with participating countries for feedback.

#### **Activity 3.3.2** Global dissemination through the Global Mercury Partnership

Finally, the project will prepare factsheets and publications on the main findings and results which will be disseminated at the global level with other regions facing similar challenges. The Global Mercury Partnership (GMP) will support the outreach through its website and relevant events (when applicable). The data generated on mercury trade will complement the information gathered by the GMP from the National Action Plans (NAP) on ASGM. **The generated data will be publicly available and published on the Minamata Convention website based on discussions with and prior consent obtained from target countries.** The Global Mercury Partnership will enhance global outreach and dissemination on mercury trade. It offers stakeholders from project countries and worldwide a platform to share ideas, data, and knowledge with similar projects and initiatives, fostering network building and communication through online tools.

#### **Project sustainability, uptake, replicability and exit strategy.**

The preparation of the project was strongly driven by the countries, and throughout project implementation, continuous efforts will be made to ensure commitment from various stakeholders (the national coordination mechanisms and consultation meetings will support this process). During project design, the project had close engagement with UNEP's Regional Office for Latin America. During implementation, UNEP will engage the UN Resident Coordinator, UN Country Teams (UNCT), the regional UN Development Cooperation Office and the Andean Community of Nations to:

- Inform UNEP's project implementation at country level, as well as modalities for engagement in UNCT work;
- Ensure project countries duly consider environmental matters in their Voluntary National Reviews, where applicable; and
- Feed into the design and implementation processes of Common Country Analysis, as well as UN Development Cooperation Frameworks (UNDCF).

For the sustainability, uptake and replicability of project interventions, several actions will be carefully executed and closely monitored after project closure by the Andean Observatory with the cooperation from countries and other interested parties: a) ensure the quality and availability of developed knowledge products on a long-term platform; b) action and progress on the adopted developed regional work plan; c) conduct periodic assessment and trainings on difference topics of concern; and d) continue to increase capacities and awareness level of project stakeholders. The impact of the project will be tracked beyond the

project duration in the way identified in the regional work plan and by the Andean Observatory on Mercury which constitutes the exit strategy of the project.

### Institutional Arrangement and Coordination with Ongoing Initiatives and Project.

Please describe the Institutional Arrangements for the execution of this project, including financial management and procurement. If possible, please summarize the flow of funds (diagram), accountabilities for project management and financial reporting (organogram), including audit, and staffing plans. (max. 500 words, approximately 1 page)

Figure 2 shows the proposed project management structure for the project. The Implementing Agency (IA) is the United Nations Environment Programme (UNEP). The Executing Agency (EA) is the Basel Convention Coordinating Centre - Stockholm Convention Regional Centre for Latin America and the Caribbean (BCCC-SCRC) of Uruguay. Participating countries (also referred to in this proposal as “target countries”) will be members of the Project Steering Committee (PSC), and each country will identify its National Executing Organization and nominate a national project coordinator. The International Advisory Board (minimum 7 members) will include the co-financing partners, and other members will be nominated by the Project Steering Committee. A description of the roles and responsibilities of the different bodies managing the project is provided below.

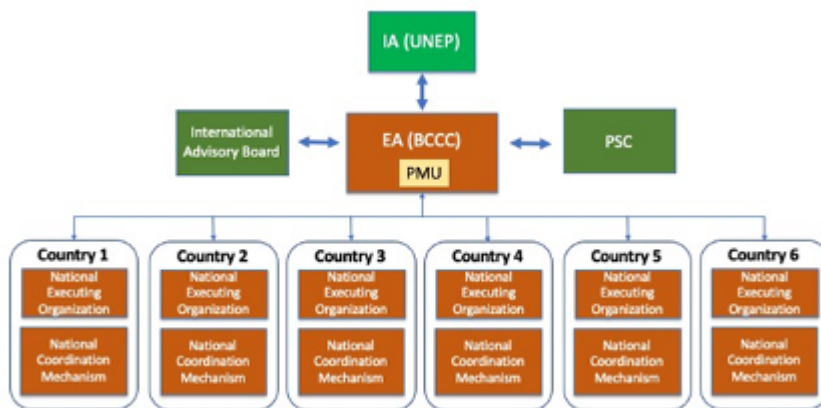


Figure 2. Project Governance Structure

**Implementing Agency (IA).** UNEP will be responsible for the success of the overall project, supervising the progress through the monitoring and evaluation of activities and reports, including technical issues. The UNEP Latin America and the Caribbean Office, based in Panama, will be closely engaged to support these functions, as well as to facilitate regional cooperation and upscaling of results. UNEP will report annually to GEFSEC through the Project Implementation Review process.

**Executing Agency (EA).** BCCC-SCRC will be responsible to ensure that the project advances as planned. BCCC-SCRC will be responsible for the management of the financial and human resources directly related to execution in the target countries, as well as for general cross-cutting support such as communication activities, through the establishment of a Project Management Unit (PMU). It will function as the general oversight for project execution in the target countries and will be accountable to the implementing agency for the achievement of project outputs and outcomes. BCCC-SCRC will be responsible for preparing all reports. The EA will take guidance from both the GEF implementing agency, the PSC, and the International Advisory Board in different matters concerning the project. In the delivery of its functions, BCCC-SCRC will be a member of the Project Steering Committee (PSC) and will establish a coordination mechanism between the PSC and the national coordinators.

**Project Steering Committee (PSC).** A Project Steering Committee will be established to provide direction and overall guidance in project implementation, making critical decisions on strategic matters. This body will also ensure the timely delivery of outputs and the eventual achievement of the outcomes by reviewing work plans and progress reports. The PSC will meet every six months and be chaired rotationally by different target countries. This body will be gender balanced and arrangements will be further defined during the inception phase taking into account the Pro-Tempore Presidencies of the Andean Community. In addition, the Global Mercury Partnership will be invited to be part of the PSC. Finally, a Focal Point will be designated and will rotate to monitor the progress of the gender action plan.

**International Advisory Board (IAB).** Considering that close attention to mercury trade in some of the target countries is a relatively new issue, and the complexity of legal and illegal trade flows, some experts and organizations will be invited to join the IAB. These invited members will represent different areas of complementary knowledge at international and local levels, and they will advise on suitable research methodologies and other relevant considerations, such as training of customs officers. Participation in the international advisory board will be on an invitational basis, and membership may change during the course of the project depending on the needs of the project and the availability of the board members. In addition to the co-financing partners (who will be invited to be part of the board), interested stakeholders and others who support the project will be evaluated by the PSC to join the board during project implementation. The list of IAB members will be determined during the inception phase. It will be important to consider local and territorial stakeholders with relevant experience in cross-border challenges.

**Project Management Unit (PMU).** This unit will be in charge of the day-to-day management of the project, including communication to and dissemination with project stakeholders. The PMU will be gender balanced and composed of a Project Coordinator, a Communications Expert, Gender Expert and other project staff, who will be in regular contact with national coordinators from each project country. The Gender Expert will ensure that gender mainstreaming is included in project activities and all gender related activities are monitored and tracked in each country. The PMU will provide scheduled updates and progress reports to the relevant bodies.

**National Executing Organizations and Coordination Mechanisms.** Each country will define the Ministry or institution leading the project at national level, and the executing organization of country activities, if different. The executing organization will host the national coordinator, who will be in regular contact with the EA.

Finally, a national coordination mechanism grouping relevant institutions and stakeholders (possibly task teams or subcommittees of existing coordination bodies, where appropriate) shall be established in each target country taking into account gender balanced composition. The Ministry of Environment, Ministry of Mines and Customs Authorities will be members, as well as the technical experts designated by the country members of the Andean Mercury Observatory. In addition, the national coordination mechanisms will articulate its work with the Andean Committee on Illegal Mining. Due to the cross-border nature of mercury trade, the Ministry of Foreign Affairs may be involved to facilitate dialogues with neighboring countries. Finally, the United Nations Resident Coordinator (UNRC) will be invited to be part of the national coordination mechanism of the target countries.

The formation of these organizational bodies should consider the structure, working areas, ordinary and extraordinary activities of institutions; and should define their way of operating during the inception phase of the project to ensure roles and responsibilities are clear.

Will the GEF Agency play an execution role on this project?

If so, please describe that role here and the justification.

Also, please add a short explanation to describe cooperation with ongoing initiatives and projects, including potential for co-location and/or sharing of expertise/staffing (max. 500 words, approximately 1 page)

Coordination with existing projects and programmes will be emphasized during the execution, as various other initiatives are related to achieving the objective of the proposed project. If the initiative is a co-financing partner, representatives will either be invited to participate in the project steering committee meetings or be part of the international advisory board, depending on project tasks and countries. For existing initiatives that already generated results, the proposed project will utilize those results in the most efficient and effective manner. Credits and references to previous studies and investigations will be clearly cited and presented. Please note that due to the number of target countries in the project and the high number of past and ongoing mercury related activities in the region, it was not possible to limit the description of cooperation with ongoing initiatives to one page.

### Recently completed (post-2015) and ongoing initiatives related to mercury and mercury trade in each target country and in the Latin American region.

Below is a table of recently completed, ongoing, and planned mercury projects in each of the participating countries. Several general projects related to mercury and the Minamata Convention are also listed. Some of them are not directly related to mercury trade. However, the capacity enhanced, results generated, and data collected from all of the listed projects will contribute toward the proposed project, especially with regard to mercury use in the ASGM sector.

It is worth mentioning that the baseline information will be built on the Minamata Initial Assessments (MIA) and National Action Plans (NAP) on ASGM of each country (when available). Concretely for the NAPs, the project will compile and streamline the ‘‘Strategies for managing trade and preventing the diversion of mercury and mercury compounds from both foreign and domestic sources to use in artisanal and small-scale gold mining and processing’’ of each country, to be included in the regional work plan.

Name of project	Status	Leading national agency	International partners	Relevant objectives
<b>BOLIVIA</b>				
Minamata Initial Assessment	Completed	Ministry of Environment	UNEP BCCC-Uruguay	Promote early implementation of the Minamata Convention through institutional and legislative assessment, identify and prioritize main mercury emissions and releases, and awareness raising.
Development of the National Action Plan on ASGM	Ongoing	Ministry of Environment and Water; Ministry of Mining and Metallurgy	UNIDO	Improve understanding and management capacity of the ASGM sector.
planetGOLD Bolivia	Ongoing	Ministry of Environment and Water; Ministry of Mining and Metallurgy	UNIDO	To reduce the use of mercury and increase incomes in the ASGM sector in Bolivia through a holistic, multisectoral integrated formalization approach, and increasing access to finance leading to the adoption of sustainable mercury-free technologies and access to traceable gold supply chains.
Mercury governance: mapping the formal and informal mercury supply chain in Bolivia	Completed		IUCN NL and partners	Map formal and informal mercury imports and exports in Latin America, e.g., Bolivia, Suriname and Guyana, with a particular focus on identifying illicit trade routes, trade hubs, price

Name of project	Status	Leading national agency	International partners	Relevant objectives
				and quantity patterns, and key players. The intention is to provide a better understanding of the informal mercury trade in the region. Increased transparency will help to enhance the governance within the ASGM sector and contribute to the implementation of the Minamata Convention.
Consultancy on mercury distribution in small scale gold mining (2019-2020)	Completed	Ministry of Mines	Better Gold Initiative	Develop a baseline for the use of mercury in Bolivia in small mining. In the document there are data referring to the volume of commercialization, in addition to forms of entry and distribution of mercury for gold mining.
<b>COLOMBIA</b>				
Minamata Initial Assessment	Completed	Ministry of Environment	UNIDO	Promote early implementation of the Minamata Convention through institutional and legislative assessment, identify and prioritize main mercury emissions and releases, and awareness raising.
Development of National Action Plan on ASGM	Completed	Ministry of Mines		Strengthen, implement, articulate and update an information system that involve each and every stage of the mercury cycle and products that contain it (import, production, commercialization, use, handling, transport, storage, final disposal, emission, release, risks, etc.).
planetGOLD Colombia	Ongoing	Ministry of Mines and Ministry of Environment	UNDP	Reduce mercury use in ASGM activities (technical assistance, access to finance and technology transfer).
Capacity building for mercury management in artisanal and small-scale mining in Colombia	Completed	National Clean Production Center	UNEP and National Center for Cleaner Production (CNPMLTA)	Aim to develop and test a mercury management process in Antioquia that demonstrates best practices. A guide was developed for the storage and management of mercury in possession of the Colombia military forces in cases of seizure in mining areas or voluntary deliveries.
<b>ECUADOR</b>				
Minamata Initial Assessment	Completed	Ministry of Environment	UNEP BCCC-Uruguay	Promote early implementation of the Minamata Convention through institutional and legislative assessment, identify and prioritize main mercury emissions and releases, and awareness raising.
Development of the National Action Plan on ASGM	On-going	Ministry of Environment	UNIDO	Improve understanding and management capacity of the ASGM sector.
PlanetGOLD Ecuador	On-going	Ministry of Environment	UNDP	Aims to reduce the use and releases of mercury from ASGM, train artisanal miners, improve the selling price for responsibly produced gold, and create industrial incentives and competitive fund mechanisms to increase access to financing for miners.
Strengthen capacities in the implementation of the Minamata Convention in Ecuador	Project selected but not yet started	Ministry of Environment	Minamata Convention Secretariat – Specific International Programme	Identify at the national level the sources that emit or release mercury to strengthen control, and monitor whether there are other relevant issues, such as the identification of contaminated sites and their environmentally sound management.
Strengthening of the national control system for the	On-going	Ministry of Environment	UNEP Special Programme	Strengthen national capacities for: building and adoption of regulations and effective control tools,

