



**GEF-6 REQUEST FOR Chemicals and Wastes ENABLING ACTIVITY**  
**PROPOSAL FOR FUNDING UNDER THE GEF Trust Fund**

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**PART I: PROJECT IDENTIFIERS**

Project Title:	Strengthen national decision making towards ratification of the Minamata Convention and build capacity towards implementation of future provisions		
Country(ies):	Azerbaijan	GEF Project ID: <sup>1</sup>	
GEF Agency(ies):	UNDP (select)	GEF Agency Project ID:	5744
Other Executing Partner(s):	Ministry of Ecology and Natural Resources of Republic of Azerbaijan	Submission Date:	09/21/2015
GEF Focal Area (s):	Chemicals and Wastes	Project Duration (Months)	24
Type of Report:	Minimata Initial Assessment (select)	Expected Report Submission to Convention	2017

**A. PROJECT FRAMEWORK\***

<b>Project Objective: Undertake a Mercury Initial Assessment (MIA) to enable the Government of Azerbaijan to determine the national requirements and needs for the ratification of the Minamata Convention and defining of national priorities for implementation of the Convention</b>				
Project Component	Project Outcomes	Project Outputs	(in \$)	
			GEF Project Financing	Confirmed Co-financing <sup>2</sup>
1. Enabling environment for decision-making on the ratification of Minamata established	1.1 National decision making structure on Mercury operational.	1.1 National Mercury Coordination/Consultation Mechanism established.	51,819	0
	1.2 Policy and regulatory framework, and institutional and capacity needs in regard to the implementation of Convention provisions assessed.	1.2 Assessment report prepared on the existing and required policy and regulatory framework as well as institutional capacity to implement the Convention (incl. overview of existing barriers).		
	1.3 Awareness raised on the environmental and health impacts of Mercury (Hg).	1.3 Hg awareness raising activities conducted targeting decision makers and population groups at risk.		
	1.4 Importance of Hg priority interventions at national level raised through mainstreaming in relevant policies/plans.	1.4 National Hg priority interventions (identified in the MIA Report – see 2.3) mainstreamed in national policies/plans.		
2. Development of National Mercury Profile and Mercury	2.1 National capacity built to undertake Mercury inventory.	2.1 Capacity building and training conducted to commence the Mercury	115,000	0

<sup>1</sup> Project ID number will be assigned by GEFSEC and to be entered by Agency in subsequent document submission.

<sup>2</sup> Co-financing for enabling activity is encouraged but not required.

Initial Assessment Report	2.2 National Mercury Profile available.  2.3 National MIA Report available.	inventory.  2.2 Mercury Inventory conducted.  2.3 National MIA Report for the ratification and implementation of the Convention prepared (including proposed policy/regulatory interventions, incl. capacity building and required investment plans).		
3. Monitoring and Evaluation	3.1 Project monitoring and evaluation undertaken.	3.1.1 M&E and adaptive management are applied to provide feedback to the project coordination process and Terminal Evaluation report formulated.	15,000	0
Subtotal			181,819	0
Project Management Cost <sup>3</sup> (including US\$ 2,000 for DPS costs)			18,181	0
<b>Total Project Cost</b>			200,000	0

\* List the \$ by project components. Please attach a detailed project budget table that supports all the project components in this table.

#### B. SOURCE OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount (\$)
(select)		(select)	
<b>Total Co-financing</b>			0

<sup>3</sup> This is the cost associated with the unit executing the project on the ground and could be financed out of trust fund or co-financing sources. For EAs within the ceiling, PMC could be up to 10% of the Subtotal GEF Project Financing.

