# Environmentally sound management and disposal of excess mercury and mercury waste from removing mercury electrolytic cells in Brazil?s chlor-alkali sector (Chlor-alkali Brazil)

**Review CEO Endorsement and Make a recommendation**

## Basic project information

**GEF ID**
11697
**Countries**
Brazil
**Project Name**
Environmentally sound management and disposal of excess mercury and mercury waste from removing mercury electrolytic cells in Brazil?s chlor-alkali sector (Chlor-alkali Brazil)
**Agencies**
UNEP
**Date received by PM**
12/17/2025
**Review completed by PM**

**Program Manager**
Jewel Batchasingh

| |
|---|
| **Focal Area** |
| Chemicals and Waste |
| **Project Type** |
| FSP |

## PIF

## CEO

**Part I - General Project Information**

**1. a) Is the Project Information table correctly filled, including specifying adequate executing partners?**

Secretariat comment at CEO Endorsement Request

Yes and the executing partner is Funda??o Educacional Ci?ncia e Desenvolvimento (FECD).

Comments from UDS, UK, Japan and Germany were not answered in Annex I - please amend.

COMMENTS FROM US WERE NOT ADDRESSED. Please amend.

ADDITIONAL COMMENTS MAY 13TH 2026

Please classify the most recent version of the project document as PUBLIC. Without this we cannot circulate the project. Additional minor comment in the POLICY section in ORANGE highlight.

Agency Response

Agency Reponse (May 2026)

Comments from UK, Japan, US and Germany have been included in Annex I.

Agency Response (May 2026)

The project document compiled file has been classified as PUBLIC as indicated

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

Secretariat comment at CEO Endorsement RequestNA

Agency Response

**2. Project Summary.**
**a) 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 outcomes?**
**b) Does the summary capture the essence of the project and is it within the max. of 250 words?**

Secretariat comment at CEO Endorsement RequestYes the project objective was well detailed.

Agency Response

**3. Project Description Overview**
**a) Is the project objective statement concise, clear and measurable?**
**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?**
**c) Are gender dimensions, knowledge management, and M&E included within the project components and budgeted for?**
**d) Are the GEF Project Financing and Co-Financing contributions to PMC proportional?**
**e) Is the PMC equal to or below 10% (for MSP) or 5% (for FSP)? If above, is the justification acceptable?**

Secretariat comment at CEO Endorsement Request

The project objective was clearly stated.

The PMC costs are approximately 4.7%.

Gender components are included in the description. The GAP was not very clear on if indigenous persons would be involved in the project.

Agency Response The project activities will take place exclusively within existing industrial chlor-alkali facilities located in Cubat?o, Rio de Janeiro, and Igarassu, which are not located in or near Indigenous territories. Therefore, no direct involvement or impacts on Indigenous Peoples are expected. The Stakeholder Engagement Plan (Appendix 5b) has been updated with a new subitem to clarify this information.

**4. Project Outline**
**A. Project Rationale**
**a) Is the current situation (including global environmental problems, key drivers of environmental degradation, climate vulnerability) clearly and adequately described from a systems perspective and adequately addressed by the project design?**
**b) Have the role of stakeholders, incl. the private sector and local actors in the system been described and how they will contribute to GEBs and/or adaptation benefits and other project outcomes? Is the private sector seen mainly as a stakeholder or as financier?**
**c) If this is an NGI project, is there a description of how the project and its financial structure are addressing financial barriers?**

Secretariat comment at CEO Endorsement Request

The Project rationale was useful in that it also detailed the variations from the PIF stage.

It details the current situation that have influenced the project design.

Agency Response

**5 B. Project Description**
**5.1 a) Is there a concise theory of change (narrative and an optional schematic) that describes the project logic, including how the project design elements are contributing to the objective, the identified causal pathways, the focus and basis (including scientific) of the proposed solutions, how they provide a robust approach? Are underlying key assumptions listed?**
**b) 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?**
**c) Are the project components (interventions and activities) described and proposed solutions and critical assumptions and risks properly justified? Is there an indication of why the project approach has been selected over other potential options?**
**d) Incremental/additional cost reasoning: Is the incremental/additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12? Has the baseline scenario and/or associated baseline projects been described? Is the project incremental reasoning provisioned (including the role of the GEF)? Are the global environmental benefits and/or adaptation benefits identified?**