Name of project	Status	Leading national agency	International partners	Relevant objectives
management of dangerous materials in Ecuador				strengthening interagency and sectoral coordination, as well as the effective implementation of related multilateral environmental agreements aligned with national targets that involve the real-time traceability of chemicals and wastes.
Without Mercury	Completed	Ministry of Mining	Canadian Institute for International Resources and Development (CIRDI), University of Colombia, with support from Technical University of Machala	Transformation of artisanal and small-scale gold mining and social learning (TRANSMAPE) that focused on the professionalization of mining practices, including the review of gold production processes, especially in the southern zone of Ecuador; the project has benefitted the miners' associations, plants, state entities, universities and training centers.
<b>HONDURAS</b>				
Environmental Sound management of mercury and Mercury Containing Products and their Wastes in ASGM and Healthcare (2015-2019)	Ongoing	Ministry of Environment	UNDP	Protect human health and the environment from mercury releases originating from the intentional use of mercury in ASGM, as well as the unsound management and disposal of mercury containing products from the healthcare sector, in order to respond to national needs and future commitments toward Minamata Convention.
Development of the MIA and the National Action Plan on ASGM	Ongoing	Ministry of Environment	UNEP	Promote early implementation of the Minamata Convention through institutional and legislative assessment, identify and prioritize main mercury emissions and releases, and awareness raising Improve understanding and management capacity of the ASGM sector.
planetGOLD Honduras	Ongoing	Ministry of Environment	UNDP	To reduce the use of mercury and increase incomes 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.
<b>MEXICO</b>				
Minamata Initial Assessment	Completed	INECC	UNEP	Promote early implementation of the Minamata Convention through institutional and legislative assessment, identify and prioritize main mercury emissions and releases, and awareness raising.
Development of the National Action Plan on ASGM	Ongoing	INECC	UNEP	Improve understanding and management capacity of the ASGM sector.
Reducing global environmental risks through the monitoring and development of alternative livelihood for the primary mercury mining sector in Mexico	Ongoing	SEMARNAT/INECC	UNEP	Prevent the risks to environment and human health from mercury through the control of primary mercury mining and enable environmentally and socially sound alternative economic activities and livelihoods in the state of Queretaro.
Eliminate mercury use and adequately manage mercury and mercury wastes in the chlor-alkali sector in Mexico	In preparation (PCA signing)	SEMARNAT/INECC	UNEP	Eliminate mercury use and adequately manage mercury and mercury wastes in the chlor-alkali sector.
<b>PERU</b>				



Name of project	Status	Leading national agency	International partners	Relevant objectives
Minamata Initial Assessment	Completed	Ministry of Environment	UNEP BCCC-Uruguay	Promote early implementation of the Minamata Convention through institutional and legislative assessment, identify and prioritize main mercury emissions and releases, and awareness raising.
Development of the National Action Plan on ASGM	Completed	Ministry of Environment	UNIDO	Improve understanding and management capacity of the ASGM sector.
planetGOLD Peru	Ongoing	Ministry of Environment	UNDP	Reduce mercury use in ASGM activities (technical assistance, access to finance and technology transfer).
Strengthen capacities to control emissions and releases of mercury in Peru	Ongoing	Ministry of Environment	Minamata Convention Secretariat – Specific International Programme	Develop a national plan and enhance institutional capacity to control, and when feasible reduce, national emissions and releases of mercury.
On the trail of illicit gold proceeds: strengthening the fight against illegal mining finances	Ongoing		Organization of American States (OAS)	Strengthen the capacities of agencies responsible for addressing all stages of the fight against the financing of illegal mining in the participating countries (Brazil, Colombia, Ecuador, Guyana, Peru and Suriname), including prevention, detection, intelligence processing and analysis, and prosecution, as well as the seizure, confiscation, administration and disposal of the assets produced or used in these crimes.
Support to the 2019-2020 capacity building and technical assistance programme of the Secretariat of the Minamata Convention on Mercury in relation to trade and emissions	Ongoing	Ministry of Environment	Minamata Convention Secretariat  European Union	Develop mercury handling and storage protocol for enforcement officials.
United States-Peru Environmental Cooperation Work Program (2015-2018)	Completed	Ministry of Environment  Ministry of Energy and Mines	US Environmental Protection Agency (USEPA)	Develop and implement a national action plan to reduce mercury pollution from artisanal and small-scale gold mining as required by the Minamata Convention.
Reducing the supply of mercury available for use in the Andean artisanal and small-scale gold mining sector (2017-2018) and increased transparency and control of mercury in Peru (2018-2021)			USDOS – Bureau of Oceans and International Environmental and Scientific Affairs  Artisanal Gold Council (AGC)	Reduce the use of mercury in the ASGM sector in Peru. While the initial project was examining strategies for reducing the supply of mercury available by accelerating the development of adequate facilities and strategies for interim storage of mercury, the lengthier follow-up project was focused on supporting Peru's government agencies to increase transparency, traceability, and control over the elemental mercury handling system through the development of practical policies, regulations, infrastructure and tools for handling, tracking, and securing mercury.
Peru PREVENT 2019-2024			USAID DAI	Combat environmental crime, strengthen environmental monitoring and enforcement regarding natural resources.
<b>GENERAL</b>				
Development of Convention training materials, including supply, trade and ASGM	Completed	Funded through UNEP Geneva	NRDC	Provide stakeholders with easily understood materials on the legal and technical aspects of Convention control measures.
Assistance for South America to enhance regional cooperation on NAPs	Completed	US Department of State	NRDC	Organize regional workshop to discuss relevant issues related to NAP development, including trade; prepare initial concept document for regional

Name of project	Status	Leading national agency	International partners	Relevant objectives
				trade project from which the current project was derived.
On the trail of illicit gold proceeds: Strengthening the fight against illegal mining finances	Ongoing	Organization of American States	Colombia, Ecuador, Guyana, Peru and Suriname	This project seeks to strengthen the capacities of the agencies in charge of fighting the finances of illegal mining throughout its irregular production chain.

There are strong links to the planetGOLD program led by UNEP, which is active in five out of six of the participating countries. The project will build on the information and knowledge gathered through planetGOLD, and materials on mercury-free alternatives will be further disseminated.

The project will also connect with the Amazon Sustainable Landscapes Program which is collaborating with the Amazon Regional Alliance for the Reduction of the Impacts of Gold Mining (ARAIMO in Spanish) and Conservation Strategy Fund (CSF) on exchanging ideas among the various countries and actors involved in issues related to illegal mining and mercury contamination, as well as the generation and dissemination of information for better decision-making.

Furthermore, regular calls and meetings will take place amongst participating countries to ensure that there are synergies across the activities as well as to promote peer-to-peer learning.

## Core Indicators

Indicate expected results in each relevant indicator using methodologies indicated in the GEF-8 Results Measurement Framework Guidelines. There is no need to complete this table for climate adaptation projects financed solely through LDCF and SCCF.

### Indicator 9 Chemicals of global concern and their waste reduced

Metric Tons (Expected at PIF)	Metric Tons (Expected at CEO Endorsement)	Metric Tons (Achieved at MTR)	Metric Tons (Achieved at TE)
176.00	176.00	0.00	0.00

### Indicator 9.1 Solid and liquid Persistent Organic Pollutants (POPs) removed or disposed (POPs type)

POPs type	Metric Tons (Expected at PIF)	Metric Tons (Expected at CEO Endorsement)	Metric Tons (Achieved at MTR)	Metric Tons (Achieved at TE)

### Indicator 9.2 Quantity of mercury reduced (metric tons)

Metric Tons (Expected at PIF)	Metric Tons (Expected at CEO Endorsement)	Metric Tons (Achieved at MTR)	Metric Tons (Achieved at TE)
176.00	176.00		

### Indicator 9.3 Hydrochlorofluorocarbons (HCFC) Reduced/Phased out (metric tons)

Metric Tons (Expected at PIF)	Metric Tons (Expected at CEO Endorsement)	Metric Tons (Achieved at MTR)	Metric Tons (Achieved at TE)

**Indicator 9.4 Number of countries with legislation and policy implemented to control chemicals and waste (Use this sub-indicator in addition to one of the sub-indicators 9.1, 9.2 and 9.3 if applicable)**

Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)

**Indicator 9.5 Number of low-chemical/non-chemical systems implemented, particularly in food production, manufacturing and cities (Use this sub-indicator in addition to one of the sub-indicators 9.1, 9.2 and 9.3 if applicable)**

Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)

**Indicator 9.6 POPs/Mercury containing materials and products directly avoided**

Metric Tons (Expected at PIF)	Metric Tons (Expected at CEO Endorsement)	Metric Tons (Achieved at MTR)	Metric Tons (Achieved at TE)

**Indicator 9.7 Highly Hazardous Pesticides eliminated**

Metric Tons (Expected at PIF)	Metric Tons (Expected at CEO Endorsement)	Metric Tons (Achieved at MTR)	Metric Tons (Achieved at TE)

**Indicator 9.8 Avoided residual plastic waste**

Metric Tons (Expected at PIF)	Metric Tons (Expected at CEO Endorsement)	Metric Tons (Achieved at MTR)	Metric Tons (Achieved at TE)

**Indicator 11 People benefiting from GEF-financed investments**

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
<b>Female</b>		500		
<b>Male</b>		500		
<b>Total</b>	<b>0</b>	<b>1000</b>	<b>0</b>	<b>0</b>

Explain the methodological approach and underlying logic to justify target levels for Core and Sub-Indicators (max. 250 words, approximately 1/2 page)

GEF Core Indicator 9

Using data available from the UNEP Global Mercury Assessment (GMA), the UNEP report on illegal trade of chemicals, and published MIA and NAP reports from target countries on mercury use in ASGM, the proposed project expects to prevent/avoid

approximately 176 metric tons of mercury from entering the international market through improved trade controls in the LAC region, and a replication factor of 2 as a result of regional collaboration via the Andean Observatory:

- 59 metric tons of reduction through less production (primary mining) and consumption (ASGM sector) of mercury
- 29 metric tons of reduction through prevention of illicit movements and seizure of mercury

Total: 88 metric tons x 2 = 176 metric tons

The production and consumption estimates came from the connection between import/export and ASGM usage in each target country. By improving the use of prior consent forms on trade, tracking and monitoring of legal trade within the region, phasing out primary mining in Mexico and usage in the ASGM sector, a 10% reduction in mercury trade is expected in the next 5-8 years. In terms of illegal trade, the project intends to address and reduce the illicit movement of mercury through the LAC region and improve tracking and enforcement of national and transnational activities. Therefore, a 10% reduction in illegal trade is also expected through project interventions although the project will not directly seize mercury. As these assumptions were based on estimated data from the GMA, MIA and NAP reports, the final global reduction in mercury going to international markets will be closely monitored and verified during the project.

The primary mercury mining (GEF ID 10086) project, currently under implementation, will reduce the supply of mercury from Mexico and its export volumes to the rest of the Latin American countries. It will have an indirect impact on the proposed project with a downward trend in mercury trade volumes in the region over time.

The chlor-alkali (GEF ID 10526) project, currently under implementation, will track the exported tons of mercury from Mexico to other chlor-alkali plant as a commodity in the CHLOROSUR network in Latin America. It will have an indirect impact on this project with a downward trend in mercury trade volumes in the region over time.

#### GEF Core Indicator 11

Based on current data, the people directly benefiting from the project will be around 1,000 (500 women, 500 men) based on the identification of the main actors in the countries involved conducted during the preparatory phase. During project implementation, a list of participants (sex disaggregated) will be recorded during organized meetings and events to determine how many people are participating and benefitting. In addition, for the regional workshops, when the invitation is extended to counterparts outside of the project, data will also be collected by gender.

Given the extensive environmental contamination caused by the use of mercury in ASGM in the region, the mining sector population of the participating countries is expected to indirectly benefit from the results of the project. There are approximately 800,000 people involved with the use of mercury (primary mercury mining and ASGM) of whom 70% are expected to be male and 30% are expected to be female (560,000 men and 240,000 women) based on the regional average.

Refer to Appendix 12 GEF Core Indicator Worksheet and Appendix 15 GEB Calculation Worksheet for further information.

## Key Risks

	Rating	Explanation of risk and mitigation measures
CONTEXT		
Climate	Low	Diminished local support as a result of shifting priorities. Impact: M; Likelihood: L; Components: All As participating countries increasingly tackle the impacts of climate change, it is anticipated that their political priorities may shift. To ensure sustained support, project activities will

		<p>undergo validation with assistance from the project coordinator and national stakeholders. The project will emphasize communication highlighting the long-term benefits and business opportunities stemming from its proposed activities, as outlined in the risk mitigation section on social risks. Project output delayed. Impact: M; Likelihood: L; Components: All The development and implementation of the project may experience delays due to the impacts of climate change. The project timeline will take into account the likelihood of climate-related disasters and impacts occurring during the implementation phase in the annual work plans. However, no major impacts are foreseen as activities will likely take place in capital cities.</p>
Environmental and Social	Low	<p>Gender disparities at both societal and policy levels impede the achievement of gender-related indicators. Impact: M; Likelihood: L; Components: All The Gender Action Plan of the project guarantees the integration of gender considerations across all project components and will be rigorously overseen by project staff, including the coordinator, and gender expert (budget allocated under the consultants line of the project personnel component 1205 located in Appendix 4, Project overall budget). Training programs on mercury trade focused on gender sensitivity, along with consultations and communications sensitive to gender issues, will play a role in challenging and transforming stereotypes and perceptions surrounding the roles of women both at the Ministry authorities and along the mercury supply chain.</p>
Political and Governance	Moderate	<p>Shifts in governmental and personnel priorities, particularly among individuals with limited awareness and knowledge of mercury trade issues. Impact: M; Likelihood: L; Components: All Project information will be widely disseminated to stakeholders in participating countries. The teams will conduct extensive national and regional consultations, ensuring the engagement of personnel from multiple government ministries, international and local entities in project activities. Alternates will be designated for all national focal points in the project. Collaborations with academic, research, civil society, and private sector partners in all countries can mitigate this risk by establishing networks of well-informed and involved stakeholders capable of sustaining project activities and results despite internal changes among the initially engaged partners. A core part of the communication strategy will build on the project stakeholder engagement plan. Actors linked to illegal and illicit activities hamper governance of project and impact of activities. Impact: M; Likelihood: M; Components: All Stakeholders' major concern is armed groups' influence in mining areas, posing a threat to project implementation. This may limit access to mining communities, hindering participation in integration activities during the project and for the long-term. To address this risk, it is crucial to establish robust community security partnerships. This involves collaboration with local law enforcement, community leaders, and relevant security agencies to</p>

		enhance the safety and security of the mining communities and adequate risk assessment for project activities.
INNOVATION		
Institutional and Policy		
Technological		
Financial and Business Model		
EXECUTION		
Capacity	Low	The project partners fail to maintain the project activities and reap the associated benefits. Impact: M; Likelihood: L; Components: All During the project preparation, an assessment of the needs and concerns of key stakeholders was conducted, and the most effective engagement approaches were determined based on their feedback. The project will extensively consult various entities, including government institutions, the private sector, civil societies, international partners, and ASGM miners, as outlined in the stakeholder engagement plan. The achievements and successes of the project activities will be disseminated through diverse communication channels and the knowledge management platform (Component 3), with support from the Andean Observatory, to enhance visibility of efforts and progress. Eventually, the knowledge from this project will be further disseminated by the UNEP Global Mercury Partnership Knowledge Platform, fostering continuity and replication throughout the project implementation.
Fiduciary	Low	National execution partners face constraints in their procurement and execution capacity. Impact: M; Likelihood: L; Components: All During the project preparation, it was noted that national partners (government institutions) have limited capabilities in procurement and contracting. There was a discussion about the possibility of having regional execution partners (regional project managers) oversee the funds related to significant procurement activities. However, the project countries affirmed their commitment and ability to conduct the required arrangements at the national level with support and guidance from the Executing Agency. The project will vigilantly oversee procurement activities, and if necessary, propose a revision during the project's implementation.
Stakeholder	Low	Limited involvement from stakeholders and/or key government actors. Impact: M; Likelihood: L; Components: All Inadequate policy implementation and enforcement will undermine the incentive structure for all stakeholders, particularly impacting efforts to engage the private sector and ASGM communities. Throughout the preparation phase, national focal points and key ministries were extensively involved and received regular updates. Relevant government actors have been

		<p>identified and will be actively engaged and consulted during project implementation, aiming to incorporate the countries' national priorities into all components. Critical involvement of national ministries is emphasized under Component 1. During the project preparation, national focal points secured co-financing from various ministries to materialize their engagement. All countries affirmed their commitment during the project validation workshop, and their participation will be monitored in accordance with the stakeholder engagement plan. The plan will be regularly updated during the project implementation including a targeted communication strategy, in line with UNEP and GEF guidances. There is also a risk of lack of genuine commitment or understanding of the importance of gender mainstreaming by some key actors, cultural or institutional resistance to equity-oriented changes, lack of access to gender-disaggregated information, and the possible absence or low participation in the process of the representative groups, especially women. The Gender Expert will ensure that these risks are monitored throughout implementation and adaptive management practices are taken to ensure gender equality.</p>
Other		NA
Overall Risk Rating	Low	Combining all of the identified risk, this assessment concludes that the overall project risk rating is low. However, close monitoring of risks (already identified and possible future risks) will guarantee adequate risk management and adaptation.

