



REQUEST FOR CEO APPROVAL¹

PROJECT TYPE: Medium-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

PART I: PROJECT INFORMATION

Project Title: Improve the health and environment of artisanal gold mining communities in the Philippines by reducing mercury emissions			
Country(ies):	Philippines	GEF Project ID: ²	5216
GEF Agency(ies):	UNIDO (select) (select)	GEF Agency Project ID:	120016
Other Executing Partner(s):	Republic of Philippines Department of Environment and Natural Resources (DENR), Department of Health (DOH) and Ban Toxics (BT)	Submission Date:	2012-12-03
GEF Focal Area (s):	Persistent Organic Pollutants	Project Duration(Months)	24
Name of Parent Program (if applicable): For SFM/REDD+ <input type="checkbox"/>		Agency Fee (\$):	55,000

A. FOCAL AREA STRATEGY FRAMEWORK³

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount (\$)	Cofinancing (\$)
(select) CHEM-3	Outcome 3.1. Country capacity built to effectively manage mercury in priority sectors	Output 3.1. Countries receiving GEF support for mercury management and reduction	GEF TF	500,000	983,070
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)	Others		(select)		
Subtotal				500,000	983,070
Project management cost ⁴			GEF TF	50,000	98000
Total project costs				550,000	1,081,070

B. PROJECT FRAMEWORK

¹ It is important to consult the GEF Preparation Guidelines when completing this template

² Project ID number will be assigned by GEFSEC.

³ Refer to the [Focal Area/LDCF/SCCF Results Framework](#) when filling up the table in item A.

⁴ This is the cost associated with the unit executing the project on the ground and could be financed out of trust fund or cofinancing sources.

Project Objective: Reduce the impacts of mercury on the health and environment of artisanal gold mining communities in the Philippines by promoting sound chemical management and strengthening local and national capacity to effectively reduce mercury use, emissions and exposure

Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Grant Amount (\$)	Confirmed Cofinancing (\$)
1. Strengthen national capacity	TA	National capacity is fostered to effectively manage mercury, in particular: - A formal national institution for the mining community in the Philippines is functional - Participating stakeholders able to manage mercury effectively (through awareness, technical skills, expertise, lessons and recommendations from the pilot sites)	- A national institution for ASGM community is established - Key stakeholders from Department of Environment and Natural Resources, Department of Health and ASGM institution are sensitized and trained to manage mercury effectively through active participation in the project	GEFTF	90,000	243,070
2.Reduce mercury use, emissions and exposure	TA	Mercury use, emissions and exposure reduced at ASGM pilot sites	-Training programs are developed and delivered at two pilot demonstration sites for government agencies, local NGOs, communities and other relevant stakeholders on: health risks of mercury and early recognition and identification of mercury poisoning -Techniques and technology training programs for miners to reduce mercury in ASGM are developed and delivered at two pilot demonstration sites (e.g. low and/or non-mercury methods and how to make equipment using low-cost and locally available materials)	GEFTF	400,000	730,000
3. Monitoring and Evaluation	TA	Project achieves its objective	Progress of activities and outputs against targets and desired	GEFTF	10,000	10,000

			outcomes are assessed and ultimately achieved				
	(select)			(select)			
	(select)			(select)			
	(select)			(select)			
	(select)			(select)			
	(select)			(select)			
	(select)			(select)			
	(select)			(select)			
Subtotal						500,000	983,070
Project management Cost ⁵				GEFTF	50,000	98,000	
Total project costs						550000	1081070

C. SOURCES OF CONFIRMED COFINANCING FOR THE PROJECT BY SOURCE AND BY NAME (\$)

Sources of Co-financing	Name of Co-financier (source)	Type of Cofinancing	Cofinancing Amount (\$)
National Government	Government of the Philippines	In-kind	150,000
GEF Agency	UNIDO	Grant	50,000
Others	Ban Toxics (US Department of State Grant)	Grant	356,070
Foundation	Dialogos	Grant	500,000
Others	Ban Toxics	In-Kind	25,000
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
Total Co-financing			1,081,070

D. GEF/LDCF/SCCF RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY¹

GEF Agency	Type of Trust Fund	Focal Area	Country Name/ Global	(in \$)		
				Grant Amount (a)	Agency Fee (b) ²	Total c=a+b
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
Total Grant Resources				0	0	0

E. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

⁵ Same as footnote #3.

Component	Estimated Person Weeks	Grant Amount (\$)	Cofinancing (\$)	Project Total (\$)
Local consultants*	264.00	145,632	75,000	220,632
International consultants*	32.00	80,000	120,000	200,000
Total		225,632	195,000	420,632

* Details to be provided in Annex C.

F. PROJECT MANAGEMENT COST

Cost Items	Total Estimated Person Weeks/Months	Grant Amount (\$)	Co-financing (\$)	Project Total (\$)
Local consultants*	10.00	18,750	48,000	66,750
International consultants*	4.00	8,000	20,000	28,000
Office facilities, equipment, vehicles and communications*				0
Travel*		13,250	20,000	33,250
Others**	Monitoring	10,000	10,000	20,000
	Meetings			0
Total		50,000	98,000	148,000

* Details to be provided in Annex C.

** For others, to be clearly specified by overwriting fields *(1) and *(2).

G. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? No

(If non-grant instruments are used, provide in Annex E an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF Trust Fund).