**e) Other Benefits: Are the socioeconomic benefits resulting from the project at the national and local levels sufficiently described?**
**f) Is the financing presented in the annexed financing table adequate and demonstrate a cost-effective approach to meet the project objectives? Are items charged to the PMC reasonable according to the GEF guidelines?**
**g) How does the project design ensure resilience to future changes in the drivers and adaptive management needs and options (as applicable for this FSP/MSP)?**
**h) Are the relevant stakeholders (including women, private sector, CSO, e.g.) and their roles adequately described within the components?**
**i) Gender: Does the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities and have these been taken up in component design and description/s?**
**j) Are the proposed elements to capture and disseminate knowledge and learning outputs and strategic communication adequately described?**
**k) Policy Coherence: Have any policies, regulations or subsidies been identified that could counteract the intended project outcomes and how will that be addressed?**
**l) Transformation and/or innovation: Is the project going to be transformative or innovative? Does it explain scaling up opportunities?**

Secretariat comment at CEO Endorsement Request Theory of Change: Could barriers be included?

Agency Response ToC revised to include barriers in Figure 4. Theory of Change of CEO Endorsement Document.

**5.2 Institutional Arrangements and Coordination with Ongoing Initiatives and Project**
**a) Are the institutional arrangements, including potential executing partners, outlined on regional, national/local levels and a rationale provided? Has an organogram and/or funds flow diagram been included?**
**b) Comment on proposed agency execution support (if agency expects to request exception). Is GEF in support of the request?**
**c) Is there a description of coordination and cooperation with ongoing GEF and non-GEF financed projects/programs (such as government and/or other bilateral/multilateral supported initiatives in the project area, e.g.).**

Secretariat comment at CEO Endorsement Request The institutional arrangement is clear and of note is that the Technical Advisory Board (TAB) has a reporting line to the PSC.

Agency Response

**5.3 Core indicators**
**a) Are the identified core indicators calculated using the methodology and adhering to the overarching principles included in the corresponding Guidelines (GEF/C.62/Inf.12/Rev.01)?**
**b) Are the project's targeted contributions to GEBs (measured through core indicators and additional listed outcome indicators) /adaptation benefits reasonable and achievable?**
**Are the GEF Climate Change adaptation indicators and sub-indicators for LDCF and SCCF properly documented?**

Secretariat comment at CEO Endorsement Request Yes the Chemicals and wastes indicators are detailed.

Agency Response

**5.4 Risks**
**a) Is there a well-articulated assessment of risk to outcomes and identification of mitigation measures under each relevant risk category? Are mitigation measures clearly identified and realistic? Is there any omission?**
**b) Is the rating provided reflecting the residual risk to the likely achievement of intended outcomes after accounting for the expected implementation of mitigation measures?**

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

Secretariat comment at CEO Endorsement Request

Yes. The overall rating was moderate but the  mitigation measures were realistic.

The rating under the Environmental and Social risk category (currently low) should be the same as the rating under the key risk table, Environmental and Social Safeguards (ESS) risk, as per the GEF risk appetite GEF/C.66/13. This was detailed in safeguards section below as well.

Agency ResponseRating under Environmental and social risk modified to moderate.

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

Secretariat comment at CEO Endorsement RequestNA

Agency Response

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

**6.1 a) Is the project adequately aligned with Focal Area objectives, and/or the LDCF/SCCF strategy?**

Secretariat comment at CEO Endorsement RequestYes the project is aligned with the GEF 8 Programming Strategies., seeks to achieve SDGs and the Minamata Convention.

Agency Response

**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 comment at CEO Endorsement RequestYes. The project is well aligned with the Minamata Convention.

Agency Response

**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 comment at CEO Endorsement RequestNA

Agency Response

**7 D. Policy Requirements**

**7.1 Are the Policy Requirement sections completed?**

Secretariat comment at CEO Endorsement Request

**ADDITIONAL COMMENTS MAY 13TH 2026**

## D. POLICY REQUIREMENTS

### Gender Equality and Women's Empowerment:

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

Yes

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

Yes

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

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

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

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

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

Yes

### Stakeholder Engagement

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

Yes

**Select what role civil society will play in the project:**

Agency Response

Agency Response May 15

The checklist items were corrected in the Portal.

**7.2 Is the Gender Action Plan uploaded?**

Secretariat comment at CEO Endorsement Request

Please confirm that the document Appendix 2. Gender Equality and Women?s Empowerment is the GAP?