## C. ALIGNMENT WITH GEF-8 PROGRAMMING STRATEGIES AND COUNTRY/REGIONAL PRIORITIES

Explain how the proposed interventions are aligned with GEF- 8 programming strategies and country and regional priorities, including how these country strategies and plans relate to the multilateral environmental agreements.

For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e., BD, CC or LD), please identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and explain how.

Confirm if any country policies that might contradict with intended outcomes of the project have been identified, and how the project will address this. (max. 500 words, approximately 1 page)

The project is directly aligned with the GEF-8 programming strategies. It contributes to the Chemicals and Waste focal area, Objective 1: Creation, strengthening and supporting the enabling environment and policy coherence to transform the manufacture, use and sound management of chemicals, and to eliminate waste and chemical pollution; and also, Objective 2: Prevention of future build-up of hazardous chemicals and waste in the environment.

The project aims to better understand, monitor and control both legal and illegal mercury flows through international markets, while ensuring the significant involvement of national and international partners to comply with the provisions of the Minamata Convention. Additionally, in line with the GEF-8 programming strategy, the project addresses chemicals and waste priorities, including:

- Ensure gender sensitive awareness raising and communication to be included in training sessions and strategies development during all the phases of the project.
- Support policy coherence across national institutions to manage hazardous chemicals and wastes.

The intervention will also contribute to the achievements of several Sustainable Development Goals (SDGs): SDG 3 (target 3.9), SDG 12 (targets 12.4, 12.a), SDG 16 (target 16.7), SDG 17 (targets 17.9, 17.16).

It will have important contributions to the objectives of the Minamata Convention, including controlling mercury trade, reducing mercury supply and therefore reducing mercury dispersion in the region and globally. The project will also support the assessment of current schemes in target countries to generate trade statistics, develop a database and network, and facilitate the identification and resolution of data discrepancies. At the national level, it will support target countries to draft legislation and procedures to monitor and control mercury trade.

These are challenges that are broadly present in other regions and countries worldwide that are now implementing the provisions of the Minamata Convention. Without accurate global data on mercury imports and exports, countries will not have the necessary information to take effective actions towards monitoring and controlling mercury flows. Among other important measures, the project intends to review and improve procedures in these countries to use the prior informed consent forms required by the Minamata Convention. The experiences and lessons learned from this project will contribute to similar processes in additional countries within the Latin America region, as well as in countries in other regions of the world such as Asia Pacific and Africa.

In terms of national policies, most of the countries have approved legal decrees aiming at improving technical and legal capacities in relation to mercury as well as its control for better environmental and health outcomes: i) Bolivia through Supreme Decree 4959 aims at regulating the import, export and sale of mercury; ii) Colombia through Law 1658 establishes provisions for the commercialization and use of mercury in the country's various industrial activities, establishes requirements and incentives for its reduction and elimination; iii) Ecuador through the Organic Law amending the Mining Law, determines the prohibition of mercury in mining activities seeking the application of alternative methods that allow the elimination of this substance in the processes of recovery of the mineral; iv) Honduras through the approval of Legislative Decree 126 establish measures and conditions to regulate the extraction, manufacture, import, use, storage, and export of mercury, mercury compounds; v) Mexico developed a Decree 27 amending several provisions of the Mining Law, the National Waters Law, the General Law of Ecological Balance and Environmental Protection and the General Law for the Prevention and Integral Management of Waste, regarding mining and water concessions; and vi) Peru through Supreme Decree 059-2021 establishes the provisions for the entry and exit of the country of controlled chemical inputs.

The proposed project also directly responds to other regional priorities and recommendations of the Andean Observatory on Mercury and the Andean Policy against Illegal Mining. In 2023, the Amazon countries (including Bolivia, Colombia, Ecuador and Peru) adopted the Belem Declaration to combine efforts to advance a common agenda in the Amazon including a focus on the exposure to mercury from ASGM and cooperate in the fight against illegal mining, illegal trade and other related crimes.

The project has also identified contributions to the United Nations Sustainable Development Framework (UNSDCF) of the target countries. These will be further explored with the UN Country Teams of the respective countries during the inception phase: i) Bolivia (2023-2027) its second priority empowers vulnerable actors for a sustainable, inclusive transition, aligning with multiple SDGs focusing on environmental sustainability, supporting depatriarchalization and decolonization.; ii) Colombia (2023-2027) strategic area 3 accelerates SDG in environmental management, under result 3.1 institutions receive support addressing artisanal mining focusing on environmental management and health impacts; iii) Ecuador (2023-2025) objective 3 entails providing technical assistance and support for generating regulations and



policies for national and local environmental coordination, with a focus on promoting participation of traditionally excluded groups; iv) Honduras (2022-2026) strategic area 3 aims for a productive country, utilizing resources sustainably and reducing environmental vulnerability. Municipalities are prioritized addressing their needs, but also considering climate change and ecosystem conservation; v) Mexico (2020-2025) cooperation area III aligns government orders, private sector, academia, and civil society for climate change and green economy. It aims to integrate territorial planning with ecological planning, promoting sustainable and inclusive resource management; vi) Peru (2022-2026) strategic priority 2, 'Environment and Climate Change Management,' aims to enhance resilience by improving policies and mechanisms for environmental and climate change issues, emphasizing a comprehensive approach, including gender, rights, interculturality, life cycle, and territory by 2026.

Finally, the project will positively contribute to the UNEP's Mid-Term Strategy and Programme of Work in the following direct outcomes:

- 3.1 Regional and national integrated policy has shifted towards the sound management of chemicals and waste.
- 3.5 Institutional capacity to adopt and act on national and international commitments is enhanced.
- 3.9 Use of harmful chemicals in products and processes is reduced in key sectors.

Concretely, the project will support the Chemicals and Pollution Action Sub-programme and the Environmental Governance Sub-programme. In addition, it has specific links to the following Programme Coordination Projects (PCPs):

- **Pollution and Health:** The project will contribute to components 1, 3 and 5. Under component 1, it will provide science-policy data for prioritizing actions for target countries about the mercury trade issues at national and regional levels; under component 3, it will strengthen capacities on the mercury trade, use and its pollution prevention and control while harmonizing policies in target countries; Under component 5, it will raise public awareness among key actors from each country as well as the international and regional key partners such as the GEF Secretariat, Global Mercury Partnership, Organization of American States, INTERPOL and USEPA.
- **Circularity in Sectors:** The project will enhance a shift in the government policies and regulations to properly address mercury trade to create change in high-impact sectors within target countries; additionally, improved knowledge and science-based evidence will help the decision-making authorities to comply with the obligations of the Minamata Convention.

## D. POLICY REQUIREMENTS

### Gender Equality and Women's Empowerment

**We confirm that gender dimensions relevant to the project have been addressed during Project Preparation as per GEF Policy and are clearly articulated in the Project Description (Section B).**

Yes

**1) Does the project expect to include any gender-responsive-measures to address gender gaps or promote gender equality and women's empowerment?**

Yes

If the project expects to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment, please indicate in which results area(s) the project is expected to contribute to gender equality:

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**Closing gender gaps in access to and control over natural resources;**

**Improving women's participation and decision-making; and/or**

Yes

**Generating socio-economic benefits or services for women.**

**2) Does the project's results framework or logical framework include gender-sensitive indicators?**

Yes

### Stakeholder Engagement

We confirm that key stakeholders were consulted during Project Preparation as required per GEF policy, their relevant roles to project outcomes has been clearly articulated in the Project Description (Section B) and that a Stakeholder Engagement Plan has been developed before CEO endorsement.

Yes

### Select what role civil society will play in the Project

Consulted only;

Member of Advisory Body; Contractor; Yes

Co-financier; Yes

Member of project steering committee or equivalent decision-making body ;

Executor or co-executor;

Other (Please explain)

### Private Sector

Will there be private sector engagement in the project?

Yes

And if so, has its role been described and justified in section B project description?

Yes

### Environmental and Social Safeguards

We confirm that we have provided information regarding Environmental and Social risks associated with the proposed project or program, including risk screenings/ assessments and, if applicable, management plans or other measures to address identified risks and impacts (this information should be presented in Annex E).

Yes

Please provide overall Project/Program Risk Classification

Overall Project/Program Risk Classification

PIF	CEO Endorsement/Approval	MTR	TE
Low	Low		

## E. OTHER REQUIREMENTS

### Knowledge management

We confirm that an approach to Knowledge Management and Learning has been clearly described during Project Preparation in the Project Description and that these activities have been budgeted and an anticipated timeline for delivery of relevant outputs has been provided.

Yes

### Socio-economic Benefits

We confirm that the project design has considered socio-economic benefits to be delivered by the project and these have been clearly described in the Project Description and will be monitored and reported on during project implementation (at MTR and TER).

Reducing mercury trade in the Latin American region holds potential for catalyzing positive socioeconomic outcomes. Firstly, it would lead to improvements in public health, as mercury exposure is linked to severe neurological and developmental disorders, particularly in vulnerable populations like children and pregnant women working in the ASGM sector. This reduction would consequently decrease the burden on healthcare systems, releasing resources for other critical needs. Moreover, a decline in mercury trade and its use in the ASGM sector would strengthen the sustainability of local ecosystems, reducing biodiversity risk and reducing impacts on the livelihoods of communities dependent on fishing and agriculture. Furthermore, as ASGM activities increasingly join the visible economy, the transition towards cleaner, mercury-free technologies will gain momentum and there could be a surge in investment and innovation in responsible mining practices, creating new job opportunities and fostering economic diversification. Ultimately, reducing mercury trade not only aligns with global environmental objectives, but also has the potential to scale up the overall well-being and prosperity of the Latin American population.

## ANNEX A: FINANCING TABLES

### GEF Financing Table

#### Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non-Grant	GEF Project Grant(\$)	Agency Fee(\$)	Total GEF Financing (\$)
UNEP	GET	Bolivia	Chemicals and Waste	Mercury	Grant	500,000.00	47,500.00	547,500.00

UNEP	GET	Colombia	Chemicals and Waste	Mercury	Grant	500,000.00	47,500.00	547,500.00
UNEP	GET	Ecuador	Chemicals and Waste	Mercury	Grant	500,000.00	47,500.00	547,500.00
UNEP	GET	Honduras	Chemicals and Waste	Mercury	Grant	500,000.00	47,500.00	547,500.00
UNEP	GET	Mexico	Chemicals and Waste	Mercury	Grant	500,000.00	47,500.00	547,500.00
UNEP	GET	Peru	Chemicals and Waste	Mercury	Grant	500,000.00	47,500.00	547,500.00
<b>Total GEF Resources (\$)</b>						<b>3,000,000.00</b>	<b>285,000.00</b>	<b>3,285,000.00</b>

### Project Preparation Grant (PPG)

Was a Project Preparation Grant requested?

true

PPG Amount (\$)

150000

PPG Agency Fee (\$)

14250

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	PPG(\$)	Agency Fee(\$)	Total PPG Funding(\$)
UNEP	GET	Regional	Chemicals and Waste	Mercury	150,000.00	14,250.00	164,250.00
<b>Total PPG Amount (\$)</b>					<b>150,000.00</b>	<b>14,250.00</b>	<b>164,250.00</b>

Please provide Justification

Per published GEF policy, for projects at \$3 million and above, PPG can be requested up to \$150,000.