H. 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: UNIDO will be responsible for overall project monitoring and evaluation, and reporting progress to the donor. UNIDO will conduct yearly monitoring and evaluation visits to the project countries, and submit programmatic and financial interim reports annually through the Project Implementation Report (PIR). The final programmatic and financial reports will be submitted to the donor within 90 days of project end. DENR, DOH, Ban Toxics and UNIDO will meet annually to 1) review and approve annual work plans; 2) assess progress against M&E targets as indicated in the Project Results Framework; 3) approve of interim and final reports; and 4) assess any gaps or weaknesses, and make appropriate adaptive management decisions based on progress and achievements. Work plan for year two will be based upon results achieved in the previous year, agreed priorities and any changes identified via adaptive management decisions (including associated budget allocations).

Programmatic M&E: Ban Toxics, as the main executing partner, will be responsible for day-to-day management of the project in the Philippines. Monthly reporting from the field will transfer back to Ban Toxics and quarterly reporting will occur from Ban Toxics to UNIDO. The Ban Toxics Program Coordinator will conduct two monitoring and evaluation visits each year to review and assess project progress, ensure management decisions are implemented, review strategies and adapt project implementation plans accordingly. In addition, the Ban Toxics Program Coordinator will monitor project activities on a weekly basis through email, chat, video chat or telephone communications with Country

Coordinator, technical specialists, field project staff and other partners. Country Coordinator will be responsible for implementing day-to-day technical assistance activities and report progress and any challenges back to the Ban Toxics Program Coordinator.

Technical advice and expertise will be coordinated mainly by DENR, DOH, Ban Toxics and UNIDO. The technical experts will be an important part of the monitoring and evaluation process, as they will provide specific technical project advice, assist with troubleshooting as needed, and ensure quality control and adherence to international environmental and chemical safety standards. The stakeholder groups will also play key roles in project monitoring and evaluation. Stakeholder groups will be involved in all stages of the project planning and implementation, and will be crucial “eyes and ears” on the ground to identify needs and problems or challenges, as well as assist in finding solutions.

Progress of activities and outputs against the targets and desired outcomes will be assessed bi-annually using the means of verification and indicators for measurement explained in the Project Results Framework. Standard statistical methods will be used to analyze and report trends where applicable; qualitative indicators will be monitored when quantitative indicators are not feasible or useful. Performance measures will occur at three levels: activity, annual work plans and overall project, and reported upon as explained above. Quarterly reports and annual reports will aggregate, summarize and convert project data/results into more general language indicating project progress towards objectives. In this way, reporting will link monitoring and evaluation aspects.

Activities of partner organizations, such as Dialogos, will be measured in a parallel fashion, using project agreements or memorandums of understanding that explicitly list objectives and activities for which each partner is responsible. Partners will be required to report quarterly to Ban Toxics Program Coordinator on their achievement of these aims using their respective agreements/ MoU's and the Project Results Framework. Partner reporting will then be integrated into overall project reporting. Following completion of annual project reports, Ban Toxics and the respective project partners will meet in-country to review progress and make needed adjustments to the project plan. Working with project partners, local/national governments, NGO's and other stakeholders, DENR, DOH and Ban Toxics will adapt annual work plans as necessary.

Financial Monitoring: All project costs must be accounted for and documented. Financial reports will be required on a monthly basis from the field to Ban Toxics Program Coordinator, according to internal accounting procedures. Interim financial reports will be provided to the donor by UNIDO annually, and a final financial report will be provided within 90 days of project end.

PART II: PROJECT JUSTIFICATION

A. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

A.1.1. The [GEF focal area/LDCF/SCCF strategies](#):

The proposed project is directly in line with the GEF 5 Focal Area Strategy for Chemicals. Under the Chemicals Strategy, the project aims “to promote the sound management of chemicals throughout their lifecycle in ways that lead to the minimization of significant adverse effects on human health and the environment,” in particular Objective 3 to “pilot sound chemicals management and mercury reduction.” It also aligns with Outcome 3.1 “country capacity build to effectively manage mercury in priority sectors” and Outcome 3.2 to “contribute to the overall objective of the SAICM of achieving sound management of chemicals throughout their lifecycle in ways that lead to the minimization of significant adverse effects on human health and the environment.” This project will support the GEF Chemicals focal area by strengthening local and national capacity to effectively reduce mercury use, emissions and exposure in artisanal gold mining communities in the Philippines. Specifically, it will assist the government to develop, implement and facilitate the demonstration and replication of mercury reduction/elimination projects, enable local and national stakeholders to receive health, techniques and technology trainings, and promote policy reforms based on the lessons learned to reduce mercury use, emission, and exposure in ASGM activities. The project is also consistent with the aim of GEF 5 Chemicals focal area to support countries in preparation for the entry into force of the internationally legally binding treaty on mercury, currently being negotiated.

