

GEF-8 PROJECT IDENTIFICATION FORM (PIF)

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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

Regional

GEF Project ID

11047

Country(ies)

Regional

Bolivia

Colombia

Ecuador

Honduras

Mexico

Peru

Type of Project

FSP

GEF Agency(ies):

UNEP

GEF Agency ID

Executing Partner

Basel Convention Coordinating Centre-Stockholm Convention Regional Centre for Latin America and the Caribbean (BCCC-SCRC)

Executing Partner Type

Others

GEF Focal Area (s)

Chemicals and Waste

Submission Date

9/16/2022

Project Sector (CCM Only)

Mixed & Others

Taxonomy

Private Sector, SMEs, Individuals/Entrepreneurs, Stakeholders, Focal Areas, Chemicals and Waste, Mercury, Influencing models, Convene multi-stakeholder alliances, Demonstrate innovative approaches, Transform policy and regulatory environments, Strengthen institutional capacity and decision-making, Local Communities, Civil Society, Academia, Non-Governmental Organization, Trade Unions and Workers Unions, Beneficiaries, Type of Engagement, Information Dissemination, Consultation, Participation, Partnership, Communications, Education, Behavior change, Awareness Raising, Gender Equality, Gender Mainstreaming, Gender-sensitive indicators, Sex-disaggregated indicators, Women groups, Capacity, Knowledge and Research, Knowledge Generation, Capacity Development, Targeted Research, Knowledge Exchange, South-South, Peer-to-Peer, Large corporations

Type of Trust Fund

GET

Project Duration (Months)

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	7,093,273.00
PPG Amount: (e)	PPG Agency Fee(s): (f)
150,000.00	14,250.00
PPG total amount: (e+f)	Total GEF Resources: (a+b+c+d+e+f)
164,250.00	3,449,250.00

Project Tags

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

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. The explanation and justification of the project should be in section B “project description”.(max. 250 words, approximately 1/2 page)

The proposed regional project focuses on accelerating Minamata Convention compliance through better understanding of mercury trends and improved control of mercury flows in Latin America (Bolivia, Colombia, Ecuador, Honduras, Mexico and Peru). Despite efforts implemented by project countries, mercury trading is still widespread and poorly reported. The recent global decreased level of mercury trade suggests there are significant informal trade activities not recorded in the mercury supply chain and implies end users are increasingly focused on specific sectors such as ASGM (main usage of mercury in the Latin America) which should be controlled and regulated. In addition, the lack of effective national and regional control mechanisms to reduce illicit financial flows and illegal mercury trade and the lack of sufficient regional coordination, data sharing and cooperation on mercury supply trade and trade in the region are barriers and will be addressed through the project. Target countries will build institutional and legal capacities to track and control mercury trade. The project will specifically support drafting or adapting legal instruments (provisions to control import/export and internal-distribution patterns), in line with obligations under Article 3 of the Convention, to build national consensus for their endorsement. In parallel, strategies to address illegal trade will be developed within and in between the countries. Cross country trainings will be provided to trade, custom and border control officials in all target countries to ensure coherence of procedures and measures to be taken to allow effective national and regional enforcement. The interventions will be fully implemented with participation of all national stakeholders that are key in the mercury supply chain including users. Finally, the engagement of the Andean Observatory as a regional network will ensure sustainability of project interventions and continue to monitor and track mercury flow after project ends. Using data from the UNEP Global Mercury Assessment, UNEP report on illegal trade of chemicals, and published MIA and NAP reports from target countries, the proposed project expects to prevent/avoid approximately 176 tons of mercury from entering the international market through improved trade control in the LAC region.

Indicative Project Overview

Project Objective

The objective of the project is to accelerate Minamata Convention compliance through better understanding of mercury trade trends in Latin America (Bolivia, Colombia, Ecuador, Honduras, Mexico and Peru) and promotion of regional cooperation towards an improved control of major mercury flows

Project Components

1: Prepare coordinated arrangements for assessing mercury trading issues at national and regional levels

GEF Project Financing (\$): 1,101,000.00

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 1.1.1 Project countries have increased knowledge on existing mercury supply sources and legal/illegal mercury flows

Output 1.1.2 Project countries have strengthened capacity on how to improve existing mercury trade control mechanisms

2: Prepare legal instruments of mercury trade and control at national and regional levels

GEF Project Financing (\$): 996,000.00

Outcome:

Outcome 2.1:

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

Output:

Output 2.1.1 Target countries have increased capacity to effectively track and control legal mercury flows through drafting of regulations and procedures at national levels

Output 2.1.2 Target countries have increased capacities to manage illegal trading of mercury at the national and regional levels

3: Regional cooperation on mercury trade and sustainability of project results

GEF Project Financing (\$): 673,000.00

Outcome:

Outcome 3.1:

Formal mechanisms for networking and cooperation at regional level on mercury trading are operational and adopted by participating countries

Output:

Output 3.1.1 Project countries agreed on a priority list for regional activities covering both legal and illegal trade of mercury

Output 3.1.2 Latin America regional network and cooperation on mercury trade are established and functional

M&E

GEF Project Financing (\$): 87,500.00

Outcome:

Project achieves objective in time based on effective monitoring and evaluation

Output:

Project monitored and evaluated

Component Balances

Project Components	GEF Project Financing (\$)
1: Prepare coordinated arrangements for assessing mercury trading issues at national and regional levels	1,101,000.00
2: Prepare legal instruments of mercury trade and control at national and regional levels	996,000.00

3: Regional cooperation on mercury trade and sustainability of project results	673,000.00
M&E	87,500.00
Subtotal	2,857,500.00
Project Management Cost	142,500.00
Total Enabling Activity Cost	3,000,000.00

Please provide justification

PROJECT OUTLINE

A. PROJECT RATIONALE

Briefly 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

Mercury sources and risks

While 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)^[1] 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 in 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 brain development, especially in fetuses (UNEP, 2019). Mercury that is released into the environment is transformed into methylmercury through microbial action in aquatic ecosystems, 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. An elevated amount of mercury released into the environment increases the likelihood of contamination in fish and consequent human exposure.

Mercury supply and trade and the Minamata Convention

The Minamata Convention on Mercury was developed as a global framework for action to achieve a significant reduction of mercury releases from anthropogenic sources, which will 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 129 countries^[2].

The Minamata Convention recognizes the importance of controlling, regulating, and gradually reducing mercury supply and trade (Article 3), in order to reduce its global availability and therefore its use in different anthropogenic products and processes. As part of Annex C of the Convention on National Action Plans (NAPs) in the ASGM sector, control of mercury supply and trade is required to prevent or reduce cases of deviation of mercury flows to be used in the ASGM sector, which are highly dispersive activities and that still present a great demand for mercury.

