



**GLOBAL ENVIRONMENT FACILITY**  
INVESTING IN OUR PLANET

GEF/C.44/04  
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GEF Council Meeting  
June 18 - 20, 2013  
Washington, D.C.

Agenda Item 12

**PREPARING THE GEF TO SERVE AS THE FINANCIAL MECHANISM OF  
THE MINAMATA CONVENTION ON MERCURY UPON ENTRY INTO  
FORCE**

**Recommended Council Decision**

The Council, having reviewed document GEF/C.44/04, *Preparing the GEF to serve as the Financial Mechanism of the Minamata Convention on Mercury upon entry into force*,

Welcomed with appreciation the invitation from the Intergovernmental Negotiating Committee to Prepare a Global Legally Binding Instrument on Mercury to the GEF, to be the Financial Mechanism of the Minamata Convention on Mercury as drafted in Article 13 of the agreed text of the Convention, which will be adopted and opened for signature in Kumamoto and Minamata, Japan in October 2013;

Authorized the use of up to \$10 million for the funding of an early action pre-ratification program for the Minamata Convention to be programed during the remainder of GEF-5;

Requested the GEF Secretariat to develop initial guidelines, as appropriate, for enabling activities and pre-ratification projects, in consultation with the interim Secretariat of the Minamata Convention, and present this as an information document at the 45<sup>th</sup> Council Meeting.

## **EXECUTIVE SUMMARY**

The text of the Minamata Convention on Mercury was agreed by 140 parties at the 5<sup>th</sup> session of the Intergovernmental Negotiating Committee to Prepare a Global Legally Binding Instrument on Mercury held in Geneva in January 2013. The Convention will be adopted and opened for signature at the Conference of Plenipotentiaries in October 2013. The Convention text identifies GEF in Article 13 as the Financial Mechanism combined with a special international programme.

This document presents a report of the GEF-5 Mercury Pilot, and a proposal for the GEF to fund activities in the remainder of GEF5 to support early entry into force of the Convention, including projects aimed at ratification, for up to \$10 million.

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## INTRODUCTION

1. At its 43<sup>rd</sup> Meeting in November 2012, the GEF Council noted the progress of the Intergovernmental Negotiating Committee (INC) and considered document GEF/C.43/04, *Proposed Framework for a Financial Mechanism for the Future Mercury Convention and Draft Operational Program for Mercury* and decided:

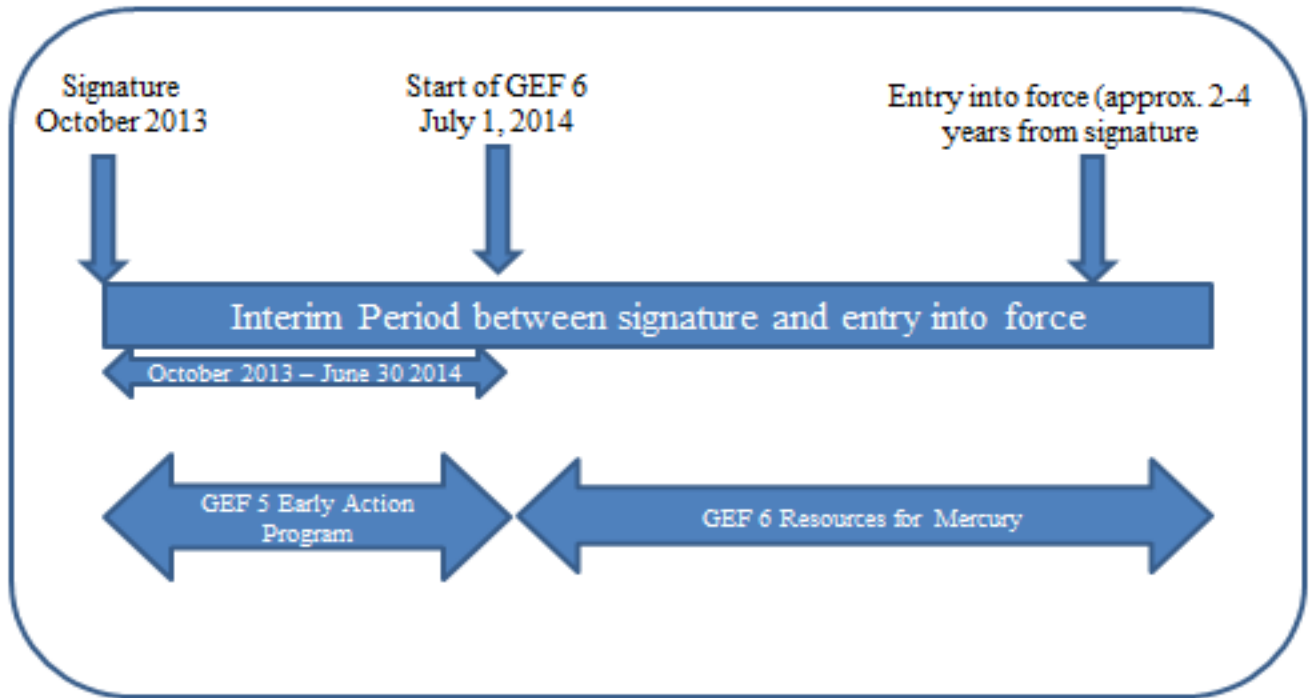
“...if invited by the INC, would welcome the GEF becoming a or the Financial Mechanism of the future instrument on mercury, and consider this invitation within the framework of the GEF.”