A.1.2. For projects funded from LDCF/SCCF: the ldcf/sccf eligibility criteria and priorities:

Not applicable

A.2. National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NAPs, NBSAPs, national communications, TNAs, NIPs, PRSPs, NPFE, etc.:

The Philippine government has already demonstrated its commitment to work on issues of mercury use, emissions and exposure in ASGM. In December 2010, the Philippines's Department of Environment and Natural Resources Environmental Management Bureau (DENR-EMB) hosted UNEP's Global Forum on ASGM, and underscored its importance in the Philippine economy, its role in indirectly supporting the livelihoods of two million people, and the need to reduce or eliminate entirely the use of toxic chemicals, such as mercury, in the ASGM process. In addition, the Philippines Medium-Term Development Plan for 2004-2010 sought to establish a management system and treatment facilities for toxic and hazardous wastes, including the completion of an inventory of toxic and hazardous wastes, establishment of a monitor system for chemical usage, and treatment of chemical wastes. The Philippine government also has a regulatory platform for ASGM, with policies such as R.A. 7076 People's Small Scale Mining Act of 1991 and P.D. 1899, establishing small-scale mining as a new dimension in mineral development. DENR EMB, under the assistance of UNEP's SAICM Quick Start Program (QSP), collaborating with DENR Mines and Geosciences Bureau (MGB) and Ban Toxics, have drafted a national strategic plan focusing on mercury reduction. In fact, DENR-MGB is one of the members of the Inter-agency Technical Working Group (TWG)/National Steering Committee (NSC) created by the DENR-EMB for the development of the National Strategic Plan for ASGM in the Philippines under the QSP. Ban Toxics' Executive Director, Mr. Richard Gutierrez was hired by the DENR-EMB as the project consultant in the development of the plan. This national strategic action plan was presented and discussed at the second SAICM meeting in Cambodia in March 2011. The Philippines completed its national strategic plan on the phase-out of Mercury in the ASGM sector in May of 2011.

B. PROJECT OVERVIEW:

B.1. Describe the baseline project and the problem that it seeks to address:

Artisanal and small-scale gold mining (ASGM) is one of the most significant sources of mercury release into the environment in the developing world, and accounts for about 15% of the world's annual gold production. Mercury is often used in ASGM to help separate gold from sediments using rudimentary processing methods. Workers combine mercury with gold-laden silt to form an amalgam, which is heated, often in or near homes, to evaporate the mercury and leave gold. Mercury is released into the air, where it is directly inhaled by workers and their families. It is particularly threatening to children, pregnant women, and women of childbearing age. The emissions from ASGM can also travel long distances around the globe, contributing to global mercury pollution and contaminating the world's fisheries. This is because under certain conditions in sediments, bacteria can transform elemental mercury into methylmercury, a far more toxic form which bioaccumulates up the food chain. Methylmercury can bio-accumulate in the fatty tissues of fish, a major high quality protein source for poor communities, and many people around the world. Mercury can cause permanent damage to the brain, kidneys and the development of foetuses and cause miscarriages, developmental problems in children, psychotic reactions, respiratory failure, cardiovascular disease, neurological damage and death.

On its final report from the GEF-financed Global Mercury Project, UNIDO estimates that nearly 100% of all mercury used in ASGM is released into the environment. Such practices release at least 1,000 tonnes of mercury per year, and account for 30% of total annual anthropogenic mercury emissions. This has been growing over the last decade along with the rise in price of gold. Of the estimated 12-15 million people working in ASGM, around 4.5 million are women and 600,000 are children. In addition, children who are not directly involved in mining activities but who live in ASGM communities are also at risk of exposure. They often accompany their mothers who are working. Studies have found that in some localities, the majority of female miners work in the amalgam-processing phase, where they, and thus their children, are most at risk for toxic exposure.

ASGM is particularly common in Southeast Asia, especially in the Philippines, where it has been traditional livelihood. However, with the rise in the value of gold, ASGM has become even more widespread. Most artisanal gold miners are from socially and economically marginalized communities, and turn to mining to escape extreme poverty and unemployment.

In the Philippines, ASGM occurs in more than 40 provinces, and provides important subsistence-level income for about 300,000 miners and their families. For the past five years, ASGM activities have been producing at least 80%

of the Philippines yearly gold supply. With that comes the annual release of an estimated 70 to 140 metric tonnes of mercury, which is approximately 3.6-7.2% of the current estimated total anthropogenic mercury emissions worldwide at 1921 metric tonnes (Mercury Watch Database). A UN study in 2006 found significant mercury contamination at levels up to 50 times World Health Organization standards among surveyed gold miners. Gold rushes are occurring in various places, including Diwalwal where UNIDO implemented a project aiming at assessing the health impact of mercury on mining and downstream population in 1998-2000. The project underlined the need for more awareness raising and as it appeared that both study groups were heavily affected.

Baseline Project

In 2011, Ban Toxics along with Dialogos (a Danish NGO), International Committee of Environmental, Occupational and Public Health, the Geological Survey of Denmark and Greenland, and the University of Copenhagen, initiated a 3-year project entitled: Reducing Mercury Use in Artisanal and Small-scale Gold Mining in the Philippines (2011-2014). This project aims to introduce mercury-free technology in 2 small-scale mining areas and supplements this effort by providing health training of rural healthcare workers in the proper diagnosis of mercury poisoning.

In terms of cooperation among southeast Asian countries, Ban Toxics has been assisting BaliFokus, an Indonesia NGO, to conduct mercury vapour monitoring in various mercury hotspots and the two NGOs plan to bring Indonesian miners to the Philippines to exchange and train on low- and zero mercury methods in 2013. Ban Toxics and BaliFokus are also the implementing NGOs for the sub-regional project for the Philippines and Indonesia, funded by the US State Department, in bringing stakeholders together as initial work in developing a national strategic plan for mercury phase out in small-scale gold mining and the storage of sequestered mercury from small-scale gold mining and health sectors.