### Sources of Funds for Country Star Allocation

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Sources of Funds	Total(\$)
<b>Total GEF Resources</b>					<b>0.00</b>

## Focal Area Elements

Programming Directions	Trust Fund	GEF Project Financing(\$)	Co-financing(\$)
CW-1	GET	3,000,000.00	15808104
<b>Total Project Cost</b>		<b>3,000,000.00</b>	<b>15,808,104.00</b>

## Confirmed Co-financing for the project, by name and type

Please include evidence for each co-financing source for this project in the tab of the portal

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Recipient Country Government	Bolivia – Ministry of Environment and Water	In-kind	Recurrent expenditures	316728
Recipient Country Government	Bolivia – Ministry of Mining and Metallurgy	In-kind	Recurrent expenditures	56371
Recipient Country Government	Colombia – Ministry of Environment	In-kind	Recurrent expenditures	56627
Recipient Country Government	Ecuador - Ministry of Environment, Water and Ecological Transition	In-kind	Recurrent expenditures	1001104
Recipient Country Government	Honduras - INGHEOMIN	In-kind	Recurrent expenditures	1850000
Recipient Country Government	Honduras – Secretariat of Natural Resources and the Environment	In-kind	Recurrent expenditures	1750000
Recipient Country Government	Mexico - Ministry of Environment and Natural Resources	In-kind	Recurrent expenditures	1432875
Recipient Country Government	Mexico - PROFEPA	In-kind	Recurrent expenditures	1144675
Recipient Country Government	Peru – Fiscal Police	In-kind	Recurrent expenditures	469085
Recipient Country Government	Peru – Ministry of Defense	In-kind	Recurrent expenditures	6592801
Recipient Country Government	Peru – Ministry of Environment	In-kind	Recurrent expenditures	144786

GEF Agency	UNEP	In-kind	Recurrent expenditures	150000
Civil Society Organization	Alliance for Responsible Mining (ARM)	In-kind	Recurrent expenditures	84300
Civil Society Organization	BCCC-SCRC Uruguay	In-kind	Recurrent expenditures	200000
Civil Society Organization	Natural Resources Defense Council (NRDC)	In-kind	Recurrent expenditures	30000
Others	Andean Community	In-kind	Recurrent expenditures	185152
Others	Minamata Convention Secretariat	In-kind	Recurrent expenditures	65000
Others	Swiss Better Gold Initiative	In-kind	Recurrent expenditures	150000
Others	United Nations Office of Drugs and Crime (UNODC)	In-kind	Recurrent expenditures	100000
Others	US EPA	In-kind	Recurrent expenditures	28600
<b>Total Co-financing</b>				<b>15,808,104.00</b>

Please describe the investment mobilized portion of the co-financing

Not Applicable

## ANNEX B: ENDORSEMENTS

### GEF Agency(ies) Certification

GEF Agency Type	Date	Project Contact Person	Phone	Email
GEF Agency Coordinator	11/24/2023	Ms. Victoria Luque Panadero	+254207624544	victoria.luque@un.org
Project Coordinator	11/24/2023	Mr. Kevin Helps	+41229178607	kevin.helps@un.org

### Record of Endorsement of GEF Operational Focal Point (s) on Behalf of the Government(s):

Please attach the Operational Focal Point endorsement letter(s) with this template.

Name of GEF OFP	Position	Ministry	Date (MM/DD/YYYY)
Mr. Carlos David Guachalla Terrazas	Viceminister of Planning and Coordination	Ministry of Planning	10/20/2022

Mr. Andrés Felipe Marmolejo Egred	Head of the International Affairs Office	Ministry of Environment	9/21/2022
Mr. José Luis Naula	Director of International Cooperation	Ministry of Environment, Water and Ecological Transition	9/9/2022
Mr. Malcom Bryan Stufkens Salgado	Minister of Environment	Secretary of Energy, Natural Resources, Environment and Mines	9/6/2022
Ms. Noemí Hernández Rodríguez Borjas	Director of Multilateral Organizations and Bilateral Cooperation	Ministry of Finance and Public Credit	9/8/2022
Ms. Martha Carolina Cuba Villafuerte de Conkleton	Head of the General Office for Cooperation and International Affairs	Ministry of Environment	9/15/2022

## ANNEX C: PROJECT RESULTS FRAMEWORK

Please indicate the page number in the Project Document where the project results and M&E frameworks can be found. Please also paste below the Project Results Framework from the Agency document.

GED ID 11047: Accelerate Minamata Convention compliance through improved understanding and control of mercury trade in Latin America							
Objective	Objective level Indicators	Baseline	Targets and Monitoring Milestones	Means of Verification	Assumptions & Risks	UNEP MTS reference *  Relevant Programme of Work (PoW) <sup>[1]</sup>  Outcomes	Relevant SDG target(s) and indicators
Accelerate Minamata Convention compliance through improved understanding of mercury trade trends in Latin	Mercury is prevented from entering the international market through improved trade control in the Latin America region.  Participating countries are in compliance with	Lack of clear understanding or control of the flow of both legal and illegal mercury in the Latin America region  Inadequate compliance with the guidelines established under the Minamata	Approximately 176 tons of mercury will be prevented from entering the international market through improved trade control in the Latin America region (59 tons of reduction	Periodic Project Implementation Reports (PIR)  Terminal Evaluation	<i>Assumptions:</i> Customs agencies from each country have sufficient commitment and resources to support successful implementation of mercury controls.	<a href="#">MTS 2022-2025:</a> Chemicals and Pollution action  Outcome 3A: Human health and environmental	<a href="#">SDG 3.9</a> <sup>[2]</sup>  <a href="#">SDG 12.4</a> <sup>[3]</sup>

<p>America and promotion of regional coordination towards an improved control of major mercury flows.</p>	<p>the guidelines established under the Minamata Convention related to mercury trade</p>	<p>Convention related to mercury trade</p>	<p>through less production and consumption, and 29 tons of reduction through prevention of illicit movements and seizure of mercury, and a replication factor of 2 through the Andean Observatory) (GEF Core Indicator 9.2)</p> <p>1,000 direct beneficiaries (500 men and 500 women) (GEF Core Indicator 11)</p>		<p>Relevant national stakeholders from participating countries with appropriate capacity will contribute to and participate in project needs.</p> <p><u>Risks:</u> Mercury flow information not fully coordinated among participant countries.</p> <p>Availability of information from custom agencies to complete analysis of mercury flows.</p> <p>Countries are unable to enact legislation within the lifetime of the project due to lack of political will or other reasons.</p>	<p>outcomes are optimized through enhanced capacity and leadership in the sound management of chemicals and waste.</p> <p>Outcome 3C: Releases of pollutants to air, water, soil and the ocean are reduced.</p>	
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**Component 1 - Coordinated strategies on mercury trading issues at national and regional levels**

Outcome 1.1	Outcome Indicators	Baseline	Targets and Monitoring Milestones	Means of Verification	Assumptions & Risks	Relevant PoW Outcome(s) and indicator(s)	Relevant SDG target(s) and indicators
<p>A coordinated institutional</p>	<p>Coordination committee/mechanism organized and functioning at the regional</p>	<p>The Andean Mercury Observatory is the only organization now providing</p>	<p>The Andean Mercury Observatory fully functional as a regional</p>	<p>Stakeholder engagement plan, baseline</p>	<p><u>Assumptions:</u> Enhanced understanding of mercury supply and</p>	<p><u>Outcome 3A:</u> Human health and environme</p>	<p><u>SDG 12.4</u><sup>[4]</sup></p> <p><u>SDG 12.a</u><sup>[5]</sup></p>



<p>approach at national and regional levels for addressing mercury trade issues is adopted by strengthened participating countries.</p>	<p>level focusing on mercury trade including a gender balanced representation (<u>Impact Class 11</u>)</p> <p>Number of target countries implementing strategies <u>focusing on mercury trade</u> with non-target countries and coordinated at regional level (<u>Impact Class 4</u>)</p>	<p>some level of regional coordination regarding mercury.</p> <p>There are no coordination committees/mechanisms organized and functioning at the national level focusing on mercury trade.</p>	<p>coordinating agency for mercury.</p> <p>At least 1 coordination committee/mechanism organized and in operation in each target country and coordinated at regional level including a gender balanced representation.</p> <p>6 countries implementing strategies with non-target countries and coordinated at regional level.</p>	<p>assessments, periodic surveys</p> <p>Meetings and minutes of the Observatory and other national committees/mechanisms organized</p>	<p>trade, and the consequent control of this trade, contribute to minimizing the use of mercury under the Convention provisions and reduce its dispersion worldwide.</p> <p>Countries will continue to have similar national priorities during execution in order to facilitate the development of the regional coordination.</p> <p><u>Risks:</u> Information is not easily available, and this affects quality and completeness of data during the project.</p>	<p>ntal outcomes are optimized through enhanced capacity and leadership in the sound management of chemicals and waste.</p> <p><u>Outcome 3C:</u> Releases of pollutants to air, water, soil and the ocean are reduced.</p>	
Output 1.1	Output Indicators	Baseline	Targets and Monitoring Milestones	Means of Verification	Assumptions & Risks	Relevant PoW <sup>[6]</sup> Direct Outcome(s)	Relevant SDG target(s) and indicators
<p>Project countries have increased knowledge of existing mercury supply sources and legal/illegal</p>	<p>Inception workshop with all target countries to present national studies organized (ensuring gender balanced participation) (at least 50 participants, 25</p>	<p>No existing regional study on mercury trade in Latin America. There are important reference documents. However, there is not yet a report that specifically</p>	<p>1 inception workshop organized with all target countries to present current national studies and to understand the content and recommendation</p>	<p>Stakeholder engagement plan, reports and publications</p>	<p><u>Assumptions:</u> Baseline information on supply sources, legal imports and exports of mercury is available in national and</p>	<p><u>Direct Outcomes:</u> 3.1: Regional and national integrated policy has shifted towards</p>	<p><u>SDG 12.a</u><sup>[7]</sup></p> <p><u>SDG 16.7</u><sup>[8]</sup></p>

<p>al mercury flows.</p>	<p>men and 25 women)</p> <p># of relevant technical documents/publications reviewed/developed (indicator 9.1) (activities 1.1.1 – 1.1.5)</p> <p># of national organizations supported and showing increased membership and activities (indicator 11.2) (activities 1.1.6)</p> <p>Andean Mercury Observatory supported and showing increased influence and activities (indicator 11.2) (activities 1.1.6)</p> <p>Number of persons in each target country attending project workshops and other project related awareness-raising activities (gender disaggregated)</p>	<p>studies all supply sources and mercury flows in the region.</p> <p>Robust information on overall mercury trade trends in the region is lacking.</p> <p>Although some countries of the region have schemes in place to control mercury trade, procedures are mostly insufficient to properly implement provisions of the Minamata Convention.</p> <p>Target countries have not fully implemented the written-consent procedure and forms agreed by the COP within their national procedures.</p> <p>There are currently discrepancies in the formal trade statistics that are generated by each target country.</p> <p>Although target countries recognize that illegal trade of mercury is present, there is limited information and incomplete data available at national level on the flow of mercury through</p>	<p>s on how to strengthen and improve existing mercury trade control systems (ensuring gender balanced participation) (at least 50 participants, 25 men and 25 women).</p> <p>At least 1 final draft which may be seen as a regional baseline study, including and shared among all target countries, including:</p> <ul style="list-style-type: none"> <li>- At least one supply source of mercury coming into the region identified and classified according to the Convention's provisions.</li> <li>- At least 6 pathways of legal mercury trade flows across borders between target countries identified and quantified.</li> <li>- At least 3 illegal mercury imports and routes of entry and distribution to target countries identified and</li> </ul>		<p>regional trade databases.</p> <p>Countries are willing to openly discuss illegal mercury trade issues.</p> <p>All target countries have at least basic legislation and control schemes for mercury import and export.</p> <p><u>Risks:</u> Difficulties to access national or regional databases due to any confidentiality issue or due to lack of such databases.</p> <p>Political and economic changes in countries may decrease interest and commitment to study illegal trade and overall trade studies.</p> <p>Important civil society groups involved in illegal trade react negatively towards the project activities.</p>	<p>the sound management of chemicals and waste.</p> <p>3.5: Institutional capacity to adopt and act on national and international commitments is enhanced.</p> <p>3.13: Sound science, data and statistics, analysis, information and knowledge are generated and shared.</p>	
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		<p>these illegal channels.</p> <p>All target countries have competent authorities focusing on trade and environmental issues. These competent authorities work jointly with other entities to address aspects of overall chemicals management. Nevertheless, cooperation and information exchange among entities is sometimes difficult.</p>	<p>quantities estimated.</p> <ul style="list-style-type: none"> <li>- Gender related considerations.</li> </ul> <p>At least 6 national stakeholders supported through different components of the project mercury supply sources and legal/illegal mercury flows.</p>				
Output 1.2	Output Indicators	Baseline	Targets and Monitoring Milestones	Means of Verification	Assumptions & Risks	Relevant PoW <sup>[9]</sup> Direct Outcome(s)	Relevant SDG target(s) and indicators
<p>Project countries have strengthened capacity on how to improve existing mercury trade control mechanisms.</p>	<p>Guidance document(s) on key recommendations for controlling mercury trade developed and disseminated to project countries (indicator 4.1) (activities 1.2.1 – 1.2.4)</p>	<p>There are currently discrepancies in the trade statistics that are generated by each country under respective monitoring and control schemes.</p> <p>Current trade control schemes and databases in target countries are not sufficiently comprehensive or harmonized to be effective in accordance with provisions of the</p>	<p>One core guidance document published containing recommendations on how to strengthen and improve existing mercury trade control systems in the target countries (including how to improve the use of written consent procedures under the Minamata Convention).</p>	<p>National reports, guidance documents incl. recommendations</p>	<p><u>Assumptions:</u> Countries already have implemented trade control schemes under other Conventions.</p> <p><u>Risks:</u> Recommendations may not be valid or limited for some countries.</p> <p>Countries are not willing to amend existing trade control schemes or assume the</p>	<p><u>Direct Outcomes:</u></p> <p>3.1: Regional and national integrated policy has shifted towards the sound management of chemicals and waste.</p> <p>3.5: Institutional capacity to adopt</p>	<p><u>SDG 12.4</u><sup>[10]</sup></p>

		<p><i>Minamata Convention.</i></p> <p><i>Many countries have established comprehensive and effective control schemes and databases under other Conventions and multilateral international agreements. Such is the case of databases on ODS under the Montreal Protocol. Some lessons learned from such experiences are potentially applicable for obligations under new agreements, such as the Minamata Convention.</i></p>	<p><i>Each target country publishes its own strategy (6 of them) for implementing the regional recommendations on how to strengthen and improve existing mercury trade control systems in the target countries (including how to improve the use of written consent procedures under the Minamata Convention).</i></p>		<p><i>written-consent procedure.</i></p>	<p><i>and act on national and international commitments is enhanced.</i></p> <p><i>3.12: Markets, supply chains, trade and consumer behaviours have shifted towards reduced pollution, influenced by transparency enabled by digital technologies.</i></p> <p><i>3.13: Sound science, data and statistics, analysis, information and knowledge are generated and shared.</i></p>	
<b>Component 2 - Legal instruments of mercury trade and control at national and regional levels</b>							
<b>Outcome 2.1</b>	<b>Outcome Indicators</b>	<b>Baseline</b>	<b>Targets and Monitoring Milestones</b>	<b>Means of Verification</b>	<b>Assumptions &amp; Risks</b>	<b>Relevant PoW Outcome(s) and indicator(s)</b>	<b>Relevant SDG target(s) and indicators</b>