ADDITIONAL COMMENTS TO BE ADDRESSED:

Please regularly report on the implementation of the Gender Action Plan, highlighting lessons learned and best practices, and any adjustments undertaken (adaptive management), if applicable.

Agency Response

Appendix 5a is the Gender Analysis and Action Plan and was uploaded in the GEF Portal as support document. The document Appendix 2. Gender Equality and Women?s Empowerment was submitted during the PIF phase and is now replaced by Appendix 5a.

Additional Comment's response (May 2026):

Appendix 5a is the Gender Analysis and Action Plan and was uploaded in the GEF Portal as support document. The document Appendix 2. Gender Equality and Women?s Empowerment was submitted during the PIF phase and is now replaced by Appendix 5a.

The Gender Action Plan (Appendix 5a) has been strengthened to include provisions for regular monitoring, reporting, and adaptive management. Gender-related activities and indicators will be tracked through the project?s M&E system, including the use of sex-disaggregated data and qualitative assessments. The project will systematically document lessons learned and best practices, and apply adaptive management measures where necessary to ensure the effective integration of gender considerations throughout implementation. The activities and lessons learned in gender plan execution will be regularly reported in quarterly progress reports.

**7.3 Is the stakeholder engagement plan uploaded?**

## Secretariat comment at CEO Endorsement Request

Yes at Appendix 3. Stakeholder and private sector engagement strategy. The annexed stakeholder engagement plan (5c) looks like it is still in draft format. Please revise and elaborate on the different stakeholder?s roles related to project components and activities.

It is noted that the Ministry is involved in this project but the Basel Focal point (Competent Authority) particularly the competent authority should be explicitly stated. If the project foresees intransit shipment, the Basel Competent Authority should be included.

## Agency Response

The Stakeholder Engagement Plan (Appendix 5b) has been revised to clarify stakeholder roles and responsibilities in relation to the project components and activities, including the roles of MECC, IBAMA, the Executing Agency (FECD), UNEP, ABICLOR and participating chlor-alkali companies.

The document has also been updated to explicitly reference IBAMA as Brazil?s Basel Convention Competent Authority, responsible for reviewing and authorizing any potential transboundary movement of mercury waste in accordance with national regulations and Basel Convention procedures. These revisions strengthen the stakeholder engagement strategy and clarify institutional responsibilities for the implementation of project activities.

**7.4 Have the required applicable safeguards documents been uploaded?**

## Secretariat comment at CEO Endorsement Request

We note that the Safeguard Risk Identification Form (SRIF) and stakeholder engagement plan (Appendix 5b) are attached. An overall ESS risk is classified as **Moderate**. However, the environmental and social risk in the Key risk table said ?Low? risk. Please make these consistent with SRIF.

The SRIF said that ?T[h]e feasibility study to be undertaken should be followed by appropriate E&S assessments and management plans will be required before the decommissioning of the the 3 Chlor-alkali plants, the site remediation and installation of mercury-free plants. Community safety, labour and working conditions will require intense community sensitization, PPEs, Labour Management Plans and Construction Environmental and Social Management Plans.? Please provide stated E&S assessment and management plans as attachments or clear roles, timeline and budget to prepare these documents.

Agency ResponseThe environmental and social (E&S) assessments and management plans referenced in the SRIF will be prepared during the early stages of project implementation following the feasibility study and prior to any site-level activities related to decommissioning, remediation or infrastructure installation. These may include Environmental and Social Impact Assessments (ESIA), Construction Environmental and Social Management Plans (CESMP), and Labour Management Plans (LMP). The preparation of these instruments will be coordinated by the Executing Agency (FECD) in consultation with MECC, IBAMA and relevant state authorities, with oversight from UNEP, and is covered under the technical assistance and monitoring activities included in the project budget. A short paragraph was included in Appendix 5b to indicate that these activities will be jointly coordinated by project stakeholders.

**8 Annexes**

**Annex A: Financing Tables**

**8.1 GEF Financing Table and Focal Area Elements: 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 comment at CEO Endorsement RequestYes.