Other potential co-financing opportunities for the project are:

- Ban Toxics has submitted a proposal to the US Department of State, amounting to US \$100,000, to extend the current storage project in the Philippines and Indonesia to include a pilot for a miner-to-miner training with Indonesian miners, where Philippine miners working with Ban Toxics will provide training on mercury-free ASGM techniques.
- Ban Toxics has submitted a proposal to the Foundation for Philippine Environment, amounting to US\$46,000, to expand the mercury ASGM monitoring project with the US Department of State to include more areas in the Philippines.
- Ban Toxics has submitted a proposal to the United Nations Environment Programme, amounting to US\$50,000 to help fund work in the formalization of small-scale gold miners all over the Philippines.
- Ban Toxics has submitted a proposal to the Swedish Society for Nature Conservation, amounting to US\$100,000, to help fund Ban Toxics' efforts to increase organizational capacity to undertake more mercury-free ASGM interventions and the purchase of additional technical equipment.

B. 2. Incremental /Additional cost reasoning: describe the incremental (GEF Trust Fund) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF financing and the associated global environmental benefits (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project:

The request of financial support from GEF from the Chemicals areas is justified by the demonstration nature of the project addressing a persistent toxic substance (PTS) that is coming to the forefront of global attention and has strong links with the water environment. In addition, the project intends to reduce the large volume of mercury emissions from ASGM activity in the Philippines, the severity of the environmental and health impacts of mercury, the number of people affected, and to address the widespread nature of ASGM and the economic drivers behind its spread.

GEF funding will assist the Governments of Philippines to build capacity and scale up mercury reduction technologies in ASGM and successes from pilot projects. GEF support will enable the following expected benefits/results:

- a. A national ASGM institution will be established to facilitate the process of mercury reduction/elimination. This will build on the momentum of the Philippine SAICM project, the Danish government/Dialogos/Ban Toxics non-mercury technique project, and the Ban Toxics/US Department of State mercury storage project.
- b. Health education, technique and technology programs and mercury poisoning surveillance program that can be later replicated nationwide will be developed and capacity increased through delivery of training programs.
- c. National and local stakeholders in the Philippines will be sensitized and able to replicate technical successes at other ASGM sites aiming to reduce overall mercury use, emissions and exposure in country; and important lessons learned will contribute and promote sound national management policies on mercury in the future.

GEF resources would also be used to broadly disseminate project achievements regionally and globally to promote replication. Furthermore, GEF support will help garner international support and leverage future funding investments.

The proposed project will evaluate the results of the mercury-free technology pilot tests (currently conducted by Ban Toxics, GEUS and Dialogos) to determine the feasibility of scaling up such technologies nationwide in the Philippines. The two pilot demonstrations of this project (Component 2) will bring the number of low and non-mercury pilot projects to a total of four in the Philippines which provide stronger evidence and sufficient data on determining the appropriate technologies for different site conditions and create a greater impact in terms of additional miners reached through trainings and awareness raised on health risks associated with mercury among the ASGM communities. Furthermore, the proposed project will benefit from the storage project supported by the U.S. Department of State by incorporating its results on storage options, cost analysis, facility specification, site selection criteria and identification of barriers and opportunities for mercury use reduction or phase-out into the promotion of policy reform on sound management of mercury in country (Component 1). In sum, the project aims to fully assess the suitability of transitioning from low to zero mercury practices in ASGM operations in the Philippines; lessons learned from the assessment will contribute and promote national and local policy recommendations in the future.

The project will implement the following project components in collaboration with co-financing partners:

1. Strengthen national capacity to effectively manage mercury by establishing a formal national institution and training of key stakeholders:

DENR will be the main executing partner for the organization and management of national technical working group meetings and the national inception workshop for the project. Ban Toxics, in consultation with DENR, will be the main executing partner to establish the national ASGM institution designed to serve as a professional organization for the mining community that will provide training and certification for miners aiming to reduce and eventually eliminate the use of mercury in their practices. The institution will also function in the interests of the mining community and provide social and legal resources to yield long-term benefits.

As mentioned in the ASGM Partnership Business Plan, formalization is a pre-requisite to successful intervention. Therefore, the reinforced national strategic action plan and the establishment of a formalized national ASGM institution through this project will propose a roadmap for formalization of the ASGM sector.

In addition, participating stakeholders will be trained through awareness, technique/technology and health workshops with enhanced/new knowledge and skills in mercury management. Lessons learned from the pilot demonstrations (Component 2) will contribute and promote local and national policy reform in the future.

Presentations to government agencies and policy makers will be made. Specifically, gender issues will be considered as part of the policy recommendation formulation as women play an important and unique role in ASGM practices. DENR, DOH and Ban Toxics will jointly be responsible to contribute and promote policy reform in country. In addition, through participation in the intergovernmental negotiating committee (INC) process for the

forthcoming international mercury treaty, additional insight and knowledge gained by the policy makers will contribute to policy reform in country.

2. *Develop and deliver health education, techniques and technology training programs, including early recognition and identification of mercury poisoning at the community level, to reduce mercury in ASGM:*

Currently, the level of awareness and mechanization in the Philippines is relatively low. Assistance will be provided to develop health education programs to promote awareness regarding the health risks of mercury, strengthen capacity of rural healthcare workers in mining communities, and technique training programs to spread technical knowledge about technologies that eliminate mercury as well as alternatives to mercury that are appropriate and suitable in the respective communities. Whole ore amalgamation has been a problem in the country and the project will eliminate this worst practice as per the ASGM Partnership Business Plan. Furthermore, health personnel at the community level will be trained on the early recognition and identification of mercury poisoning cases including public health intervention to prevent exposure among high risk groups. Likewise, community health surveillance activities will be undertaken in priority areas. In addition to the miners, several national and local stakeholders will be involved in the development, delivery, and follow-up activities related to the trainings. DENR and DOH will be the main executing partner for the organization and management of the health education training workshop.

