



GEF-6 GEF SECRETARIAT REVIEW FOR FULL-SIZED/MEDIUM-SIZED PROJECTS THE GEF/LDCF/SCCF TRUST FUND

GEF ID:	9288		
Country/Region:	Suriname		
Project Title:	Improving Environmental Management in the Mining Sector of Suriname, with Emphasis on Gold Mining		
GEF Agency:	UNDP	GEF Agency Project ID:	5627 (UNDP)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Multi Focal Area
GEF-6 Focal Area/ LDCF/SCCF Objective (s):	BD-2 Program 4; CCM-2 Program 3; SFM-1;		
Anticipated Financing PPG:	\$109,590	Project Grant:	\$7,589,041
Co-financing:	\$33,600,000	Total Project Cost:	\$41,189,041
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Mark Zimsky	Agency Contact Person:	Lyes Ferroukhi

PIF Review			
Review Criteria	Questions	Secretariat Comment	Agency Response
Project Consistency	1. Is the project aligned with the relevant GEF strategic objectives and results framework? ¹	8-14-15 (JC): The Aichi Targets were not mentioned. The project is about mainstreaming of biodiversity conservation into the production landscape, not about Sustainable Forest Management. None of the proposed activities relate to the Conservation- (SFM-1), Enhancement- (SFM-2) or	

¹ For BD projects: has the project explicitly articulated which Aichi Target(s) the project will help achieve and are SMART indicators identified, that will be used to track the project's contribution toward achieving the Aichi Target(s)?

PIF Review

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		<p>restoration- of forests (SFM-3). The rehabilitation of mining operations (100 ha. in PIF) are not eligible under the Biodiversity or SFM strategy, nor the tailing ponds and or waste rock dumps. See item 3 for further feedback on this matter.</p> <p>NOTE: Suriname is not eligible for GEF funding under the Convention and we understand that the mercury components of this project will be funded fully from co-financing from the US Government and not GEF resources.</p> <p>Is Suriname taking steps to become a party of the Minamata Convention?</p> <p>September 22, 2015</p> <p>Thank you for the revisions. However, the element of forest restoration is still not justified or eligible per the reasons already stated. Please delete that element, place all resources under SFM-1 and adjust the PIF throughout accordingly.</p> <p>October 4, 2015</p> <p>Appropriate revisions made. Cleared.</p>	
	<p>2. Is the project consistent with the recipient country's national strategies</p>	<p>8-17-15 Yes. See page 21.</p>	

PIF Review

Review Criteria	Questions	Secretariat Comment	Agency Response
	and plans or reports and assessments under relevant conventions?	Cleared	
Project Design	3. Does the PIF sufficiently indicate the drivers ² of global environmental degradation, issues of sustainability, market transformation, scaling, and innovation?	<p>8-17-15</p> <p>Drivers of Environmental Degradation: Small-scale gold mining and the use of Mercury is identified as the drivers driver of deforestation and environmental degradation. Nevertheless, the root causes of these threats, as correctly stated in the PIF, are Poverty and the Lack of Viable Economic Activities apart from mining. Does the project run the risk of being over-run by the 20-25 thousand gold miners in search for</p> <p>Sustainability: There is continued reference to "sustainable mining". Please clarify what this means, considering that mining (by definition) is not sustainable because the natural resource is finite.</p> <p>Market transformation: No mention on investments on this front. Would they be needed or not?</p> <p>Scaling: The proposed targets (Table F and p.17) are misleading. First, the project should not claim "improved land management" over the 2.4 M</p>	

² Need not apply to LDCF/SCCF projects.

