



**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:	National action plan on mercury in the artisanal and small-scale gold mining sector in Peru		
Country(ies):	Peru	GEF Project ID: <sup>1</sup>	9475
GEF Agency(ies):	UNIDO (select)	GEF Agency Project ID:	150358
Other Executing Partner(s):	Artisanal Gold Council (AGC)	Submission Date:	04/15/2016
		Re-submission Date:	04/29/2016
GEF Focal Area (s):	Chemicals and Wastes	Project Duration (Months)	24
Type of Report:	National Action Plan (NAP)	Expected Report Submission to Convention	(n/a)

**A. PROJECT FRAMEWORK\***

**Project Objective: National capacity and capability improved for prevention and management of mercury use, through the preparation of a National Action Plan (NAP) for the artisanal and small-scale gold mining (ASGM) sector**

Project Component	Project Outcomes	Project Outputs	(in \$)	
			GEF Project Financing	Confirmed Co-financing <sup>2</sup>
1. Improve understanding on the scope of mercury in the ASGM sector and strengthen national capacity to implement Article 7 of the Minamata Convention	1. Participatory stakeholders able to manage mercury in the ASGM sector (awareness, technical skills, expertise)	1.1: Information disseminated and project coordination mechanism established  1.2: National comprehensive analysis of ASGM sector completed to support the development and implementation of a road map to prevent and reduce mercury use, emissions and releases  1.3: Institutional capacity needs assessment completed to develop a public health strategy on ASGM  1.4: Rapid health situation assessment conducted; drafting of the public health strategy initiated and awareness raising workshops organized	340,000	184,000
2. Draft of the NAP for endorsement	2. NAP drafted for the endorsement from relevant stakeholders	2.1: NAP drafted and presented to relevant stakeholders for interactive feedback	90,000	9,000
3. Monitoring and	3. Project achieves	3.1 Periodic monitoring and	25,000	14,000

<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.

evaluation	objective on time through effective monitoring and evaluation	terminal evaluation of project implementation completed		
		Subtotal	455,000	207,000
		Project Management Cost <sup>3</sup>	45,000	10,000
		<b>Total Project Cost</b>	<b>500,000</b>	<b>217,000</b>

\* 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 (\$)
GEF Agency	UNIDO	Grants	15,000
GEF Agency	UNIDO	In-kind	12,000
Recipient Government	Ministry of Environment	In-kind	90,000
CSO	Aritsanal Gold Council	In-kind	100,000
<b>Total Co-financing</b>			<b>217,000</b>

## 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
UNIDO	GEFTF	Peru	Chemicals and Wastes	Mercury	500,000	47,500	547,500
<b>Total GEF Resources</b>					<b>500,000</b>	<b>47,500</b>	<b>547,500</b>

a) Refer to the [Fee Policy for GEF Partner Agencies](#)

## PART II: ENABLING ACTIVITY JUSTIFICATION

<p><b>A. ENABLING ACTIVITY BACKGROUND AND CONTEXT</b> (Provide brief information about projects implemented since a country became party to the convention and results achieved):</p>	<p>Peru became a signatory to the Convention on 10 October 2013. Aware of the threats mercury can impose on human health and the global environment, the Government has been an active participant in international programmes and agreements to address mercury releases and uses, led by the Ministry of Environment.</p> <p>The treaty has a phased approach to reduce, and where possible, eliminate mercury use in key industrial sectors. Provisions of the Convention include deadlines established for supply sources and trade, mercury added products, and manufacturing processes in which mercury or mercury compounds are used. As the Artisanal and Small Scale Gold Mining (ASGM) sector is a major source of mercury release and environmental pollution in the world, the Article 7 of the Convention requires countries where artisanal and small-scale gold mining and processing is more than insignificant to develop a National Action Plan (NAP) in order to reduce the use of mercury and mercury compounds within three years of the treaty entering into force.</p> <p>According to Article 7 and Annex C of the Convention, as well as the Global Environment Facility's (GEF) guidelines on Enabling Activities (EA), each Party that is subject to the provisions of paragraph 3 of the article 7 shall include in its NAP:</p> <p>(a) National objectives and reduction targets;</p>
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<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.

- (b) Actions to eliminate (i) whole ore amalgamation, (ii) open burning of amalgam or processed amalgam, (iii) burning of amalgam in residential areas, (iv) cyanide leaching in sediment and ore or tailings to which mercury has been added without first removing the mercury;
- (c) Steps to facilitate the formalization or regulation of the ASGM;
- (d) Baseline estimates of the quantities of mercury used and the practices employed in ASGM and processing within its territory;
- (e) Strategies for promoting the reduction of emissions and releases of and exposure to mercury in ASGM and processing, including mercury-free methods;
- (f) Strategies for managing trade and preventing the diversion of mercury and mercury compounds from both foreign and domestic sources to use in ASGM mining and processing;
- (g) Strategies for involving stakeholders in the implementation and continuing development of the national action plan;
- (h) A public health strategy on the exposure of ASGM miners and their communities to mercury, including gathering of health data, training for health-care workers and awareness raising through health facilities;
- (i) Strategies to prevent the exposure of vulnerable populations, particularly children and women of child-bearing age, especially pregnant women, to mercury used in ASGM;
- (j) Strategies for providing information to ASGM gold miners and affected communities; and
- (l) Schedule for the implementation of the national action plan.