Stakeholder groups will be convened at each identified pilot project site. In collaboration with local and national stakeholders, design site appropriate interventions based on successful pilot projects conducted in previous projects using local knowledge and expertise as well as locally-available materials. Assistance will be provided to local and national stakeholders to implement pilot mercury reduction/elimination projects. Mercury use, emissions, and exposure from ASGM activities at the pilot sites will be monitored. Two of the worst practices of the ASGM Partnership Business Plan will be addressed: whole ore amalgamation and open burning of amalgam. Successful interventions will be considered for replication at other mining communities in the Philippines as the results of the demonstrations will be documented and presented to local and national stakeholders. Ban Toxics will be the main partner for the execution of mercury reduction projects.

B.3. Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCF/SCCF). As a background information, read [Mainstreaming Gender at the GEF.](#):

Every year, around 330 tons of gold (12-15% of total production) are produced in 70 countries across the globe by artisanal small scale mining, providing a revenue of 10 billion USD (900\$/otz) to an estimated 12-15 million miners, out of which around 30% are women and children. In addition, an estimated 50 million people are involved in secondary economic activities for a gross economy of around 50 billion USD. ASGM's potential to contribute to development is high. It is unique in its real ability to transfer wealth from rich to poor countries, and a high percentage (70%) of the international price goes to miners (not true for any other product).

However, current ASGM practices are relatively inefficient and involve significant mercury use, which causes toxic pollution, reduces quality of life, and comes at significant cost to public health. Environmental degradation aggravates poverty, hinders development effectiveness and makes growth unsustainable. People affected by pollution are much more likely to get sick from other diseases, be chronically ill, and have physical and mental disabilities and a shortened lifespan. Because ASGM is a widely-practiced livelihood activity, reducing mercury use is critical in minimizing ASGM's environmental and human health impacts. Healthy workers are more productive, reducing the use of mercury is also essential to capturing ASGM's development potential and economic benefits. In addition, because ASGM is based in areas where little alternatives for income exist, women (and sometimes children) constitute a large portion of the mining

force, especially in grinding and processing activities where physical strength is not as required. The project's focus on reducing exposure risks during processing naturally places specific emphasis on raising awareness of women workers. The health education, techniques and technologies training programs will include sections specifically for female workers and efforts will be extended to ensure a balanced attendance between men and women in training sessions to ensure that women's concerns are noted and addressed. In addition, when making national and local policy recommendations, emphasis will also be placed on female workers as they play an important and unique role in ASGM practices in country. Furthermore, safe processing technology comes with additional benefits – improved efficiency and cost savings. Recycling mercury or eliminating the need for mercury reduces production costs and introduces cost savings. Technologies that enable fast and more efficient processing, thus improving gold return, will be introduced and information on their use disseminated for replication to neighboring areas.

The project will contribute to the global reduction of mercury input to the environment. The project aims to reduce at least 50% in mercury use, emission and exposure at the pilot sites. Moreover, the current international negotiations will provide a good platform for dissemination of project results.

B.4 Indicate risks, including climate change risks that might prevent the project objectives from being achieved, and if possible, propose measures that address these risks to be further developed during the project design:

Risks	Level	Mitigation Measures
Lack of sustained political support from the Philippines government	Low	Relationship with the Philippines Department of Environmental and Natural Resource (DENR) is well established and they are active in the intergovernmental negotiating committee (INC) of the forthcoming international mercury treaty. DENR has made ASGM one of its priorities so it is unlikely that there will be lack of political support
Security and safety issues at remote mining sites	Low	Mining communities are often located in rural and remote areas, interventions could be delayed or impacted depending on the exact location of the selected sites, therefore, site selection will take these factors into consideration
Climate variability	Low	Water is required to process gold efficiently but techniques and technologies introduced through the project will include recycling of processed water, preventing water losses, as well as proper handling of tailings.

Given the nature of the project, which is focused on capacity building, raising awareness and reducing health risks to local communities, climate change will have limited impact on achievement of the project's objectives. However, climate change is predicted to have impact on rainfall patterns and water availability, and ASGM is a sector that is heavily depended on water for processing of ore. Thus, this project will ensure that the techniques and technologies transferred are low in water consumption and effluent released are safe through:

- Water efficiency in processing by ensuring the recycle of water for concentration and applying of chemical process for small amount concentrate versus the current practice of whole ore amalgamation; and if possible, working areas will be cemented to prevent water losses through soil infiltration and evaporation.

- Proper handling of tailings sludge prior to release into the environment to prevent contamination of downstream areas or groundwater.

B.5. Identify key stakeholders involved in the project including the private sector, civil society organizations, local and indigenous communities, and their respective roles, as applicable:

Key partners for this project include:

UNIDO will be responsible for overall project implementation, monitoring and reporting. UNIDO will provide a key coordinating role between ongoing initiatives with UNEP, SAICM, the Basel Convention and other ASGM projects in the region and globally (including those funded by US Department of State and US Environmental Protection Agency). UNIDO is the lead agency of the UN system for ASGM issues. UNIDO co-leads the UNEP global mercury partnership on ASGM and, together with its partners, is assisting its member states in addressing the issue. The experience of UNIDO comes from almost 20 years working in the sector. UNIDO will coordinate and fully utilize the resources available at its Regional Office in Manila, Philippines, for project monitoring and supervision to ensure quality implementation by the main executing partner, Ban Toxics. The Regional Office in Manila has been actively involved in the development of the proposal and their close engagement during project implementation is expected to remain and play a critical role.

