

# GEF GOLD+ in Madagascar: Enhancing the formalization and mercury reduction in artisanal and small-scale gold mining in Madagascar

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

10604

**Countries**

Madagascar

**Project Name**

GEF GOLD+ in Madagascar: Enhancing the formalization and mercury reduction in artisanal and small-scale gold mining in Madagascar

**Agencies**

UNIDO

**Date received by PM**

12/3/2021

**Review completed by PM**

11/30/2022

**Program Manager**

Anil Sookdeo

**Focal Area**

Chemicals and Waste

**Project Type**

FSP

**PIF**   
**CEO Endorsement**

**Part I ? Project Information**

**Focal area elements**

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

Secretariat Comment at CEO Endorsement Request

Yes

Agency Response

**Project description summary**

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

Secretariat Comment at CEO Endorsement Request

The description of the project is appropriate to meet the objectives, however the mismatch with the proposed budget which includes close to 50% of total resources towards travel raises the validity of this conclusion. Please clarify.

April 21 - The provision of travel to project sites etc are usually covered from counter part funding. Why is that not the case here? Security is also outside the scope of GEF projects. This should be the responsibility of the Government counterparts.

July 11, 2022 - The travel costs amount to over 900,000 USD or 19% of the total project budget. This is excessively high and there is no indication of the co-financing for this. Please reduce these costs and cover the majority from co-financing.

Sept 21, 2022 - The costs are still high, however based on the explanation, the comment is cleared with the provision that these costs are kept to only essential travel and that they be reported at each PIR and quarterly report as well as revisited at the MTR.

#### Agency Response

The total travel costs have been reduced to 9% of the overall budget for the LDC Madagascar. The revised budget is attached to the CEO Document. The co-financing letter from the Ministry of Environment and Sustainable Development (MEDD) has been revised to indicate that security and travel costs are covered by them. The updated letter has been uploaded.

The budget was revised accordingly. Security costs were removed and will be covered by government co-financing. Travel costs associated with capacity building that had been accounted separately are now included into capacity building activities.

The remaining travel budget takes into consideration the significant travel distances and limited infrastructure available.

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

Secretariat Comment at CEO Endorsement Request N/A

#### Agency Response

##### **Co-financing**

**4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?**

Secretariat Comment at CEO Endorsement Request

97% of the co-financing is in-kind. Without investment mobilised, how will the project activities be achieved?

April 21, 2022 - This explanation does not account for services such as travel, security etc.

July 11, 2022 - An explanation on the coverage of travel etc has not been provided. Further the project will be required to report on co-financing at the first PIR and each subsequent one.

Sept 21, 2022 - comment cleared.

#### Agency Response

Discussions are underway with the Central Bank of Madagascar that is establishing a mechanism to purchase gold from ASGM. This mobilized investment will significantly increase the overall project co-financing and compensate the current lack of investment mobilized. Further, a co-financing letter from the private sector company Argor is expected shortly and will be provided with the next resubmission or alternatively, an update on this will be included in the first PIR, at the latest.

We received the co-financing letter from Argor Heraeus and the Central Bank. The letters have been uploaded and the amount of 11 Mio has been included in the project document.

#### GEF Resource Availability

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

#### Secretariat Comment at CEO Endorsement Request

Close to 50% of the budget is targeted to travel, please clarify how this contributes to the outcomes of the project.

April 21, 2022 - See comments above.

July 11, 2022 - See comments above. on 2, 4.

Sept 21, 2022 - comment cleared.

### Agency Response

There it is explained that the budget has been revised. The costs for travel have been reduced and the MEDD has confirmed their coverage of travel and security costs in a revised co-financing letter.

Kindly refer to the answer provided under I.2

### **Project Preparation Grant**

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

Secretariat Comment at CEO Endorsement Request Yes provided.

### Agency Response

#### **Core indicators**

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

### Secretariat Comment at CEO Endorsement Request

Yes, however please provide an explanation below the core indicator table of how core indicator 4 was derived. Core indicator 3 is highlighted on the core indicator table, however there is no value included. Please delete if not being used.

April 21, 2022 - Comment cleared. Please write ITS and request the deletion.

### Agency Response

Response to the comment from April 21, 2022. This was done as requested with support from the ITS colleagues.