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		<p>hectares of the Greenstone Belt because the project is not about Sustainable Land Management according to the LD strategy, and because it is unrealistic to think that even on the mining component alone, the project can impact this area. Furthermore, the project does not have the capacity to monitor or know what is going on in such a vast landscape. Second, the 0.5 million hectares under Sustainable Forest Management and the 100 ha or restored forests should not be included because this is not a project on SFM (i.e. Conserve, Enhance or Restore forests). As noted above, rehabilitation of mining operations (on laterite in this case) is not eligible under the BD or SFM Strategies. In order to claim the SFM incentive, it is necessary to add-value to the forest. The CO2 targets are based on the reduced rates of deforestation of 9000 ha/year by an estimated 20% over the next 5 years. Nevertheless, the activities in the project do not seem aligned with measures to reduce deforestation. Please clarify. In addition, please check the value of 700,000 tCO₂eq per hectare of tropical forest and provide a scientific citation to support it. Also, clarify if avoided deforestation will only last</p>	

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		<p>those 5 years of the project, in which case it would revert back to the deforestation rate of 9000 ha/year and avoided emissions would be lost within a year. Please present avoided emissions from deforestation estimate over a 20-year period. Finally, this estimate only accounts for avoided deforestation, but there is no estimate for the pilot project portion of the project in the 100 ha. Please provide a GHG emissions reduction estimate for that, and distinguish between direct and indirect emissions avoided or reduced.</p> <p>Innovation: What are the "alternative mining methods" proposed for gold-mining? Considering that this is a cornerstone to the project, these methods need to be spell-out at PIF stage. If they are not known, it is unlikely that can be developed or found during the project preparation. Please use citations of the scientific and technical papers where these methods have been described.</p> <p>September 22, 2015</p> <p>Thank you for the revisions.</p> <p>We consider these revisions and proposals for going forward adequate</p>	

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		<p>except for the issues related to restoration noted earlier and the carbon benefits estimate.</p> <p>Therefore, please adjust the design to remove the restoration element as noted previously and focus on SFM 1.</p> <p>With regards to the carbon calculation, please provide a revised estimate of carbon benefits. In particular please consider the residual carbon value in deforested areas as carbon will not be reduced to zero. The use of a tool such as FAO's Ex-Act is highly recommended.</p> <p>October 4, 2015</p> <p>Restoration element removed. Carbon calculation satisfactory at PIF stage. Cleared.</p>	
	<p>4. Is the project designed with sound incremental reasoning?</p>	<p>8-17-15</p> <p>The baseline is fairly well described in the PIF (p.10). What is not clear is the level of investment on the different activities taking place. It would be desirable to have the figures.</p> <p>September 22, 2015</p> <p>Adequate revision provided along with plans to further elaborate during</p>	

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	<p>5. Are the components in Table B sound and sufficiently clear and appropriate to achieve project objectives and the GEBs?</p>	<p>PPG. 8-17-14</p> <p>The PIF is well structured and reads well. It appears to cover the main fronts.</p> <p>Component 1. Institutional, policy and planning framework strengthened for improved management of small and medium-scale gold mining.</p> <p>It would be desirable to include a diagram explaining how the different institutions and initiatives to be supported by this project fit together with the objective of managing the mining sector in Suriname. As currently stated it is not easy to understand how the following institutions and initiatives fit together.</p> <ol style="list-style-type: none"> 1. National Institute for Environment and Development in Suriname (NIMOS) 2. Office of Environmental Planning and Information (To be established with funding from GEF). 3. Inter-Ministerial Advisory Committee (IMAC) (To be strengthen with support from GF). 4. Training Unit and the Geological Mining Service (GMD) (To be strengthen with support from the 	

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		<p>GEF).</p> <p>5. Minerals Institute (MINAS) (To be established with support of the GEF).</p> <p>6. Mining Service Centers (MSC) (To be establish with support of the GEF)</p> <p>7. Regional cooperation and learning mechanism with French Guiana and Guyana</p> <p>8. Economic valuation studies will be carried out to identify the environmental, social, and economic costs and benefits of current uncontrolled gold mining practices and of regulated sustainable mining. Is not this known already at a sufficient level to take action?</p> <p>All in all, it appears that the project may be trying to do more than it can deliver considering time and budget. Please re-consider the essential institutions and initiatives to be supported.</p> <p>Component 2: Increased adoption of more environmentally sustainable practices among small and medium-scale gold miners and communities</p> <p>This component (all related to small-scale mining) has three elements: 1) The identification of the most feasible mining methods and land rehabilitation practices through</p>	