<p>Improved strategies and regulations for monitoring and controlling legal and illegal trading of mercury at national and regional levels adopted by participating countries.</p>	<p>Evidence of regional harmonization based on national laws, regulations and procedures in target countries to strengthen monitoring and control of mercury trade <u>(Impact Class 4)</u></p>	<p>Some target countries in the LAC region have already developed monitoring and control mechanisms for mercury trade and other controlled substances, but different approaches have been taken by different countries, and not necessarily to comply with the Minamata Convention. Furthermore, the written-consent forms agreed by COP1 have not been formally introduced in some of the target countries.</p> <p>Other target countries do not have existing mechanisms to monitor and control mercury trade.</p>	<p>Six target countries discuss and formally agree on the basic harmonized strategies and regulations for monitoring and controlling legal and illegal trading of mercury at the regional level (one agreement)</p>	<p>High-level decisions</p> <p>Procedure and regulatory documents</p>	<p><u>Assumptions:</u> Existing and new trade control systems (including regulations and procedures) can be aligned for consistency and compliance with the Minamata Convention provisions and the written-consent procedure.</p> <p>Countries are willing and able to draft new laws, regulations, policies and procedures.</p> <p>There is high-level support to develop new laws, regulations, policies and procedures for mercury trade, according to obligations towards the Minamata Convention.</p> <p><u>Risks:</u> Political and economic changes in countries decrease commitment to develop new schemes.</p> <p>Inadequate supporting national infrastructure and human resource capacity for</p>	<p><u>Outcome 3A:</u> Human health and environmental outcomes are optimized through enhanced capacity and leadership in the sound management of chemicals and waste.</p> <p><u>Outcome 3C:</u> Releases of pollutants to air, water, soil and the ocean are reduced.</p>	<p><u>SDG 12.4<sup>[11]</sup></u></p>
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Output 2.1	Output Indicators	Baseline	Targets and Monitoring Milestones	Means of Verification	Assumptions & Risks	Relevant PoW <sup>[12]</sup> Direct Outcome(s)	Relevant SDG target(s) and indicators
<p>Target countries have increased capacity to effectively monitor and control legal mercury flows through drafting of regulations and procedures at national levels.</p>	<p>Laws, regulations and procedures drafted in each target country and harmonized regionally to strengthen monitoring and control of legal mercury trade taking into account gender considerations (indicator 4.1) (activities 2.1.1 – 2.1.3)</p> <p>Mid-term workshop with all target countries to present progress and challenges organized (ensuring gender balanced participation) (at least 50 participants, 25 men and 25 women)</p>	<p>Current laws, regulations and policies for monitoring and control of legal mercury trade are not consistent between countries and often are not compliant with the Minamata Convention provisions.</p>	<p>6 target countries have proposed new or revised gender responsive national laws for monitoring and control of legal mercury trade that are regionally aligned.</p> <p>1 Mid-term workshop with all target countries to present progress and challenges organized (ensuring gender balanced participation) (at least 50 participants, 25 men and 25 women)</p>	<p>High-level declaration</p> <p>Procedure and regulatory documents</p>	<p><u>Assumptions:</u> All stakeholders are willing to work on preparing/amending regulations and procedures for improvement.</p> <p>Mandates for mercury trade control are clearly defined at the national level. Leading agencies, as well as roles and responsibilities of different stakeholders, can be easily identified.</p> <p><u>Risks:</u> Political and economic changes in countries decrease commitment and interest to improve mercury trade control systems.</p>	<p><u>Direct Outcomes:</u></p> <p>3.1: Regional and national integrated policy has shifted towards the sound management of chemicals and waste.</p> <p>3.5: Institutional capacity to adopt and act on national and international commitments is enhanced.</p> <p>3.13: Sound science, data and statistics, analysis, information and knowledge</p>	<p><u>SDG</u> <u>12.4<sup>[13]</sup></u></p>

Output 2.2	Output Indicators	Baseline	Targets and Monitoring Milestones	Means of Verification	Assumptions & Risks	Relevant PoW <sup>[14]</sup> Direct Outcome(s)	Relevant SDG target(s) and indicators
<p>Target countries have increased capacities to monitor and control illegal trading of mercury at national and regional levels.</p>	<p>Number of strategies focusing on monitoring and controlling illegal trade at both national and regional levels prepared taking into account gender considerations (<u>indicator 4.1</u>) (activities 2.2.1 – 2.2.2)</p> <p>Number of regional investigative meetings conducted among law enforcement entities (at least 3) targeting 50 participants (25 women and 25 men)</p> <p>Number of trainings on mercury trade conducted with law enforcement entities (at least 3) targeting 50 participants (25 women and 25 men)</p>	<p>Illegal trade of mercury is broadly practiced and is not easy to track at the national level.</p> <p>Countries do not currently have systematized national strategies to monitor and control illegal mercury trade.</p> <p>Countries do not currently have a regionally harmonized strategy to monitor and control illegal mercury trade.</p>	<p>Each target country produced a draft national strategy for monitoring and controlling illegal mercury trade that is regionally harmonized (6 total) taking into account gender considerations.</p> <p>3 regional investigative meetings conducted targeting 50 participants (25 women and 25 men)</p> <p>3 trainings on mercury trade conducted with law enforcement entities targeting 50 participants (25 women and 25 men) (at least 3)</p>	<p>High-level declaration</p> <p>Strategic documents</p>	<p><u>Assumptions:</u> All stakeholders are willing to work jointly on controlling illegal mercury trade.</p> <p>Countries are willing and able to implement strategy for institutional action.</p> <p><u>Risks:</u> Political and economic changes in countries decrease commitment and interest to control illegal mercury trade.</p>	<p><u>Direct Outcomes:</u></p> <p>3.1: Regional and national integrated policy has shifted towards the sound management of chemicals and waste.</p> <p>3.5: Institutional capacity to adopt and act on national and international commitments is enhanced.</p> <p>3.13: Sound science, data and statistics, analysis, information and knowledge are generated</p>	<p><u>SDG 12.4</u><sup>[15]</sup></p>

						and shared.	
Component 3 - Regional cooperation to reduce mercury trade and sustainability of project results							
Outcome 3.1	Outcome Indicators	Baseline	Targets and Monitoring Milestones	Means of Verification	Assumptions & Risks	Relevant PoW Outcome(s) and indicator(s)	Relevant SDG target(s) and indicators
<p>Formal mechanisms for networking and cooperation at regional level on mercury trade are operational and adopted by participating countries.</p>	<p>Availability of a regional work plan and network focusing on mercury trade including gender perspective (<u>Impact Family 2</u>)</p> <p>Clear commitment from target countries to stay engaged after this project ends (<u>Impact Class 11</u>)</p>	<p>All target countries have ratified the Minamata Convention.</p> <p>Although there exist a variety of cooperation efforts among some of the target countries, these are not formalized.</p> <p>The region is implementing a number of enabling activities designed to help assess the mercury trade situation. However, concrete actions on mercury supply and trade have been only initially discussed at the regional level.</p> <p>The mandates of the Minamata Convention and the implementation objectives of the Secretariat of the Convention are a strong incentive for the establishment and formalization of a</p>	<p>1 regional work plan on mercury monitoring and control is prepared and endorsed under the umbrella of the Andean Mercury Observatory including gender perspective.</p> <p>A Regional Implementation Network is established, including national focal points and at least 5 relevant national stakeholders from each country ensuring a gender balanced representation.</p> <p>The Regional Implementation Network ensures in a written agreement that each target country has formally committed to continue the regional network after this project</p>	<p>Report and documents</p> <p>Network agreement</p>	<p><u>Assumptions:</u> All stakeholders are willing to participate, cooperate and share information in a regional network.</p> <p>Regional cooperation activities will be sustained in time by the regional network.</p> <p><u>Risks:</u> Loss of interest in the network by some stakeholders over time.</p>	<p><u>PoW:</u></p> <p>Outcome 3A: Human health and environmental outcomes are optimized through enhanced capacity and leadership in the sound management of chemicals and waste.</p> <p>Outcome 3C: Releases of pollutants to air, water, soil and the ocean are reduced.</p>	<p><u>SDG 17.16</u><sup>1</sup> <sup>61</sup></p>



		<i>regional cooperation effort on mercury trade.</i>	<i>finishes (6 formal commitments).</i>				
<b>Output 3.1</b>	<b>Output Indicators</b>	<b>Baseline</b>	<b>Targets and Monitoring Milestones</b>	<b>Means of Verification</b>	<b>Assumptions &amp; Risks</b>	<b>Relevant PoW<sup>[17]</sup> Direct Outcome(s)</b>	<b>Relevant SDG target(s) and indicators</b>
<p><i>Project countries agreed on a priority list of regional activities covering both legal and illegal trade of mercury.</i></p>	<p><i>The regional work plan on monitoring and control of both legal and illegal mercury trade prepared identifying priority activities including gender mainstreaming (indicator 4.2) (activities 3.1.1 – 3.1.3)</i></p> <p><i>Number of regional workshops organized for all target countries to present and discuss the priority list of regional activities covering both legal and illegal trade of mercury (at least 100 participants, 50 men and 50 women)</i></p>	<p><i>Although stakeholders from the region have previously discussed issues pertaining to monitoring and control of both legal and illegal mercury trade, relevant regional priorities have not been established.</i></p>	<p><i>At least one implementation work plan on monitoring and control of both legal and illegal mercury trade has been prepared with a list of priority regional cooperation and capacity-building activities identified by the network including gender mainstreaming.</i></p> <p><i>At least 1 regional meeting/workshops on both legal and illegal mercury trade organized (non-target countries in the region will be invited to attend at their own expense) (at least 100 participants, 50 men and 50 women)</i></p>	<p><i>Report and documents</i></p> <p><i>Plan with priority actions</i></p>	<p><i>Assumptions: Consensus can be reached, and commitments made among target countries.</i></p> <p><i>Risks: Political lack of support for law enforcement modifications.</i></p>	<p><i>Direct Outcomes:</i></p> <p><i>3.1: Regional and national integrated policy has shifted towards the sound management of chemicals and waste.</i></p> <p><i>3.5: Institutional capacity to adopt and act on national and international commitments is enhanced.</i></p> <p><i>3.10: Collective action of United Nations system entities addresses around management of chemicals</i></p>	<p><i>SDG 12.4<sup>[18]</sup></i></p> <p><i>SDG 17.9<sup>[19]</sup></i></p>

						and waste.  3.13: Sound science, data and statistics, analysis, information and knowledge are generated and shared.	
Output 3.2	Output Indicators	Baseline	Targets and Monitoring Milestones	Means of Verification	Assumptions & Risks	Relevant PoW <sup>[20]</sup> Direct Outcome(s)	Relevant SDG target(s) and indicators
Latin America regional network and cooperation on mercury trade are established and functional.	Number of regional beneficiaries trained, and policy makers sensitized ( <u>indicators 10.1 and 10.3</u> ) (gender disaggregated) (activities 3.2.1 – 3.2.2)	There is not a regional plan to cooperate on monitoring and control of mercury trade issues at the moment.	At least 60 individuals trained (30 men and 30 women) from target countries (at least 5 stakeholders from each country) on regulations, procedures and technology for facilitating collection, processing, analysis and dissemination of legal and illegal mercury trade data; this training includes enforcement responses across national borders	Training reports	<u>Assumptions:</u> Decision makers in target countries remain engaged in the project.  Consensus can be reached, and commitments made.  <u>Risks:</u> The regional network will not be supported by the participating countries through time.  Inadequate coordination arrangements adopted for the creation of the regional network.	<u>Direct Outcomes:</u>  3.1: Regional and national integrated policy has shifted towards the sound management of chemicals and waste.  3.5: Institutional capacity to adopt and act on national and international commitments is enhanced.	<u>SDG 12.4</u> <sup>[21]</sup>

					<p>The agreements developed for regional network will not be supported by the national and international partners.</p>	<p>3.10: Collective action of United Nations system entities addresses around management of chemicals and waste.</p> <p>3.13: Sound science, data and statistics, analysis, information and knowledge are generated and shared.</p>	
Output 3.3	Output Indicators	Baseline	Targets and Monitoring Milestones	Means of Verification	Assumptions & Risks	Relevant PoW <sup>[22]</sup> Direct Outcome(s)	Relevant SDG target(s) and indicators
<p>Project countries adopted Andean Observatory as the information sharing platform on mercury trade in Latin America.</p>	<p>Number of documents compiled in digital platform from each target country and shared regionally to strengthen capacity building (indicator 4.1) (activities 3.3.1 and 3.3.2)</p> <p>Number of regional beneficiaries participating on analysis, conclusions and</p>	<p>Currently, there is not up to date and reliable digital platform for mercury trade data from participating countries.</p>	<p>1 lessons learned document on piloting the mercury trade information system managed by the Andean Observatory</p> <p>At least 1 virtual global dissemination and exchange works hop (expecting at least 100 participants: 50</p>	<p>Digital platform operational</p> <p>Regional reports, documents including recommendations uploaded in the online platform</p>	<p>Assumptions: Agreements and commitments are attainable among target countries.</p> <p>Risks: insufficient coordination arrangements were established for the development of the digital platform</p>	<p>3.1: Regional and national integrated policy has shifted towards the sound management of chemicals and waste.</p> <p>3.5: Institutional capacity to adopt</p>	<p><a href="#">SDG 12.4<sup>[23]</sup></a></p> <p><a href="#">SDG 17.9<sup>[24]</sup></a></p>

	<p>recommendations of collected data (indicators 10-1 and 10.3) (expecting at least 50 participants: 25 men and 25 women) (activities 3.3.1 and 3.3.2)</p>		<p>men and 50 women).</p>		<p>The participating countries will not constantly update the digital platform over time.</p>	<p>and act on national and international commitments is enhanced.</p> <p>3.13: Sound science, data and statistics, analysis, information and knowledge are generated and shared.</p>
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<sup>[1]</sup> *Indicators: (i) Number of governments that, with UNEP support, are developing or implementing policies, strategies, legislation or action plans that promote sound chemicals and waste management and/or the implementation of Multilateral Environmental Agreements and the existing framework on chemicals and waste; and (iii) Number of policy, regulatory, financial and technical measures developed with UNEP support to reduce pollution in air, water, soil and the ocean*

<sup>[2]</sup> *By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.*

<sup>[3]</sup> *By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their releases to air, water and soil in order to minimize their adverse impacts on human health and the environment.*