While an explicit focus of the health activities is not envisaged in the NAP, the proposed project will also lay the ground work for actions called for under Article 16 of the Convention. The NAP will also include a road map to reduce the use of mercury in the sector including potential funding sources to implement it and an assessment and cost-benefit analysis of technically available and economically feasible techniques and technologies to replace and prevent the use of mercury.

ASGM is an ancestral activity in Peru and experienced a great surge in the 1980's due to political and social conditions marked by subversion and internal war, economic crisis, abandonment of rural areas, and migrations. Globally, it is estimated that 81,000 persons are working in the extraction of gold in artisanal mining and 4,000 persons in small-scale mining. 300,000 people depend directly or indirectly on this activity<sup>4</sup>.

Currently, Peru is considered the largest producer of gold in Latin American and the fifth worldwide. Most of the metals are mined from the Andes mountain range. ASGM is concentrated mainly in 4 regions: Madre Dios (15.5 tonnes), Puno (2.9 tonnes), Ica-Arequipa-Ayacucho (2.6 tonnes) and La Libertad (0.6 tonnes).

The use of mercury in the amalgamation process is the most widely used method in Peru and has serious consequences to the environment and human health. Some of the environmental degradation caused by ASGM activities in Peru is: sedimentation of rivers; erosion; air, water and soil pollution; destruction of riverine ecosystems, flora and fauna; as well as deforestation. The degradation is even more severe in the Amazonian forest where most of the gold is produced. Studies show that more than half of the major lakes and more than one third of the swamps in the Madre de Dios region have impacts from mining. It is estimated that 30 to 40 tons of mercury are dumped into the environment annually in Madre de Dios.

Aware of the risks and negative impacts related to mercury use in the sector to environment and human health, the Peruvian Government has made efforts to improve ASGM activities.

In 2014, the President of the Council of Ministers published the Supreme Decree N° 029-2014 which approved the "Strategy to manage artisanal and small-scale mining". One of the major

goals of the strategy is the ratification of the Minamata Convention. In 2010, Peru emitted, through the Supreme Decree N° 045-2010-PCM, the “National plan to formalize artisanal mining”, which aimed to formalize the artisanal mining through the implementation of legal, technical organizational and environmental management tools. A legal framework for the control and supervision of mercury and other chemicals used in ASGM was also established through the Legislative Decree 1103 and the Supreme Decree N° 132-2012-EF. In 2002, a law was passed to integrate artisanal miners into the existing mining law, defining qualitative and quantitative parameters for artisanal miners, as well as rights and obligations within the general framework of mining.

In addition to the creation of policies and regulations designated to address the problems of the ASGM sector, the Government has developed projects in partnership with NGOs, as well as national and international organizations. Recently, the Government has embarked into a major 5 years, 8 million dollars project funded by the Canadian Development Agency and executed by the Artisanal Gold Council (AGC), which aims at substantially improving technical, environmental and social practices in the sector, and bettering the financial demand for responsibly-produced artisanal gold.

Currently, the country is part of the regional project entitled “Implementing integrated measures for minimizing mercury releases from artisanal gold mining” that is being implemented by UNIDO in partnership with the National Geologic, Mining and Metallurgy Research Institute (INIGEMM) of Ecuador and the Ministry of Environment of Peru. The initiative funded by the GEF aims to reduce the use and emissions of mercury in ASGM by promoting low-mercury and mercury free technologies at local pilot sites. The project that will be concluded mid 2016 also promotes innovative financial tools, supports the formalization of ASGM miners and provides relevant information on the health risks posed by mercury.

In the last decades, several projects were developed or are still being developed in the context of mercury reduction and remediation in Peru. Some examples are:

- “Carnegie Amazon mercury ecosystem project”: a study was produced on the impacts of mercury on tropical ecosystems and human communities in the Peruvian Amazon;
- “SAICM’s Quick Start Program”: a strategy for the minimization of the use of mercury in ASGM was developed for Bolivia and Peru.
- “ASGM Community-driven remediation”: the project goal is to assist the government to assess ASGM sites for contamination and degradation, develop community-drive remediation plans and strategies for alternative livelihoods and mercury-free ASGM practices, and conduct remediation and rehabilitation of contaminated and environmentally degraded ASGM sites.

In the 90s, a program was implemented by the Ministry of Energy and Mines to reduce mercury emissions through the distribution of retorts and mercury re-activator in ASGM areas. Awareness on the use of this technology was significantly raised through the dissemination of information and guides dedicated to miners. The use of retorts jumped from 2% to 60%, between 1995 and 2000.