2. The 5<sup>th</sup> session of the INC agreed to the text of the global legally binding instrument on mercury on January 19, 2013, including Article 13 on financial resources and mechanism. The Mechanism shall include: a) The GEF Trust Fund; and b) A specific international Programme to support capacity-building and technical assistance.

3. The text of the Convention will be adopted and opened for signature at the Diplomatic Conference (Conference of Plenipotentiaries), which will be held in Minamata and Kumamoto, Japan, from 9 to 11 October, 2013. The Diplomatic Conference will be preceded by a Preparatory Meeting from 7 to 8 October, 2013 in Kumamoto.

4. This document presents a proposal on how the GEF can further respond to the request from governments for GEF support for mercury-related activities as well as how to operationalize a mercury program in the GEF during the rest of GEF-5.

5. The anticipated timeline from adoption and signature of the Convention to entry into force is indicated below. It should be noted however that the entry into force of the Convention may happen during the GEF-6 replenishment period. In line with Article 31 of the Convention text, the Convention will enter into force on the 90<sup>th</sup> day after the date of deposit of the fiftieth instrument of ratification, acceptance, approval or accession.



### **GEF as the Financial Mechanism of the Minamata Convention**

6. Article 13 of the Minamata Convention on Mercury establishes a financial mechanism that consists of the GEF Trust Fund and a specific international programme to support capacity-building and technical assistance.

7. In regard to the GEF, Article 13 provides the following:

“The Global Environment Facility Trust Fund shall provide new, predictable, adequate and timely financial resources to meet costs in support of implementation of this Convention as agreed by the Conference of the Parties. For the purposes of this Convention, the Global Environment Facility Trust Fund shall be operated under the guidance of and be accountable to the Conference of the Parties. The Conference of the Parties shall provide guidance on overall strategies, policies, programme priorities and eligibility for access to and utilization of financial resources. In addition, the Conference of the Parties shall provide guidance on an indicative list of categories of activities that could receive support from the Global Environment Facility Trust Fund. The Global Environment Facility Trust Fund shall provide resources to meet the agreed incremental costs of global environmental benefits and the agreed full costs of some enabling activities.”

8. Since the conclusion of INC5, UNEP has been working to prepare the Diplomatic Conference as well as consider the elements in the draft resolutions to be negotiated at the Preparatory Meeting for adoption in the Final Act.

9. The GEF Secretariat continues to work closely with UNEP regarding the preparations for adoption and signature of the Convention as well as identifying areas of support in the interim period between signature and entry into force.

10. It is expected that in the resolutions, which will be adopted as part of the Final Act, there will be an invitation to the GEF to fund activities in the interim period between signature and entry into force including in the immediate period after the Diplomatic Conference.

#### **REPORT ON GEF- 5 MERCURY PILOT**

11. The GEF-5 strategy contained a pilot program on mercury to accompany the negotiations of the Minamata Convention. The strategy for this pilot was presented in the document, GEF/C.39/Inf.09, *Strategy for Mercury Programming in the 5<sup>th</sup> Replenishment Period of the Global Environment Facility*.

