



## GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS\* THE GEF/LDCF/SCCF/NPIF TRUST FUNDS

GEF ID:	<b>5484</b>		
Country/Region:	<b>Honduras</b>		
Project Title:	<b>Environmental Sound Management of Mercury and Mercury Containing Products and their Wastes in Artisanal Small-scale Gold Mining and Healthcare</b>		
GEF Agency:	<b>UNDP</b>	GEF Agency Project ID:	<b>5229 (UNDP)</b>
Type of Trust Fund:	<b>GEF Trust Fund</b>	GEF Focal Area (s):	<b>POPs</b>
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	<b>CHEM-3;</b>		
Anticipated Financing PPG:	<b>\$70,000</b>	Project Grant:	<b>\$1,300,000</b>
Co-financing:	<b>\$3,960,000</b>	Total Project Cost:	<b>\$5,330,000</b>
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	<b>Anil Sookdeo</b>	Agency Contact Person:	<b>Dr. Suely Carvalho</b>

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
<b>Eligibility</b>	1.Is the participating <b>country eligible</b> ?	Yes	
	2.Has the <b>operational focal point</b> endorsed the project?	Yes	
<b>Resource Availability</b>	3. Is the proposed Grant (including the Agency fee) within the <b>resources available</b> from (mark all that apply):		
	• the STAR allocation?		
	• the focal area allocation?		
	• the LDCF under the principle of equitable access		
	• the SCCF (Adaptation or		

\*Some questions here are to be answered only at PIF or CEO endorsement. No need to provide response in gray cells.

<sup>1</sup> Work Program Inclusion (WPI) applies to FSPs only . Submission of FSP PIFs will simultaneously be considered for WPI.

FSP/MSP review template: updated January 2013

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	Technology Transfer)?		
	• the Nagoya Protocol Investment Fund		
	• focal area set-aside?		
Strategic Alignment	4. Is the project aligned with the focal area/multifocal areas/ LDCE/SCCF/NPIF <b>results framework and strategic objectives</b> ? <i>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 progress toward achieving the Aichi target(s).</i>	Yes	
	5. Is the project consistent with the recipient <b>country's national strategies and plans</b> or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, NBSAP or NAP?	Yes	
Project Design	6. Is (are) the <b>baseline project(s)</b> , including problem(s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?	Yes	
	7. Are the components, outcomes and outputs in the <b>project framework</b> (Table B) clear, sound and appropriately detailed?	Yes	
	8. (a) Are global environmental/ adaptation benefits identified? (b) Is the description of the incremental/additional reasoning sound and appropriate?	In the description of the global environmental benefits on page 13, what are the barriers to achieving a 100% reduction in mercury and how could these activities be supported. Why is only a partial reduction being targeted?	

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		<p>Sept 20 - The response provided while valid and indicative of the sector still does not look into what other types of sustainable investments can be made. Green Gold is one option but could the project seek to investigate other means of ensuring sustainability that would result in a complete phase out?</p> <p>Sept 26 - Comment Cleared</p>	
	9. Is there a clear description of: a) the <b>socio-economic benefits</b> , including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/ additional benefits?		
	10. Is the role of public participation, including CSOs, and indigenous peoples where relevant, identified and explicit means for their engagement explained?	Yes	
	11. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk mitigation measures? (e.g., measures to enhance climate resilience)	Yes	
	12. Is the <b>project consistent and properly coordinated</b> with other related initiatives in the country or in the region?	<p>How would this project be linked to or supported by the proposal by UNEP for a regional mercury project on inventories in Latin America?</p> <p>Sept 20 - Comment cleared</p>	

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	<p>13. Comment on the project's <b>innovative aspects, sustainability, and potential for scaling up.</b></p> <ul style="list-style-type: none"> <li>Assess whether the project is innovative and if so, how, and if not, why not.</li> <li>Assess the project's strategy for sustainability, and the likelihood of achieving this based on GEF and Agency experience.</li> <li>Assess the potential for scaling up the project's intervention.</li> </ul>	<p>The project seeks to clean up the gold supply chain in Honduras which would allow in better pricing of the gold thereby creating a platform for others to replicate in the country. The project will also promote replication from using national resources to do additional work.</p> <p>There is not mention of enforcement of policies etc developed in the project. This seems to be a lacking component to ensure the project is sustainable. Please address this.</p> <p>Sept 20 - The response partially satisfies the concern raised in the first review. An assessment of possible incentives should be looked at to encourage miners to enter into a regulated mining sector.</p> <p>Comment cleared but the above comment needs to be addressed during the CEO endorsement.</p>	
	14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?		
	15. Has the cost-effectiveness of the project been sufficiently demonstrated, including the cost-effectiveness of the project design as compared to alternative approaches to achieve similar benefits?		
	16. Is the GEF funding and co-financing as indicated in Table B appropriate and adequate to achieve the expected outcomes	<p>Please justify the request of 120,000 for awareness raising activities.</p> <p>Sept 20 - While it is true training and</p>	

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Project Financing	and outputs?	awareness are important in educating the miners and communities about the impacts of mercury a better strategy would be to also demonstrate how their incomes can increase from using alternative practices and technologies. At this scale of mining the cost margins are immediately felt and changes that would increase overall production cost may be difficult to implement. Please include during the CEO endorsement stage.	
	17. <u>At PIF</u> : Is the indicated amount and composition of co-financing as indicated in Table C adequate? Is the amount that the Agency bringing to the project in line with its role? <u>At CEO endorsement</u> : Has co-financing been confirmed?	Co-financing commitments are adequate however the sources are not confirmed or identified in some cases.  Sept 20 - The co-financing as proposed in the revised PIF raises a concern on the ability of the 'in-kind' resources to contribute to the project objectives. Please clarify what makes up the in-kind resources, in particular the amounts proposed to support component 3 and 4.  Sept 26 - Comment cleared	
	18. Is the funding level for <b>project management cost</b> appropriate?	Yes	
	19. <u>At PIF</u> , is PPG requested? If the requested amount deviates from the norm, has the Agency provided adequate justification that the level requested is in line with project design needs? <u>At CEO endorsement/ approval</u> , if PPG is completed, did Agency report on the activities using the PPG fund?	The PPG request is above the amount established for this size of project. Please justify the request or reduce to 50,000 or less.  Sept 20 - Comment cleared.	

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	20. If there is a <b>non-grant instrument</b> in the project, is there a reasonable calendar of reflows included?	No	
Project Monitoring and Evaluation	21. Have the appropriate <b>Tracking Tools</b> been included with information for all relevant indicators, as applicable?		
	22. Does the proposal include a <b>budgeted M&amp;E Plan</b> that monitors and measures results with indicators and targets?		
Agency Responses	23. Has the Agency adequately responded to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• The Council?		
	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at PIF Stage	24. Is PIF clearance/approval being recommended?	<p>Pending clarifications raised in the review.</p> <p>Sept 20 2013 - pending additional clarifications.</p> <p>Sept 26 - Recommended</p>	
	25. Items to consider at CEO endorsement/approval.	<p>Amount of Mercury to be reduced.</p> <p>An assessment of possible incentives should be looked at to encourage miners to enter into a regulated mining sector.</p>	
Recommendation at CEO Endorsement/ Approval	26. Is CEO endorsement/approval being recommended?		
	First review*	July 26, 2013	
Review Date (s)	Additional review (as necessary)	September 20, 2013	
	Additional review (as necessary)	September 26, 2013	

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\* **This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments. Greyed areas in each section do not need comments.**