This is to confirm that Indicator 3 is not used and was marked by mistake. We kindly ask you to delete/untick, as it is not possible to do so from our end. Thank you for your time and consideration.

Indicator 4 captures the landscape area that is in production (i.e., mining, agriculture, and other productive sectors) and whose soil, air and water are managed in a sustainable manner.

The area of landscapes would benefit from improved practices (excluding protected areas) at the end of the project by carrying out the following main activities:

Activity 2.2.2 Train the community to create income-generating activities

Activity 4.2.2 Train artisanal and small gold miners and the community in environmental preservation and restoration

Activity 4.2.4 Raise community awareness of environmental preservation and restoration, social welfare improvement.

The below table details the land area of the mining regions selected by the project: Vatovavy Fitovinany, Diana, Atsimo Andrefana, and Betsiboka, and their mining sites.

<b>Region</b>	<b>Mining Site</b>	<b>Surface area (hectares) of the region[1]<sup>1</sup></b>	<b>Surface area (hectares) of the mining site[2]<sup>2</sup></b>
Vatovavy Fitovinany	Ambalamanasa	19,605 km <sup>2</sup>	228 km <sup>2</sup>
Diana	Andrafiava	19,226 km <sup>2</sup>	201 km <sup>2</sup>
Atsimo Andrefana	Farezy	66,236 km <sup>2</sup>	739 km <sup>2</sup>
Betsiboka	Antanimbary	30,025 km <sup>2</sup>	339 km <sup>2</sup>
	<b>Total</b>	<b>135,092 km<sup>2</sup></b>	<b>1,507 km<sup>2</sup></b>

From the accurate prospecting and deposit identification performed per site, we assume that 50% of the area will be under improved practice by the end of the project implementation. Thus, approximately 753 km<sup>2</sup> (75,300 ha) of landscape will be under improved practice by the end of the project implementation.

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[1] WFP, 2006, Available [here](#).

[2] Based on field visits of the sites

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This explanation can also be found in the CEO endorsement document.

## **Part II ? Project Justification**

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

### Secretariat Comment at CEO Endorsement Request

Please supplement the problems to be addressed with data from Madagascar in order to support the statements made on the state of the environmental issues.

April 21, 2022 - Comment cleared.

### Agency Response

#### **National context of Madagascar**

Artisanal and small-scale gold mining (ASGM) represents a means of livelihood and provides direct employment to approximately 600,000 Malagasy people, representing 2.3% of the nation population, of whom 37% are women and 20% are children, and indirect employment to 2.5 million people. Informal gold mining is practiced in 388 of Madagascar's 1,670 municipalities, with annual gold production across the ASGM sector estimated to be at least 14 tonnes.[1] Overall, Madagascar's annual gold production is believed to be worth about USD 450 million.[2]