The global mercury supply is derived from five main sources:

- Primary mercury mining, involving the processing of cinnabar ore (prohibited for use in ASGM, per Article 3.4)
- By-product mercury recovery or “production” from other non-ferrous mining operations, as well as oil and gas processing (permitted for allowable uses, including ASGM)
- Decommissioning (closure or conversion) of chlor-alkali facilities, followed by the recovery of mercury from the electrolytic cells and other parts of the plant (prohibited for all uses, including ASGM, per Article 3.5)
- Recycling of mercury-added products and other mercury-bearing wastes

- The net change in government or private stocks of mercury

Recognizing the importance of written consent procedures set out in Article 3 of the Minamata Convention on Mercury, and the importance of information on sources of supply and trade of mercury, The Conference of the Parties (COP) of the Minamata Convention decided to adopt specific forms (during COP1 in 2017) for the provision of written consent among parties that are importing-exporting mercury^[3]. 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. The project examines a wide range global issues related to mercury trade, however, there are obvious and recognized regional patterns of mercury supply and trade that require regional solutions. With significant trade volumes and associated ASGM usages in the region, Latin America is a priority and mercury trade should be controlled and regulated.

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 uses in ASGM, together with use in the production of vinyl chlorine monomer (occurring primarily in China), constitute over 60% of global mercury demand^[4]. The Global Mercury Assessment 2018 reports that the majority of ASGM mercury use and emissions occurs in Latin America, accounting for a 53% of global emissions and releases estimated in the global inventory. Due to an increase in the price of gold in the last decades, these activities are not likely to disappear in the near future and demand of mercury in the region, if not appropriate and effectively managed through other interventions, may remain or increase even more at the same levels seen nowadays.

Use and demand of mercury in activities such as ASGM are being increasingly scrutinized as the Minamata Convention provisions become operational. Many ASGM operators rely on mercury, and even more 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. Many ASGM operations are part of the informal economy – undocumented, but not in violation of legislation. Unless mercury demand can be reduced rather rapidly, this imbalance will further stimulate formal and informal mercury supplies and trade and will add to the difficulty of changing course (UNEP, 2017)^[5].

Researchers and local non-governmental organizations recognize that informal mercury suppliers and gold buyers^[6] have a strong influence on mercury trade for ASGM by supplying, storing and even recycling mercury- as well as trading mercury for gold- using methods that are not transparent. Because of their importance and influence, these stakeholders also represent a significant barrier to the common national objective of reducing mercury use in ASGM. These informal traders facilitate the continued use of mercury by miners even when mercury is formally prohibited. 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 never recorded. 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, a goal that is important to many parties to the Minamata Convention (Annex C explicitly requires management of trade and prevention of diversion as required strategies in the National Action Plan).

Lack of effective national and regional 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. 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 liters and containing 27 kg of mercury. As such, the space needed to hide mercury, despite its weight, is quite small.

Literature and expert knowledge suggest that the most common strategies for illegally moving mercury tend to include^[7]:

- Falsifying documents by declaring the wrong classification of goods, as in the case of sacks of cinnabar shipped from Indonesia to the Philippines, or by shipping commercial quality mercury disguised 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 are a widely recognized global threat to stability and development, especially for the least developed countries. They are also commonly associated with criminality, financing terrorism and human trafficking, etc. However, very little agreement exists around terminology and there are significant challenges to develop measures against these flows. Lack of full understanding and its impact on the developing nations symbolize great risks.

As countries in the Latin American region continue to reduce mercury import quotas or forbid its import at all to ASGM, illegal trade risks will increase and consolidate if appropriate controls are not put in place or an integrated strategy enforced related to the use of mercury and to ASGM overall. Better understandings of transnational migrations of miners throughout the region, as well as characterizing regional mercury supply chains, and that of other inputs required for the activity, would enable comprehending the dynamics of illegal mercury markets.

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 presents difficulties for an appropriate assessment and control of the global supply situation. This is not different for the Latin American region, which lacks a comprehensive understanding of the mercury flows (legal and illegal) between exporting-importing and bordering countries and requires better information on estimated amounts of mercury in trade, supply and internal distribution patterns.

The absence of national schemes to track mercury trade in some countries, or the relatively weak existing ones, prevents countries from having accurate records of where mercury is originating and where it is being used. Without accurate data on mercury supply and trade, parties will not have the baseline to make informed decisions and establish priorities to regulate mercury trade and restrict activities not compliant with the Convention. This in turn can bring important challenges for the expedited implementation of the Convention, hindering its success to reduce mercury cycling worldwide and ultimately to reduce mercury emissions to the environment.

The national trade and COMTRADE databases are not precise and sufficiently accurate to allow proper analysis and tracking, enforcement and control for cross border issues on mercury trade. There are minimal coordination

mechanisms to control trans-boundary exports and imports. Learning and implementing a new regional system that produces economic reports, monitors the import and export of mercury, as well as customs tariffs, and tracks international trade statistics, rules of origin, and monitors mercury products in Latin America, is crucial to fully comply with the provisions of the Minamata Convention.

Stakeholder Engagement

This project will work in close coordination with the UNEP Global Mercury Partnership, providing assistance on the engagement of stakeholders at the project design and implementation phases. Members of the Partnership represent the diversity of institutions involved in mercury trade issue, from government, intergovernmental and non-governmental organizations, to industry and academic researchers. With the proper coordination of UNEP, trading partners, custom authorities, statistical agencies and other government regulatory bodies to monitor and control the import and export of the commodities will take part in the project, according to their responsibilities and roles. The main project stakeholders are:

UNEP: UNEP Chemicals and Health Branch GEF Unit is the IA, responsible for implementing the project, in line with project budget and workplan, and overseeing the Executing Agencies. It is currently working with governments on the development of the NAPs for ASGM under the Minamata Convention. UNEP – Latin America and the Caribbean Office will facilitate the regional coordination with countries and regional partners

Global Mercury Partnership: The Global Mercury Partnership will provide targeted technical assistance to support information sharing and dissemination of knowledge products at global level. The Partnership will host more information from the project for broader global dissemination as they become available

Minamata Convention Secretariat: Provide the updated and available information related to the Convention

OECD: Provide technical input, support with capacity building for private sector and law enforcement agencies

Basel/Stockholm Regional Centers in LAC (BCCC-SCRC): Lead executing agency

INTERPOL: National Central Bureaus (NCBs) will be invited to be part of the national coordination mechanism to ensure that crime related data are shared through secured channels nationally and regionally as appropriate

Andean Community: Provide regional and technical support to the project; act as local presence in the region; serve as a platform for information sharing after project ends

Organization of American States (OAS): OAS ongoing work in the region will complement with proposed project activities

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

Based on the barriers identified above, target countries in the LAC region require assistance in bringing active stakeholders together to carry out trans-national activities in combating mercury trade related challenges. The international communities that have been working on similar issues in the region will be able to provide insightful information and hand-on experience to complement the project.