12. An amount of \$15 million was set aside in GEF-5 to fund projects in the following areas:

- (a) Reducing mercury use in products;
- (b) Reducing mercury use in industrial processes;
- (c) Reducing mercury use and exposures in artisanal and small-scale gold mining ;
- (d) Enhancing capacity for mercury storage;
- (e) Reducing atmospheric emissions of mercury;
- (f) Improved data and scientific information at the national level;
- (g) Enhancing capacity to address waste and contaminated sites.

13. The GEF has approved projects in the five areas as shown in Table 1.

**Table 1: Programming of the GEF Mercury Programme**

<b>GEF Mercury Strategy Area</b>	<b>GEF Resources (\$US)</b>	<b>Number of Projects</b>
Enhancing Capacity to Address Waste and Contaminated Sites	3,073,400	6
Improved Data and Scientific Information at the National Level	2,200,000	2
Reducing Atmospheric Emissions of Mercury	1,080,000	1
Reducing Mercury Use and Exposures in Artisanal and Small-Scale Gold Mining	2,695,000	3
Reducing Mercury Use in Products	149,868	3
<b>Grand Total</b>	<b>9,198,268</b>	<b>15</b>

14. The remaining 5.8 million is due to be programmed as medium sized projects in the areas shown in Table 2, by the time of the 45th Council Meeting.

**Table 2: Programming of the remainder of the Mercury Pilot Funds**

GEF Mercury Strategy Area	GEF Resources (\$US)	Number of Projects
Improved Data and Scientific Information at the National Level	3,000,000	5
Reducing Mercury Use in Industrial Processes	2,000,000	1
Reducing Mercury Use and Exposures in Artisanal and Small-Scale Gold Mining	800,000	1
<b>Grand Total</b>	<b>5,800,000</b>	<b>7</b>

15. Over the past three years, the GEF has invested resources in high priority areas. These investments have been noted and appreciated by countries.

16. The projects have addressed all but two of the areas mentioned above.

**PROGRAM TO INITIATE RATIFICATION AND EARLY ACTION ON MERCURY**

17. Currently, GEF-6 Replenishment negotiations are ongoing and the Secretariat is proposing to make resources available for a mercury program in GEF-6 that will assist countries to conduct enabling activities and projects that would be needed for early action in priority areas such as ASGM and atmospheric emissions.

18. The gap between signature and the start of GEF-6 will be a crucial period for countries to determine the feasibility of accepting or ratifying the convention after signature. In this regard, the proposed program is critical to help countries to make the decision to accept or ratify the Convention.

19. Through this program it is anticipated that countries will have a better understanding of the implications of ratification and will be able to plan for these actions before ratification.

20. The proposed program, for the period until GEF-6 becomes operational, will provide resources for enabling activities, including rapid assessments to determine if mercury is an issue for a particular country and the areas and sectors that would need to be looked into detail and help to build legislative and institutional capacity to both ratify and report to the convention.

21. The program will be specifically targeted to help countries:

- (a) Determine their national situation in respect of the use and production of mercury and mercury containing products.
- (b) Determine sources of mercury emissions and releases and assessment of contaminated sites.
- (c) Determine the extent to which mercury is used in artisanal and small scale gold mining (if present).
- (d) Determine policy and regulatory changes that would be necessary to give effect to the implementation of the mercury program at the national level and plan the steps needed to affect these changes.



- (e) Determine the institutional and capacity enhancement needs that would be required to implement the convention at the national level.
22. It is expected that the program will utilize the rapid assessment toolkits already available, supplemented by limited field surveys and analysis.
23. The GEF Secretariat in consultation with the interim Secretariat of the Minamata Convention will develop initial guidelines for enabling activities and pre-ratification projects and present this as an information document at the 45<sup>th</sup> Council Meeting.
24. These proposed areas of investments as mentioned above, is estimated to cost up to \$ 10 million and have been identified as a high priority in consultation with UNEP, which serves as the secretariat for the INC process, and based on indications received from governments at INC5.
25. The program would consist of the following and will follow the guidelines that will be developed:
- (a) Up to 24 single assessment projects for large countries estimated to cost US\$ 4.5 million.
  - (b) Up to four regional assessment projects for other countries estimated to cost US\$ 5.5 million.