Another project was developed by the Ministry of Energy and Mines, in 2008, entitled “Control and capture of mercury during extraction and refining of artisanal gold”. The initiative (a) identified high levels of mercury emissions around gold shops in urban centers; (b) replaced manual by mechanized amalgamation techniques to reduce miners’ direct skin exposure to mercury; (c) promoted the practice of amalgam clarification in closed ponds to avoid spills into rivers and wetlands; and (d) re-used mercury through the implementation of mercury reactivators. Despite the positive results achieved during implementation, follow-up mechanisms were not undertaken. Consequently, the miners gradually reverted back to their

<sup>4</sup> UNEP (2012). *Analysis of formalization approaches in the artisanal and small-scale gold mining sector based on experiences in Ecuador, Mongolia, Peru, Tanzania and Uganda - Peru Case Study.*

	<p>habitual practices.</p> <p>Currently, the Peruvian government is executing a project in collaboration with United Nations Institute for Training and Research (UNITAR) to disseminate and raise awareness on the endorsement of the Minamata Convention.</p> <p>A mercury inventory is also being prepared in the context of the regional project “Development of mercury risk management approaches in Latin America” implemented by the Ministry of Environment in partnership with United Nations Environment Programme (UNEP). The initiative is funded by the GEF. The development of a NAP focused on the ASGM sector will complement these initiatives and enable the country to achieve the goals of the implementation phase of the Convention.</p> <p>The efforts made by Peru, mentioned above, demonstrate that this project is fully in line with the country's goal to map and prevent mercury related environmental and health problems in the ASGM sector and to invest in technological solutions and institutional capacity building to fulfill obligations under the Minamata Convention.</p>
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**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 equality and women's empowerment are considered in project design and implementation):

The outcomes of the proposed project will be the enablement of participatory stakeholders to manage mercury in the ASGM sector, as well as the NAP's finalization for the endorsement of relevant stakeholders and future submission by the government to the Minamata Convention secretariat. The activities of the project will fill the gaps required to develop the NAP, by assisting the government of Peru and ASGM partners in the formulation of a clear road map to prevent, reduce, and where feasible eliminate mercury emissions and by increasing awareness of risks to human and ecosystem health. This will include:

(a) Analysis of the ASGM sector, including main mining areas, miners/private sector involved, relevant stakeholders, level of formalization and other relevant information as well as an assessment on the involvement of women and children; (b) baseline estimates of the quantities of used mercury and other harmful chemicals, such as cyanide, and practices employed in the ASGM sector within the country; (c) assessment of institutional capacity in the health sector, particularly in locations/areas host to ASGM activities, to gather health data on mercury exposure, and conduct training and awareness raising activities; (d) options for the elimination of the practices specified in the Annex C of the Convention; (e) strategies to prevent exposure to mercury together with the health authorities, which are inclusive of a special focus on vulnerable populations including women and children; (f) definition of steps to formalize ASGM sector; (g) strategies for managing trade and preventing the diversion of mercury; (h) strategies for involving stakeholders in the implementation and continuing development of the NAP; (i) consultation activities for ASGM miners and affected communities as well as for national and regional-level policy makers; and (j) a road map for the reduction of mercury in the sector, including needed interventions and potential funding sources to implement it.

ASGM activities are found in the 25 regions of Peru, however the project will focus on the regions where most of the artisanal and small-scale gold mining activities are developed, such as the region of Puno. GEF resources will help Peru to identify and prioritize hotspot areas for future investments and intervention in the country to promote sound chemicals management as a key component of green industrial growth.

The key stakeholders will be consulted and engaged throughout the project implementation process as follows.

**UNIDO** will act as the GEF Implementing Agency (IA) for the project. The UNIDO project manager will provide technical advice, as well as coordinate and monitor the project activities.

**Artisanal Gold Council (AGC)** will act as the main executing agency assisting with day-to-day management and providing technical expertise for the development of all mercury related activities and other aspects related to the Minamata Convention and the responsible development of the ASGM sector.



The project will be executed via subcontract to AGC. 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 9.

The **Ministry of Environment (MoE)** will serve as the main governmental counterpart providing national leadership. The Minamata Convention focal point in the Ministry will be responsible for the day-to-day compliance with the treaty and its provisions. MoE will also act as the chair and secretariat of the National Steering Group (NSG). The NSG will be established as an inter-ministerial Steering Group comprised of representatives of MoE and UNIDO; technical and policy experts; and other relevant ministries and associations to provide overall guidance and coordination. All project amendments will be done in accordance with the UNIDO rules and regulations and GEF policy GEF/C.39/Inf.3.

The **Ministry of Energy and Mines (MEM)** will provide technical support on activities related to the preparation of the National Action Plan in close collaboration with AGC. The collaboration includes providing inputs to executing agency during (a) preparation of the national comprehensive analysis of ASGM; (b) development of road map to prevent and reduce mercury use, emissions and releases; and (c) finalization and endorsement of the NAP.

The **Ministry of Health (MoH)** will provide national leadership and technical support for the health related activities in close collaboration with the AGC.

The **Ministry of Economy and Finance (MEF)** as well as the Ministry of Production will provide, when appropriate, information on mercury trade.

Miners, mining communities and indigenous groups will be consulted during the production of national information on the scope of mercury in ASGM, sensitized through training and engaged to promote the prevention, reduction and elimination of mercury use in the sector.

