



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:	Minamata Initial Assessment in Nepal		
Country(ies):	Nepal	GEF Project ID: ¹	
GEF Agency(ies):	UNIDO (select)	GEF Agency Project ID:	150100
Other Executing Partner(s):	Ministry of Science, Technology & Environment (MOSTE) and Biodiversity, Research Institute (BRI)	Submission Date:	06/09/2015
GEF Focal Area (s):	Chemicals and Wastes	Project Duration (Months)	24
Type of Report:	Minamata Convention Initial Assessment (MIA)	Expected Report Submission to Convention	

A. PROJECT FRAMEWORK*

Project Objective: Pre-ratification activities under the Minamata Convention completed to enable policy and strategic decision making and to prioritize areas for future interventions				
Project Component	Project Outcomes	Project Outputs	(in \$)	
			GEF Project Financing	Confirmed Co-financing ²
1.Needs assessment of institutional and national capacity to implement the Minamata Convention	1. National capacity improved to ratify and prepare for implementation of the Minamata Convention	<p>Output 1.1: Project coordination mechanism established and institutional gaps identified</p> <p>Output 1.2: Review of existing mercury related regulations and identification of needed policy reforms to prepare for implementation of the Minamata Convention completed</p> <p>Output 1.3: National mercury profile established based on the initial inventory and key sectors identified for intervention and investment to reduce, and where possible eliminate, mercury use, release, and emissions</p> <p>Output 1.4: Dissemination of information among relevant stakeholder groups (academia, public and private sectors, and civil society)</p>	172,000	94,000

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

² Co-financing for enabling activity is encouraged but not required.

		conducted		
2. Monitoring and Evaluation	2. Project achieves objective on time through effective monitoring and evaluation	2.1 Periodic monitoring and terminal evaluation of project implementation completed	10,000	4,600
Subtotal			182,000	98,600
Project Management Cost ³			18,000	10,000
Total Project Cost			200,000	108,600

* 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 (\$)
Recipient Government	Ministry of Science, Technology and Environment	In-kind	70,000
GEF Agency	UNIDO	Grants	7,600
GEF Agency	UNIDO	In-kind	11,000
CSO	Biodiversity Research Institute	In-kind	20,000
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
Total Co-financing			108,600