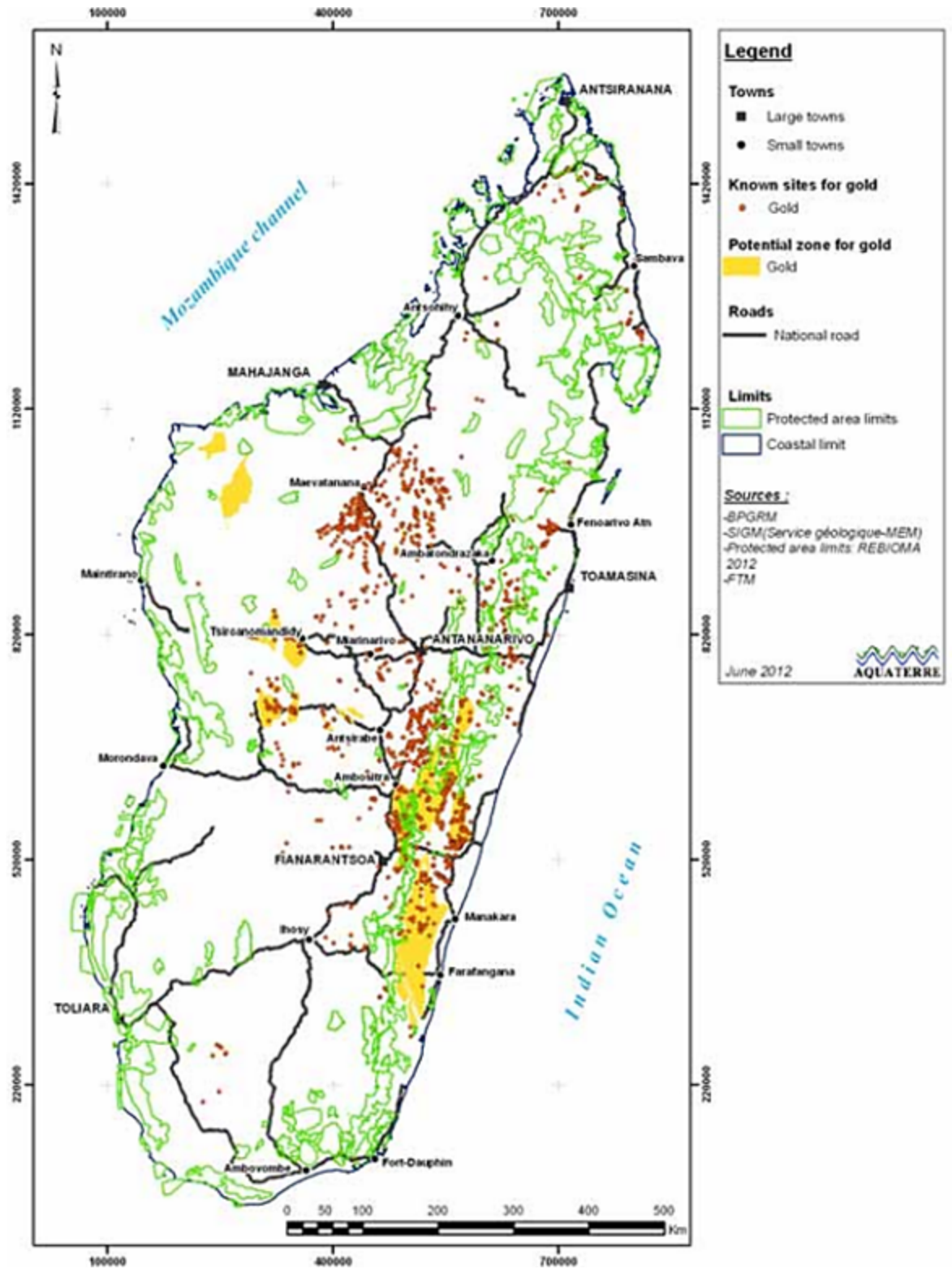


Figure 1 : Gold sites and zones in Madagascar (known and potential sites)



However, and despite existing regulation, informal gold mining activities have caused widespread environmental degradation in Madagascar, including deforestation, land degradation, wetland destruction, loss of biodiversity, chemical pollution, and relevant induced impacts including greenhouse gases emissions. Figure 1 shows the density of the existing gold mines in the country, particularly around and even inside the protected areas. These environmental problems occur from the exploration stage to the closure stage of a mine's operation.

### **Environmental problems associated with ASGM in Madagascar:**

#### *- Deforestation and biodiversity loss*

Most of the mining sites are located in forests; hence, excavation activities in gold mining lead to deforestation. In most mining sites, large areas of land were cleared, consequently destroying the forest that many animal species depend on for food and habitation. Consequently, the balance in the ecosystem is disrupted. Many animal species known to inhabit this environment may have migrated away or worse, are exterminated, including protected or endangered species.

#### *- Soil erosion*

Excavation activities for exploration purposes are a common source of soil erosion, as observed in the mining sites. Further mining activities have caused considerable damage to land and the soil is exposed to erosion. Unfortunately, the majority of the gold mining sites are not restored after decommissioning of the mining activities.

#### *- Air pollution*

Air pollution is one of the consequences of ASGM activities (digging, milling, dry washing). The associated dust generated by mining has major impacts on the environment and worker's health. During the dry season, the level of dust emission is higher in comparison to the rainy season. Miners, being exposed to this dust without any personal protective equipment, such as masks and goggles, are highly likely to contract respiratory and eye infections/injuries.