ASGM stakeholders, including academia, NGOs, and the private sector, will be engaged to assist in the development of the NAP. This network of stakeholders will liaise with miners to increase awareness, share knowledge and promote technology transfer to prevent and reduce mercury use in the ASGM sector within the enabling activities framework and to develop a responsible and sustainable ASGM sector.

An expert team comprised of national and international consultants and technical specialists will be recruited to provide technical support for the NAP implementation. The team will be selected based on technical expertise to assist in the development of a national comprehensive analysis of ASGM sector and plan activities for national capacity building.

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 play a key role in the development of the NAP and will be an integral part of the project activities.

This will be addressed based on UNIDO's gender policy, among others by involving women and vulnerable groups at the sector level, in the information sharing and dissemination events, in the project coordination unit and national committee, and at the stakeholder level (e.g. by consulting women during the analysis of the ASGM sector and the assessment of health impacts of mercury use). Special attention will be paid to gender equality when evaluating and inviting members to participate in the National Committee and attending the awareness workshops. During recruitment process, female candidates will be encouraged to apply and efforts will be made to target female audience in advertisement.

	<p>Strategies to mitigate gender inequality, prevent child labor and protect indigenous communities will be part of the proposed NAP.</p> <p>In Peru, artisanal mining operations often involve women in different stages of the production process, such as transporting the ore from the inside to the outside of the mine, processing ore in artisanal grinders made of stone (quimbaletes) for the amalgamation of gold with mercury, ore and mining waste sorting.</p> <p>Many women associations were formed in the country to improve and organize their work in the mines, such as Association of Ore Sorters or Pallaquera Women of Santa Filomena, Nueva Esperanza (“New Hope”) in Sancos-Ayacucho, and the Association of Ore Sorters of Cuatro Horas in Chaparra – Caravelí – Arequipa with approximately 150 members each.</p>
<p><b>C. DESCRIBE THE ENABLING ACTIVITY AND INSTITUTIONAL FRAMEWORK FOR PROJECT IMPLEMENTATION</b> (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 improve the national capacity and capability for the management of mercury in the ASGM sector, through the preparation of a National Action Plan (NAP). Outputs from the project will also provide a basic situation evaluation and inventory/characterization of the ASGM sector that will assist in the design of future interventions to meet the obligations of the Convention. The NAP will generate global environmental and socio-economic benefits, as well as enable Peru to place mercury management at the leading edge of their sustainable development agenda. The planned activities per output are listed below:</p> <p><b>Output 1.1:</b> National coordination on ASGM established and consultation workshops organized</p> <p><b>Activity 1.1.1:</b> Conduct national start-up workshop</p> <p><b>Activity 1.1.2:</b> Establish ASGM coordination mechanism at the national level</p> <p><b>Activity 1.1.3</b> Develop strategies to involve stakeholders in the implementation and continued development of the NAP</p> <p><b>Activity 1.1.5</b> Organize consultation workshops with the main stakeholders, including artisanal and small-scale gold miners, affected communities, members of the relevant ministries, as well as national and regional-level policy makers adapting time and location of the events to different gender groups’ needs</p> <p><b>Output 1.2:</b> National comprehensive analysis of ASGM sector completed to support the development and implementation of a road map to prevent and reduce mercury use, emissions and releases</p> <p><b>Activity 1.2.1</b> Collect and analyze data on the ASGM sector (e.g. quantities of mercury used and practices employed; number of main mining sites and miners; relevant stakeholders including miners and private sector; and level of sector formalization)</p> <p><b>Activity 1.2.2</b> Draft national objectives and reduction targets</p> <p><b>Activity 1.2.3</b> Draft steps to facilitate the formalization or regulation of ASGM sector</p> <p><b>Activity 1.2.4</b> Propose strategies to promote reduction of mercury emissions and releases in ASGM and actions to eliminate worst practices mentioned on Annex C of Minamata Convention</p> <p><b>Activity 1.2.5</b> Identify potential sources of necessary funding to implement the road map as part of the NAP</p>



**Output 1.3:** Institutional capacity needs assessment completed to develop a public health strategy on ASGM

**Activity 1.3.1** Consult representatives of various ministries and other stakeholder groups

**Activity 1.3.2** Identify institutional capacity gaps/barriers

**Activity 1.3.3** Finalize institutional capacity needs assessment report on public health

**Output 1.4:** Rapid health situation assessment conducted; drafting of the public health strategy initiated and awareness raising workshops organized\*

**Activity 1.4.1** Plan and adapt the survey tools produced by the Artisanal Gold Council (AGC), as well as other tools, to Peru's context

**Activity 1.4.2** Conduct consultation with community and with health care providers in selected ASGM locations

**Activity 1.4.3** Analyze collected data and prepare recommendations

**Activity 1.4.4** Initiate the drafting of a public health strategy for the ASGM sector in collaboration with the Ministry of Health, considering the vulnerabilities of different gender groups

**Activity 1.4.5** Raise awareness on the risks to human health related to the use of mercury in the ASGM sector through workshops

**Activity 1.4.6** Develop communication materials for the health workshop taking into account the impacts of mercury on different gender groups

\*Note: Primary monitoring (i.e. human bio-monitoring) is considered out of the scope of the rapid health situation assessment and of the project. The principle objective of the rapid assessment is to identify patterns of health care seeking behavior among ASGM miners and their family members so as to determine the most effective entry point for engagement with them. For example in cases where ASGM miners do not utilize health services, promotional and awareness raising efforts may need to be conducted through mobile clinics or as part of other social mobilization efforts carried out by the health sector. The rapid health situation assessment also seeks to identify current capacities in local health centres to identify and address ASGM related health issues. This latter information is needed to inform the design and messaging of training activities to be conducted under the NAP.