**C. GEF FINANCING RESOURCES REQUESTED BY AGENCY, COUNTRY AND PROGRAMMING OF FUNDS**

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	(in \$)		
					GEF Project Financing (a)	Agency Fee (b) <sup>b)</sup>	Total (c)=a+b
UNDP	GEFTF	Azerbaijan	Chemicals and Wastes	Cross-Cutting Capacity	200,000	19,000	219,000
<b>Total GEF Resources</b>					200,000	19,000	219,000

a) Refer to the Fee Policy for GEF Partner Agencies

**PART II: ENABLING ACTIVITY JUSTIFICATION**

**A. ENABLING ACTIVITY BACKGROUND AND CONTEXT** (Provide brief information about projects implemented since a country became party to the convention and results achieved):

The Government of Azerbaijan represented by the Ministry of Ecology and Natural Resources, sent on July 31 2015 letters to UNEP and to GEF expressing its commitments and confirmation that the country is taking meaningful steps towards becoming a Party to the Minamata Convention.

The Republic of Azerbaijan has ratified both the Basel (2001) and Stockholm (2003) Conventions. In accordance with these Conventions, hazardous chemicals and wastes are regulated, which provide a framework for the sound management of hazardous substances.

As per the Agreement signed between the Government of Azerbaijan and the International Development Association in 1998, the Ministry of Ecology and Natural Resources implemented a project (funded by the World Bank) on mercury cleanup in a chlorine-alkaline plant located in Sumgayit. This project was one of the priorities mentioned in Azerbaijan's National Environmental Action Plan. Under the framework of this project, 200 thousand tons of mercury-contaminated soil was excavated and safely deposited in a Hazardous Waste Landfill under the Ministry of Ecology and Natural Resources (MENR) constructed in 2004 near Sumgayit in accordance with the international safety regulations. It is worth mentioning that although the Minamata Convention envisages the phase-out of mercury-based chlorine-alkaline production by 2025, Azerbaijan has stopped this industrial practice much earlier by completely closing the factory more than a decade ago.

Given the dangers associated with mercury and its compounds to public health and to the environment, the Government of Azerbaijan in 2007 has made changes and additions to the Law on industrial and municipal wastes, which covers harmful and dangerous substances. In by-laws, directives and regulations which followed this law, mercury was mentioned as one of the most dangerous substances and included into respective lists. The production, usage, storage and transportation of mercury containing materials is regulated by this law and concomitant regulations. Mercury wastes should be collected as a hazardous waste in order to be disposed of in an environmentally sound way.

Furthermore, in Additions to the "Regulations on Inventory of Wastes Generated During the Production Process" of the Cabinet of Ministers number 13 dated 25 January 2008 all waste-containing materials were codified. In accordance with these regulations hazardous wastes accumulated at enterprises, including those containing mercury should be transferred to the Ministry of Emergency Situations, and under their supervision and respective license deposited in the Hazardous Wastes Landfill.

In the agricultural sector, the Ministry of Agriculture has stopped the application of mercury-containing pesticides granozan and mercurbensol for the treatment of plant seeds back in 1981 and 1986. These pesticides are included into the list of prohibited substances.

Respective steps are made in the transport sector as well. By the Decision of

the Cabinet of Ministers on “Transport” (24 April 2000) the provisions on marine transportation of harmful substances, including mercury were developed. By another decision of the Cabinet of Ministers, similar provisions were prepared for air transportation.

In the health sector, by the Decision of the Cabinet of Ministers (28 December 2007) additions on the “Management of Medical wastes” were made to the Law on Industrial and Municipal Wastes. In these additions, mercury and mercury-containing substances were mentioned as especially harmful substances. These provisions envisage special measures for the treatment of hazardous wastes including mercury-containing substances and materials. In accordance with these regulations all mercury-containing substances should be safely collected and transferred to the Ministry of Emergency Situations, and then, transported and deposited at the Hazardous Wastes Landfill. No activities have taken place on phasing-out mercury-containing devices, including medical thermometers.

Under the Labor Code of Azerbaijan (August 01, 2011) additional incentives and compensations are envisaged for workers dealing with mercury-containing substances.

Both the state structures and civil society organizations are active in the area of mercury contamination and cooperate successfully. The article “Mercury wastes, environment and human health” was published in Central Newspaper “Olaylar” on 14 February 2012 and subsequent publications were made in central and regional newspapers (Ismayilli, Zagatala, Sheki). A leaflet “Mercury contamination in Azerbaijan” was published and disseminated among stakeholders.