Ban Toxics is an Asian sub-regional NGO based in the Philippines that has been working on environmental justice and toxic chemical pollution since 2006. Ban Toxics has been actively engaged in mercury issue at the local, sub-regional, and international levels since 2006. Ban Toxics has also been actively working on ASGM researches and projects in the Philippines and is beginning to establish partnerships in Indonesia and Tanzania to experiment zero mercury techniques they have been developing. Ban Toxics will be the main executing partner in the Philippines, responsible for the technical implementation of various project components in the Philippines, with close collaboration with DENR.

Ban Toxics and UNIDO will jointly be responsible for overall project implementation, coordination of stakeholders and management of pilot remediation projects. Jointly with DENR and DOH, they will also coordinate provision of technical expertise and guidance. Key stakeholders at the national level include government agencies, national NGO's and Universities and local communities.

The **Department of Environment and Natural Resources (DENR) - Environmental Management Bureau**, as the GEF Operational Focal Point, will be heavily involved in the national technical working group and inception workshop portion of the project, especially in the political aspects of implementing Philippines' National Strategic Plan to phase out mercury in the ASGM sector and in scaling up low- and non-mercury techniques and technologies training in priority and appropriate regions. In addition, as necessary, DENR will be working closely with Ban Toxics in the selection of pilot demonstration sites, organization of inception workshop, national working group meetings and health trainings, provide support to the formation of the national ASGM institution, and based on the lessons learned from the project, promote policy reform to reduce mercury use, emission and exposure in country. The **Philippine Department of Health (DOH)** will work closely with partner agencies in implementation of all health related activities for the project, especially on the planning, formulation, delivery, and follow-up actions of the health education to national and local health specialists including referral and management of identified mercury poisoning cases. Likewise, the DOH will review data/information collected from the monitoring/reporting activities from the field and will recommend appropriate public health intervention measures.

Dialogos, a Danish medical NGO, will provide technical expertise and guidance regarding the development of formal health education and awareness training programs.

A Stakeholder Group will be convened at each of the selected pilot sites. A typical Stakeholder Group is comprised of representatives from the mining community (miners, leaders, teachers, doctors, business owners, or others), local government (local mayor's office, Ministry for Health/Environment, local environment management authority), a local university, local NGOs, and a Ban Toxics representative. The Stakeholder Group functions to help build consensus amongst all actors, and ensures distribution of information to all relevant parties. It is also responsible for

implementing project activities. Extremely important to project sustainability and effectiveness, the Stakeholder Group ensures buy-in from all stakeholders, and guarantees the project works closely with the communities and local officials and adheres to local regulations.

B.6. Outline the coordination with other related initiatives:

Awareness about the toxicity of mercury has significantly grown in the past several years. The United Nations Environment Program (UNEP) is leading the international community in developing a legally binding instrument to control this toxic substance. The project will closely follow the development of the negotiating process for the legally binding agreement on mercury particularly on the development and finalization of national strategy action plans on ASGM. UNEP also formed the Global Mercury Partnership to address issues holistically and share experience on past and current projects in order to eliminate duplication of effort and improve efficiency. UNIDO leads the partnership area on ASGM in which Ban Toxics is a participating member. This project will fully benefit from the partnership and vice versa through sharing of information and experience, especially of projects conducted in the region. Since UNIDO is currently implementing several other GEF-approved mercury projects in Africa, South America and Asia, it can serve as an information exchange powerhouse for other organizations that are also active in mercury-related initiatives. The partnerships also represent a large network of experts, many of whom are from low- and middle-income countries which will lend expertise to the project, and also gain from it. In addition, the project will be integrated where possible into other ASGM mercury reduction programs, such as UNEP's SAICM program, UNIDO and UNEP's other ASGM projects, including the potential project funded by the US EPA and State Department.

C. GEF AGENCY INFORMATION:

C.1 Confirm the co-financing amount the GEF agency brings to the project:

UNIDO will contribute \$50,000 in cash for project management.

C.2 How does the project fit into the GEF agency's program (reflected in documents such as UNDAF, CAS, etc.) and staff capacity in the country to follow up project implementation:

UNIDO has demonstrated past experience in the area of Artisanal and Small-Scale Gold Mining (ASGM). UNIDO has been working in this sector for more than 20 years and in 17 countries. The Global Mercury Project (GMP), a UNIDO initiative, was launched in 2002 with financial support from the Global Environment Facility (GEF) under the international water focal area, and was co-financed by partner countries and civil society. Several countries participated in this pilot program, including Brazil, Indonesia, Lao People's Democratic Republic, Sudan, Tanzania and Zimbabwe. The GMP worked with governments, non-governmental organizations (NGO's), industry, and community stakeholders to remove existing barriers that prevent the introduction of cleaner artisanal gold mining extractive technologies. This experience was recognized when UNEP set up its Global Mercury Partnership area and called upon UNIDO to lead the ASGM area.

UNIDO is also currently implementing similar projects in west Africa and Latin America.

UNIDO is the UN agency in charge of industrial development with the ultimate aim of reducing poverty through productive activities. Developing the ASGM sector is exactly this, as UNIDO's projects in the sector contribute to reduce the health and environmental damages of the activity while increasing the productivity of the workers. Moreover, ASGM typically occurs in very remote areas and the projects help provide mining populations with a more sustainable income source, therefore, empowering the rural population.