<sup>[4]</sup> *By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their releases to air, water and soil in order to minimize their adverse impacts on human health and the environment.*

<sup>[5]</sup> *Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production.*

<sup>[6]</sup> *Indicators: (i) Number of governments that, with UNEP support, are developing or implementing policies, strategies, legislation or action plans that promote sound chemicals and waste management and/or the implementation of Multilateral Environmental Agreements and the existing framework on chemicals and waste; and (iii) Number of policy, regulatory, financial and technical measures developed with UNEP support to reduce pollution in air, water, soil and the ocean*

<sup>[7]</sup> *Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production.*

<sup>[8]</sup> *Ensure responsive, inclusive, participatory and representative decision-making at all levels.*

<sup>[9]</sup> *Indicators: (i) Number of governments that, with UNEP support, are developing or implementing policies, strategies, legislation or action plans that promote sound chemicals and waste management and/or the implementation of Multilateral Environmental Agreements and the existing framework on chemicals and waste; and (iii) Number of policy, regulatory, financial and technical measures developed with UNEP support to reduce pollution in air, water, soil and the ocean*

<sup>[10]</sup> *By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their releases to air, water and soil in order to minimize their adverse impacts on human health and the environment.*

<sup>[11]</sup> *By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their releases to air, water and soil in order to minimize their adverse impacts on human health and the environment.*

<sup>[12]</sup> *Indicators: (i) Number of governments that, with UNEP support, are developing or implementing policies, strategies, legislation or action plans that promote sound chemicals and waste management and/or the implementation of Multilateral Environmental Agreements and the existing framework on chemicals and waste; and (iii) Number of policy, regulatory, financial and technical measures developed with UNEP support to reduce pollution in air, water, soil and the ocean*

<sup>[13]</sup> *By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their releases to air, water and soil in order to minimize their adverse impacts on human health and the environment.*

<sup>[14]</sup> *Indicators: (i) Number of governments that, with UNEP support, are developing or implementing policies, strategies, legislation or action plans that promote sound chemicals and waste management and/or the implementation of Multilateral Environmental Agreements and the existing framework on chemicals and waste; and (iii) Number of policy, regulatory, financial and technical measures developed with UNEP support to reduce pollution in air, water, soil and the ocean*

<sup>[15]</sup> By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their releases to air, water and soil in order to minimize their adverse impacts on human health and the environment.

<sup>[16]</sup> Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries.

<sup>[17]</sup> Indicators: (i) Number of governments that, with UNEP support, are developing or implementing policies, strategies, legislation or action plans that promote sound chemicals and waste management and/or the implementation of Multilateral Environmental Agreements and the existing framework on chemicals and waste; and (iii) Number of policy, regulatory, financial and technical measures developed with UNEP support to reduce pollution in air, water, soil and the ocean

<sup>[18]</sup> By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their releases to air, water and soil in order to minimize their adverse impacts on human health and the environment.

<sup>[19]</sup> Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the SDGs, including through North-South, South-South and triangular cooperation.

<sup>[20]</sup> Indicators: (i) Number of governments that, with UNEP support, are developing or implementing policies, strategies, legislation or action plans that promote sound chemicals and waste management and/or the implementation of Multilateral Environmental Agreements and the existing framework on chemicals and waste; and (iii) Number of policy, regulatory, financial and technical measures developed with UNEP support to reduce pollution in air, water, soil and the ocean

<sup>[21]</sup> By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their releases to air, water and soil in order to minimize their adverse impacts on human health and the environment.

<sup>[22]</sup> Indicators:(i) Number of governments that, with UNEP support, are developing or implementing policies, strategies, legislation or action plans that promote sound chemicals and waste management and/or the implementation of Multilateral Environmental Agreements and the existing framework on chemicals and waste

<sup>[23]</sup> By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their releases to air, water and soil in order to minimize their adverse impacts on human health and the environment.

<sup>[24]</sup> Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the SDGs, including through North-South, South-South and triangular cooperation.

## ANNEX D: STATUS OF UTILIZATION OF PROJECT PREPARATION GRANT (PPG)

Provide detailed funding amount of the PPG activities financing status in the table below:

Project Preparation Activities Implemented	GETF/LDCF/SCCF Amount (\$)		
	Budgeted Amount	Amount Spent To date	Amount Committed
Staff and Personnel	4,250.00	4,250.00	
Consultants	62,300.00	53,300.00	9,000.00
Travel	45,000.00	35,372.00	9,628.00
Meetings and Conferences	38,450.00	5,500.00	32,950.00
<b>Total</b>	<b>150,000.00</b>	<b>98,422.00</b>	<b>51,578.00</b>

## ANNEX E: PROJECT MAP AND COORDINATES

Please provide geo-referenced information and map where the project interventions will take place

Location Name	Latitude	Longitude	GeoName ID
La Paz, Bolivia	-16.495545	-68.133623	

Location Description:

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## Capital city

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Bogotá, Colombia	4.59808	-74.076044	

Location Description:

## Capital city

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Quito, Ecuador	-0.220164	-78.512327	

Location Description:

## Capital city

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Tegucigalpa, Honduras	14.0818	-87.195419	

Location Description:

## Capital city

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Mexico City, Mexico	19.43263	-99.133178	

Location Description:

## Capital city

Activity Description:

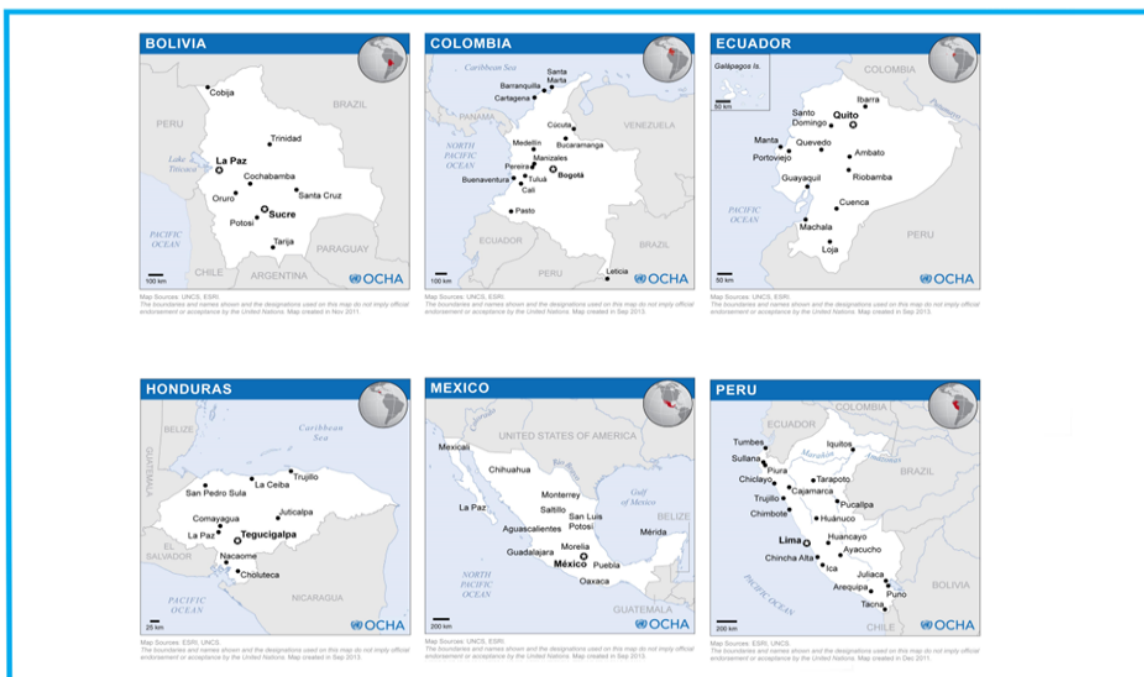
Location Name	Latitude	Longitude	GeoName ID
Lima, Peru	-12.062107	-77.036526	

Location Description:

Capital city

Activity Description:

Please provide any further geo-referenced information and map where project interventions are taking place as appropriate.



The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations  
 This map is intended for illustrative purposes only, and should not be used to derive any information regarding the project's operations. All maps were downloaded from <https://reliefweb.int/location-maps>

**ANNEX F: ENVIRONMENTAL AND SOCIAL SAFEGUARDS SCREEN AND RATING**

Attach agency safeguard datasheet/assessment report(s), including ratings of risk types and overall project/program risk classification as well as any management plans or measures to address identified risks and impacts (as applicable).

Title

11047 - Annex F - Safeguard Risk Identification Form (SRIF)

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## ANNEX G: BUDGET TABLE

Please upload the budget table here.





		BUDGET ALLOCATION BY PROJECT COMPONENTS					ALLOCATION BY CAL			
		Component 1 - Coordinated strategies on mercury trade issues at national and regional levels	Component 2 - Legal instruments of mercury trade and control at national and regional levels	Component 3 - Regional cooperation to reduce mercury trade and sustainability of project results	Project management	M&E	Total	Year 1	Year 2	Y
LINE/OBJECT OF EXPENDITURE		US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	
<b>Project Personnel</b>										
	Regional project coordinator				80.000	17.500	97.500	35.833	35.833	
	Communications specialist	10.000	10.000	10.000			30.000	11.000	11.000	
	<b>Sub-Total</b>	<b>10.000</b>	<b>10.000</b>	<b>10.000</b>	<b>80.000</b>	<b>17.500</b>	<b>127.500</b>	<b>46.833</b>	<b>46.833</b>	
<b>Consultants</b>										
	Technical consultancy on mercury supply and trade to (i) develop guidelines and provide guidance to countries on preparing national baseline studies, (ii) review and compile national baseline reports to provide recommendations for Minamata compliance and consistency among countries, and (iii) support the development of a regional preliminary workplan to cooperate on mercury supply and trade	45.000	30.000	30.000	0	0	105.000	44.900	41.200	
	Legal and technical consultancy to (i) provide guidance to countries on legal matters, (ii) review legislation and procedures proposed by countries to comply with the Minamata Convention (Article 3), and (iii) provide guidance on	30.000	30.000	0	0	0	60.000	30.000	30.000	

consistency of legal instruments and procedures among countries									
Technical consultancy on illegal mercury trade to (i) develop guidelines on preparing national strategies to control illegal mercury trade, (ii) provide guidance to countries on identifying and controlling illegal trade, and (iii) review national draft strategies to control illegal trade	30.000	30.000	0	0	0	60.000	30.000	30.000	
Technical consultancy to deliver training during the Regional Forum on key priority issues on mercury trade identified by target countries	0	0	20.000	0	0	20.000	0	0	
Gender expert to monitor project gender issues and offer relevant guidance for improvement	10.000	10.000	10.000			30.000	10.000	10.000	
Expert on knowledge management and global outreach			20.000			20.000		5.000	
<b>Sub-Total</b>	<b>115.000</b>	<b>100.000</b>	<b>80.000</b>	<b>0</b>	<b>0</b>	<b>295.000</b>	<b>114.900</b>	<b>116.200</b>	
<b>Administrative support</b>									
Finance officer	0	0	0	40.000	0	40.000	15.000	15.000	
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40.000</b>	<b>0</b>	<b>40.000</b>	<b>15.000</b>	<b>15.000</b>	
<b>Travel on official business (above staff)</b>									
Travel international project coordinator to (i) regional inception workshop, (ii) regional mid-term workshop, (iii) regional forum , and (iv) national workshops	11.000	11.000	8.000		0	30.000	11.000	11.000	
<b>Sub-Total</b>	<b>11.000</b>	<b>11.000</b>	<b>8.000</b>	<b>0</b>	<b>0</b>	<b>30.000</b>	<b>11.000</b>	<b>11.000</b>	
<b>Component Total</b>	<b>136.000</b>	<b>121.000</b>	<b>98.000</b>	<b>120.000</b>	<b>17.500</b>	<b>492.500</b>	<b>187.733</b>	<b>189.033</b>	<b>1</b>
<b>ACT T</b>									

	<b>Sub-contracts (UN Organizations)</b>						0			
	-				0	0	0		0	
	<b>Sub-Total</b>	0	0	0	0	0	0	0	0	
	<b>Sub-contracts (SSFA, PCA, non-UN)</b>									
	MOU between EA and 6 countries	892.000	802.000	427.000		0	2.121.000	1.000.380	794.180	3
	<b>Sub-Total</b>	892.000	802.000	427.000	0	0	2.121.000	1.000.380	794.180	3
	<b>Component Total</b>	<b>892.000</b>	<b>802.000</b>	<b>427.000</b>	<b>0</b>	<b>0</b>	<b>2.121.000</b>	<b>1.000.380</b>	<b>794.180</b>	<b>3</b>
<b>T</b>										
	<b>Group training (field trips, WS, etc.)</b>									
	Training on key capacity-building priorities identified in the region	0	0	32.000	0	0	32.000	0	0	
	<b>Sub-Total</b>	0	0	32.000	0	0	32.000	0	0	
	<b>Meetings/conferences</b>									
	Regional inception workshop	60.000	0	0	0	0	60.000	60.000	0	
	Regional mid-term workshop	0	60.000	0	0	0	60.000	0	60.000	
	Regional Forum	0	0	90.000	0	0	90.000	0	0	
	<b>Sub-Total</b>	60.000	60.000	90.000	0	0	210.000	60.000	60.000	
	<b>Component Total</b>	<b>60.000</b>	<b>60.000</b>	<b>122.000</b>	<b>0</b>	<b>0</b>	<b>242.000</b>	<b>60.000</b>	<b>60.000</b>	<b>1</b>
<b>T &amp;</b>										
<b>T</b>										
	<b>Expendable equipment (under 1,500 \$)</b>									
	Supplies for experts in the field (e.g. stationaries, fuel, etc.)	2.000	2.000	2.000	0	0	6.000	2.000	2.000	
	<b>Nonexpendable equipment (beyond 1,500\$)</b>									
	Supplies for experts in the field (e.g. communication hardware and software, licenses, etc.)	2.000	2.000	2.000	0	0	6.000	2.000	2.000	
	<b>Sub-Total</b>	4.000	4.000	4.000	0	0	12.000	4.000	4.000	
	<b>Component Total</b>	<b>4.000</b>	<b>4.000</b>	<b>4.000</b>	<b>0</b>	<b>0</b>	<b>12.000</b>	<b>4.000</b>	<b>4.000</b>	
<b>OUS</b>										
<b>T</b>										
	<b>Reporting costs (publications, maps, NL)</b>									