Round tables on mercury contamination have been organized in Baku and regions since 2012. The Public Council at the Ministry of Ecology and Natural Resources, which includes NGO representatives, is active and keeps mercury contamination under its attention as well.

<p><b>B. ENABLING ACTIVITY GOALS, OBJECTIVES, AND ACTIVITIES</b> (The proposal should briefly justify and describe the project framework. Identify also key stakeholders involved in the project including the private sector, civil society organizations, local and indigenous communities, and their respective roles, as applicable. Describe also how the gender dimensions are considered in project design and implementation):</p>	<p>The proposed EA and the project framework, including envisaged activities, are entirely in line with the GEF Initial Guidelines for Enabling Activities for the Minamata Convention on Mercury (GEF/C.45/Inf.05).</p> <p><b>Project Objective:</b> The project’s objective is to undertake a Mercury Initial Assessment to enable the Government to determine the national requirements and needs for the ratification of the Minamata Convention and establish a sound foundation to undertake future work towards the implementation of the Convention.</p> <p>It will do so by implementing 4 components as specified in the GEF guidelines (GEF/C.45/Inf.05 paragraph 19), as well as a fifth component on mainstreaming.</p> <p><b>1. Undertake an assessment of legislation and policies in regard to the implementation of Convention provisions of:</b></p> <ul style="list-style-type: none"> <li>• Article 3;</li> <li>• Article 5;</li> <li>• Article 7 (including legislation and policy to cover formalization, worker health and safety);</li> <li>• Article 8 (specifically in regard to relevant national air pollution/emission standards and regulations);</li> <li>• Article 9 (specifically in regard to the ability to identify and categorize sources of releases).</li> </ul> <p>The policy and legislative assessment will be undertaken through a review of existing legislation on chemicals management and identification of the gaps prevalent in association to issues of mercury. In addition the legislation review will assess the necessary steps for the establishment of a National Mercury Coordination/Consultation Mechanism.</p> <p><b>2. Undertake an initial assessment of Mercury in the following categories:</b></p> <ul style="list-style-type: none"> <li>• Stocks of mercury and/or mercury compounds and import and export procedures including an assessment of the storage conditions;</li> <li>• Supply of mercury, including sources, recycling activities and quantities;</li> <li>• Sectors that use mercury and the amount per year, including manufacturing processes, ASGM and mercury added products;</li> <li>• Trade in mercury and mercury containing compounds.</li> </ul>
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### **3. Identify:**

- Emission sources of mercury;
- Release sources of mercury to land and water.

### **4. Assess institutional and capacity needs to implement the Convention:**

Institutional capacity of governmental institutions and agencies will be assessed to determine the capacity needs and gaps that exist for the implementation of the Convention and propose interventions to strengthen these institutions and capacities. The assessment will also review the systems needed to report to the Convention under article 21.

The institutional capacity gaps identified and the findings of the legislation and policy review will be used to formulate a number of priority actions, which will be included in the Mercury Initial Assessment Report. Proposed actions will be discussed and agreed upon among the key stakeholders through several rounds of discussions.

### **5. Mainstream national Mercury priorities in national policies and plans to raise the importance of Hg priority interventions:**

- Identify national mercury priorities;
- Assess opportunities for mainstreaming Hg priorities;
- Mainstream Hg priority interventions in relevant policies/plans.

The project's key stakeholders are identified as follows:

**Primary Stakeholders** (among others) and their roles and responsibilities relevant to the proposed project:

- Ministry of Ecology and Natural Resources: Hosts the focal point for the Minamata Convention. Is responsible for: Planning and policy development related to the implementation of the Minamata Convention; Ensures overall coordination at national level in support of the Minamata Convention, including i) Setting of national targets; ii) Support the Mercury inventory; iii) Monitor levels of contamination in environmental media and quantity of Mercury in products; iv) Coordinates with national partners such as the Ministry of Health and the Ministry of Agriculture to address national priorities related to Mercury phase-out; v) Oversees the environmentally sound disposal of Mercury containing products and materials resulting from phase-out efforts.