#### *- Noise pollution*

Constant and loud noise generated from blasting/grinding/crushing/digging activities and heavy machinery/trucks could lead to noise-induced hearing loss.

#### *- Agricultural and water pollution*

Agriculture and water are crucially important to food security and life on Earth. Madagascar is an island nation whose crops are extensively water-dependent whereas the distribution of river waters and precipitation is not equal among all states. Mining activities have threatened the sustainability of agriculture and water resources. Agricultural sector in Madagascar is affected directly (low productivity in crop farming) and indirectly (contaminated water from mining used by farmers for irrigation and daily life activities). In some cases, farmlands are destroyed where gold is found.

- *Use of mercury*

While mercury was not historically used within the ASGM sector, the substance and its associated processes were introduced by foreign miners about 10 years ago. Malagasy artisanal gold miners used the rest of gold mercury whole ore amalgamation collected from foreigners' exploitation. These two practices, which are gold mercury whole ore amalgamation and open burning, are considered as the worst practices in ASGM activity. The subsequent uptake of mercury in parts of the ASGM sector has seen the national consumption of the substance rise to an estimated 18.4 tonnes per year in the sector, used across sites totalling 37.65 hectares<sup>1</sup>. This mercury usage has introduced serious health risks and impacts to miners and mining communities, also resulting in widespread environmental pollution. Moreover, the nature of mercury processing techniques means that the chemical can be dispersed widely through air, watercourses and food chains, introducing mercury pollution ? and the associated risks and impacts ? to a far larger area and population than the immediately affected sites.

Structural problems of ASGM in Madagascar include institutional weaknesses such as policies that do not spell out mechanisms and supporting systems for growth of the ASGM market (in terms of prompt and sufficient Returns on Investment (ROI), the viability of the gold supply chains, exports, etc.). Additionally, other problems are associated with poor and substandard practices on mining sites such as the use of mercury which results in anthropogenic releases and subsequent environmental degradation and adverse impacts.

- *Informality*

Informality is a root cause of many problems in the ASGM sector, where unlicensed, unregulated, and undercapitalized operations have little regard for the environment or human health protection. Informal mining activity is highly mobile, dispersed, widespread, small-scale and often very isolated, which introduces significant challenges for national authorities' ability to monitor and enforce existing regulation. In addition, informality and unstable revenues keep the sector unbanked and unserved by financial

institutions. This limited access to finance prevents miners from investing in alternative processes that could reduce environmental impacts and improve productivity. In turn, this reduces the ability of miners to transition away from mercury and other environmentally harmful practices.

Informality also exposes the sector to corruption and criminal influence, while also leaving gold miners and their communities without legal protection. Informality and illegality in the ASGM sector constitutes a more than considerable loss of revenue for the Malagasy State in terms of royalties. In 2012, following the State's ban on gold exports, Transparency International identified informal and illegal transactions worth USD \$18 million, equivalent to 600kg of gold[1]. More recently, a paper by the OECD warns that reduced demand and lockdowns during the COVID-19 pandemic has compromised due diligence, resulting in *illicit actors positioning themselves to claim an even larger market share?* through territorial gains and a reduction in formal supply chain activity. Of course, the importation of mercury is itself illegal.

- *Lack of awareness on mercury or limited human capital*

Another important barrier to mercury reduction is a lack of awareness around the negative impacts of mercury use, and a lack of awareness of (and/or capacity to apply) mercury-free mining processes. Many miners and mining communities operate in isolated areas, with limited access to formal education and other knowledge channels. Even within better-connected mining communities, there has been limited deployment, promotion or awareness raising in Madagascar around mercury-free alternatives. Other than that, it is hard to detect the multitude of mercury importation routes, which could be aerial or maritime, knowing that all sources of mercury here in Madagascar are illegal.

- *Limited access to finance*

A lack of or limited opportunities for access to finance is a major factor contributing to ASGM operators seeking illegal and unregulated mining opportunities. The project preparatory phase has sent a survey on access to finance for gold miners and smallholders to 13 banks and microfinance institutes in the country and received not promising results. Only one bank responded to the questionnaire. In this bank, the gold counter, which is an indispensable entity for the formalization of the gold market, is not yet in place. Any form of partnerships or financial mechanisms for miners will only happen when the ASGM formalization process is completed. In short, most artisanal miners manage their lives outside the formal financial system. To fill the banking void, the majority of miners use the traditional, informal credit system. This typically involves borrowing money from a creditor or loan sharks whose repayment interest rates will

usually be relatively high. Repayment is often made through gold, which is worth significantly more than the cash amount borrowed. Even where finance mechanisms might be available, information sharing is inadequate and the requirements for eligibility are farfetched.