Agency Response

**Focal Area allocation?**

Secretariat comment at CEO Endorsement RequestYES

Agency Response

**LDCF under the principle of equitable access?**

Secretariat comment at CEO Endorsement RequestNA

Agency Response

**SCCF A (SIDS)?**

Secretariat comment at CEO Endorsement RequestNA

Agency Response

**SCCF B (Tech Transfer, Innovation, Private Sector)?**

Secretariat comment at CEO Endorsement RequestNA

Agency Response

**Focal Area Set Aside?**

Secretariat comment at CEO Endorsement RequestNA

Agency Response

**8.2 Project Preparation Grant (PPG)**
**a) Is the use of PPG attached in Annex: Status of Utilization of Project Preparation Grant (PPG) properly itemized according to the guidelines?**

Secretariat comment at CEO Endorsement Request

The posts that were recruited are well detailed.

1. Status of utilization of PPG: please present details of 'Technical Consultants' (which topics) and 'Meetings and Conference' (purpose - location, etc.)

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

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

| | GET/LDCF/SCCF Amount ($) | | |
|---|---|---|---|
| Project Preparation Activities Implemented | Budgeted Amount | Amount Spent To date | Amount Committed |
| Preparatory phase coordinator | 31,425.00 | 31,425.00 | |
| Stakeholder engagement expert | 15,000.00 | 15,000.00 | |
| Mercury management and monitoring experts | 32,000.00 | 32,000.00 | |
| Gender expert | 7,500.00 | 7,500.00 | |
| Technical consultants | 65,649.00 | 65,649.00 | |
| HACT assessment of executing agency | 5,860.00 | 5,860.00 | |
| In-country travel and consultations | 25,000.00 | 25,000.00 | |
| Meeting and conferences | 10,000.00 | 10,000.00 | |
| Final report | 7,566.00 | 7,566.00 | |
| Total | 200,000.00 | 200,000.00 | 0.00 |

Agency ResponseAnnex D has been updated to provide additional details on the utilization of the PPG funds. Technical consultants supported the preparation of key analytical and technical inputs for the project, including the feasibility assessment, monitoring plan, and the technical sections of the CEO Endorsement document. In addition, two stakeholder consultation events were organized during the PPG phase: an inception workshop (20 August 2025) and a validation workshop (11 November 2025) to review and confirm the project design prior to submission. Both meetings were held in hybrid format to facilitate participation from national and international stakeholders.
**8.3 Source of Funds**
**Does the sources of funds table match with the amounts in the OFP's LOE?**
**Note: the table only captures sources of funds from the country's STAR allocation**

Secretariat comment at CEO Endorsement RequestNo. There is an anomaly with FECD letter.

Agency ResponseThe co-financing letter has been uploaded once more to the portal, as well as the merged document which contains all co-financing letters (Appendix 2 ? co-financing letters ? merged).
**8.4 Confirmed co-financing for the project, by name and type: Are the amounts, sources, and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines?**
**e.g. Have letters of co-finance been submitted, correctly classified as investment mobilized or in-kind/recurring expenditures? If investment mobilized: is there an explanation below the table to describe the nature of co-finance? If letters are not in English, is a translation provided?**

Secretariat comment at CEO Endorsement RequestYes. Is this large value of cofinancing realistic? Is there any tangible means to verify that the cofinancing will be met?

## Agency Response

The confirmed co-financing reflected in the project amounts to approximately USD 274 million and is supported by formal co-financing letters submitted by participating private sector entities, government institutions and technical partners in accordance with the GEF Co-Financing Policy and Guidelines.

The majority of the co-financing corresponds to investment mobilized from private sector partners in Brazil?s chlor-alkali industry, which are already committed to significant capital expenditures associated with the decommissioning of mercury-cell facilities, transition to membrane technology, remediation of contaminated infrastructure and environmentally sound management of mercury and mercury-contaminated materials. These investments represent planned industrial upgrades that are aligned with national regulatory requirements and obligations under the Minamata Convention on Mercury.

The GEF project will play a catalytic role by supporting technical assistance, monitoring systems, regulatory strengthening and the environmentally sound management and disposal of mercury and mercury waste, thereby enabling and guiding these much larger industry investments. The co-financing commitments are documented through signed letters from the contributing entities and will be tracked/reported every year during PIR preparation are therefore considered realistic and verifiable.