For more baseline information on the project, please refer to Appendix 1.

^[1] UNEP (2019). Global Mercury Assessment 2018. <https://www.unenvironment.org/resources/publication/global-mercury-assessment-2018>

^[2] As per April 2021.

[ftnref4](#)

^[4] UNEP and the Global Mercury Partnership (2018). Quick Start Guide for managing mercury trade in artisanal and small scale gold mining. (https://wedocs.unep.org/bitstream/handle/20.500.11822/26652/hg_trade_ASGM.pdf?sequence=1&isAllowed=y)

^[5] UNEP (2017). Global Mercury Supply, Trade and

Demand. https://wedocs.unep.org/bitstream/handle/20.500.11822/21725/global_mercury.pdf?sequence=1&isAllowed=y

^[6] The most influential of these are the informal mercury and gold traders and brokers. 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^[6]. Only slightly less influential are the guards and security personnel who ensure that mercury reaches the ASGM sites.

^[7] 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 <http://www3.cec.org/islandora/en/item/11769-enhancing-alignment-north-american-trade-statistics-elemental-mercury-and-en.pdf>

B. PROJECT DESCRIPTION

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 PIF guidance document. (Approximately 3-5 pages) see guidance here

The project structure is built around 3 components that reflect the identified needs for the mercury trade within the involved countries. The components are:

1. Prepare coordinated arrangements for assessing mercury trading issues at national and regional levels
2. Prepare legal instruments of mercury trade and control at national and regional levels.
3. Regional cooperation on mercury trade and sustainability of project results.

As mentioned above, although general information on trade trends is available, Latin America lacks systematized recording of mercury trade data. Countries report trade data, but it is difficult to determine how much mercury trade are not reported and how accurate the reported data are. With regards to the internal distribution of mercury in countries, this data is rarely recorded. Furthermore, illegal traffic of mercury is broadly practiced and is not easy to track at the national level.

Another important issue is the harmonization of data recording systems and consistency of recorded data. Some countries in the LAC region have already developed control mechanisms for trade of mercury and other controlled substances, but different approaches have been taken. These bring discrepancies among different countries. A comprehensive mapping and comparison of such mechanisms and authorities across the different LAC countries is lacking. 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 identify trade trends, as well as illegal activity.

Further the relevant government authorities require a better understanding of the implications of the trade provisions included in the Minamata Convention, including the Article 3 supply restrictions and trade forms already adopted by the COP, and related requirements to manage trade and mercury diversion under the NAPs per Annex C. These authorities need to evaluate the potential legal and management gaps for implementation, and the potential

incremental costs (e.g. human resources, equipment) required to enforce an effective trade control and traceability system for mercury.

In the alternative 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 and 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 build national consensus for their endorsement. These will include provisions to control import/export and internal-distribution patterns. In parallel, strategies to address illegal trade will be also developed to address those channels that may be used to bypass the new controls that come in force in countries.

The interventions will be fully implemented with participation of all national stakeholders that are key in the mercury supply chain including users (i.e. Minamata focal points, customs authorities, law enforcement authorities, mercury suppliers, ASGM operators, gold buyers, mining competent authorities, private sector, among various others).

In addition, the GEF investment will support harmonization of procedures and strengthen the overall trading control system 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 Observatory by the Andean Community will be pilot tested during the project as a mechanism for the exchange of experiences, information and lessons learned among countries.

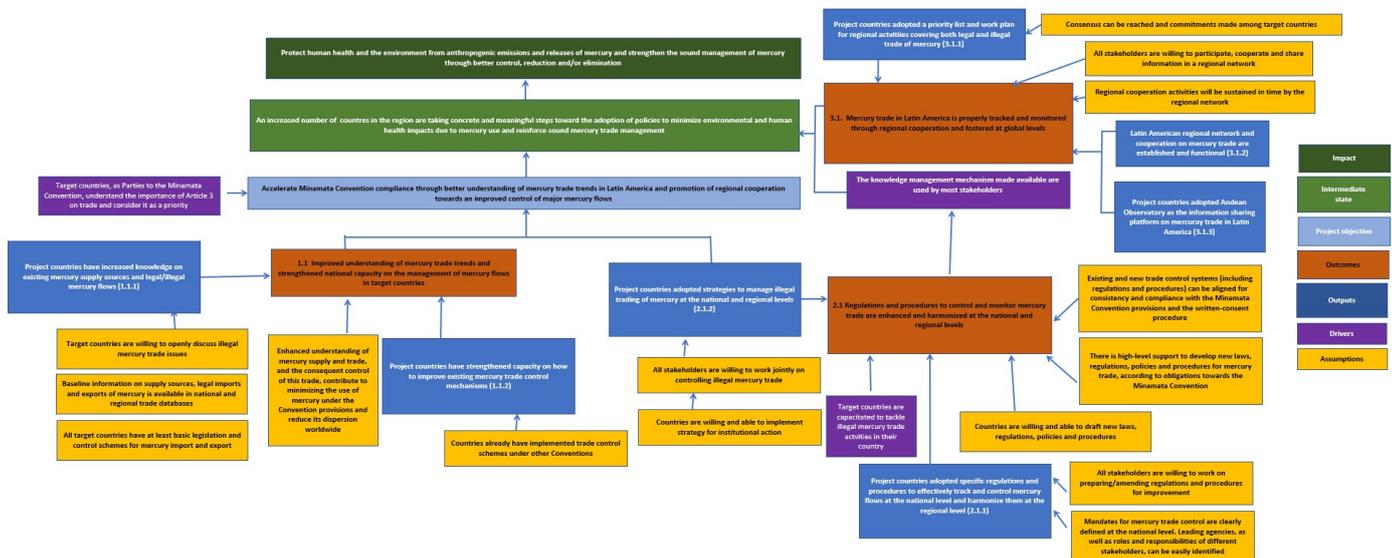


Figure 1. Theory of Change

Expected impact and intermediate impact

There are recognized and concrete evidence showing environmental and health risks associated with mercury and mercury compounds. Therefore, the impact of the proposed project is aimed to protect human health and the environment through improved trade mechanisms in Latin America as a targeted region. The six participating countries will demonstrate the effects of Minamata Convention implementation on improving their respective mercury trade processes in national context and cooperate on the regional level for harmonization. This model can be utilization by all 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 increasing number of countries in the region are adopting rules and procedures to improve mercury trade flows and an increase on collaboration at the regional level

to combat illegal trade flows. The direct 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. With the political support leading to enactment and enforcement of legislation to regulate mercury trade, increase in data knowledge and capacity to tackle illegal trading market at the national level, mercury trade will be easier and more manageable 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 to mercury trade.