The ASGM sector is undercapitalized, particularly in comparison to the formal/industrial/large scale gold mining sector. This means that ASGM miners are unable to finance the initial investments that are needed to switch to low or no mercury alternative techniques and technologies, despite allowing increased gold recovery. Coupled with the low access to finance, their awareness of mercury alternatives is also very low. The most salient barriers to increasing capitalization of informal gold mining operations are: lack of education (of the sector within local financial institutions), data, formal business skills, scope of the finance required and remoteness of the operations which create market access challenges as well as lack of collaterals, which are commonly required for most types of conventional finance (credit). Naturally, the formalization of ASGM also presents a significant hurdle. More so, lack of education within the market means that local banks lack the understanding of the ASGM sector required to create financial products for it. This lack of understanding coupled with the negative perception of ASGM and its informality make financiers bearish on the prospect of investing in the sector. ASGM operations often lack information on mineral resources and reserves and key historical data around the operation itself, which can be used to evaluate the viability of a loan. The data on operations is lacking because ASGM miners do not have formal business skills or systematic monitoring of their activities and progress. Without these formal management skills, again, a loan is perceived as a higher risk. The remoteness of ASGM operations creates two key issues, namely access to markets and financing: which results in low gold prices and lack of opportunities. However, in comparison to other commodities such as agricultural products, miners receive a relatively higher value for the gold, even though the numerous intermediaries required to get the gold to market means that miners receive reduced revenues when compared to the international gold price. Secondly, where opportunities for miners to access support, financial services, and new markets do exist, the miners are often unable to access the information and the services due to the remoteness of their operations. This, therefore, implies that strengthening extension services is required, as well as tracking of mining activities and improved information sharing on financial mechanisms to support access to finance. Following an initial financial assessment carried out during project development, of the available financial mechanisms in-country to enable an increase in financing options for miners, some financial institutions were identified. Nonetheless, there was difficulty in getting information with regards to access to finance for ASGM from other financial institutions.

- *Exacerbation of main existing problems in the ASGM sector due to COVID-19*

Despite the fact that international gold price has skyrocketed in the last two years, the local prices have plummeted and become increasingly volatile.[2] These contradictory dynamics are the results of trade disruptions which have brought up lucrative opportunities for actors with power to exploit. Clandestine gold trade has increased while illegal mining exploded. Interruptions in travel and trade have significantly lowered the number of buyers, giving those who remain the upper-hand position to dictate the local prices. Poorer miners who sell small amounts of gold, at less competitive prices, to meet their daily subsistence needs have been brutally affected. It is exceptionally challenging for them when the cost of basic foods, like rice, oil, sugar, have simultaneously increased by 50%. It has been reported that in some mining sites, the exceedingly low prices and national lockdowns led to an estimated 50% of all workers quitting the goldfields. Some have moved to the extraction of other natural resources, such as timber.

Disruption of trade and price volatility could lead to increased use of mercury among income-deprived communities as it is the easiest, fastest, and cheapest way to extract gold.

ASGM communities are highly vulnerable to COVID-19 outbreaks due to limited facilities for housing, sanitary, health care, and mobility. Though mining sites are often in remote areas, mining communities are frequently connected to other areas through migrant workers, goods and services supply chains, and gold trade.

Furthermore, the restrictions on financial resources due to the deferral of interest payments on credits in the financial system due to the pandemic has worsened the access to credit in Madagascar.

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[1] <http://www.midi-madagasikara.mg/economie/2016/01/23/revelations-des-nations-unies-600-kg-dor-exportes-illegalement/>

[2] Edge Effects, 2021, Available [here](#).

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[1] Ministry of Environment, Ecology and Forests Madagascar, ASGM National Action Plan Madagascar, year 2018

[2] [The Guardian, 2016](#)

These information can also be found in the CEO endorsement document.

