



Global Opportunities for the Long-Term Development of the Artisanal and Small-Scale Gold Mining Sector in Paraguay - planetGOLD Paraguay

Review PIF and Make a recommendation

Basic project information

GEF ID

11112

Countries

Paraguay

Project Name

Global Opportunities for the Long-Term Development of the Artisanal and Small-Scale Gold Mining Sector in Paraguay - planetGOLD Paraguay

Agencies

UNEP

Date received by PM

4/11/2023

Review completed by PM

4/30/2023

Program Manager

Evelyn Swain

Focal Area

Chemicals and Waste

Project Type

FSP

GEF-8 PROJECT IDENTIFICATION FORM (PIF) REVIEW SHEET

1. General Project Information / Eligibility

a) Does the project meet the criteria for eligibility for GEF funding?

b) Is the General Project Information table correctly populated?

Secretariat's Comments Yes.

Agency's Comments

2. Project Summary

Does the project summary concisely describe the problem to be addressed, the project objective and the strategies to deliver the GEBs or adaptation benefits and other key expected results?

Secretariat's Comments Yes, the project summary is concise and complete.

Agency's Comments

3 Indicative Project Overview

3.1 a) Is the project objective presented as a concise statement and clear?

b) Are the components, outcomes and outputs sound, appropriate and sufficiently clear to achieve the project objective and the core indicators per the stated Theory of Change?

Secretariat's Comments Yes, this project is well developed and consistent with the GOLD program.

Agency's Comments

3.2 Are gender dimensions, knowledge management, and monitoring and evaluation included within the project components and appropriately funded?

Secretariat's Comments Yes, gender and and KM are key aspects of the project and will be coordinated with the GOLD Program.

Agency's Comments

3.3 a) Are the components adequately funded?

b) Are the GEF Project Financing and Co-Financing contributions to PMC proportional?

c) Is the PMC equal to or below 5% of the total GEF grant for FSPs or 10% for MSPs? If the requested PMC is above the caps, has an exception (e.g. for regional projects) been sufficiently substantiated?

Secretariat's Comments

The co-financing for this project is low. \$4.8M co-financing for \$3M GEF grant. For GEF-8 there is an expectation for a higher co-financing ratio.

PPO comment:

The PMC Proportionality: there is not proportionality in the co-financing contribution to PMC. The justification provided by the Agency for an increase in the PMC from 5% to 10% (?to accommodate the costs related to the provision of trainings, communication materials and other related activities to the project beneficiaries in the local languages?) is not acceptable because those costs are part of the regular activities of a project. The Agency is requested to reduce the GEF portion of the PMC to \$143,500. Additionally, with a co-financing of \$4,740,000, the expected contribution to PMC must be around \$237,000 instead of \$100,000 (which is 2.1%) - with this increase, the additional expenses mentioned in the justification to increase the PMC can be covered. As the costs associated with the project management have to be covered by the GEF portion and the co-financing portion allocated to the PMC, the GEF contribution and the co-financing contribution must be proportional, which means that the GEF contribution to PMC might be decreased and the co-financing contribution to PMC might be increased to reach a similar level. Please ask the Agency to amend either by increasing the co-financing portion and/or by reducing the GEF portion. A more definitive estimation of PMC will be presented and adjusted at CEO Endorsement stage.

ES, 5/15/23: PMC and co-finance have been adjusted. Comment cleared

Agency's Comments

12/05/2023

PMC has been modified to follow GEF Policy Guidelines for FSP projects and now stands at 5%. In addition, co-financing has been revised after consultations with project stakeholders and partners. The overall co-financing stands now at 22 M USD, and it has been allocated proportionally, according to GEF Policy Guidelines for co-financing.

4 Project Outline

A. Project Rationale

4.1 SITUATION ANALYSIS

a) is the current situation (including global environmental problems, key contextual drivers of environmental degradation, climate vulnerability) clearly and adequately described from a systems perspective?

b) Are the key barriers and enablers identified?

Secretariat's Comments Yes, the situation is well described and is consistent with other countries participating in the GOLD Program.

Agency's Comments

4.2 JUSTIFICATION FOR PROJECT

a) Is there an indication of why the project approach has been selected over other potential options?

b) Does it ensure resilience to future changes in the drivers?

c) Is there a description of how the GEF alternative will build on ongoing/previous investments (GEF and non-GEF), lessons and experiences in the country/region?

d) are the relevant stakeholders and their roles adequately described?

Secretariat's Comments This is the first ASGM project in the country and is consistent with the GOLD program, and NAP. Stakeholders have been identified and described.