Component 1: Prepare coordinated arrangements for assessing mercury trading issues at national and regional levels.

Under Component 1 countries will prepare baseline assessments on four main aspects:

- The main mercury supply sources for these countries. Where is the mercury coming from? Are those sources compliant with Article 3 of the Convention? Are mercury imports from these sources controlled and recorded? (Activity 1.1.1.2).
- Volumes and routes of mercury trade (on the record), across borders and within the countries' territories. How much is mobilized (imports/exports) and is it being controlled and recorded in compliance with the Minamata Convention provisions? Are the prior consent forms used when these imports/exports happen? How does imported/exported mercury reach final users? Is mercury tracked once it enters the countries' borders? (Activity 1.1.1.3).
- Approximate volumes and routes of mercury that enter and leave illegally in countries. This information is crucial and may be the most challenging to compile under the baseline assessment. It will require fieldwork, involving several national and regional stakeholders. What are the "weak" points in national borders where mercury may be entering and leaving illegally? How does that mercury reach final users? How do supply chains work? What are the drivers for bypassing formal controls in the country? What are the challenges to stop illegal trade? (Activity 1.1.1.4)
- Mapping of main institutions and national stakeholders involved in mercury control, mercury supply and mercury distribution. Who should be mandated with controlling mercury flows? Who are those stakeholders that have key information and may be drivers of change? What are key actions to implement with these stakeholders? (Activity 1.1.1.6).

In addition, the GEF investment will support regional technical assistance to review the current trade control in countries – confirming the baseline scenario and prepare a guidance document on development of legal instruments to strengthen these controls (1.1.2.1 - 1.1.2.4). Countries will use this guidance document while implementing Component 2 of the project.

Component 2: Prepare legal instruments of mercury trade and control at the national and regional levels

Under Component 2, countries will undertake a process with a national coordinating committee to review obligations on trade under the Minamata Convention and conclusions from the studies developed by the regional technical assistance on current schemes and legal framework (from component 1). The national committee in each target country will assess authorities and legal instruments that will need to be adopted or created to control mercury imports and exports, as well as internal distribution channels. Legal instruments will be drafted in all countries.

Continuous consultations will be held during the project to obtain stakeholder buy-in and endorsement of the proposed legal drafts.

Furthermore, this component will introduce the implementation of OECD Due Diligence Guidance to mercury supply chain in ASGM operations (especially for Mexico and Colombia as OECD members). There are several options to be explored: first, this may imply that all legal exporters of mercury have to disclose a supply chain due diligence report

annually, disclosing information on their sources of supply and any potential risks (including supply chain contamination) identified. Another option would be to develop a system where official and legal sellers of mercury are expected to collect documentation provided by their client on the end destination of the mercury they have traded. 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.

Lastly, the national committee in each country will also review key findings on illegal trade from the baseline assessment and discuss main aspects to be considered in a national strategy to prevent illegal trade. Concrete initial actions will be considered to make borders less permeable for illegal mercury trade. Furthermore, training with law enforcement authorities (customs and border control agents) in all target countries will be conducted as part of the regional forum technical capacity building programme to ensure that cross border mercury trade related legal responses are coherent, cost-effective and coordinated. The training will also include considerations related to seized mercury, with respect to enforcement, handling, transportation, and storage practices. All the planned trainings will be coordinated closely with co-financing partners, who are also working in the LAC region to maximize synergies and reduce redundancy for beneficiary countries. A guidance/protocol developed in 2019 in Colombia by the National Clean Production Center could serve as a basis to be adopted in each country. Detailed training plan will be developed during the PPG phase after closer consultation with co-financing partners.

Component 3 Regional cooperation on mercury trade and sustainability of project results

Component 3 will be dedicated to the exchange among countries and to strengthen a regional network that will effectively collaborate and coordinate to achieve the common goal of controlling mercury trade in the region.

A Regional Forum will be used to discuss key aspects of mercury trade and to build baseline capacities in countries, namely:

- Exchange information on trade regimes, internal controls on mercury distribution, good practices, lessons learned, and requirements of the Minamata Convention;
- Present and discuss initial options for legal and institutional changes, generated under Component 2, for each country, taking into account the opportunity for regional harmonization;
- Identify gaps in information and control systems that could be better addressed and enhanced by regional cooperation. The discussions will aim to identify commonalities among the countries systems for managing trade and tackling illegal trade, and identify opportunities to harmonize these systems;
- Exchange data on illegal trade to facilitate regional illegal trade risk assessment;
- Discuss and agree on the role of the Andean Observatory to share and exchange information on mercury trade in the region, and the relation with other countries trading mercury with the Andean Community.
- Agree on a set of priorities to collaborate on mercury trade control at the regional level and a workplan.
- Train trade officials on the requirements of Article 3 and Article 7; and
- Train customs officials on controlling illegal trade.

In addition, the recently created Andean Observatory will be pilot tested during the project as a mechanism for regional exchange on mercury trade. The 8 main intended functions of the Observatory are listed below.