**Output 2.1:** NAP drafted and presented to relevant stakeholders for interactive feedback

**Activity 2.1.1** Draft NAP according to the national comprehensive analysis report (Output1.2)

**Activity 2.1.2** Conduct stakeholder consultation meetings

**Activity 2.1.3** Finalize draft of the NAP

**Activity 2.1.4** Define NAP implementation schedule

Please refer to the attached logical framework in Annex C for specific outputs and their associated indicators, verifications and assumptions.

<p><b>D. DESCRIBE, IF POSSIBLE, THE EXPECTED COST-EFFECTIVENESS OF THE PROJECT:</b></p>	<p>GEF resources will assist the government of Peru and partners in understanding the use of mercury and how to minimize it in the ASGM sector, as well as increase awareness of risks to human and ecosystem health. It will also assist in the broad dissemination of project achievements nationally to promote future projects. GEF resources will not only help to streamline interventions and related capacity building efforts in the ASGM sector, but also ensure that the key stakeholders involved in the compliance of Article 7 and Annex C under the Convention are sufficiently aware of and appropriately engaged in the design and delivery of the activities identified in the road map.</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 to the extent of possible. 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 project will be one of the first NAPs to be implemented by UNIDO and, consequently, serve as a model for other similar initiatives</p>
	<p>under the GEF-6 replenishment period.</p> <p>In overall terms, project execution is expected to remain at low risk. UNIDO has solid experience in promoting environmentally sound management of mercury in the ASGM sector and plays an important role as co-lead of the 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>Enabling activities to implement the Stockholm Convention on Persistent Organic Pollutants (POPs) have already been developed in Peru with GEF’s resources. In the context of POPs, UNIDO is implementing the projects entitled “Enabling Activities to Review and Update the National Implementation Plan for the Stockholm Convention on POPs” and “Environmentally Sound Management and Disposal of PCBs”.</p> <p>The NAP will complement the country’s efforts to reduce significantly the exposure of harmful chemicals and wastes of global importance to humans and the environment. The regional presence of UNIDO in the field is also a comparative advantage to ensure the smooth development of project activities.</p> <p>Moreover, AGC staff has over 15 years of extensive field experience in improving the ASGM sector in over 20 countries across the developing world. AGC has also worked in partnership with UNIDO in ASGM projects in Burkina Faso, Côte d’Ivoire, Mali, Mongolia and Senegal. AGC is leading a major project in Peru expected to last five years, and has therefore a strong understanding of the sector in the country. AGC has built relationships with national government ministries (MINAM and MINEM), regional directions (especially within the Ministry of Mines-DREMs) and has a local partner well-versed in the sector implementing field and policy activities for the past 10 years. This local partner is recognized as the leader in gender and ASGM in Peru. Finally, AGC maintains a permanent presence in-country with a team of 5 core staff, four of which decentralized to main ASGM regions.</p>

<p><b>E. DESCRIBE THE BUDGETED M&amp;E PLAN:</b></p>	<p>Monitoring and evaluation (M&amp;E) for this project will rely on several levels of review, quality control and feedback. Overall M&amp;E will be conducted by UNIDO through annual supervision visits to Peru. The National Steering Group including the main project stakeholders will meet annually to: (a) review annual work plan, (b) assess progress against M&amp;E targets as indicated in the Project Results Framework, (c) review interim and final reports, and (d) 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, as well as GEF Council Documents GEF/C.39/09 and GEF/C.39.03/Inf.3. UNIDO's office in Colombia 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 UNIDO's project manager with support from UNIDO's Evaluation Group and reports submitted to the donor within 90 days of project end. The terms of reference for the evaluator will be developed with the support of UNIDO's project manager under UNIDO's guidance.</p> <p><b>Programmatic M&amp;E:</b> Artisanal Gold Council (AGC) will be responsible for day-to-day management and execution of the project, 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.</p>																										
	<p><b>Financial Monitoring:</b> All project costs will be accounted for and documented. Financial reports will be required from the executing agency according to standard UNIDO accounting procedures. A terminal evaluation will be submitted to the GEF within 90 days of the project end.</p> <p>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 (a) make available studies, reports and other documentation related to the project and (b) facilitate interviews with staff involved in the project activities.</p> <p><b>Legal context clause:</b> The Government of the Republic of Peru agrees to apply to the present project, mutatis mutandis, the provisions of the Revised Standard Technical Assistance Agreement concluded between the United Nations and the Specialized Agencies and the Government on 30 March 1956.</p> <p><b>Monitoring and Evaluation table</b></p> <table border="1" data-bbox="396 1339 1403 1766"> <thead> <tr> <th rowspan="2">M&amp;E activity</th> <th rowspan="2">Time</th> <th colspan="2">Budget [USD]</th> </tr> <tr> <th>GEF Grant [USD]</th> <th>Co-financing</th> </tr> </thead> <tbody> <tr> <td>Start-up workshop report*</td> <td>Within 3 months of project start</td> <td>0</td> <td>0</td> </tr> <tr> <td>Project review by NSG at the end of year 1*</td> <td>Month 12</td> <td>0</td> <td>0</td> </tr> <tr> <td>Project review by NSG at the end of the project*</td> <td>Month 24</td> <td>0</td> <td>0</td> </tr> <tr> <td><b>Terminal evaluation</b></td> <td>At project closure</td> <td>25,000</td> <td>6,000</td> </tr> <tr> <td><b>Total M&amp;E cost</b></td> <td></td> <td><b>25,000</b></td> <td><b>6,000</b></td> </tr> </tbody> </table> <p>*Funded by Project Management Costs</p>	M&E activity	Time	Budget [USD]		GEF Grant [USD]	Co-financing	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	<b>Terminal evaluation</b>	At project closure	25,000	6,000	<b>Total M&amp;E cost</b>		<b>25,000</b>	<b>6,000</b>
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<b>Terminal evaluation</b>	At project closure	25,000	6,000																								
<b>Total M&amp;E cost</b>		<b>25,000</b>	<b>6,000</b>																								