**Annex B: Endorsements**

**8.5 a) If ? and only if - this is a global or regional project for which not all country-based interventions were known at PIF stage and, therefore, not all LOEs provided:**

**Has the project been endorsed by the GEF OFP/s of all GEF eligible participating countries and has the OFP name and position been checked against the GEF database at the time of submission?**

## Secretariat comment at CEO Endorsement Request

The LoE from the OFP was signed electronically and translated to English.

| | | | | |
|---|---|---|---|---|
| Chlor-alkali Brazil - PIF - Annex B - Letter of Endorsement Brazil | Project Supporting Document | OFP's Letter of Endorsement - [Country name] | Official Use Only | 9/17/2024 2:43 AM |

LoE from Chlorum was in Portuguese.

The letter from FECD on the server does not match this value in the Cofinancing table:

| | | | | |
|---|---|---|---|---|
| Civil Society Organization | Fundação Educacional Ciência e Desenvolvimento (FECD) | In-kind | Recurrent expenditures | 125925 |

| | |
|---|---|
| **Total contribution** | **Sum** |

Documento assinado digitalmente

Katrium listed some of its cofinancing as cash which is not reflected in the table.

Agency Response

The Letter from Chlorum has been translated and attached with the original document in Portuguese. Also the document has been updated in the uploaded document as Appendix 2- Co-financing letters - merged for your reference.

The figures from the contribution from FECD have been reviewed and updated in the confirmed co-financing table in the CEO Endorsement document as per the information in the letter provided by FECD

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

Secretariat comment at CEO Endorsement RequestYes. The OFP letter was in english and electronically signed.

Agency Response
**c) Do the letters follow the correct format and are the endorsed amounts consistent with the amounts included in the Portal?**

Secretariat comment at CEO Endorsement RequestYes.

Agency Response
**Annex C: Project Results Framework**
**8.6 a) Have the GEF core indicators been included?**
**b) Have SMART indicators been used; are means of verification well thought out; do the targets correspond/are appropriate in view of total project financing (too high? Too low?)**
**c) Are all relevant indicators sex disaggregated?**
**d) Is the Project Results Framework included in the Project Document pasted in the Template?**

Secretariat comment at CEO Endorsement Request

Yes the Project Results Framework was attached( It is difficult to read - can it be resubmitted). This document is submitted to Council and needs to be reformatted.

1.

Agency ResponseThe Project Results Framework has been updated and has been uploaded as Annex C ? Project Results Framework as support document.
**Annex E: Project map and coordinates**
**8.7 Have geographic coordinates of project locations been entered in the dedicated table? Are relevant illustrative maps included?**

Secretariat comment at CEO Endorsement RequestThe project coordinates and map were included.

Agency Response
**Annex G: GEF Budget template**
**8.8 a) Is the GEF budget template attached and appropriately filled out incl. items such as the executing partner for each budget line?**
**b) Are the activities / expenditures reasonably and accurately charged to the three identified sources**

**(Components, M&E and PMC)?**
**c) Are TORs for key project staff funded by GEF grant and/or co-finance attached?**

## Secretariat comment at CEO Endorsement Request

1. Activities " Preparation of Project M&E Reports" and " Preparation of final report" must be charged to M&E , not to PMC (current level of M&E is 1.7%, but it can go up to 2.0%).
2. The budget table presents expenditures per component and per year - please present the budget only per component.

| Source of funding: | GEF Trust Fund Cash | | | | | | |
|---|---|---|---|---|---|---|---|
| | BUDGET ALLOCATION BY PROJECT COMPONENT/ACTIVITY | | | | | | |
| | Component 1 | Component 2 | Component 3 | Component 4 | | | |
| UNEP BUDGET LINE/OBJECT OF EXPENDITURE | Strengthening national capacity for managing hazardous chemical facilities and mercury-contaminated materials | Introducing BAT/BEP during environmentally sound decommissioning of mercury-cell chlor-alkali plants and decontamination of waste materials | Environmentally sound management, treatment, and final disposal of excess mercury and mercury waste from the three decommissioned and converted chlor-alkali plants | Knowledge Management, Communication and Capacity Building | Monitoring and Evaluation | Project Management Cost | Total |
| 52 02 Preparation of Project M&E Reports | - | - | - | - | - | 24,000.00 | 24,000.00 |
| 52 03 Preparation of final report | - | - | - | - | - | 10,000.00 | 10,000.00 |

Can an explanation be provided on the administrative/finance and backoffice costs? ($200, 000)

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 13 01 | Administ./Finance Team and Backoffice Costs | - | - | - | - | - | 200,0 |