- 1) Collect and monitor information on the production, import, export, marketing, transportation and use of mercury;
- 2) Analyze the information provided by the member countries; as well as information provided by intergovernmental organizations and other sources that have specialized knowledge in mercury;
- 3) Exchange and update regulations and technical information, for the final disposal of mercury, and on the amount of mercury seized or confiscated;
- 4) Prepare semi-annual reports on the information provided by the member countries, which must contain recommendations;
- 5) Make recommendations that may refer to strengthen and develop the Observatory, expanding information or variables to be provided by member countries, the inputs to be reports or other aspects that deemed relevant;
- 6) Make recommendations on public policies applied to the production, importation, exportation, marketing, transportation, and other related to the use and control of mercury, for decision making and the development of programs linked to the reduction or phase out of mercury use in mining;
- 7) Seek training of officials from the member countries on issues identified in the development of this Decision; and
- 8) Investigate technologies available to fingerprint sources of legal and illegal mercury (currently, no proven technology is available on the market for this purpose, but methods to conduct mercury source tracing and monitoring to determine legal versus illegal mercury will be explored during the PPG phase)

Members of the Andean Community, as target countries of the proposed project (except Honduras and Mexico) also provided their full consent and support in using the Observatory as the main platform for collecting and sharing mercury related data in the region. The Observatory is a formal arrangement among Andean countries, however, there is a strong interest in establishing cooperation between the observatory and other countries, particularly Mexico. The Observatory can be understood as a mechanism for cooperation and a network that includes data sharing. In addition to data, it is important that countries have a mechanism to exchange information on, for example, adopted regulations, policies, contacts, best practices, strategies on handling seized mercury. Information sharing mechanism with non-Andean Community countries will be determined during the inception phase of the project.

For the regional forum, invitation will be extended to countries outside the project and financial support for their participation will be assessed during project inception.

The Global Mercury Partnership will contribute towards global outreach and dissemination to the rest of the world related to mercury trade. It will provide stakeholders from project countries, as well as around the globe, a space to share ideas, data and knowledge, with and from other similar projects and initiatives, and facilitate opportunities for network building and communication through the use of online tools. The proposed project is of global importance as Mexico is a major mercury producing country and LAC as a region is a heavy mercury user, especially in ASGM sector). Experiences gained and lessons learnt through this project will be beneficial for replication in other regions. In addition, linkages and coordination with the Green Growth Knowledge Platform (GGKP, a global community of policy, business and finance professionals and organizations committed to collaboratively generate, manage, and share knowledge on transition to an inclusive green economy) will be carried out. GGKP is currently the main knowledge platform collaborating partner for UNEP, designated to consolidate all information and knowledge generated/collected in UNEP's Chemicals and Waste Portfolio.

The overall executing agency (EA) will be the BCRC SCRC Uruguay, coordinating all regional activities and provide guidance to the national level activities. BCRC-SCRC will report directly to UNEP. Each country will define the

Ministries or institutions leading the project at national level, and the executing organization of country activities, if different. The national executing organization will host the national coordinator, who will be in regular contact with the EA. Also, a national coordination mechanism with relevant institutions and stakeholders shall be established. Coordination with existing initiatives will be emphasized during the execution as many of them 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 meeting or be part of the international advisory board, depending on discussion topics and countries. For existing initiatives that already generated results, the proposed project will utilize them in the most efficient and effective manner. Credits and references to previous studies and investigations will be clearly cited and presented properly.

Coordination and Cooperation with Ongoing Initiatives and Project.

Does the GEF Agency expect to play an execution role on this project?

If so, please describe that role here. 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

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 strengthened, results generated and data collected from all of the listed projects will contribute toward the proposed project, especially related to the mercury use in ASGM sector.

Name of project	Status	Leading national agency	International partners	Relevant objectives
BOLIVIA				
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	Pipeline	Ministry of Environment and Water; Ministry of Mining and Metallurgy	UNIDO	Improve understanding and management capacity of the ASGM sector
Mercury governance: mapping the formal and informal mercury supply chain in Bolivia	Completed		IUCN NL and partners	Map formal and informal mercury import and export in Latin America e.g. Bolivia, Suriname and Guyana, with a particular focus on identifying

				illicit trade routes, trade hubs, price and quantity patterns, and key players. The intention is that 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 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.
COLOMBIA				
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
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 (CNPLTA)	Aimed 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
ECUADOR				
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
Program for integrated sound management of POPs	On-going	Ministry of Environment	UNDP	Aims to reduce the use and releases of mercury from ASGM,

and mercury through all life cycle (planetGOLD Ecuador)				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 such as the identification of contaminated sites and their environmentally sound management
Strengthening of the national control system for the management of dangerous materials in Ecuador	On-going	Ministry of Environment	UNEP Special Programme	Strengthen national capacities for: building and adoption of regulations and effective control tools, 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 (TRANSMAPÉ) that focused on the professionalization of mining practices including the review of gold production processes, especially in southern zone of Ecuador; the project has benefitted the miner's associations, plants, state entities, universities and training centers
HONDURAS				
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
MEXICO				
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 enabled 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 (PPG phase)	SEMARNAT/INECC	UNEP	Eliminate mercury use and adequately manage mercury and mercury wastes in the chlor alkali sector
PERU				
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: Integrated management of mercury in ASGM	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 illegal mining finances 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 will be 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 over natural resources
GENERAL				
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; prepared initial concept document for regional trade project from which the current project was derived

Coordination with existing initiatives will be emphasized during the execution as many of them 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 meeting or be part of the international advisory board, depending on discussion topics and countries. For existing initiatives that already generated results, the proposed project will utilize them in the most efficient and effective manner. Credits and references to previous studies and investigations will be clearly cited and presented properly.

Core Indicators

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	0.00	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			
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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)

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

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

approximately 176 tons of mercury from entering the international market through improved trade control in the LAC region, this includes a replication factor of 2 through the regional collaboration via the Andean Observatory:

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

Total: 88 tons X 2 = 176 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. As assumptions were made based on estimated data from reports, the final global environment benefits will be closely monitored and verified during the project.

The primary mining (GEF ID: 10086) project will reduce supply of mercury from Mexico and its export volumes to the rest of the Latin American countries and this project is currently under implementation. It will have an indirect impact on the proposed project with downward trend in mercury trade volumes in the region over time. The primary mining project aims to reduce mercury supply while the proposed project controls the demand and monitors trade of mercury in line with Article 3 of the Minamata Convention.

Based on project interventions, direct beneficiaries disaggregated by gender cannot be determined during project design stage, however, a balance among men and women participating in the decision making process in every participating country will be incorporated.

Core indicator 11 will be estimated during the PPG phase.

Risks to Project Preparation and Implementation

Summarize risks that might affect the project preparation and implementation phases and what are the mitigation strategies the project preparation process will undertake to address these (e.g. what alternatives may be considered during project preparation—such as in terms of consultations, role and choice of counterparts, delivery mechanisms, locations in country, flexible design elements, etc.). Identify any of the risks listed below that would call in question the viability of the project during its implementation. Please describe any possible mitigation measures needed. (The risks associated with project design and Theory of Change should be described in the “Project description” section above). The risk rating should reflect the overall risk to project outcomes considering the country setting and ambition of the project. The rating scale is: High, Substantial, Moderate, Low.