- Ministry of Health (MoH): Implements newly developed and adopted regulations in the health sector; Coordinates project components that pertain to the use of Mercury in the health sector; Advocates and increases awareness for the phase-out of Mercury containing devices where cost-effective alternatives exist; and, Provides advice and guidance on best practices for Mercury management in the health sector.
- Ministry of Emergency Situations: Responsible for the spill containment/clean-up of unplanned emissions of mercury resulting from industrial production, transportation, storage, and disposal accidents/incidents. This includes provision of measures for domestic mercury-containing wastes as well.
- Ministry of Economy and Industry: Controls and supports measures for the reduction of mercury releases to air, water and soil from a number of industrial sources in the production of chemicals, etc. It also supports measures to reduce or eliminate the usage of mercury in certain products and industrial processes.
- Ministry of Energy: is responsible for the reduction of the usage of mercury and mercury-containing substances for the production and usage of galvanic elements, accumulators, luminescent lamps, etc., which contain mercury and mercury-containing substances.
- State Committee on Standards, Metrology and Patent: is responsible for setting and monitoring the fulfillment of standards related to mercury and mercury-containing substances in environment (air, soil, water), in industry, and in households.
- Ministry of Justice: Legal entity responsible for verification of draft/proposed legislation and ensuring that proposed legislation/amendments are in line with the overall national legislative framework and also the country's commitment to international treaties and obligations, including harmonization of the National legislation with EU Directives.
- Ministry of Agriculture: Identify and take stock of mercury-containing obsolete agricultural chemicals that might still be present on farms, railway stations and storage locations. Collaborate with local entities on the prioritization of necessary interventions to prevent harmful releases to the environment and public health.
- National Academy of Sciences (RSS): Researches and proposes mercury-free substances, which can replace mercury containing substances for usage in agriculture, industry, health, etc. Investigates and prepares methods for mercury content analysis; Develops methods of dealing with mercury contaminations in emergency situations; Verifies and prepares guidance on sampling methods; Provides sampling materials; Provides laboratory facilities and undertakes tests/analyses in accordance with EU standards.

**Secondary stakeholders:**

- Academic and Professional Organizations: Involved in research programs

	related to Mercury and its management.
	<p>- <u>Industry and Business Organizations</u>: Involved in various aspects of the proposed project: Private companies/industries responsible for the release of mercury and production of mercury containing products and/or wastes; (Private) medical facilities making use of mercury containing medical devices; Service providers involved in waste collection, disposal and treatment; Distributors and retailers of mercury containing and mercury-free consumer products; Laboratories for testing and certification; etc.</p> <p>- <u>Civil Society Organizations and Non-Governmental Organizations (CSOs/NGOs)</u>: Collection of data and information on the environmental and health aspects and concerns related to Mercury releases and accumulation in the environment. Dissemination of project results and raising awareness on Mercury issues (health and environment) among local communities and population groups at risk, the general public and decision makers.</p> <p><b>Gender Dimensions:</b></p> <p>As mercury is passed on from mother to child, and fetuses and children are most susceptible to developmental effects from mercury, the MIA will pay particular attention to assessing national capacity to keep such risk groups safe. Recommendations on how to improve gender dimensions and gender mainstreaming related to mercury, and support priority actions in this area will be highlighted in the project document and the MIA report.</p>

**C. DESCRIBE THE ENABLING ACTIVITY AND INSTITUTIONAL FRAMEWORK FOR PROJECT IMPLEMENTATION** (discuss the work intended to be undertaken and the output expected from each activity as outlined in Table A ).

The project will be implemented through NIM (national implementation modality) with the Ministry of Ecology and Natural Resources as the execution agency – the national partner. The Ministry is responsible to coordinate this project with relevant line ministries, government agencies and representatives from Universities and NGOs.

The proposed EA project has been organized into the following components:

**Component 1:** Enabling environment for decision-making on the ratification of Minamata.

Outcome 1.1. National decision making structure on Mercury operational.