Can an explanation be provided on the equipment to be purchased and clarify who will be the custodian of the equipment during and after the project? ($568, 700)

| | | | | |
|---|---|---|---|---|
| 99 | | 79,300.00 | | |
| **42 00** | **Non expendable equipment** | | | |
| 42 01 | ICP-MS single quadrupolo | 220,500.00 | - | |
| 42 02 | Acid distillation system | 13,200.00 | - | |
| 42 03 | Acid vapor cleaning system | 21,000.00 | - | |
| 42 04 | Portable XRF analyser (3) | 195,000.00 | - | |
| 42 05 | Portable mercury vapor meter (3) | 92,400.00 | - | |
| 42 06 | Advanced kit for portable mercury vapor meter (3) | 22,400.00 | - | |
| 42 07 | Computers (2) | 2,600.00 | - | |
| 42 08 | Equipment for sample preservation (2) | 1,600.00 | - | |

Can an explanation be provided on the expenditure of $12,000 to banking and personal insurance?

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 53 01 | Banking and personal insurance costs | - | - | - | - | - | 12,000.00 |

Can an explanation be provided detailing the activities that have been allocated to the budget below:

| | | | | | | |
|---|---|---|---|---|---|---|
| 23 01 | Transport mercury to interim storage | - | - | 200,000.00 | - | - |
| 23 02 | Mercury interim storage | - | - | 900,000.00 | - | - |
| 23 03 | Mercury coll./transp./stab./destination | - | - | 3,500,000.00 | - | - |
| 23 04 | Mercury recovery from equip. | - | 2,900,000.00 | - | - | - |

The mercury interim storage is allocated $900,000 - is it that a facility will be constructed?

For the **regional** knowledge exchange seminar is that within Brazil or within Latin America?

| | | | | | |
|---|---|---|---|---|---|
| | meetings | | | | |
| 33 04 | Regional knowledge exchange seminar | - | - | - | 120,000.00 |

For component 4 fees are being allocated to consultants, please clearly explain the rationale for this allocation?

There is no responsible entity detailed in the table at Annex G.

The key ToRs are attached at Annex 5e. Can greater detail be provided for each post. In particular this post, **Institutional Articulation Director**? Please provide a justification:

| For Technical Assistance | | | | |
|---|---|---|---|---|
| **National** | | | | |
| Institutional Articulation Director | 4.000,00 | 60 | 240.000,00 | Organize the institutional articulation; represent the project management unit (PMU); serve as a focal point of contact and mediator between stakeholders; provide guidance to the different components of the PMU to align the project with its objectives, national policies, and UN and GEF standards; advise on the procurement of personnel, products, and services for the project; evaluate results and the adequacy of delivered products; continuously assess project risks; and propose project adjustments, if necessary. |

Additionally can a justification be provided for the two roles detailed below. Can these posts be merged?

| | | | | |
|---|---|---|---|---|
| | | | | documentation review. |
| Financial and Accounting Support Officer | 1.000,00 | 60 | 60.000,00 | Support the project's financial and accounting management (part-time), including overseeing financial requests and their supporting documentation; managing the project's accounting and bank account; and providing financial data for reporting. |
| Contracts and Procurement Manager | 1.000,00 | 60 | 60.000,00 | Support the project's legal compliance (part-time), including drafting and managing contracts; and providing general advice on procurement/hiring matters. |
| **Project Management Sub-Total** | | | **300.000,00** | |

Can these two posts be merged? There are 6 researchers being allocated to support these two posts. Please provide a justification.

| | | | | |
|---|---|---|---|---|
| Lead Researcher (Field Activities) | 2.000,00 | 48 | 96.000,00 | Lead field activities, including supporting logistical planning of operations; interact with the technical teams of partner institutions; provide continuous support to project coordination and communications management; produce a technical-scientific paper at the end of the project; and participate in technical-scientific and institutional events to which assigned. |
| Lead Researcher (Chemical Analisys) | 2.000,00 | 48 | 96.000,00 | Lead chemical analisys activities, including planning of operations; interact with the technical teams of partner institutions; provide continuous support to project coordination and communications management; produce a technical-scientific paper at the end of the project; and participate in technical-scientific and institutional events to which assigned. |

ADDITIONAL COMMENTS TO BE ADDRESSED:

1. Budget table:

    1. There is an item for $200,000 that covers ?Admin./Finance Team and Backoffice Costs? but the same section already shows at least three

finance/admin personnel, plus a project manager, as per the screenshot. Please revise this entry to: a) indicate which specific roles the personnel will be engaged to perform; b) indicate how many individuals will be engaged under which roles; c) move any other non-personnel costs that may be represented by ?Backoffice costs? to an appropriate expenditure category, such as ?Office Supplies? or ?Other Operating Costs,? and include a detailed description of such costs.

| Description | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Salary and benefits/ staff costs** | | | | | | | | |
| Operational Project Manager | - | - | - | - | - | 120.000,00 | 120.000,00 | FECD |
| Project Assistant | - | - | - | - | - | 60.000,00 | 60.000,00 | FECD |
| Financial and Accounting Support Officer | - | - | - | - | - | 60.000,00 | 60.000,00 | FECD |
| Contracts and Procurement Manager | - | - | - | - | - | 60.000,00 | 60.000,00 | FECD |
| Administ. /Finance Team and Backoffice Costs | - | - | - | - | - | 200.000,00 | 200.000,00 | FECD |

2. Please disaggregate the Travel budget line to differentiate between local/international travel, and for what purpose(s), e.g., PMU travel; consultants travel to project sites; PSC travel, etc.

3. Please explain the section called ?UN Sub-contract (managed by UNEP)? as shown in the screenshot below. These budget lines are all under the responsibility of FECD as EA, which would contradict the claim that these subcontracts are ?managed by UNEP.? In addition, UNEP has represented there will be no dual implementation and execution role by UNEP as the GEF Agency ? if UNEP is managing contracts related to this project, it would necessarily imply a dual role. Please revise the section, which appears to be more appropriately categorized under ?Contractual Services ? Company.?

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Sub-Contracts to executing partner/entity** | | | | | | | | |
| UN Sub-contract (managed by UNEP) | - | - | - | - | - | - | - | UNEP |
| Transport mercury to interim storage | - | - | 200.000,00 | - | - | - | 200.000,00 | FECD |
| Mercury interim storage | - | - | 900.000,00 | - | - | - | 900.000,00 | FECD |
| Mercury collection/transportation / stabilization /destination | - | - | 3.500.000,00 | - | - | - | 3.500.000,00 | FECD |
| Mercury recovery from equip. | - | 2.900.000,00 | - | - | - | - | 2.900.000,00 | FECD |
| **Sub-Total** | - | **2.900.000,00** | **4.600.000,00** | - | - | - | **7.500.000,00** | |

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4. Please revise the final budget line for ?Banking and personal insurance costs? ($12,000). Bank charges may be covered with GEF resources, but personal insurance costs are not eligible and should be removed.

## Agency Response

The following changes have been made in the CEO Endorsement Request unless otherwise specified:

1. 1. M&E:Addressed as advised ? budget reallocations have been completed (Annex G Budget; Appendix 6 - M&E Budget and Workplan; CEO Endorsement Document)

2. 2. Budget per component only: Addressed as advised ? the updated template has been adopted (Annex G).

3. 3. The equipment will support environmental monitoring of mercury emissions, ensuring controlled management (targeting minimal or zero fugitive emissions), as well as independent verification for environmental authorities and site contamination assessments. It will be hosted by the national reference laboratory (LEA-OM) and permanently transferred upon project completion, strengthening national technical capacity and leaving a lasting institutional legacy.

4. 4. While detailed stockpile management plans will be finalized during implementation (given the need for coordination among relevant authorities), the project includes: (i) secure transport to temporary storage; (ii) environmentally sound temporary storage; (iii) collection, transport, stabilization, and final disposal (including in situ or ex situ options); and (iv) recovery of mercury from equipment to ensure full integration into the disposal pathway.

5. 5. The project allows flexibility regarding storage solutions, including potential development of national facilities. Regardless of the option selected, safe temporary storage within the country is required, entailing significant costs (including specialized containers and infrastructure). Provisions are also included to support in situ stabilization if selected.

6. 6. The regional knowledge exchange seminar will target Latin America (clarified in Activity 4.3.3).

7. 7. Consultants under Component 4 will be responsible for implementing and coordinating the corresponding knowledge management activities and deliverables (Appendix 5e Project Personnel ToRs).

8. 8. Addressed ? Annex G has been updated using the new template.