Risk Categories	Rating	Comments
Climate	Low	The project will not improve resilience against potential climate change impact and will

		not lead to outputs and outcomes sensitive or vulnerable to potential climate changes. Also will not increase GHG emissions or carbon sequestration
Environment and Social	Low	Social and environmental impacts of the project are only indirect as the project will deliver environmental and social benefits through increased environmental health and social awareness and better management of the mercury trade sector. Improvements in the sector can be further reinforced and sustained through greater formalization for cooperation network, which enables replication of project activities and contributing to the global knowledge platform. Therefore, better mercury trade management system will contribute to improved social and environmental stability of involved stakeholders
Political and Governance	Low	Political and Governance risk are related to the appearance of political conflicts and changes in the national priorities of involved countries. In this regard, participant countries are stable from a political perspective. However, the project's team will closely monitor the political situation at the country level for an early identification of potential sources of conflict that may affect the project's implementation phase within participant countries

Macro-economic	Moderate	Macro-economic risks are related to a dramatic change in the economic situation of participant countries, something that has happened historically and that could negatively affect to the ability to reinforce mercury trade controls. In this sense, the project will closely cooperate with the Executing Agency as well as the Andean Observatory to monitor risk and will aim to establish long-term cooperation follow-up assessments
Strategies and Policies	Low	Strategies and policies risks are related to the possibilities of diversion from national strategies and priorities. In this respect, the project has already established strong cooperation with the different relevant ministries in each country to ensure the project's goals and approaches are aligned to the national and regional goals
Technical design of project or program	Low	Technical design risks are identified as poor-quality design. This project will be assessed by international agencies as well as national level experts
Institutional capacity for implementation and sustainability	Low	Institutional capacity risks are correlated to the lack of potential project support from the national counterparts for the implementation of the project. However, national counterparts and executing agency have an extensive experience dealing with GEF funded project and haver already worked with

		UNEP in the field of chemicals and waste
Fiduciary: Financial Management and Procurement	Low	Financial Management and Procurement risks correspond to any potential mismanagement of funds. The project will ensure that UNEP and GEF financial rules are followed during the entire lifespan of the project. In addition, financial audits will be carried out on a regular basis to avoid any potential change of use of project funding.
Stakeholder Engagement	Low	The project will closely communicate with relevant stakeholders identified in the PIF document and developing in cooperation with them a stakeholder's engagement plan, in line with UNEP's and GEF's guidance.
Other		N/A
Financial Risks for NGI projects		N/A
Overall Risk Rating	Low	Through the combination of all identified risk, this assessment concludes that this project risk rating is low. However, close monitoring of risks (identified or upcoming) will guarantee adequate risk identification, management, and adaptation

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

Describe 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.

Confirm if any country policies that might contradict with intended outcomes of the project have been identified, and how the project will address this.

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. (max. 500 words, approximately 1 page)

The LAC mercury trade project is directly aligned with the programming strategies of GEF-8. 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: Prevent of future build-up of hazardous chemicals and waste in the environment. The project aims to address the identification of illegal sources of mercury trade in international markets , including significant involvement of national and international partners to comply with the implementation of the Minamata Convention. Additionally under the GEF-8 programming strategy, the project addresses chemicals and waste priorities:

- Ensure gender sensitive awareness raising and communication to be included in training sessions and strategies development
- Support policy coherence across national institutions to manage hazardous chemicals and wastes

The project will have important contributions to the objectives of the Minamata Convention of controlling mercury trade, reducing supply and therefore reducing mercury dispersion in the region; also will support the assessment of current schemes in target countries to generate trade statistics, develop a data base and network system, and facilitate the identification of discrepancies. At a national level it will support target countries to draft legislation and procedures to control the mercury trade. Additionally the project focuses on solving a challenge that is broadly present in many regions and countries worldwide that are now facing the obligations of the Minamata Convention, namely thee appropriate tracking and control of mercury trade. Without accurate global data on mercury imports and exports, countries will not have the necessary information to implement actions towards regulating and restricting mercury flows. The challenges identified in Latin America regarding tracking and control of mercury trade are not unique and can be found also in regions such as Africa and South-East Asia. The method proposed under this project is intended to support various countries in a region to hold coordinated and open dialogues to find the best way forward to improve existing trade tracking schemes, trade data accuracy and harmonization. In addition, the project intends to review and improve procedures in countries to implement the prior informed consent forms agreed by the COP. The experiences and lessons learned from this project are expected to contribute to similar processes with additional countries within the Latin America region, as well as with countries in other regions of the world.

After consultation with national and international counterparts, the expected outcomes of the project do not conflict with any current country policies in participating countries.

D. POLICY REQUIREMENTS

Gender Equality and Women’s Empowerment:

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

No

Based on project interventions, direct beneficiaries disaggregated by gender cannot be determined during project design stage, however, during the PPG phase a balance among men and women participating in the decision making process in every participating country will be incorporated and assessed. There are various gender issues to be considered regarding exposure of human health and the environment to mercury: a) Workplace exposures: Under certain activities, such as artisanal and small-scale gold mining, women and men work at different tasks. The level of direct exposures to mercury while burning amalgams in artisanal mining

sites depends on how these tasks are divided among miner community members in specific countries and regions. Men usually do burning of amalgams, although there are also cases where women are involved in this task. b) Household exposures: Direct exposure to mercury can be also present if mercury stocks are stored in miners' households, where women and children can be easily exposed while working or playing. Although direct exposure of mercury emissions from burning amalgams in mining sites presents a great risk to human health, the presence of larger stocks of mercury in households that can be released accidentally can be as impactful as mercury air emissions from burning amalgams. c) Physiological susceptibility: Because the relative intake by children is magnified when they are exposed to mercury due to their size and development, risks are more severe for them. Furthermore, the fact that women can pass the chemical burden of mercury to their babies during gestation makes them and their babies especially susceptible to mercury exposure. There is increasing evidence that the health effects of toxic metals either differ in prevalence and/or are manifested differently in men and women. Though data is limited, the gendered health effects of mercury have been recorded. In particular, methylmercury bioaccumulated in fish and consumed by pregnant women may lead to neurodevelopmental problems in the developing foetus. Transplacental exposure is particularly dangerous, as the fetal brain is very sensitive, but synthetic chemicals may also be transferred from mother to child via breast milk. Furthermore, synthetic chemicals may disrupt the development of babies and young children even at low levels. For the fetus and neonate, exposures to environmental toxicants may result in a wide range of adverse health consequences across the life course and potentially be transmitted to the next generation. Therefore, in an effort to reduce the amount of mercury entering the international market, minimize trade in illegal manners and also lowering mercury usage in ASGM sector, the project will indirectly contribute to achieving Sustainable Development Goal (5) on gender equality and empowerment of women and girls. Due to nature and the topic of the project, extensive gender mainstreaming activities are not envisioned as part of the project, however, since the project involves several government agencies and a variety of stakeholders in each participating country, the promotion of women in decision making processes for mercury issues and collection of disaggregated data by sex on the participation of stakeholders during meetings and consultations will be included. In addition, when inviting participants to various national and regional meetings, consideration and encouragement will be given to women and aim to reach a balance among men and women participants in each target country. Since the size of meetings cannot be determined at this time, no gender specific targets can be generated. However, the project will ensure gender considerations are included in training sessions and strategies development, as appropriate. This topic will also be raised and discussed during the inception workshop, followed with through implemented, and monitored/reported by the PMU. A more detailed analysis and action plan on gender mainstreaming will be carried out during the PPG phase.