³ 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) ^{b)}	Total (c)=a+b
UNIDO	GEFTF	Nepal	Chemicals and Wastes	Mercury	200,000	19,000	219,000
(select)	(select)		(select)	(select as applicable)			0
(select)	(select)		(select)	(select as applicable)			0
(select)	(select)		(select)	(select as applicable)			0
(select)	(select)		(select)	(select as applicable)			0
Total GEF Resources					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):	<p>In response to growing international concern, the United Nations Environment Programme (UNEP) formalized the Global Mercury Partnership in 2008 to systematically eliminate anthropogenic mercury releases through strategic intervention and collaboration with national governments. As of 2009, UNEP's governing council entered into negotiations for the preparation of a legally binding global instrument on mercury to safeguard human and ecosystem health. Negotiations were successfully completed in January 2013 with 147 governments (including Nepal) agreeing on the draft text for the Convention on mercury. At the Conference of Plenipotentiaries held from 9 to 11 October 2013 in Minamata and Kumamoto, Japan, the "Minamata Convention on Mercury" was formally adopted and opened for signature. Up to January 2015, 128 countries have signed the treaty and ten ratified it.</p> <p>Nepal became signatory on 10 October 2013. The Minamata Convention has a phased approach to reduce, and where possible, eliminate mercury use in key industrial sectors. Provisions of the Convention include phase out deadlines established for supply sources and trade, mercury added products, and manufacturing processes in which mercury or mercury compounds are used. Based on these targets, the Convention is designed to systematically reduce emissions and releases to land and water, and phase out the use of mercury where alternatives exist.</p> <p>For Nepal to meet obligations under the Convention, several barriers must be addressed to assist in ratification. These include:</p> <ul style="list-style-type: none"> (a) lack of institutional capacity to implement the Convention; (b) gaps in political and legislative frameworks to support Convention provisions; (c) lack of data on sources of emissions and releases, as well as outdated national inventories of mercury stocks; and (d) low awareness of health risks associated with mercury among the public and government officials, with limited occupational safety mechanisms in place to reduce community exposure to mercury.
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<p>A. ENABLING ACTIVITY BACKGROUND AND CONTEXT (Provide brief information about projects implemented since a country became party to the convention and results achieved):</p>	<p>With the adoption of the Convention, Nepal will require assistance to formulate and apply sector wide programs through cost effective approaches within the context of its national development efforts. In the last years, Nepal has promoted initiatives to tackle the negative impacts of chemicals on human health and the environment. The country is a party to the Stockholm, Basel, and Rotterdam Conventions. In addition, the country has been under the process of formulating regulations for the management of mercury. As of to-date, the 'Hazardous Waste Management' regulation has been drafted and it is in the process of approval from the council of ministers. Mercury and mercury compounds are listed as hazardous substances in the annex of this regulation.</p> <p>Despite the efforts made until now, the country has not produced a mercury inventory and no mercury-related projects have been implemented. Important baseline data remains largely unknown in Nepal, such as:</p> <ul style="list-style-type: none"> (a) the quantity and distribution of mercury stocks, supplies, trade and trans-boundary movement; (b) the amount of mercury being used and disposed from various sectors; (c) the handling of waste mercury; and (d) the extent of mercury pollution. <p>As sound mercury management is not yet integrated into sustainable development planning, insufficient mechanisms to handle hazardous wastes may weaken the basis for effective environmental management in Nepal. The situation tends to aggravate, as the country does not have the resources or the capacity needed to address mercury-related problems and promote the uptake of low mercury or mercury free technologies.</p> <p>The development of the Minamata Initial Assessment (MIA) will address these issues by providing the basic and essential information to enable policy and strategic decision to be made and assist in developing plans to identify priority sectors and activities within the country.</p>
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<p>B. ENABLING ACTIVITY GOALS, OBJECTIVES, AND ACTIVITIES (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 request of financial support from the Chemicals Programme of the Global Environment Facility (GEF) is justified through investment in enabling activities to assist nations to fulfill essential communication requirements related to the Convention, make informed policy decisions and assist in prioritizing activities.</p> <p>Enabling activities have already been developed in Nepal with GEF's resources in order to assist the country in the implementation of the Stockholm Convention on Persistent Organic Pollutants (POPs). The MIA enabling activities will complement the country efforts to reduce significantly the exposure of harmful chemicals and wastes of global importance to humans and the environment.</p> <p>The overall objective of the project is to strengthen Nepal's national capacity to fulfill obligations under the Minamata Convention and promote effective implementation of its provisions. In order to reach that goal, the activities proposed will assist the Governments and industrial partners to better understand the national operations on mercury, as well as its emissions, and to increase awareness of risks to human and ecosystem health.</p> <p>With the support of GEF, pollution sources can be identified systematically to select areas for future intervention, while institutional and capacity needs assessment, as well as policy analysis can assist Nepal to identify potential barriers to implement and ratify the Convention. GEF resources will also assist the country to disseminate project achievements in the national level and help to leverage international support, as well as investments for additional projects in Nepal to promote sound chemicals management as a key component of inclusive and sustainable industrial development.</p> <p>The key stakeholders involved in the project are as follows:</p> <p>UNIDO will act as the implementing agency for this project. The UNIDO project manager will provide project oversight and implementation.</p> <p>The Ministry of Science, Technology & Environment will act as the main national executing agency, assisting with day-to-day management and providing national leadership and technical expertise for Outputs 1.1, 1.2 and 1.4 under the project. The Ministry, hosting the national focal point for mercury, is responsible for the execution of Minamata and other chemical Conventions hence they are the most qualified Ministry to execute these two Outputs.. The Ministry will also act as the chair and secretariat of the National Steering Group (NSG).</p> <p>The Biodiversity Research Institute (BRI) will act as an additional executing agency, assisting with day-to-day management and providing technical expertise for output 1.3 under the project. BRI is a nonprofit organization dedicated towards supporting global health through collaborative ecological research, assessment of ecosystem health, improving environmental awareness, and informing science based decision making.</p> <p>The NSG will be established as an inter-ministerial Steering Group comprised of UNIDO representatives, technical and policy experts, relevant ministries, and industrial associations to provide overall guidance and coordination for the implementation of relevant activities, providing strategic inputs and contributions to project management as needed. All project amendments will be done in accordance with UNIDO rules and regulations and GEF policy GEF/C.39/Inf.3.</p>