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

**Secretariat Comment at CEO Endorsement Request**

Yes, however please elaborate how the identified baseline activities are linked to co-financing.

April 21, 2022 - comment cleared, however counterpart funding for security, travel etc needs to be provided.

July 11, 2022 - the comment has not be sufficiently addressed. See 2, 4 above.

**Agency Response**

The table below (introduced in the incrementality section of the CEO) explains how the baseline activities are linked with the co-financing. It as well indicates the co-financing for travel and security provided by the Ministry of Environment and Sustainable Development (MEDD).

<b>Project components/activities</b>	<b>Confirmed co-financing</b>	<b>Comments</b>
1. Improve formalization of ASGM	ANOR	formalizes the ASGM sector
	MMRS	formalizes and the inspect the offenses carried out in the field of ASGM
	VOARISOA	Plans to work in the ASGM sites in collaboration with other stakeholders to raise awareness on the preservation of the environment, the advantages of mercury free mining to the in the project sites in order to promote the implementation of the Minamata Convention.
	Vohitra Environment	Deals with waste treatment from operators and industrials, recently included among its activities the treatment of electrical and electronic waste likely to contain mercury as waste in ASGM sector, in order to formalize this sector for sustainable development and environmental protection.
	MEDD	Deals with the protection of environment by the formalization of the ASGM sector including coverage of costs for travel and security.

2. Access to finance improved through financial inclusion and responsible supply chains	ANOR	Continues to apply existing supply chain processes, including monitoring and enforcement of traceability, and to strengthen their collaboration with the Central Bank and its buying scheme, as well as private international gold buyers.
	MMRS and ANOR	Help and train artisanal and small gold miners to produce to have better production of gold by adopting environmentally safe technologies
	MEDD	Seek financial partners to help miners access funding for their work ; Help artisanal and small gold miners to have financing support to improve their gold production; Establish partnerships between miners' groups and financial institutions in order to help artisanal and small gold miners to have funding to improve their production.
	OSCIE	The main objectives of this platform is to improve the social and economic benefits generated by extractive projects in Madagascar
3. Improve adoption of mercury-free technologies	ANOR and MMRS	Reduce or eliminate the use of mercury in Artisanal and Small-scale Gold Mining (ASGM), adopt the mercury-free technologies and introducing these new technologies specific to the ASGM sector
	MEDD	Help ANOR and MMRS to introduce mercury-free technologies in order to protect the environment from the mercury pollution, including coverage of costs for travel and security.
	VOARISOA	Contribute to the prevent the use of mercury
	OSCIE	The main objectives of this platform are respect for the environment, human rights and equity in extractive projects in Madagascar is improved
4. Knowledge sharing, communication and Support for local capacity building	OSCIE	The activities of this platform are sensitize, train artisanal and small gold miners to respect the environment, human rights and equity in extractive projects in Madagascar and to improve the social and economic benefits generated by extractive projects in Madagascar,

PNFDDSA	Main objectives of this platform are to (1) strengthen and develop the intellectual capacities of women, (2) mobilize women to commit to Sustainable Development in Madagascar, (3) Contribute to the integration of the "Sustainable Development" dimension in their daily life, (4) contribute to the improvement of the Green Planet of the Country contribute to the promotion of the Green Economy and (8) contribute to Food Security in Madagascar
Ministry of Public Health	Awareness raising and sensitization on occupational health issues for workers
SAMIS / ESIC	Contributes to the awareness sessions, knowledge sharing and communication for the preservation of environmental and the fight against the use of mercury in ASGM
VOARISOA	Will work in the ASGM sites with other stakeholders to raise awareness on the negative impacts of mercury pollution and share knowledge about different aspects of chemicals safety.
MEDD	contribute to the sensitization and share knowledge for the preservation of the environment, fight against the use of mercury in ASGM, and the formalization of the ASGM sector by restoring the environment including coverage of costs for travel and security.
MMRS	Raising awareness on the formalization of the ASGM sector

Kindly refer to the answer provided under I.2

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

Secretariat Comment at PIF/Work Program Inclusion

Yes.