Stakeholder Engagement

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

Yes

Were the following stakeholders consulted during project identification phase:

Indigenous Peoples and Local Communities:

Civil Society Organizations: Yes

Private Sector: Yes

Provide a brief summary and list of names and dates of consultations

Consultations were held with the following institutions:

- Global Mercury Partnership, information exchanges monthly from September 2020 until August 2022
- Minamata Convention Secretariat, information exchanges semi-annually from September 2020 until August 2022
- OECD information exchanges semi-annually from January 2021 until August 2022
- Basel/Stockholm Regional Centers in LAC (BCCC-SCRC) regular calls, online meetings, information exchanges quarterly from September 2020 until August 2022
- INTERPOL information exchanges from January 2021 until February 2022
- Andean Community regular calls, online meetings, information exchanges quarterly from September 2020 until August 2022
- Organization of American States (OAS), information exchanges from January 2021 until February 2022
- Instituto Nacional de Ecología y Cambio Climático (INECC) regular calls, online meetings, information exchanges from January 2021 until August 2022
- United States Environmental Protection Agency (USEPA), information exchanges from September 2021 until February 2022

Bolivia

- Ministry of Environment and Water regular calls, online meetings, information exchanges from September 2020 until August 2022
- Ministry of Mining and Metallurgy regular calls, online meetings, information exchanges from September 2020 until August 2022
- FUNDEMPRESA regular calls, online meetings, information exchanges from September 2020 until August 2022
- National Customs regular calls, online meetings, information exchanges from September 2020 until August 2022
- Gold Mining Cooperatives and Private Mining Companies regular calls, online meetings, information exchanges from September 2020 until August 2022

Colombia

- Ministry of Commerce, Industry and Tourism regular calls, online meetings, information exchanges from September 2020 until August 2022
- Ministry of National Defense regular calls, online meetings, information exchanges from September 2020 until August 2022
- Ministry of Environment and Sustainable Development regular calls, online meetings, information exchanges from September 2020 until August 2022
- Ministry of Health and Social Protection regular calls, online meetings, information exchanges from September 2020 until August 2022
- Ministry of Mines and Energy regular calls, online meetings, information exchanges from September 2020 until August 2022
- Ministry of Foreign Affairs regular calls, online meetings, information exchanges from September 2020 until August 2022
- DIAN regular calls, online meetings, information exchanges from September 2020 until August 2022
- General Attorney of the Nation regular calls, online meetings, information exchanges from September 2020 until August 2022
- National Police, information exchanges from September 2020 until August 2022
- Tax and Customs Police, information exchanges from September 2020 until August 2022

Ecuador

- Mining Regulatory and Control Agency regular calls, online meetings, information exchanges from September 2020 until August 2022
- Armed Forces and National Police , information exchanges from September 2020 until August 2022
- Geological and Energy National Research Institute, information exchanges from September 2020 until August 2022
- Ministry of Energy and Non-Renewable Natural Resources , online meetings, information exchanges from September 2020 until August 2022
- National Customs Service online meetings, information exchanges from September 2020 until August 2022
- Commission for the Control of Illegal Mining, information exchanges from September 2020 until August 2022
- Ministry of Production, Foreign Trade, Investments and Fisheries, information exchanges from September 2020 until August 2022
- Mining Associations information exchanges from September 2020 until August 2022
- Research Institutes and Universities information exchanges from September 2020 until August 2022

Honduras

- Ministry of Environment (including Center for Pollutants Studies and Control CESCO) regular calls, online meetings, information exchanges from September 2020 until August 2022
- Secretary of Health (SESAL), information exchanges from September 2020 until August 2022
- Honduras Customs Administration (AAH) regular calls, online meetings, information exchanges from September 2020 until August 2022
- Sanitary Regulation Agency (ARSA) regular calls, online meetings, information exchanges from September 2020 until August 2022

Mexico

- Ministry of Economy (SE) regular calls, online meetings, information exchanges from September 2020 until August 2022
- Federal Attorney for Environmental Protection (PROFEPA) information exchanges from September 2020 until August 2022
- General Directorate of Integral Management of Materials and Risky Activities (DGGIMAR)- SEMARNAT regular calls, online meetings, information exchanges from September 2020 until August 2022
- General Administration of Customs of Ministry of Finance and Public Credit (HACIENDA) regular calls, online meetings, information exchanges from September 2020 until August 2022

Peru

- Peru's National Customs and Revenue Authority (SUNAT) regular calls, online meetings, information exchanges from September 2020 until August 2022
- Ministry of Mines online meetings, information exchanges from September 2020 until August 2022
- Ministry of Environment regular calls, online meetings, information exchanges from September 2020 until August 2022
- Ministry of Production information exchanges from September 2020 until August 2022
- Ministry of Health information exchanges from September 2020 until August 2022

Non-Government Organizations

- National Resources Defense Council (NRDC) regular calls, online meetings, information exchanges from September 2020 until August 2022
- IUCN NL information exchanges from September 2020 until August 2022
- BGI and SBGA information exchanges from September 2020 until August 2022
- Artisanal Gold Council (AGC) online meetings, information exchanges from September 2020 until August 2022
- University of Colorado, School of Mines information exchanges from January 2021 until August 2022

- Green Growth Knowledge Platform (GGKP) regular calls, online meetings, information exchanges from September 2020 until August 2022

(Please upload to the portal documents tab any stakeholder engagement plan or assessments that have been done during the PIF development phase.)

Private Sector

Will there be private sector engagement in the project?