<b>F. EXPLAIN THE DEVIATIONS FROM TYPICAL COST RANGES (WHERE APPLICABLE):</b>	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. Jose Antonio GONZALEZ NORRIS	Director of the International Cooperation and Negotiations Office	MINISTRY OF ENVIRONMENT	10/30/2015

**B. CONVENTION PARTICIPATION**

	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. MARIANO CASTRO	08/05/2015

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

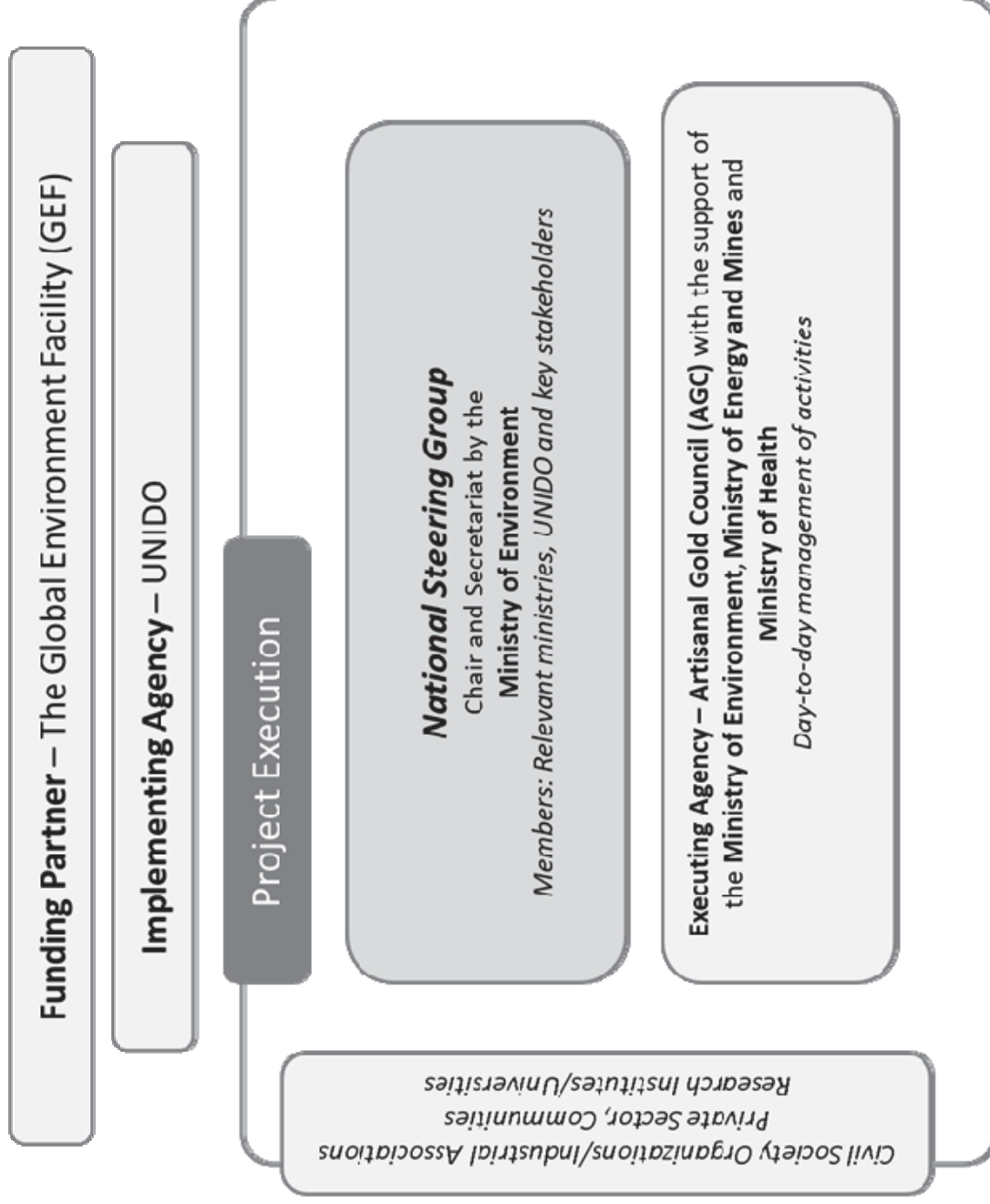
<b>This request has been prepared in accordance with GEF policies<sup>5</sup> and procedures and meets the standards of the GEF Project Review Criteria for Chemicals and Waste Enabling Activity approval in GEF 6.</b>					
Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	E-mail Address
Mr. Philippe R. Scholtès, Managing Director of Programme Development and Technical Cooperation (PTC), UNIDO GEF Focal Point		04-29-2016	Carolina GONZALEZ MUELLER 	+43 126026 3814	C.GONZALEZ-MUELLER@unido.org