PART III: INSTITUTIONAL COORDINATION AND SUPPORT

A. INSTITUTIONAL ARRANGEMENT:

This project will be implemented by UNIDO. However, the project will coordinate closely with UNEP and its ongoing mercury and ASGM-related initiatives, especially in regards to the finalization of national strategy action plans for

ASGM which will fully contribute to the current Intergovernmental Negotiating Committee (INC) on mercury.

B. PROJECT IMPLEMENTATION ARRANGEMENT:

For this project, UNIDO will be the GEF agency and Ban Toxics will be the main executing partner organization. In addition, DENR will be responsible for the organization and management of the national technical working group meetings, inception workshop, while DOH will be involved in the health education training workshops.

Ban Toxics has been an active UNEP mercury partner in the areas of ASGM and Supply and Storage. Ban Toxics has also been the lead NGO organizer, along with DENR Environmental Management Bureau, for the 2010 UNEP ASGM Global Summit held in Manila, Philippines. Currently, Ban Toxics is the local partner of Dialogos in the Philippines in the implementation of the miner-to-miner training that introduces and experiments with zero mercury techniques in ASGM areas and the training of rural health care workers in the proper diagnosis of mercury poisoning. Late in 2011, the US Department of State awarded Ban Toxics, along with BaliFokus, a project to develop a national plan for the storage of mercury coming from the ASGM and healthcare sectors.

UNIDO will be responsible for overall project implementation, monitoring and reporting. UNIDO will play a key coordinating role between ongoing initiatives with UNEP, SAICM, the Basel Convention and other ASGM projects in the region and globally. UNIDO will coordinate closely with its office in Manila, Philippines, for project monitoring and supervision to ensure quality implementation by the main executing partner, Ban Toxics. The office has been actively involved in the development of the project and their close engagement during implementation is expected to remain and play a critical role.

UNIDO, as the implementer, and Ban Toxics, as the main executor of the project, will be jointly responsible to deliver project results, coordination of stakeholders and management of pilot projects. They will also coordinate provision of technical expertise and guidance with DENR and DOH. Ban Toxics will be responsible for day-to-day activities in country. All project components will be implemented in collaboration with a variety of local and national stakeholders, including the mining industry, local NGO's, universities and others.

PART IV: EXPLAIN THE ALIGNMENT OF PROJECT DESIGN WITH THE ORIGINAL PIF

Not applicable

PART V: 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. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
ANALIZA R. TEH	UNDERSECRETARY & CHIEF OF STAFF & GEF FOCAL POINT	DEPARTMENT OF ENVIRONMENT & NATURAL RESOURCES	10/22/2012

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF policies and procedures and meets the GEF/LDCF/SCCF criteria for CEO endorsement/approval of project.

Agency	Signature	Date	Project	Telephone	Email Address
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Coordinator, Agency Name		<i>(Month, day, year)</i>	Contact Person		
Dimitri Piskunov, Managing Director, Programme Development and Technical Cooperation Division GEF Focal Point		10 Dec 2012	Ludovic Bernaudat, Environmental Management Branch 	+43 12602603648	L.Bernaudat@unido.org

ANNEX A: Project Results Framework

HIERARCHY OF OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
PROJECT DEVELOPMENT OBJECTIVE: Improve the health and environment of artisanal gold mining communities in the Philippines by reducing mercury emissions	Mercury exposure to miner and their communities is reduced by 50% at pilot sites	Monitoring reports (prepared by Executing Agency) on mercury use at pilot sites (resulting from Output 2.2)	
OUTCOMES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
1. National capacity is fostered to effectively manage mercury, in particular: - A formal national institution for the mining community in the Philippines is functional - Participating stakeholders able to manage mercury effectively (through awareness, technical skills, expertise, lessons and recommendations from the pilot sites)	- ASGM institution is established, with staff, budget, status and premises in place - Increased awareness of the participating stakeholders (before/after the project) - % of key stakeholders agreeing with the statement that they have obtained new knowledge, skills and evidence in mercury management as a result of the project	-Project progress and monitoring reports -Surveys of key stakeholders indicating changes in behavior/knowledge acquired through the project trainings	Political will and commitment of the stakeholders to address mercury use in ASGM will continue; funding and personnel to sustain the institution is made available; local and national stakeholders willing to take on roles and responsibilities
2. Mercury use, emissions and exposure reduced at ASGM pilot sites	- Mercury use reduced - Proper management of mercury at mining sites observed by executing agency and experts - % of trained miners apply the methods and technologies provided by the project - Mercury poisoning cases decreased	-Project progress and monitoring reports -Surveys of miners indicating changes in behavior/knowledge acquired through trainings -Observations by project staff or experts who often visit the pilot sites	Local and national stakeholders stay engaged and attend trainings; techniques/technologies introduced yield measurable reduction in mercury use
OUTPUTS	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
1.1 A national institution for mining community (ASGM) is established	- An assessment study to identify the ideal setting for the ASGM institution - Its structure, roles, functions, staffing, budget, and sustainability are agreed by national stakeholders	Project progress report	Funding and personnel to sustain the institution is made available; local and national stakeholders willing to take on roles and responsibilities
1.2 Key stakeholders from Department of Environment and Nature Resources, Department of Health and ASGM institution are sensitized and trained to manage mercury effectively through active participation in the project	- No. of key stakeholders participate in project workshops and activities	-Project progress report -Observation from project staff -meeting minutes	Political commitment from the national government and support from stakeholders
2.1 Training programs are developed and delivered at two	- No. of training programme - Availability of training	-Training attendance records	Local mining communities stay