9. 9. The role of the Institutional Articulation Director has been adjusted to Stakeholder Engagement Expert and further clarified (Annex 5e). This position ensures coordination among diverse stakeholders, facilitates conflict resolution, and supports effective engagement and communication.The expert will guide high-level public administration officials and executive directors of multinational companies in the materialization of complex, unprecedented public policies. It complements (but does not duplicate) the operational role of the Project Manager.

10. 10. The roles of financial/accounting support and procurement/contract management are maintained as separate part-time positions due to their distinct and non-overlapping responsibilities, ensuring compliance with financial and procurement procedures. The procurement of high value and potentially high risk hazardous waste management services require dedicated procurement and legal knowledge (Annex 5e).

11. Two research teams are required: one for fieldwork at mercury sites and another for laboratory analysis. Separate leadership is necessary due to differing technical requirements and operational locations (Annex 5e)

Additional Comments' response (May 2026):

1. The previous budget line titled ?Administrative/Finance Team and Backoffice Costs? has been removed to eliminate any potential overlap between personnel and operational expenditures. The originally aggregated allocation has been fully disaggregated and transparently redistributed across: (i) clearly defined Project Management Unit (PMU) personnel positions, and (ii) a revised budget line for ?Backoffice Operational Costs? under *Other Operating Costs*.

The updated structure distinguishes between:

•Personnel costs, now allocated to specific roles with defined responsibilities and levels of effort (Project Manager: USD 120,000; Financial and Accounting Support Officer: USD 100,000; Contracts and Procurement Manager: USD 100,000; Project Assistant: USD 90,000), and
•Non-personnel institutional support costs (USD 90,000), covering IT services, communication systems, accounting platforms, software licensing, office infrastructure, and general operational support.

This adjustment does not represent an increase in remuneration, but rather a rebalancing and clarification of previously aggregated costs. The revised distribution ensures a more appropriate differentiation of roles and responsibilities within the PMU, addressing the relative hierarchy between positions while reflecting their respective levels of effort and technical specialization.

In particular:

•The Financial and Accounting Support Officer and Contracts and Procurement Manager roles have been adjusted to reflect their specialized fiduciary and procurement responsibilities, including oversight of complex, high-value international service contracts.
•The Project Assistant allocation has been strengthened to support increased coordination, reporting, and cross-cutting functions, including support to gender-responsive reporting and environmental and social safeguards (ESS) compliance.

The Backoffice Operational Costs category was divided in 3 budget lines and strictly covers non-staff corporate services and does not duplicate any functions assigned to project personnel. These services are essential to ensure effective project execution, fiduciary compliance, and alignment with UNEP and GEF operational requirements.

The ToRs Appendix 5e has been updated accordingly to reflect the revised levels of effort, functional distinctions, and alignment between responsibilities and budget allocations..

2. The travel budget has been disaggregated to distinguish between local and international travel and to clarify purpose, including project management missions, technical expert site visits, stakeholder and PSC meetings, and participation in international knowledge exchange activities.

3. The budget line ?UN Sub-contract (managed by UNEP)? has been removed to ensure consistency with UNEP?s role as Implementing Agency and FECD?s role as Executing Agency. All contractual services are now appropriately reflected under ?Contractual Services ? Company? and implemented by the Executing Agency, in line with GEF requirements and avoiding any dual implementation role.

4. The budget line has been revised to correct the nomenclature and remove ?personal insurance costs?, which are not eligible under GEF guidelines. The remaining amount reflects only bank charges and transaction fees associated with project implementation.

**Annex H: NGI Relevant Annexes**
**8.9 a) Does the project provide sufficient detail (indicative term sheet) to assess the following criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not,**

**please provide comments.**
**b) Does the project provide a detailed reflow table to assess the project capacity of generating reflows? If not, please provide comments.**
**c) Is the Agency eligible to administer concessional finance? If not, please provide comments.**

Secretariat comment at CEO Endorsement RequestNA

Agency Response

**Additional Annexes**

**9. GEFSEC DECISION**

**9.1.GEFSEC Recommendation**

**Is the project recommended for approval**

Secretariat comment at CEO Endorsement Request

**9.2 Additional Comments to be considered by the Agency during the inception and implementation phase**

Secretariat comment at CEO Endorsement Request

**9.3 Review Dates**

| | CEO Approval | Response to Secretariat comments |
|---|---|---|
| **First Review** | | |
| **Additional Review (as necessary)** | | |
| **Additional Review (as necessary)** | | |
| **Additional Review (as necessary)** | | |
| **Additional Review (as necessary)** | | |