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

## ANNEX A - GEF grant and co-financing table by product

Hierarchy of objectives	GEF Grant			Co-financing				Total
	AGC	UNIDO	Subtotal	UNIDO	AGC	Peru	Subtotal	
<b>National capacity</b>								
<b>Outcome 1.1. Participatory stakeholders able to manage mercury in the ASGM sector (awareness, technical skills, expertise)</b>	312,500	27,500	340,000	4,000	100,000	80,000	184,000	524,000
<b>Output 1.1:</b> Information disseminated and national coordination on ASGM established	49,500	10,500	60,000	4,000		15,000	19,000	79,000
<b>Output 1.2:</b> National comprehensive analysis of ASGM sector completed to support the development and implementation of a road map to prevent and reduce mercury use, emissions and releases	170,000	10,000	180,000		100,000	25,000	125,000	305,000
<b>Output 1.3:</b> Institutional capacity needs assessment completed to develop a public health strategy on ASGM	50,000		50,000			20,000	20,000	70,000
<b>Output 1.4:</b> Rapid health situation assessment conducted; drafting of the public health strategy initiated and awareness raising workshops organized	43,000	7,000	50,000			20,000	20,000	70,000
<b>Outcome 2.2. NAP drafted for the endorsement from relevant stakeholders</b>	82,000	8,000	90,000	9,000	0	0	9,000	99,000
<b>Output 2.1.2.1:</b> NAP drafted and presented to relevant stakeholders for iterative feedback	82,000	8,000	90,000	9,000			9,000	99,000
<b>Monitoring and evaluation</b>								
Project achieves objective on time through effective monitoring and evaluation	0	25,000	25,000	4,000		10,000	14,000	39,000
<b>Project management cost</b>								
Project management cost	40,500	4,500	45,000	10,000			10,000	55,000
<b>TOTAL PROJECT COSTS</b>	<b>435,000</b>	<b>65,000</b>	<b>500,000</b>	<b>27,000</b>	<b>100,000</b>	<b>90,000</b>	<b>217,000</b>	<b>717,000</b>

## ANNEX B: Project Execution Arrangement





## ANNEX C: Project Results Framework

Results*	Indicators	Means of verification	Assumptions & Risks	Stakeholder/ Role
<b>Objective/Impact:</b> National capacity and capability improved for the prevention and management of mercury use, through the preparation of a National Action Plan (NAP) for the Artisanal and Small-scale Gold Mining (ASGM) sector				
<b>Outcome 1: National capacity (awareness, technical skills, expertise) is enhanced to effectively manage mercury in accordance with the Minamata Convention</b>	<ul style="list-style-type: none"> <li>-Number of stakeholders agreeing with the statement that they have obtained new knowledge and skills in mercury management in the ASGM sector as a result of the project</li> </ul>	<ul style="list-style-type: none"> <li>- Terminal evaluation</li> <li>-Workshop and training reports</li> </ul>	<ul style="list-style-type: none"> <li>- National counterparts and relevant stakeholders remain engaged and cooperative</li> </ul>	UNIDO (GEF Implementing agency)
<b>Output 1.1:</b> Information disseminated and project coordination mechanism established	<ul style="list-style-type: none"> <li>- Project coordination mechanism established (National Steering Group and Project Management Unit)</li> <li>- Frequency of National Steering Committee meetings (2 times)</li> <li>- Number of participatory workshops/ information sharing events (i.e. study tours, lectures, educational workshops, media brief) conducted</li> <li>- Percentage of women and men participants at workshops/trainings/consultations and National Steering Group</li> <li>- At least 1 gender-related association/ministry invited to workshops/trainings/consultations</li> </ul>	<ul style="list-style-type: none"> <li>- National Steering Group meeting minutes</li> <li>- Terms of reference for the project coordination mechanism (i.e. function, budget, expertise)</li> <li>- Project progress report</li> <li>- Training/events/workshop reports</li> <li>- List of workshops' invitees and participants</li> <li>- Information/knowledge materials</li> </ul>	<ul style="list-style-type: none"> <li>- The ministries will promote all the National Steering Group activities</li> <li>- The National Steering Group will be comprised of members from relevant entities</li> <li>- Sufficient resources are allocated to maintain the project coordination mechanism</li> <li>- The project has a strong political and civil support</li> </ul>	<b>Artisanal Gold Council (AGC)</b> with the support of the <b>Ministry of Environment</b>