Website content updates			6.000	0	0	6.000	2.000	2.000
Publication of key project documents	6.000	6.000	8.000	0	0	20.000	2.200	8.900
Translations	3.000	3.000	8.000	0	0	14.000	3.600	5.200
<b>Sub-Total</b>	<b>9.000</b>	<b>9.000</b>	<b>22.000</b>	<b>0</b>	<b>0</b>	<b>40.000</b>	<b>7.800</b>	<b>16.100</b>
<b>Sundry (communications, postage, etc)</b>								
Communication, postage, freight etc.				2.500	0	2.500	500	1.000
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2.500</b>	<b>0</b>	<b>2.500</b>	<b>500</b>	<b>1.000</b>
<b>Evaluation</b>								
Midterm Review	0	0	0	0	30.000	30.000	0	30.000
Final Evaluation					40.000	40.000		
Independent monitoring and financial audit EA	0	0	0	20.000	0	20.000	7.000	7.000
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20.000</b>	<b>70.000</b>	<b>90.000</b>	<b>7.000</b>	<b>37.000</b>
<b>Component Total</b>	<b>9.000</b>	<b>9.000</b>	<b>22.000</b>	<b>22.500</b>	<b>70.000</b>	<b>132.500</b>	<b>15.300</b>	<b>54.100</b>
	<b>1.101.000</b>	<b>996.000</b>	<b>673.000</b>	<b>142.500</b>	<b>87.500</b>	<b>3.000.000</b>	<b>1.267.413</b>	<b>1.101.313</b>

Please explain any aspects of the budget as needed here

		BUDGET ALLOCATION BY PROJECT COMPONENTS						ALLOCATION BY CALENDAR YEAR			
		Component 1 - Coordinated strategies on mercury trade issues at national and regional levels	Component 2 - Legal instruments of mercury trade and control at national and regional levels	Component 3 - Regional cooperation to reduce mercury trade and sustainability of project results	Project management	M&E	Total	Year 1	Year 2	Year 3	Total
UNEP BUDGET LINE/OBJECT OF EXPENDITURE		US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
10	<b>PROJECT PERSONNEL COMPONENT</b>										
	1100 Project Personnel										
	1101 Regional project coordinator				80.000	17.500	97.500	35.833	35.833	25.834	97.500
	1102 Communications specialist	10.000	10.000	10.000			30.000	11.000	11.000	8.000	30.000
	1199 Sub-Total	10.000	10.000	10.000	80.000	17.500	127.500	46.833	46.833	33.834	127.500
	1200 Consultants										
	1201 Technical consultancy on mercury supply and trade to (i) develop guidelines and provide guidance to countries on preparing national baseline studies, (ii) review and compile national baseline reports to provide recommendations for Minamata compliance and consistency among countries, and (iii) support the development of a regional preliminary workplan to cooperate on mercury supply and trade	45.000	30.000	30.000	0	0	105.000	44.900	41.200	18.900	105.000
	1202 Legal and technical consultancy to (i) provide guidance to countries on legal matters, (ii) review legislation and procedures proposed by countries to comply with the Minamata Convention (Article 3), and (iii) provide guidance on consistency of legal instruments and procedures among countries	30.000	30.000	0	0	0	60.000	30.000	30.000	0	60.000
	1203 Technical consultancy on illegal mercury trade to (i) develop guidelines on preparing national strategies to control illegal mercury trade, (ii) provide guidance to countries on identifying and controlling illegal trade, and (iii) review national draft strategies to control illegal trade	30.000	30.000	0	0	0	60.000	30.000	30.000	0	60.000
	1204 Technical consultancy to deliver training during the Regional Forum on key priority issues on mercury trade identified by target countries	0	0	20.000	0	0	20.000	0	0	20.000	20.000
	1205 Gender expert to monitor project gender issues and offer relevant guidance for improvement	10.000	10.000	10.000			30.000	10.000	10.000	10.000	30.000
	1206 Expert on knowledge management and global outreach			20.000			20.000		5.000	15.000	20.000
	1299 Sub-Total	115.000	100.000	80.000	0	0	295.000	114.900	116.200	63.900	295.000

1300	Administrative support													
1301	Finance officer	0	0	0	40,000	0	40,000	15,000	15,000	10,000	40,000			
1399	Sub-Total	0	0	0	40,000	0	40,000	15,000	15,000	10,000	40,000			
1600	Travel on official business (above staff)													
1601	Travel international project coordinator to (i) regional inception workshop, (ii) regional mid-term workshop, (iii) regional forum, and (iv) national workshops	11,000	11,000	8,000	0	0	30,000	11,000	11,000	8,000	30,000			
1699	Sub-Total	11,000	11,000	8,000	0	0	30,000	11,000	11,000	8,000	30,000			
1999	Component Total	136,000	121,000	98,000	120,000	17,500	492,500	187,733	189,033	115,734	492,500			
20	SUB-CONTRACT COMPONENT													
2100	Sub-contracts (UN Organizations)						0				0			
2101					0	0	0	0	0	0	0			
2199	Sub-Total	0	0	0	0	0	0	0	0	0	0			
2200	Sub-contracts (SSFA, PCA, non-UN)													
2201	MOU between EA and 6 countries	892,000	802,000	427,000	0	0	2,121,000	1,000,380	794,180	326,440	2,121,000			
2299	Sub-Total	892,000	802,000	427,000	0	0	2,121,000	1,000,380	794,180	326,440	2,121,000			
2999	Component Total	892,000	802,000	427,000	0	0	2,121,000	1,000,380	794,180	326,440	2,121,000			
30	TRAINING COMPONENT													
3200	Group training (field trips, WS, etc.)													
3201	Training on key capacity-building priorities identified in the region	0	0	32,000	0	0	32,000	0	0	32,000	32,000			
3299	Sub-Total	0	0	32,000	0	0	32,000	0	0	32,000	32,000			
3300	Meetings/conferences													
3301	Regional inception workshop	60,000	0	0	0	0	60,000	60,000	0	0	60,000			
3303	Regional mid-term workshop	0	60,000	0	0	0	60,000	0	60,000	0	60,000			
3304	Regional Forum	0	0	90,000	0	0	90,000	0	0	90,000	90,000			
3399	Sub-Total	60,000	60,000	90,000	0	0	210,000	60,000	60,000	90,000	210,000			
3999	Component Total	60,000	60,000	122,000	0	0	242,000	60,000	60,000	122,000	242,000			
40	EQUIPMENT & PREMISES COMPONENT													
4100	Expendable equipment (under 1,500 \$)													
4101	Supplies for experts in the field (e.g. stationaries, fuel, etc.)	2,000	2,000	2,000	0	0	6,000	2,000	2,000	2,000	6,000			
4200	Nonexpendable equipment (beyond 1,500\$)													
4201	Supplies for experts in the field (e.g. communication hardware and software, licenses, etc.)	2,000	2,000	2,000	0	0	6,000	2,000	2,000	2,000	6,000			
4199	Sub-Total	4,000	4,000	4,000	0	0	12,000	4,000	4,000	4,000	12,000			
4999	Component Total	4,000	4,000	4,000	0	0	12,000	4,000	4,000	4,000	12,000			
50	MISCELLANEOUS COMPONENT													
5200	Reporting costs (publications, maps, NI)													
5201	Website content updates			6,000	0	0	6,000	2,000	2,000	2,000	6,000			
5202	Publication of key project documents	6,000	6,000	8,000	0	0	20,000	2,200	8,900	8,900	20,000			
5203	Translations	3,000	3,000	8,000	0	0	14,000	3,600	5,200	5,200	14,000			
5299	Sub-Total	9,000	9,000	22,000	0	0	40,000	7,800	16,100	16,100	40,000			
5300	Sundry (communications, postage, etc)													
5301	Communication, postage, freight etc.				2,500	0	2,500	500	1,000	1,000	2,500			
5399	Sub-Total	0	0	0	2,500	0	2,500	500	1,000	1,000	2,500			
5500	Evaluation													
5501	Midterm Review	0	0	0	0	30,000	30,000	0	30,000	0	30,000			
5502	Final Evaluation					40,000	40,000				40,000			
5502	Independent monitoring and financial audit EA	0	0	0	20,000	0	20,000	7,000	7,000	6,000	20,000			
5599	Sub-Total	0	0	0	20,000	70,000	90,000	7,000	37,000	46,000	90,000			
5999	Component Total	9,000	9,000	22,000	22,500	70,000	132,500	15,300	54,100	63,100	132,500			
TOTAL		1,101,000	996,000	673,000	142,500	87,500	3,000,000	1,267,413	1,101,313	631,274	3,000,000			

## ANNEX I: RESPONSES TO PROJECT REVIEWS

From GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF.

GEF Council Comments at PIF stage	Agency's Response to Comments
<p>Mercury from decommissioned facilities is not necessarily prohibited for re-use, only if it is designated as excess mercury (waste).</p> <p>For example, the GEF-funded chlor-alkali project in Mexico is planning to sell mercury from decommissioned facilities.</p> <p>There should be some practical connection between these two GEF projects.</p>	<p>The GEF-funded Chlor Alkali project in Mexico (GEF ID 10526) has been included in the baseline initiatives to be coordinated with. The recovered mercury from the facilities will be reported following the consent forms, and is expected to be legally sold for use in another operating chlor-alkali plant.</p>
<p>Most countries are still learning about Article 3 of the Minamata Convention on Mercury form, procedure and</p>	<p>This element was discussed and confirmed as a priority among the participating countries. It is now included in</p>

GEF Council Comments at PIF stage	Agency's Response to Comments
<p>practical implementation. Their improvements should be made to streamline and build capacity to implement the process. This should be a focus of this project. Use of the consent forms provides data that is critical to understanding mercury trade and flows between countries.</p>	<p>the work plan in the form of information exchange and training under Component 1, and its progress and lessons learned will be documented. The Minamata Convention Secretariat is expected to participate in the related activities of this important focus.</p>
<p>Hg traded to ASGM should specify illegality. if there is consent then mercury trade is not considered illegal between countries.</p> <p>Nationally, illegality would be determined by national laws/regulations. Further to this, it may be more productive for the project to address unreported mercury trade, which might encompass but not be limited to illegal trade as determined by national laws or regulations.</p>	<p>Legality and illegality of mercury use, and imports will be considered depending on the national context (i.e., both Bolivia and Peru have authorized uses of mercury). Unreported mercury will be targeted throughout the project activities. Clarification on the above has been included throughout the document.</p>
<p>Specify the terminology of illicit financial flows</p>	<p>The term refers to cross-border movement of capital associated with illegal activity or more explicitly, money that is illegally earned, transferred or used that crosses borders.</p>
<p>The inaccuracy of National Trade and COMTRADE databases is a function of the lack of reporting on trade. How can this be addressed through this project?</p> <p>In addition to that point, suggest the text read as follows:</p> <p>'The national trade and COMTRADE databases are not precise, comprehensive, and sufficiently accurate...' The project could be most helpful if it provides at least more define estimates of the volume of undeclared flow of mercury.</p>	<p>The project will support participating countries in better understanding, monitoring and reporting mercury trade data. A national coordination committee involving relevant institutions will be created to improve the institutional capacity of all involved, including customs authorities. In addition, it will create a regional mechanism building on the Andean Mercury Observatory (AMO) that will allow for the cross-checking of information. While these efforts will not eliminate all inaccuracies in the Comtrade database, they will certainly improve the trade data contributions from the target countries.</p> <p>The text has been modified according to the suggestion.</p>
<p>Under Component 1 baseline assessment aspect related to mercury imports from sources, if imports are controlled and recorded, to what degree are these imports tracked to the final destination within the importing country in order to confirm the intended use?</p>	<p>Internal traceability is an important aspect that will be analyzed and discussed under component 1. Mercury imports are restricted and/or forbidden in most of the target countries and there is evidence that mercury is being re-exported from certain countries to others. Regional coordination and information exchange, especially at the border level, will help to gather insights on these dynamics.</p>
<p>Component 2 intends to draft legal instruments in all countries. In the case of buyers of gold from Latin America, LBMA refiners should conduct due diligence on mercury risks and produce an annual due diligence report on their sources of supply of gold, risk assessment of mercury contamination. These activities should be linked to, and complement, PlanetGOLD projects in relevant countries.</p>	<p>The project will involve and explore synergies with planetGOLD countries, in particular in relation to responsible supply chains. As part of the stakeholders mapping, gold buyers and exporters have been identified as some of the key target audiences of the project.</p>
<p>Under component 2 a Guidance/protocol developed in 2019 in Colombia by the National Clean Production Center was mentioned. A similar guidance was recently completed by the Peruvian Ministry of Environment, with</p>	<p>This regional project will build on the progress and lessons learned of the initiatives that have been listed in the CEO Endorsement project including the USDoS funded initiative in Peru and its related outcomes.</p>

GEF Council Comments at PIF stage	Agency's Response to Comments
the support of the Artisanal Gold Council funded by the US Department of State Mercury Program	
Under Component 3 for regional cooperation Mexico also has a new GEF project for chlor-alkali which intends to market 50t of excess mercury from a facility. This mercury should be tracked as part of this project (GEB).	The updated number of tons the Mexican project will market are 20 metric tons, which are deemed to not be excess mercury as defined by the relevant Article of the Minamata Convention. This mercury will be transferred to other plants as a commodity in the Chlorosur network in Latin America. (Note that all countries where Chlorosur reports mercury-cell chlor-alkali plants are parties, thereby complying with Article 3.6 a)i) of the Convention.) These 20 tons of mercury will replace approximately ½ year of the needs of other facilities for new mercury, caused by evaporation in the mercury cells. Conditions of Article 5.2 will therefore be met as the mercury will be used before the chlor-alkali phase out date. Since this amount has already been indicated in the Chlor-alkali project (GEF ID 10526), the tons are not part of this project.
The project provides an opportunity for green recovery and building back better through supporting trade and improving regional capacity and coordination on international issues which could expand to regional pandemic coordination	The focus of the project is on improving technical, legal, administrative and institutional capacities among the participating countries. The coordination mechanisms that will be established are expected to be replicated or used as a reference for health-related and other regional cooperation matters in the future.
(Denmark/Norway) Control and monitoring of mercury trade in the mentioned countries is essential in combating illegal mining and the severe consequences this practice has on mercury pollution in the local rivers and ground water. The aggregation of mercury in the nutrient chains represents an increasing risk for human life and biodiversity in many of the local societies bordering illegal mining facilities. Curbing mercury trade and capacitating local communities about the risk this poses, as well as provide information about more sustainable mining practices, are therefore essential.	During the preparatory phase, a stakeholder mapping was conducted including the end users and most affected populations, which are the ASGM communities. The initiative will coordinate with the NAP and planetGOLD projects in the participating countries, to raise awareness of the health and environmental risks related to the use of mercury.
(Germany) The PIF does not address aspects related to social dimensions of a transformation process of accelerating Minamata Convention compliances. Furthermore, the undertaken environmental and social safeguard assessment does not mention these social risks either. Stakeholders employed in mercury exploitation and in artisanal and small-scale gold-mining (ASGM) often depend on the use of mercury for their livelihoods and hence, are most vulnerable. Whilst technologies that reduce or eliminate mercury use in mining are available, they may be unknown, unavailable or unaffordable for artisanal miners. ASGM often takes place in an informal and unregulated manner, greatly restricting both effective regulation of the sector and access to finance for miners. Moreover, a project focusing solely on controlling trade through the introduction of legal action and regulation may adversely affect the formalization of the sector and may even foster illicit practices.	During the preparatory phase, a stakeholder engagement plan and a gender analysis and action plan were prepared looking at the potential impacts on women and vulnerable populations. During the consultation meetings and validation event, the importance of providing mercury free gold mining alternatives was highlighted and well understood by stakeholders. This initiative will seek to complement the efforts of other projects and activities supporting artisanal and small-scale miners in the transition towards mercury free technologies (e.g., planetGOLD). Miners and communities will be involved in project activities and consultations.