Agency Response

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



## Secretariat Comment at CEO Endorsement Request

Yes

## Agency Response

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

## Secretariat Comment at CEO Endorsement Request

The incremental reason is clear, however how co-financing factors into the project is unclear. Please clarify and elaborate.

April 21, 2022 - comment cleared, however counterpart funding for security, travel etc needs to be provided.

July 11, 2022 - Not sufficiently addressed.

Sept 21, 2022 - comment cleared

## Agency Response

This was amended accordingly. Kindly refer to the answer under I.2.

Co-financing contributes to the realization of project components because the activities carried out in these components are among the activities of stakeholders who contribute to the co-financing.

The table below explains project components/activities, the name of co-financing and their roles or contribution in the GOLD+ Project Madagascar.

The biggest contribution is provided by the National Gold Agency (ANOR ? ?*Agence Nationale de la fili?re Or?*). As mentioned in the baseline scenario:

It is under the technical supervision of the Ministry of Mines and Strategic Resources (MMRS), the budgetary supervision of the Ministry of Economy and Finance (MEF), and the accounting supervision of the Minister in charge of accounting. ANOR oversees the overall management of the gold sector, with responsibilities including:

? Selling and distributing the artisanal gold miners' cards

? Receiving and processing applications for collectors' cards, applications for approval of collection counters, smelting counters, gold processing and refining laboratories, as well as issuing the corresponding approvals;

- ? Managing, developing and disseminating information concerning the gold sector (Database)
- ? Publishing statistics related to the gold sector;
- ? Maintaining the list of gold miners and gold collectors in each municipality, as well as all the actors in the sector, and use the periodic activity reports of gold operators;
- ? Monitoring the implementation by the operators of the provisions of the specifications of the mining operators of the gold sector;
- ? Promoting the activity of the gold sector by supporting (administratively and technically) operators for their professionalization and to increase their production capacity by offering scientific and technical expertise;
- ? Supporting the actors of the sector (Civil Society Organizations and Decentralized Territorial Collectivises) by providing them with the necessary information on all the decentralized structures for the development program;
- ? Monitoring the traceability of products and quality label, both at the national and international levels;
- ? Promoting gold transformation into jewellery, to create added value;
- ? Setting up the Mixed Company of Gold Treatment and Refining (SMTAO)

While ANOR is the main entity overseeing management and monitoring of the gold supply chain, it works in close collaboration with other government entities:

- ? The Ministry of Mines and Strategic Resources and its branches, whose responsibilities include good governance of the extractive sector;
- ? The Ministry of the Environment and Sustainable Development (MEDD) and its branches, one of which is the National Minamata Office or Bureau National Minamata (BNM). The MEDD's mission is to "*protect and enhance our environment and unique natural resources for the well-being of the Malagasy population and the sustainable development of the country*". The MEDD, through the BNM and the National Focal Point of Minamata Convention, are leading the project GOLD+ in Madagascar.

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	MMRS	Raising awareness on the formalization of the ASGM sector

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

Secretariat Comment at CEO Endorsement Request

Please see comments on core indicators.

April 21, 2022 - Comment cleared.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

Yes

Agency Response

**Project Map and Coordinates**

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

Secretariat Comment at CEO Endorsement Request

Yes

Agency Response

**Child Project**

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

Secretariat Comment at CEO Endorsement Request

Yes

Agency Response

**Stakeholders**

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

Secretariat Comment at CEO Endorsement Request

Yes

Agency Response

**Gender Equality and Women's Empowerment**

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

Secretariat Comment at CEO Endorsement Request

Yes

Agency Response

**Private Sector Engagement**

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

Secretariat Comment at CEO Endorsement Request

This section can be strengthened to include how the envisioned interactions with the private sector is expected to be conducted.

April 21, 2022 - comment cleared, however at inception please have a more detailed private sector engagement plan developed and please report on it's implementation during the PIRs, MTR and TE.

Agency Response

The private sector engagement section in the CEO document has been updated (new additional have been highlighted). In addition, as per the request, the private sector engagement plan will be refined at inception. Progress on its implementation will be reported annually as well as at mid-term review and terminal evaluation.

**Risks to Achieving Project Objectives**

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

Secretariat Comment at CEO Endorsement Request

Yes, including Covid-19 and climate related risks.