<p><b>Output 1.2:</b> National comprehensive analysis of ASGM sector completed to support the development and implementation of a road map to prevent and reduce mercury use, emissions and releases</p>	<ul style="list-style-type: none"> <li>- Analysis report completed, including: <ul style="list-style-type: none"> <li>- Number of ASGM sites with estimated number of men women and children affected by mercury</li> <li>- Quantities of mercury used in ASGM and processing within the country</li> <li>- Mercury reduction targets for the ASGM sector in percentage reduction</li> <li>- Number of strategies to reduce the use, emissions and releases of mercury</li> <li>- Road map drafted</li> <li>- Number of stakeholders consulted during collection of data for the completion of the national comprehensive analysis (gender disaggregated)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- National comprehensive analysis document, including inventory on mercury use in the ASGM sector, mercury reduction targets and national strategies</li> <li>- Structured interviews, direct measurements and observations</li> <li>- Report describing relevant stakeholders</li> <li>- Project progress reports</li> </ul>	<ul style="list-style-type: none"> <li>- Information on mercury use in ASGM is available</li> <li>- Private sector and civil society will contribute to the inventory exercise</li> </ul>	<p><b>AGC</b> with the support of the <b>Ministry of Environment and Ministry of Energy and Mines</b></p>
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<p><b>Output 1.3:</b> Institutional capacity needs assessment completed to implement a public health strategy on ASGM</p>	<ul style="list-style-type: none"> <li>- Institutional capacity needs Assessment drafted, including:             <ul style="list-style-type: none"> <li>- Number of institutional capacity gaps and barriers identified</li> <li>- Numbers of different roles of various sectors and organizations identified</li> <li>- Number and types of recommendations in the institutional capacity needs assessment report with a special focus on vulnerable populations, such as women workers, pregnant women, and children</li> </ul> </li> <li>- Number and types of local institutions engaged as a potential partner in monitoring and evaluating the effectiveness of measures taken to address health impacts of ASGM</li> </ul>	<ul style="list-style-type: none"> <li>- Institutional capacity needs assessment report</li> <li>- Project progress report</li> </ul>	<ul style="list-style-type: none"> <li>- Information and key informants will be readily accessible</li> <li>- High level interests and engagement from representatives of key ministries and stakeholder groups</li> </ul>	<p><b>AGC with support of the Ministry of Health</b></p>
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<p><b>Output 1.4:</b> Rapid health situation assessment conducted; drafting of the public health and awareness raising workshop organized</p>	<ul style="list-style-type: none"> <li>- Number of men and women/communities/facilities consulted</li> <li>- Number of health care providers consulted in ASGM affected locations; both quantitative and qualitative data on health systems capacity gaps/issues generated</li> <li>- Rapid assessment report completed, including recommendations with a special focus on vulnerable populations, such as women workers, pregnant women, and children</li> <li>- Number of awareness raising workshops conducted</li> <li>- Percentage of women and men participants at workshops/consultations</li> <li>- At least 1 gender-related association/ministry invited to workshops/consultations</li> </ul>	<ul style="list-style-type: none"> <li>- Rapid assessment report with recommendations</li> <li>- Draft initial public health strategy</li> <li>- Awareness raising workshop report</li> <li>- List of workshops' invitees and participants</li> <li>- Information/knowledge materials</li> </ul>	<ul style="list-style-type: none"> <li>- Health care providers, and ASGM miners and family members are knowledgeable and willing to participate in the assessment</li> <li>- Although engagement of healthcare providers and the healthcare system will occur, the training of health care providers and establishment of a related monitoring and reporting framework to complete the development of a public health strategy in the ASGM sector will not be included as part of this project</li> </ul>	<p><b>AGC</b> with support of the <b>Ministry of Health</b></p>
<p><b>Outcome 2: 2. NAP drafted for the endorsement from relevant stakeholders</b></p>	<ul style="list-style-type: none"> <li>- Acceptance of the NAP by the government</li> </ul>	<p>- Official government record</p>		<p>UNIDO (GEF Implementing Agency)</p>
<p><b>Output 2.1:</b> NAP drafted and presented to relevant stakeholders for interactive feedback</p>	<ul style="list-style-type: none"> <li>- NAP drafted</li> </ul>	<ul style="list-style-type: none"> <li>- NAP document</li> <li>- NAP implementation schedule</li> <li>- Consultation and approval meeting minutes</li> <li>- Progress and monitoring reports</li> </ul>	<ul style="list-style-type: none"> <li>- Relevant stakeholders remain interested and engaged in the project</li> </ul>	<p><b>AGC</b> with the support of the <b>Ministry of Environment and Mines</b></p>