Agency's Comments

5 B. Project Description

5.1 THEORY OF CHANGE

a) Is there a concise theory of change that describes the project logic, including how the project design elements will contribute to the objective, the expected causal pathways, and the key assumptions underlying these?

b) Are the key outputs of each component defined (where possible)?

Secretariat's Comments Yes, there is a concise theory of change that described the project logic and is consistent with the GOLD Program.

Agency's Comments

5.2 INCREMENTAL/ADDITIONAL COST REASONING

Is the incremental/additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?

Secretariat's Comments Yes.

Agency's Comments

5.3 IMPLEMENTATION FRAMEWORK

a) Is the institutional setting, including potential executing partners, outlined and a rationale provided?

b) Comments to proposed agency execution support (if agency expects to request exception).

c) is there a description of potential coordination and cooperation with ongoing GEF-financed projects/programs and other bilateral/multilateral initiatives in the project area

d) are the proposed elements to capture and disseminate knowledge and learning outputs and strategic communication adequately described?

Secretariat's Comments

Implementation arrangements are not clear. Please clarify.

ES, 5/15/23: Implementation arrangements have been clarified. Comment cleared.

Agency's Comments

12/05/2023

A more detailed description of the project's implementation arrangements has been added at the end of Section B ? Project Description - indicating that the project's Executing Agency (EA) will be the Alliance for Responsible Mining (ARM), through a local team located in-country and the Implementing Agency (IA) will be UNEP. A national

stakeholder coordination mechanism will be established building on the results and strategy as part of the NAP.

5.4 a) Are the identified core indicators calculated using the methodology included in the corresponding Guidelines (GEF/C.54/11/Rev.01)?

b) Are the project's indicative targeted contributions to GEBs (measured through core indicators)/adaptation benefits reasonable and achievable?

Secretariat's Comments Yes, core indicators are adequate.

Agency's Comments

5.5 NGI Only: Is there a justification of financial structure and use of financial instrument with concessionality levels?

Secretariat's Comments NA

Agency's Comments

5.6 RISKS

a) Are climate risks and other main risks relevant to the project described and addressed within the project concept design?

b) Are the key risks that might affect the project preparation and implementation phases identified and adequately rated?

c) Are environmental and social risks, impacts and management measures adequately screened and rated at this stage and consistent with requirements set out in SD/PL/03?

Secretariat's Comments Yes, relevant risks are identified.

Agency's Comments

5.7 Qualitative assessment

a) Does the project intend to be well integrated, durable, and transformative?

b) Is there potential for innovation and scaling-up?

c) Will the project contribute to an improved alignment of national policies (policy coherence)?

Secretariat's Comments Yes, this project contributes to the goals of the GOLD program which is innovative, durable, and intends to transform the ASGM sector away from mercury. It also is aligned with national priorities under the Minamata Convention.

Agency's Comments

6 C. Alignment with GEF-8 Programming Strategies and Country/Regional Priorities

6.1 Is the project adequately aligned with focal area and integrated program strategies and objectives, and/or adaptation priorities?

Secretariat's Comments Yes, it is in line with the CW strategy.

Agency's Comments

6.2 Is the project alignment/coherent with country and regional priorities, policies, strategies and plans (including those related to the MEAs and to relevant sectors)

Secretariat's Comments Yes, it is in line with the ASGM NAP.

Agency's Comments

6.3 For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e. BD, CC or LD), does the project clearly identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and how it contributes to the identified target(s)?

Secretariat's Comments NA

Agency's Comments

7 D. Policy Requirements

7.1 Is the Policy Requirements section completed?

Secretariat's Comments Yes.

Agency's Comments

7.2 Is a list of stakeholders consulted during PIF development, including dates of these consultations, provided?

Secretariat's Comments

Comment from PPO: Stakeholder engagement: The PIF outlines key project stakeholders but is unclear from the information provided whether these have been consulted during project design and what the project approach is to

further engage and consult these stakeholder during project development.
Please ask agency provide additional information.

ES, 5/15/23: Stakeholder engagement information has been clarified. Comment cleared.

Agency's Comments

12/05/2023

Information on stakeholders consulted during the PIF development is included under Section D- Policy Requirements - Stakeholder Engagement sub-section.

While the interest and engagement of local stakeholders have been confirmed through the national Government counterparts, consultations at the local level in the project's targeted area have not taken place yet. They will be prioritized at early stages of the PPG phase, paying particular attention to project engagement with indigenous peoples and community-based organizations.