<p>pilot demonstration sites for government agencies, local NGOs, communities and other relevant stakeholders on: health risks of mercury and early recognition and identification of mercury poisoning</p>	<p>materials - No. of miners trained (by gender) - No. of health and NGOs workers trained (by gender) - No. of community members trained (by gender and age)</p>	<p>-Project progress and monitoring reports - Health monitoring reports</p>	<p>interested and engaged</p>
<p>2.2 Techniques and technology training programs for miners to reduce mercury in ASGM are developed and delivered at two pilot demonstration sites (e.g. low and/or non-mercury methods and how to make equipment using low-cost and locally available materials)</p>	<p>-Number of miners trained (by gender) - No. of training workshops</p>	<p>-Training attendance records -Project progress and monitoring reports including documentation of mercury use</p>	<p>Local communities willing to learn new techniques/technologies that reduce mercury use</p>

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Not applicable

ANNEX C: CONSULTANTS TO BE HIRED FOR THE PROJECT USING GEF/LDCF/SCCF RESOURCES

<i>Position Titles</i>	<i>\$/ Person Week*</i>	<i>Estimated Person Weeks**</i>	<i>Tasks To Be Performed</i>
For Project Management			
Local			
Program Coordinator	1,875	10	The Program Coordinator will be responsible for local coordination of the national team and communication within the region and with all the implementation partners. See M&E plan.
International			
UNIDO Coordinator	2,000	4	The UNIDO Coordinator will be responsible for overall project monitoring and evaluation and reporting progress to the donor. See M&E plan.
Justification for travel, if any: The Ban Toxics Program Coordinator will need to visit each project site twice a year to conduct monitoring and evaluation. Two round trip airfares are budgeted to travel from Calgary, Canada to the Philippines each year. Each trip will be 14 days. One of these yearly visits will coincide with the trip of the UNIDO Project Coordinator, who will need to visit each project site once a year to conduct monitoring and evaluation. The UNIDO trip will be 8 days. During this coinciding trip, the Ban Toxics Program Coordinator and UNIDO Project Coordinator will conduct joint annual reviews and adjust workplans as necessary. Per diems will need to be provided for 36 days.			
For Technical Assistance			
Local			
Country Coordinator	672	96	Country Coordinator will carry out day-to-day in-country technical assistance activities and report progress.
Miner Training Experts	220	96	The Technical Experts will be involved in the establishment of ASGM national entity, pilot demonstrations and technology/technique trainings
School Health Trainer	235	64	The Environmental Health Trainer will be contracted to conduct the school training workshops
Communications Expert	520	48	The Communications Expert will ensure that proper lines of dialogue and information are established between the project and communities within the project areas.
Financial Manager	250	80	The Financial Manager will provide financial controls over the duration of the project.
International			

Technical Expert	2,500	32	The Technical Expert will provide technical expertise and support throughout the project for developing/ implementing the health trainings.
Justification for travel, if any: The Technical Expert will need to travel to each pilot site once each year. Two round trip airfares are budgeted for travel from Copenhagen to the Philippines. The trips will be 14 days each and per diems for those days are required.			

* Provide dollar rate per person week. ** Total person weeks needed to carry out the tasks.

ANNEX D: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS

A. EXPLAIN IF THE PPG OBJECTIVE HAS BEEN ACHIEVED THROUGH THE PPG ACTIVITIES UNDERTAKEN.

NOT APPLICABLE

B. DESCRIBE FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION, IF ANY:

NOT APPLICABLE

C. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES AND THEIR IMPLEMENTATION STATUS IN THE TABLE BELOW:

<i>Project Preparation Activities Approved</i>	<i>Implementation Status</i>	<i>GEF/LDCF/SCCF Amount (\$)</i>				<i>Cofinancing (\$)</i>
		<i>Amount Approved</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>	<i>Uncommitted Amount*</i>	
	(Select)					
	(Select)					
	(Select)					
	(Select)					
	(Select)					
	(Select)					
	(Select)					
	(Select)					
Total		0	0	0	0	0

* Any uncommitted amounts should be returned to the GEF Trust Fund. This is not a physical transfer of money, but achieved through reporting and netting out from disbursement request to Trustee. Please indicate expected date of refund transaction to Trustee.

ANNEX E: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)

Provide a calendar of expected reflows to the GEF/LDCF/SCCF Trust Fund or to your Agency (and/or revolving fund that will be set up)

Not Applicable

ANNEX F: TIMELINE of PROJECT OUTOUTS

Timeline of the outputs

Output	Year 1				Year 2			
1.1 A national institution for ASGM community is established								
1.2 Key stakeholders from Department of Environment and Natural Resources, Department of Health and ASGM institution are sensitized and trained to manage mercury effectively through active participation in the project								
2.1 Training programs are developed and delivered at two pilot demonstration sites for government agencies, local NGOs, communities and other relevant stakeholders on health risks of mercury and early recognition and identification of mercury poisoning								
2.2 Techniques and technology training programs for miners to reduce mercury in ASGM are developed and delivered at two pilot demonstration sites (e.g. low and/or non-mercury methods and how to make equipment using low-cost and locally available materials)								