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<p>B. ENABLING ACTIVITY GOALS, OBJECTIVES, AND ACTIVITIES (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>Mercury containing product users, such as the hospital, dentistry, lighting, handicraft, cement, and brick sectors/industries will be sensitized through training and engaged with to promote the reduction and/or elimination of mercury. Based on the results of the national inventory, selected key industries will assist in the planning of interventions for future technology transfer and demonstration of mercury-free production methods to promote cleaner production in their respective industrial sector.</p> <p>Industry associations (Civil Society Organizations), including academia, will act as a bridge to connect Government institutes, technical experts, and relevant industries to assist in the development and implementation of policies to fulfill obligations under the Convention. This network of associations will liaise with primary mercury extractors and users to increase awareness, share knowledge and promote technology transfer to reduce mercury use within the enabling activities framework.</p> <p>An expert team comprised of national and international consultants and technical specialists will be recruited to provide technical support for MIA implementation. The team will be selected based on technical expertise to support appropriate policy and legal gap analysis, assist in development of the national mercury profile and plan activities for institutional capacity development.</p> <p>The project will not have an impact on indigenous people groups as they are not present in the region where the project will be executed.</p> <p>Please refer to Annex B for a flow chart of various stakeholders.</p> <p>Recognizing that the level of exposure to mercury and its related impacts on human health are determined by social and biological factors, women, children and men might be exposed to different kinds, levels and frequency of mercury. Therefore, gender mainstreaming will be included as part of the project. This will be addressed based on UNIDO's gender policy, among others by involving women and vulnerable groups at the stakeholder level, in the information sharing and dissemination events. Special attention will be paid to gender equality when evaluating and inviting members to participate to the National Steering Group and when inviting stakeholders to awareness raising workshops.</p> <p>During recruitment process of the project, female candidates will be encouraged to apply. For candidates with similar technical qualifications, preference will be given to women. The involvement and participation of women and vulnerable groups will be summarized in the initial inventory report and gender disaggregated data collected to provide a basis for prioritization, development of sectoral intervention plans and future projects.</p> <p>The majority of socio-economic benefits associated with this project will manifest when the interventions required under the Convention are implemented, contributing to the achievement of MDG 7 (Sustainable development), MDG 4 (Reduce child mortality), MDG 5 (Improve maternal health) and MDG 6 (Combat diseases).</p> <p>The project will be executed via subcontracts to the Ministry of Science, Technology & Environment at approximately USD 79,000 and BRI at approximately USD 93,000. Please refer to Annex A for a total estimation of the GEF grant and co-financing budget breakdown. Budget for the final evaluation is included as part of the monitoring and evaluation table on page 10.</p>
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<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).</p>	<p>This project sets out the activities necessary to prepare an MIA to support efficient implementation of the Minamata Convention within the nationally context. The project will assist Nepal to plan these pre-ratification activities while mainstreaming sound mercury management into legal and institutional structures that are fully in line with national priorities.</p> <p>The initiative will also help the country to collect baseline information on mercury use, emissions and releases that will serve as input to the design of future interventions required by the treaty, such as the development of a National Implementation Plan that may be required by the Conference of Parties within a few years of its entry into force. The treaty is expected to enter into force in two to three years.</p> <p>The planned activities per output are listed below:</p> <p>Output 1.1: Project coordination mechanism established and institutional gaps identified</p> <p>Activity 1.1.1 Conduct project coordination meetings Activity 1.1.2 Establish National Steering Group Activity 1.1.3 Identify institutional capacity gaps and barriers Activity 1.1.4 Organize capacity development workshops and trainings</p> <p>Output 1.2: Review of existing mercury related regulations and identification of needed policy reforms to prepare for implementation of the Minamata Convention completed</p> <p>Activity 1.2.1 Evaluate existing structures, policies, strategies, laws and regulations Activity 1.2.2 Sensitize policy makers regarding policy gaps Activity 1.2.3 Prepare a list of needed mercury related regulations while considering the vulnerabilities of different gender groups</p> <p>Output 1.3: National mercury profile established based on the initial inventory and key sectors identified for intervention and investment to reduce, and where possible eliminate, mercury use, release, and emissions</p> <p>Activity 1.3.1 Conduct national mercury inventory training Activity 1.3.2 Collection data for the initial national mercury inventory Activity 1.3.3 Draft initial national mercury inventory Activity 1.3.4 Identified key sectors for intervention Activity 1.3.5 Develop intervention plans</p> <p>Output 1.4: Dissemination of information among relevant stakeholder groups (academia, public and private sectors, and civil society) conducted</p> <p>Activity 1.4.1 Develop communication materials taking into account the impacts of mercury on and vulnerability of different gender groups Activity 1.4.2 Organize and conduct awareness raising campaigns and workshops adapting time and location of the events to different gender groups' needs</p> <p>Please refer to the attached logical framework in Annex C for specific outputs and their associated indicators, verifications and assumptions.</p>
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<p>D. DESCRIBE, IF POSSIBLE, THE EXPECTED <u>COST-EFFECTIVENESS</u> OF THE PROJECT:</p>	<p>Nepal is already in the process of ratification through the parliament, therefore, the project is expected to be highly cost effective as it is fully in line with the goals of Nepal to fulfill the full range of obligations under the Convention, as well as regulate anthropogenic emissions and releases of mercury in order to protect human health and the environment. With the GEF support, patterns of mercury consumption and release will be assessed to facilitate the design of targeted interventions, which in turn provide global and local benefits through reduced emissions to the environment. Through institutional capacity development and enhancement at the national level, potential contamination risks from the use of mercury-added products will also be minimized.</p> <p>To ensure cost effectiveness, infrastructure and human resources at each governmental counterpart involved in the project will be efficiently utilized. Most project activities will be carried out by national experts. This will foster an increase in local and national capacity to manage mercury and will contribute to the cost effectiveness of the project through reduced consultancy fees and travel expenses. This initiative will serve as a model for other MIA projects under the GEF-6 replenishment period.</p> <p>Project implementation and execution is expected to remain at low risk. UNIDO has solid experience in promoting environmentally sound management of mercury and plays an important role as co-lead of the ASGM sector under the Global Mercury Partnership – the main mechanism and technical advisory group of the Minamata Convention. UNIDO has also extensive experience with enabling activities through the Stockholm Convention National Implementation Plans (NIPs) and NIP updates.</p> <p>Lessons learned and experience gained by UNIDO in the South Asian region through the development of mercury-related projects, as well as capacity building initiatives on POPs, are comparative advantages to the implementation of the project.</p> <p>In addition, BRI has broad experience providing guidance, training, and technical support to assist countries in assessing their existing legal, institutional, administrative, and technical infrastructures for sound chemicals management. Through its Tropical Programme, BRI has supported over 40 countries to (i) identify 'hotspots' of mercury accumulation where mercury concentrations represent a risk to human and ecosystem; (ii) develop strategies and national action plans for reducing the use of mercury by small-scale miners; and (iii) identify species and ecosystems at risk of mercury exposure.</p> <p>BRI has been actively involved in the negotiations of the Minamata Convention by creating a mercury database clearinghouse and helping countries to meet the requirements of the treaty. BRI is a member of the Mercury Air Transport and Fate Research, as well as the Artisanal and Small-scale Gold Mining areas of the Global Mercury Partnership.</p> <p>Lastly, in addition to the Minamata Convention, the Ministry hosts the focal points for Montreal Protocol, Stockholm, Rotterdam and Basel Convention, therefore, coordination with chemical management under other Conventions will be convenient and smooth. The Ministry also already has experience with a number of nationally executed projects.</p>
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E. DESCRIBE THE BUDGETED M&E PLAN:

Monitoring and evaluation for this project will rely on several levels of review, quality control and feedback. Overall M&E will be conducted by UNIDO through annual supervision visits to the country. The National Steering Group, including the main project stakeholders, will meet annually to: (1) review and approve annual work plan, (2) assess progress against M&E targets as indicated in the Project Results Framework, (3) approve interim and final reports, and (4) assess any gaps or weakness and make appropriate adaptive management decisions based on progress and achievements. Work plan for year two will be based on the results achieved in the first year, including associated budget allocations, in agreement with the GEF and UNIDO's rules and guidelines, such as the UNIDO-GEF Project Operating Manual and GEF Council Documents GEF/C.39/09 and GEF/C.39/Inf.03. UNIDO's office in New Delhi will assist and participate in monitoring and evaluation visits as needed. The final evaluation, to be conducted by an independent evaluator, will be arranged by the UNIDO project manager with support from UNIDO's Evaluation Group and reports submitted to the donor within 90 days of project end. Please see below for a summary of the monitoring and evaluation plan, as well as the related budget breakdown.

Programmatic M&E: the main executing partners, Ministry of Science, Technology & Environment and BRI, will be responsible for day-to-day management and execution of related activities to achieve their respective Outputs under the project, each reporting semi-annually to UNIDO. Progress of activities and outputs against the targets and desired outcomes will be assessed bi-annually by the executing partners using the means of verification and impact indicators for measurement explained in the Project Results Framework.