8 Annexes

Annex A: Financing Tables

8.1 Is the proposed GEF financing (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):

STAR allocation?

Secretariat's Comments NA

Agency's Comments

Focal Area allocation?

Secretariat's Comments Yes.

Agency's Comments

LDCF under the principle of equitable access?

Secretariat's Comments NA

Agency's Comments
SCCF A (SIDS)?

Secretariat's Comments NA

Agency's Comments
SCCF B (Tech Transfer, Innovation, Private Sector)?

Secretariat's Comments NA

Agency's Comments
Focal Area Set Aside?

Secretariat's Comments NA

Agency's Comments
8.2 Is the PPG requested within the allowable cap (per size of project)? If requested, has an exception (e.g. for regional projects) been sufficiently substantiated?

Secretariat's Comments Yes.

Agency's Comments
8.3 Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat's Comments
Co-financing is low for this project.

Comment from PPO: Co-financing: co-financiers have to be identified even at an early stage as PIF. Please remove the unidentified co-financier

ES, 5/15/23: Co-financing has been increased. Comment cleared.

Agency's Comments

12/05/2023

The co-financing figures have been updated based on recent discussions held with the project partners. The overall indicative co-financing for the project stands now at 22 M USD, including both public and private sector stakeholders. The amounts indicated will be confirmed during the PPG phase and additional co-financiers will be sought, including international refiners.

Annex B: Endorsements

8.4 Has the project been endorsed by the country? (ies) GEF OFP and has the OFP at the time of PIF submission name and position been checked against the GEF database?

Secretariat's Comments Yes.

Agency's Comments

Are the OFP endorsement letters uploaded to the GEF Portal (compiled as a single document, if applicable)?

Secretariat's Comments Yes.

Agency's Comments

Do the letters follow the correct format and are the endorsed amounts consistent with the amounts included in the Portal?

Secretariat's Comments Yes.

Agency's Comments

8.5 For NGI projects (which may not require LoEs), has the Agency informed the OFP(s) of the project to be submitted?

Secretariat's Comments NA

Agency's Comments

Annex C: Project Location

8.6 Is there preliminary georeferenced information and a map of the project's intended location?

Secretariat's Comments Yes.

Agency's Comments

Annex D: Safeguards Screen and Rating

8.7 If there are safeguard screening documents or other ESS documents prepared, have these been uploaded to the GEF Portal?

Secretariat's Comments

PPO comment:

Environmental and Social Safeguards: We note that UNEP attached the Safeguard Risk Identification Form (SRIF) and an overall ESS risk of the program is classified as moderate. SRIF states that Indigenous people are present in the project's a designated area (Paso Yob'i Municipality) and potential risks related to changes in land tenure arrangements, including communal and/or customary/traditional land tenure patterns. Please provide a plan for further assessment of potential risks related to the indigenous people and changes in land tenure arrangements, including communal and/or customary/traditional land tenure patterns. (Comment for 5.6 Risks, c))

ES, 5/15/23: Additional information provided. Comment cleared.

Agency's Comments

12/05/2023

Specific activities to further assess and mitigate the potential risks related to indigenous people and the project's intervention have been listed under Section B- Project Description.

These activities follow UNEP's Environmental and Social Sustainability Framework (ESSF), and a risk mitigation plan will be developed and closely monitored during the PPG and implementation phases.

Annex E: Rio Markers

8.8 Are the Rio Markers for CCM, CCA, BD and LD correctly selected, if applicable?

Secretariat's Comments Yes.

Agency's Comments

Annex F: Taxonomy Worksheet

8.9 Is the project properly tagged with the appropriate keywords?

Secretariat's Comments Yes.

Agency's Comments

Annex G: NGI Relevant Annexes

8.10 Does the project provide sufficient detail (indicative term sheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table to assess the project capacity of generating reflows? If not, please provide comments. Is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat's Comments NA

Agency's Comments

9 GEFSEC Decision

9.1 Is the PIF and PPG (if requested) recommended for technical clearance?

Secretariat's Comments

Not at this time. Some issues remain.

ES, 5/15/23: PIF and PPG are recommended for technical clearance.

Agency's Comments

9.2 Additional Comments to be considered by the Agency at the time of CEO Endorsement/ Approval

Secretariat's Comments

Agency's Comments

Review Dates

	PIF Review	Agency Response
First Review	4/30/2023	5/11/2023
Additional Review (as necessary)	5/7/2023	
Additional Review (as necessary)	5/15/2023	
Additional Review (as necessary)		
Additional Review (as necessary)		