Yes

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

Yes

Environmental and Social Safeguard (ESS) Risks

We confirm that we have provided indicative information regarding Environmental and Social risks associated with the proposed project or program and any measures to address such risks and impacts (this information should be presented in Annex D).

Yes

Overall Project/Program Risk Classification

PIF	CEO Endorsement/Approval	MTR	TE
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Low

E. OTHER REQUIREMENTS

Knowledge management

We confirm that an approach to Knowledge Management and Learning has been clearly described in the Project Description (Section B)

Yes

ANNEX A: FINANCING TABLES

GEF Financing Table

Indicative 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	Programmi ng 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
Total PPG Amount						3,000,000.00	285,000.00	3,285,000.00

Project Preparation Grant (PPG)

Is Project Preparation Grant requested?

PPG Amount (\$)

150000

PPG Agency Fee (\$)

14250

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

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(\$)
Total GEF Resources					0.00

Indicative Focal Area Elements

Programming Directions	Trust Fund	GEF Project Financing(\$)	Co-financing(\$)
CW-1	GET	3,000,000.00	7093273
Total Project Cost		3,000,000.00	7,093,273.00

Indicative Co-financing

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Recipient Country Government	Bolivia: Ministry of Water Resources and Irrigation	In-kind	Recurrent expenditures	1080000
Recipient Country Government	Bolivia: Ministry of Mines	In-kind	Recurrent expenditures	56373
Recipient Country Government	Bolivia: Ministry of Environment, Biodiversity, Climate Change and Forest Management and Development	In-kind	Recurrent expenditures	316728

Recipient Country Government	Colombia: Ministry of Transportatio n	In-kind	Recurrent expenditures	106787
Recipient Country Government	Colombia: Ministry of Environment	In-kind	Recurrent expenditures	51247
Recipient Country Government	Honduras: Secretary of the Natural Resources and Environment, MIAMBIENTE	In-kind	Recurrent expenditures	1115114
Recipient Country Government	Peru: Ministry of Environment	In-kind	Recurrent expenditures	144787
GEF Agency	UNEP Global Mercury Partnership	In-kind	Recurrent expenditures	150000
Others	BCCC SCRC	In-kind	Recurrent expenditures	200000
Civil Society Organization	Natural Resource Defense Council (NRDC)	In-kind	Recurrent expenditures	50000
Civil Society Organization	IUCN Netherlands	In-kind	Recurrent expenditures	16000
Civil Society Organization	Better Gold Initiative/Bett er Gold Association	In-kind	Recurrent expenditures	100000
Others	Organisation for Economic Cooperation and Development (OECD)	In-kind	Recurrent expenditures	176000
Others	United States Environmenta	In-kind	Recurrent expenditures	28600

	I Protection Agency (USEPA)			
Others	Minamata Convention Secretariat	In-kind	Recurrent expenditures	65000
Others	Colorado University, School of Mines	In-kind	Recurrent expenditures	1673754
Others	INTERPOL	In-kind	Recurrent expenditures	350000
Others	Organization of American States (OAS)	In-kind	Recurrent expenditures	95899
Civil Society Organization	Artisanal Gold Council (AGC)	In-kind	Recurrent expenditures	1259885
Others	Andean Community	In-kind	Recurrent expenditures	57099
Total Co-financing				7,093,273.00

Describe how any "Investment Mobilized" was identified

Not applicable

ANNEX B: ENDORSEMENTS

GEF Agency(ies) Certification

GEF Agency Type	Name	Date	Project Contact Person	Phone	Email
GEF Agency Coordinator	Victoria Luque Panadero	9/16/2022	Ludovic Bernaudat	+41 79 477 08 33	ludovic.bernaudat@un.org
Project Coordinator	Ludovic Bernaudat	9/16/2022	Ludovic Bernaudat	+41 79 477 08 33	ludovic.bernaudat@un.org

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

Name	Position	Ministry	Date (MM/DD/YYYY)
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Jose Luis Naula	Director of International Cooperation	Ministry of Environment, Water and Ecology	9/9/2022
Malcom Bryan Stuffkens Salgado	Deputy Minister of Environment	Secretary of Energy, Natural Resources, Environment and Mines	9/6/2022
Mtra. Noemi Hernandez Rodriguez Borjas	Director of Multilateral Organizations and Bilateral Cooperation	Ministry of Finance and Public Credit	9/8/2022
Andres Felipe Marmolejo Egred	Head of International Affairs Office	Ministry of Environment and Sustainable Development, Colombia	9/21/2022
Martha Carolina Cuba Villafuerte de Cronkleton	Director of Cooperation and International Affairs	Ministry of Environment, Peru	9/15/2022
Carlos David Guachalla Terrazas	Vice Minister of Planning and Coordination	Ministry of Development Planning	10/20/2022

ANNEX C: PROJECT LOCATION

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



Accelerate Minamata Convention compliance through improved understanding and control of mercury trade in Latin America



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 D: ENVIRONMENTAL AND SOCIAL SAFEGUARDS SCREEN AND RATING

(PIF level) Attach agency safeguard screen form including rating of risk types and overall risk rating.

ANNEX E: RIO MARKERS

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

ANNEX F: TAXONOMY WORKSHEET

Level 1	Level 2	Level 3	Level 4
Influencing Models	Transform Policy and regulatory environments Strengthen institutional capacity and decision-making Convene multi-stakeholder alliances Demonstrate innovative approaches		
Stakeholders	Beneficiaries Local Communities		

	<p>Private Sector</p> <p>Civil Society</p> <p>Type of engagement</p> <p>Communications</p>	<p>-Individuals /entrepreneurs</p> <p>- SMEs</p> <p>- Large Corporations</p> <p>-Non-Governmental Organization</p> <p>-Academia</p> <p>- Trade Unions and Worker Unions</p> <p>-</p> <p>Information dissemination</p> <p>-Consultation</p> <p>-Participation</p> <p>-Awareness Raising</p> <p>-Education</p> <p>- Behaviour Change</p>	
Capacity Knowledge and Research	<p>Capacity development</p> <p>Knowledge generation and exchange</p> <p>Targeted Research</p> <p>Knowledge and Learning</p> <p>Stakeholder Engagement Plan</p>	<p>Knowledge Management</p> <p>South-South</p> <p>Peer to Peer</p>	
Gender Equality	Gender mainstreaming	<p>Beneficiaries</p> <p>Women Groups</p> <p>Sex-disaggregated Indicators</p> <p>Gender Sensitive Indicators</p>	
Focal Area/Theme	Chemicals and Wastes	Mercury	