Financial Monitoring: All project costs will be accounted for and documented. Financial reports will be required from the executing agency according to UNIDO standard accounting procedures. In the same regard, UNIDO will submit the yearly Progress Implementation Report (PIR) to the GEF.

According to the Monitoring and Evaluation policy of the GEF and UNIDO, follow-up studies like Country Portfolio Evaluations and Thematic Evaluations can be initiated and conducted. All project partners and contractors are obliged to (1) make available studies, reports and other documentation related to the project and, (2) facilitate interviews with staff involved in the project activities.

Legal context clause: The Government of Nepal agrees to apply to the present project, mutatis mutandis, the provisions of the Standard Basic Assistance Agreement between the United Nations Development Programme and the Government, signed and entered into force on 23 February 1984.

Monitoring and Evaluation table

M&E activity	Time	Budget [USD]	
		Cash [USD]	In-Kind
Start-up workshop report*	Within 3 months of project start	0	0
Project review by NSG at the end of year 1*	Month 12	0	0
Project review by NSG at the end of the project*	Month 24	0	0
Terminal evaluation	At project closure	10,000	4,600
Total M&E cost		10,000	4,600

*Funded by Project Management Costs

F. EXPLAIN THE DEVIATIONS FROM TYPICAL COST RANGES (WHERE APPLICABLE):	Not applicable
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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).

NAME	POSITION	MINISTRY	DATE (Month, day, year)
Mr. Madhu Kumar MARASINI	Joint Secretary	MINISTRY OF FINANCE, FOREIGN AID COORDINATION DIVISION	FEBRUARY 18, 2015

B. CONVENTION PARTICIPATION

CONVENTION	DATE OF RATIFICATION/ ACCESSION (mm/dd/yyyy)	NATIONAL FOCAL POINT	
UNCBD			
UNFCCC			
UNCCD			
STOCKHOLM CONVENTION			
	DATE SIGNED (MM/DD/YYYY)	NATIONAL FOCAL POINT	DATE OF NOTIFICATION UNDER ARTICLE 7 TO THE MINAMATA CONVENTION SECRETARIAT
MINAMATA CONVENTION	10/10/2013	MR. MAHENDRA MAN GURUNG	

C. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies⁴ and procedures and meets the standards of the GEF Project Review Criteria for Chemicals and Waste Enabling Activity approval in GEF 6.					
Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	E-mail Address
Philippe R. Scholtès, Managing Director Programme Development and Technical Cooperation Division (PTC), UNIDO GEF Focal Point		06/09/2015	Ludovic Bernaudat, Environment Branch 	+43 126026 3648	L.Bernaudat @unido.org

⁴ GEF policies encompass all managed trust funds, namely: GEFTF, LDCF, and SCCF