PIF Review

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		<p>research and pilot projects; 2) the establishment of a Suriname Mining School to provide training and demonstrate appropriate methods in key gold mining areas; and 3) an awareness raising campaign.</p> <p>Questions:</p> <p>A) Please elaborate on the "feasible mining methods" for gold mining to be used or consider in the project (i.e. Retort, Hg-free gold mining). B) Land rehabilitation of open open-pit mining is not eligible under the Biodiversity or SFM Strategies. In this regard, rehabilitation of forests is exceedingly expensive (there are studies in Suriname proving the case), and gives a very low return on investment. The GEF suggest removing this activity.</p> <p>Small gold miners have only enough capacity to dig-out the gold and move on. They have no interest or capacity in engaging in land rehabilitation. We are talking about 20,000 to 25,000 small gold miners making a living on the move. The same as in other Amazon countries (i.e. Colombia, Peru and Brazil).In</p> <p>B) What are the "Mining Schools" going to teach that they can put into</p>	

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		<p>practice? This sounds good in theory, but would it work in practice? What are the results and absorption by communities of the 3-year project of the World Bank, promoting Mercury-free techniques (e.g. Clean Gold Sluice)</p> <p>OTHER</p> <p>1. Have the co-financiers listed on Table C, agreed on providing the co-financing listed in front of their institutions?</p> <p>2. WWF is listed several times in the context of this project because of their experience and track record on the subject. Was the PIF consulted with them in search of synergies?</p> <p>September 22, 2015</p> <p>All revisions and plans for project design adjustments going forward are acceptable. Please delete the element on restoration as noted in the comments above.</p> <p>October 4, 2015</p> <p>Forest restoration element of project removed. Cleared.</p>	
	6. Are socio-economic aspects,	8-17-15	

PIF Review

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	including relevant gender elements, indigenous people, and CSOs considered?	Yes Cleared	
Availability of Resources	7. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	<ul style="list-style-type: none"> The STAR allocation? 	8-18-18 This project would use the entire GEF-6 allocation. Cleared	
	<ul style="list-style-type: none"> The focal area allocation? 	8-18-18 This project would use the entire GEF-6 allocation in all three FAs Cleared	
	<ul style="list-style-type: none"> The LDCF under the principle of equitable access 		
	<ul style="list-style-type: none"> The SCCF (Adaptation or Technology Transfer)? 		
	<ul style="list-style-type: none"> Focal area set-aside? 		
Recommendations	8. Is the PIF being recommended for clearance and PPG (if additional amount beyond the norm) justified?	8-18-18. No. Please address outstanding issues under items 1,3 4, and 5. Thanks September 22, 2015 No. Please address all issues listed above and submit a revised version. In addition, please note in Table B, component two, the phrase "environmentally sustainable gold mining practices" is still present. Please revise this text as has been done throughout the rest of the	

PIF Review			
Review Criteria	Questions	Secretariat Comment	Agency Response
		document. October 4, 2015 Yes. All changes requested have been made. The Program Manager recommends CEO PIF clearance.	
Review Date	Review	August 18, 2015	
	Additional Review (as necessary)	September 22, 2015	
	Additional Review (as necessary)	October 05, 2015	

CEO endorsement Review			
Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
Project Design and Financing	1. If there are any changes from that presented in the PIF, have justifications been provided?		
	2. Is the project structure/ design appropriate to achieve the expected outcomes and outputs?		
	3. Is the financing adequate and does the project demonstrate a cost-effective approach to meet the project objective?		

CEO endorsement Review

Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
	4. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk response measures? (e.g., measures to enhance climate resilience)		
	5. Is co-financing confirmed and evidence provided?		
	6. Are relevant tracking tools completed?		
	7. <i>Only for Non-Grant Instrument:</i> Has a reflow calendar been presented?		
	8. Is the project coordinated with other related initiatives and national/regional plans in the country or in the region?		
	9. Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
	10. Does the project have descriptions of a knowledge management plan?		
Agency Responses	11. Has the Agency adequately responded to comments at the PIF ³ stage from:		
	• GEFSEC		
	• STAP		

³ If it is a child project under a program, assess if the components of the child project align with the program criteria set for selection of child projects.

CEO endorsement Review

Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
	<ul style="list-style-type: none"> • GEF Council • Convention Secretariat 		
Recommendation	12. Is CEO endorsement recommended?		
Review Date	Review		
	Additional Review (as necessary)		
	Additional Review (as necessary)		