GEF Council Comments at PIF stage	Agency's Response to Comments
<p>(Germany) requests a more detailed analysis of the consequences of the project's intended activities and its resulting reductions in mercury trade for particularly vulnerable stakeholders of the mercury mining sector and ASGM. Mitigation measures leading to a just transition process need to be addressed. This can be done by either introducing a separate component or linking it up with other national activities/projects in that sector</p>	<p>In the section related to coordination with ongoing initiatives, the linkages and synergies with projects working on supporting miners to transition to mercury-free practices and technologies are highlighted. These groups will be involved in the project activities, and a grievance mechanism will be developed and disseminated according to the stakeholder engagement plan.</p>
<p>(Germany) In Bolivia, gold mining cooperatives and private mining companies were consulted, and in Ecuador, mining associations were consulted. However, in Colombia, Honduras, Mexico and Peru, no civil society organizations, mining cooperatives or representatives of the ASGM sector were consulted. In the light of the aforementioned lack of analysis regarding the project's potential social risks, this lack of consultation appears particularly worrisome. A broader stakeholder consultation should take place, particularly with representatives of the ASGM sector in project countries and other vulnerable stakeholders</p>	<p>During the preparatory phase, a stakeholder engagement plan was conducted per country where all actors involved in the mercury supply chain were identified: extraction, import/export, illicit trafficking, distribution/trading, use. Given the time constraints of this analysis of the project's potential social risks, at the beginning of the project a request will be made to update this list so as to identify and consult those stakeholders who were unable to respond during the PPG phase consultations. See the related document in Annex 5.</p>
<p>(Germany) Moreover, with regard to the consultation processes, the project outline envisions that the implementation of all interventions will fully involve all national stakeholders who play a key role in the mercury supply chain, including users, mercury suppliers, and ASGM operators. However, it is not specified how this participation will be achieved. This should be clearly defined, and, where appropriate, safeguards for participating stakeholders should also be put in place, particularly in light of the informality or illegality of some activities.</p>	<p>During the preparatory phase, the stakeholder mapping specified which national actors per country will be involved in the implementation of project activities, and which national entity will lead the coordination. Full information on proposed means of engagement is detailed in Annex 5. This national entity will report directly to the regional project management unit and project steering committee (PSC) and there will be a constant exchange of information. In addition, during the preparatory phase, the institutional arrangements were updated to specify which entities per country will participate, and what role they will play during project implementation.</p>
<p>(Germany) Component 2 should provide information on who is included in the national committees preparing the legal instruments of mercury trade and control.</p>	<p>The stakeholder engagement plan now includes further information on key stakeholders to be engaged in national coordination mechanisms. The countries will build on existing coordination bodies for chemicals (when available) and will nominate the relevant institutions to ensure a proper implementation and monitoring of the activities, including the development and implementation of legal instruments.</p>
<p>(United States) Page 7 in PIF ('prohibited for all uses, including ASGM, per Article 3.5'):  Mercury from decommissioned facilities is not necessarily prohibited for re-use, only if it is designated as excess mercury (waste). For example, the GEF-funded chlor-alkali project in Mexico is planning to sell mercury from decommissioned facilities. There should be some practical connection between these two GEF projects.</p>	<p>The chlor-alkali project in Mexico will be closely monitored by this project. UNEP is the implementing agency for both initiatives and will further ensure coordination and consistency among both.</p>
<p>(United States) Page 7 in PIF ('However, most countries are still learning about the form, procedure and its practical implementation, therefore, improvements can and should be made to streamline and build capacity to fully implement the agreed process.'): This should be a</p>	<p>During the preparatory phase, the participating countries agreed that the use of consent forms needs to be a fundamental part of this project. Activities will be undertaken to train the responsible national authorities to use them properly, to share the information both</p>



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focus of this project. Use of the consent forms provides data that is critical to understanding mercury trade and flows between countries	nationally and regionally, and to standardize their use. The Minamata Convention Secretariat will be invited to participate in this related activity to ensure expertise is provided to the regional and global levels.
(United States) Page 8 in PIF ('terminology'): Terminology for what?	Understanding of illicit financial flows (IFF).
(United States) Page 14 in PIF ('Furthermore, as a potential requirement, all buyers of gold from Latin America, especially LBMA refiners, could be expected to conduct due diligence on mercury risks. Similarly, all regional gold exporters could be expected to produce an annual due diligence report on their sources of supply of gold, assessing risks of mercury contamination.'): These activities should be linked to, and complement, PlanetGOLD projects in relevant countries.	Project activities will frequently consult with and complement the experience of the important ongoing planetGOLD projects in participating countries. These linkages were also suggested by the countries during the PPG validation workshop.
(United States) Page 14 in PIF ('A guidance/protocol'): A similar guidance was recently completed by the Peruvian Ministry of Environment, with the support of the Artisanal Gold Council funded by the US Department of State Mercury Program	This regional project will build on the progress and lessons learned of the initiatives that have been listed in the CEO Endorsement project, including the USDoS funded initiative in Peru and its related outcomes. It should be noted that the guidance developed for Peru is largely applicable to other countries in the region.
(United States) Page 15 in PIF ('Mexico'): Mexico also has a new GEF project for chlor-alkali which intends to market 50t of excess mercury from a facility. This mercury should be tracked as part of this project.	This project has been included under the section on coordination with ongoing initiatives. Please refer to the above comments for further details.

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The proposal used the UNEP's Report on Illegal trade of Hg as the basis and rationale for the project and approach, which is good. While the barriers to reducing mercury trade were described, the proposal does not adequately present the broader drivers of change that facilitate mercury trade (including illegal trade and use). What economic, social, demographic, and technological factors facilitate mercury use? For example, what supply and demand conditions enable illicit activities? It is essential to identify these and the interactions between them to understand the broad system and the best and logical leverage point in the system to target for intervention. A comprehensive systems thinking analysis is required to understand the issues and create effective interventions.	Mercury trade is mainly driven by demand for mercury rather than mercury supply. In the case of LAC, ASGM is a major user of mercury and ASGM is prominent in all target countries in the project. Illegal trade of mercury prevails especially when mercury use in ASGM is formally banned, such as in Colombia and Ecuador, while ASGM activities continue. In addition, as Mexico, the main supplier of mercury in the region, seeks to close its mercury mines in the next 5 years, the landscape of mercury supply, demand and trade will also shift, and it is the project's assumption that illicit activities will increase as a result of reduced Mexican supply. On the demand side, there are existing initiatives such as the planetGOLD programme (also funded by the GEF), which is trying to reduce and eliminate the use of mercury in ASGM in the region. How the conditions of mercury demand and supply will change is difficult to predict; however, the purpose of the project is to better understand the current legal and illicit trade flows, and to establish a regional network coordinated by participant countries and international partners that can better monitor mercury trade and ensure more legal trade in the future.
The proposal did not address uncertain futures, which could be because the drivers of change were not	There are parallel initiatives (planetGOLD and other bilateral support such as modifications to countries'

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<p>considered, e.g., a substantial increase in the price of gold that will further drive demand for Hg used in ASGM, undermining actions taken to limit Hg use in ASGM.</p>	<p>domestic legal framework that limit the use of mercury in the ASGM sector) which are supporting the reduction and elimination of mercury use in ASGM. These initiatives aim to reduce the demand for mercury which should in turn counter the effects of any price increase for gold that might otherwise attract more people to work in the sector. The project will include this as one of the social/economical risks.</p>
<p>The baseline problem was explained using UNEP Report, which is comprehensive and provides a strong analysis. The proposal also presents relevant baseline projects and builds on prior investments but does not adequately reflect lessons learned. Barriers were discussed in terms of the problem of illegal trade, but barriers and enablers to achieving the goals were not addressed.</p>	<p>During the PPG, details on lessons learned from baseline projects will be collected and integrated into the proposal, and additional barriers and enablers to achieve the project's goals will be reassessed based on these previous experiences and lessons.</p>
<p>The proposal presents some narratives supporting the theory of change (ToC) diagram. But the ToC needs significant improvements by starting at a more comprehensive level within the supply and demand of Hg used in ASGM and including the interventions/activities that will lead to the desired outputs, outcomes, and long-term impacts. Not all assumptions in the ToC were thoroughly analyzed. For example, ToC assumed that knowledge produced on existing Hg supply sources, flows, and preparation of legal instruments (strategies and regulations) would ultimately achieve the goal of protecting human and ecosystem health by, presumably, restricting illegal flows of Hg. ToC doesn't explain that connection nor how the proposed activities will strengthen the capacity needed to improve Hg trade controls. Assumptions focus on the "willingness and intention of support rather than capacity, e.g., willingness to draft new laws, willingness to adopt new regulations, stakeholders willingness to participate &amp; cooperate in the regional network, but not on the capacity for implementation and enforcement. Is there the capacity to translate a better understanding of the issues into positive actions?</p>	<p>ToC will be significantly modified based on these suggestions provided by STAP, with special emphasis on actually building capacity and not only on willingness to do so. However, UNEP typically does not include specific activities as part of the ToC.</p>
<p>Also, the ToC does not appear to build on past experiences, as mentioned above, e.g., conflict minerals and steps taken to reduce their trade; and does not address the possible unintended consequences that are likely to arise as illegal trade is thwarted – what will happen to the "unemployed" brokers? This is fundamental for the durability of the project outcomes. Also, the project risks funding additional bureaucracy that may not necessarily control illegal trade. All of these need to be considered in the ToC</p>	<p>Same comment as above. The ToC will be significantly revised during the PPG, taking into consideration STAP suggestions. The project does not focus on creating alternative livelihoods for supply chain actors who will be affected by project interventions. Moreover, given the nature of illicit trade, it may not be feasible to engage actors who are involved in illegal and illicit activities. The project will identify stakeholders in each target country who can best contribute towards controlling, preventing and monitoring illegal mercury trade.</p>
<p>Further on the ToC, there seems to be a mix-up of what drivers are. The items labeled as drivers are another set of assumptions. Drivers are supposed to be the social, demographic, technological, economic, and other factors driving the issue that the project seeks to address. For example, the price and demand for gold could drive mercury trade. This aspect needs to be addressed in the ToC.</p>	<p>As noted above, the ToC will be significantly modified during PPG, taking into suggestions provided by STAP.</p>
<p>Stakeholders are numerous and use existing networks, which is positive. But it is essential to have a clear</p>	<p>During the preparatory phase, a stakeholder engagement plan and a gender analysis and action plan were</p>

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<p>engagement strategy, and their roles need to be incorporated into the project rationale and description. Gender also was not incorporated into the project rationale and description; instead, a long narrative on gender was presented in section D of the PIF.</p>	<p>elaborated based on inputs from experts and the national counterparts. Several consultations including a validation workshop took place to provide feedback on these documents. They will be further complemented and monitored during the project implementation phase.</p>
<p>Component 2 intends to draft legal instruments in all countries but does not describe what will be done to ensure that the draft legal instrument will be enacted, implemented, and enforced. Furthermore, the proposal is silent on how policy coherence will be addressed. For each country, it is essential to assess supportive and antagonistic policies across different economic sectors to ensure alignment with the proposed new legal instrument. Policy coherence could also be improved by considering supply and demand simultaneously, the benefits of capturing more taxes, etc. if illegal trade was curtailed.</p>	<p>As the project is planned for three years, the extent and manner of enforcement of the legal instruments that will be created or strengthened will depend on the participating countries – taking into account the results of relevant capacity building measures. However, to ensure effectiveness and commitment, specific actions, responsible entities and timelines will be included as part of the regional work plan to be adopted in the last year of the project. Policy coherence will be addressed through the national and regional coordination mechanisms as institutions with different mandates will be involved, consulted and trained. It is very encouraging that a high level of ownership and commitment from target countries was signaled during the PPG phase.</p>
<p>The GEB from the project is estimated as 176 metric tons Hg reduced. Fifty-nine tonnes will be reduced through lower production &amp; consumption, but the project isn't directly dealing with production &amp; consumption but rather the tracking of flows. The GEBs would mainly be indirect since the project interventions focus on improving the use of prior consent forms on trade, tracking and monitoring of legal trade within the region, phasing out primary mining in Mexico, and usage in the ASGM sector, without any direct interventions. Hence, the estimates of GEBs and the assumptions behind the estimates need to be more explicitly described.</p>	<p>Currently, the available mercury trade data in the LAC region is relatively unreliable and constantly fluctuating, given varying demand conditions and inadequate monitoring and control. Therefore, the calculation of potential GEBs from the project is based on estimated ASGM usage in the 6 target countries. While it is true that the GEB calculations are based on production and consumption data which are not resulting from direct interventions by the project, the multiple activities of the parallel Mexico primary mercury mining, Mexico chlor alkali and planetGOLD projects will have a direct impact on the amount of mercury traded legally and illegally in the region. Also, it is assumed that more stringent controls on trade will result in a reduction in mercury supply, as the cost of moving mercury illegally will be higher. Given the large uncertainties in evaluating GEBs for this project, the GEF might agree to allow slightly more flexibility during implementation.</p>