A national decision-making structure on Mercury (“Mercury Coordination/Consultation Mechanism” (MCM) or task force with similar mandate) will be established in line with national capacities and existing structures and practices present in the project country and where feasible, will build/expand on similar structures established in support of other chemicals-related MEAs.

Outcome 1.2. Policy and regulatory framework and institutional capacity needs in regard to the implementation of the Convention’s provisions assessed.

The work will begin with a review/assessment of the structures, institutions and policies and regulations already in place:

- Legislation on the governance of chemicals in general and mercury in specific and the capacities of the key institutions.
- Review of existing legislation, identification of gaps for meeting the Minamata Convention requirements and formulation of initial recommendations for proposed amendments.
- Analysis of the roles and capacities of ministries and institutions related to the key sectors where the mercury inventory establishes the presence of mercury use, emissions and/or releases. Capacities of these institutions will be reviewed and the gaps for comprehensive management of mercury issues will be identified.
- Identification of barriers that would hinder or prevent implementation of the Convention.

Upon the identification of capacities and/or regulatory gaps (in relation to the Convention’s obligations), these will be discussed and reviewed by the “MCM”. The results of these discussions will direct the work under component 2, in particular related to the development of the MIA Report.

Outcome 1.3. Awareness on the environmental and health impacts of Mercury raised.

Targeted information awareness activities will be supported on the risks of mercury and its impact on human health and the environment. Awareness raising with target decision makers, the general public and population groups at risk.

Outcome 1.4. Hg priorities raised and mainstreamed into relevant national policies/plans.

The mainstreaming exercise will be led and supported by the “MCM” with the objective to include mercury priorities into national policies and development plans. The mainstreaming exercise will also include a socio-economic study on the effects of mercury and alternatives in the relevant sectors that were identified in the inventory, which can help inform priority setting for this sector and support decision making to facilitate the mainstreaming of selected priorities.

**Component 2:** Development of the National Mercury Profile and Mercury Initial Assessment Report.

Outcome 2.1. National capacity to undertake the Mercury Inventory built.

National capacity to undertake the Mercury Inventory will be built through training, which will be conducted and facilitated by the project’s sub-contracted international technical advisor. Training will be provided on data collection methodologies, reliability, credibility, data analysis, etc.

Training will be targeted towards a group of national technical experts who will conduct the Mercury Inventory and develop the National Mercury Profile. Training will also be targeted towards key government representatives who make up the MCM and who need sufficient knowledge about conducting a Mercury Inventory to be able to review it and comment on it.

Outcome 2.2. The Mercury Inventory conducted and the National Mercury Profile is available.

The inventory will make use of the UNEP "Toolkit for identification and quantification of mercury releases", which is intended to assist countries to develop a national mercury releases inventory. It provides a standardized methodology and accompanying database enabling the development of consistent national and regional mercury inventories.

Throughout the data collection, analysis and preparation of the Mercury Inventory, the national expert team will be guided by an international technical advisor.

The inventory will review all the relevant sectors, which make up the UNEP Inventory Level 2.

Furthermore, this inventory will also include:

- Identification and assessment of the amounts of emission sources of mercury and release sources of mercury to land and water.
- Identification of old, historical sources of mercury contamination (such as abandoned mining sites).
- Identification of key sectors, municipalities, communities and other stakeholders affected by or involved with important Mercury sources and/or emissions.

After completion of the data gathering stage, a National Mercury Profile, including significant sources of emissions and releases, as well as inventories of mercury and mercury compounds, will be prepared for review, approval and adoption by the MCM during a national stakeholder workshop.

Outcome 2.3. National MIA Report is available

Following the finalization of the project activities as envisaged under component 1 (1.1 – 1-3) as well as completion of the project activities 2.1 and 2.2 (see above), the national project team will prepare a National MIA Report.

The National MIA Report will provide information on the following key areas, which will enable the government to make a decision on ratifying the Convention:

- Structures, institutions, legislation already available to implement the Convention.
- Identification of barriers that would hinder or prevent implementation of the Convention.
- Summary of the results from the Mercury Profile.
- Identification of technical and financial needs for implementation of the Convention, including resources from the GEF, national sources, bilateral sources, the private sector and others integrated into a National Action Plan.