Agency Response

**Coordination**

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

Secretariat Comment at CEO Endorsement Request

Yes

Agency Response

**Consistency with National Priorities**

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

Secretariat Comment at CEO Endorsement Request

Yes

Agency Response

**Knowledge Management**

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

Secretariat Comment at CEO Endorsement Request

Yes

Agency Response

**Monitoring and Evaluation**

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

Secretariat Comment at CEO Endorsement Request

Yes

Agency Response

**Benefits**

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

Secretariat Comment at CEO Endorsement Request

Yes

Agency Response

**Annexes**

**Are all the required annexes attached and adequately responded to?**

Secretariat Comment at CEO Endorsement Request

Yes

Agency Response

**Project Results Framework**

Secretariat Comment at CEO Endorsement Request Provided

Agency Response

**GEF Secretariat comments**

Secretariat Comment at CEO Endorsement Request

Please see comments from PPO Oct 11, 2022

Child project to be returned to the Agency due to:

1. Project Expected Implementation Start Date has past ? please adjust to a further date.



2. PPG report doesn't provide sufficient details on PPG activities and expenditure categories (e.g. consultants, travel, meeting, etc?) - please provide a breakdown of activities funded through the PPG instead of providing a line with the lumpsum.

3. Tables 'Environmental and Social Risk Mitigation?', 'Environmental and social sustainability monitoring plan' and 'Project Results Framework' are off the margins. That autogenerated format that will be circulated will also present the tables off margins so the reader (this project has to be circulated) will not have the full view. Please adjust.

4. The budget table uploaded under Annex E in Portal doesn't provide sufficient details on each expenditure categories, so it is not possible to assess the reasonability of these expenditures vis-?-vis the sources (project components, M&E and PMC). Please use the correct format per the resubmission we will review and provide comments if appropriate.

Nov 30, 2022 - Comments cleared

#### Agency Response

**Agency Response: Oct 28, 2022**

1. The expected project Start Date has been updated to 1 February 2023.
2. The PPG report has been expanded and now includes now a breakdown of activities.
3. The mentioned tables have been introduced in a different format and are visible within the margins. These tables are also listed in the ESMP from page 22.
4. The detailed budget table, which was submitted as separate annex, has been also included in the CEO endorsement document.

#### Council comments

Secretariat Comment at CEO Endorsement Request Council Comments have been addressed.

Agency Response  
**STAP comments**

Secretariat Comment at CEO Endorsement Request

Agency Response  
**Convention Secretariat comments**

Secretariat Comment at CEO Endorsement Request

Agency Response  
**Other Agencies comments**

Secretariat Comment at CEO Endorsement Request

Agency Response  
**CSOs comments**

Secretariat Comment at CEO Endorsement Request

Agency Response  
**Status of PPG utilization**

Secretariat Comment at CEO Endorsement Request PPG has been accounted for.

Agency Response  
**Project maps and coordinates**

Secretariat Comment at CEO Endorsement Request Provided

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

Secretariat Comment at CEO Endorsement Request  
Agency Response

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

Secretariat Comment at CEO Endorsement Request

Agency Response

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

Secretariat Comment at CEO Endorsement Request

Agency Response

**GEFSEC DECISION**

**RECOMMENDATION**

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

Secretariat Comment at CEO Endorsement Request

Please respond to the review questions.

April 21, 2022 - please reply to unresolved comments.

July 11, 2022 - The issue of travel and co- financing have not been satisfactorily addressed.

September 21, 2022 - Technical comment cleared. Sending for PPO screen.

October 11, 2022 - Please respond to PPO comments.

November 30, 2022 - Comments cleared

**Review Dates**

**Secretariat Comment at  
CEO Endorsement**

**Response to  
Secretariat  
comments**

**First Review**

**3/7/2022**

**Secretariat Comment at  
CEO Endorsement**

**Response to  
Secretariat  
comments**

<b>Additional Review (as necessary)</b>	<b>4/21/2022</b>
<b>Additional Review (as necessary)</b>	<b>7/11/2022</b>
<b>Additional Review (as necessary)</b>	<b>9/21/2022</b>
<b>Additional Review (as necessary)</b>	<b>10/11/2022</b>

**CEO Recommendation**

**Brief reasoning for CEO Recommendations**