Expert teams will draft recommendations for actions to be included in the Mercury Initial Assessment Report on how to address the pertinent gaps and barriers. These proposals will also include an overview of the costs to the Government in meeting its obligations under the Minamata Convention (also referred to as an “Action Plan”).

After the development of the draft National Mercury Profile and MIA Report these will be prepared for review, approval and adoption by the MCM during a national stakeholder workshop.

Further, one more support component will be implemented in this project.

	<p><b>Component 3. Monitoring and Evaluation</b></p> <p><u>Outcome 3.1. Project monitoring and evaluation implemented</u></p> <p>This outcome will allow providing feedback to the project coordination process to capitalize on the project needs. Furthermore, all lessons learned and best practices that are accumulated during the project's implementation will be summarized and replicated at country level.</p>
<b>D. DESCRIBE, IF POSSIBLE, THE EXPECTED <u>COST-EFFECTIVENESS</u> OF THE PROJECT:</b>	<p>The cost-effectiveness of the project will be assured through the management of the project with synergies from other POPs- and chemicals-related projects.</p> <p>The project will involve national experts as much as possible to facilitate the collection of accurate information and to establish a high-responsiveness of the project to keep a steady momentum in project implementation with an international technical advisor providing succinct, specific input where local expertise gaps exist.</p> <p>Information dissemination with the general public and specific local communities will be more effective through integrating the work through existing activities.</p>
<b>E. DESCRIBE THE BUDGETED M&amp;E PLAN:</b>	<p>Project monitoring and evaluation will be conducted in accordance with established UNDP and GEF procedures and will be provided by the project team and the UNDP Country Office (UNDP-CO) with support from the UNDP/MPU Chemicals team. This will be done through project implementation reviews, quarterly review reports and a final evaluation (the latter conducted at least 3 months before project closure).</p>
<b>F. EXPLAIN THE DEVIATIONS FROM TYPICAL COST RANGES (WHERE APPLICABLE):</b>	N/A

**PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)**

**A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT(S) ON BEHALF OF THE GOVERNMENT(S):**  
(Please attach the [\*Operational Focal Point endorsement letter\(s\)\*](#) with this template).

<b>NAME</b>	<b>POSITION</b>	<b>MINISTRY</b>	<b>DATE (Month, day, year)</b>
Husseyin Bagirov	GEF OFP, Minister	Minister of Ecology and Natural Resources	<b>31/07/2015</b>

CONVENTION	DATE OF RATIFICATION/ ACCESSION (mm/dd/yyyy)	NATIONAL FOCAL POINT	
STOCKHOLM CONVENTION	13/01/2004	Gulmali Suleymanov	
BASEL CONVENTION	01/06/2001	Adil Zeynalov	
	DATE SIGNED (MM/DD/YYYY)	NATIONAL FOCAL POINT	DATE OF NOTIFICATION UNDER ARTICLE 7 TO THE MINAMATA CONVENTION SECRETARIAT
MINAMATA CONVENTION		NOT ASSIGNED YET <sup>4</sup>	

#### C. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies <sup>5</sup> and procedures and meets the standards of the GEF Project Review Criteria for (select) Enabling Activity approval in GEF 6.					
Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	E-mail Address
Adriana Dinu, UNDP – GEF Executive Coordinator		9/21/2015	Mr. Jacques Van Engel Director UNDP MPU/Chemicals	212-906- 5782	jacques.van.engel@undp.org

<sup>4</sup> Focal point is not assigned yet since Azerbaijan has not joined the Minamata Convention yet. The technical coordinator for all chemical conventions in Azerbaijan is Mr. Gulmali Suleymanov, Director of Climate Changes and Ozone Center under the National hydro-meteorological department of the Ministry of Ecology and Natural Resources of Azerbaijan.

<sup>5</sup> GEF policies encompass all managed trust funds, namely: GEFTF, LBCF, and SCCF