

Ref: MC/COP4/2021/111

17 December 2021

Subject: Executive Secretary communication with the GEF CEO on the matter of the 8th Replenishment of the GEF Trust Fund

Dear Madam/Sir,

I am pleased to share with you my letter to the CEO of the Global Environment Facility regarding the call by Parties to the Minamata Convention on Mercury related to the 8th Replenishment of the GEF Trust Fund.

This letter transmits to the GEF CEO and Secretariat the full compilation of statements made by parties at the online segment of COP-4, 1-5 November 2021, on the matter of the GEF-8 Replenishment.

Furthermore, the GEF Secretariat has agreed to circulate this document to all GEF Council Members. Your clear and compelling statements on this matter will be important as the GEF's replenishment discussions continue in early 2022. I encourage you to make use of this document in your national and regional processes related to the replenishment.

I had the pleasure of addressing GEF Council members on 8 December 2021 at the 61st GEF Council meeting. I emphasized the great efforts our parties are making to implement the Convention, and I stressed the critical importance of securing a robust and increased allocation to the Minamata Convention and to the Chemicals and Waste focal area in order to support parties to fulfil their legally-binding commitments under the Convention. You may wish to read my remarks here.

As we approach the end of this very busy year, I would like to take this opportunity to thank you for your collaboration towards making mercury history, and to wish you, your colleagues, and your families all the best for a healthy and happy New Year.

Yours sincerely,



Monika Stankiewicz
Executive Secretary

To: National Focal Points for the Minamata Convention on Mercury

Cc: Governments through their official channels of communication to the UN Environment Programme
Permanent Missions to the UN Environment Programme and to the UN in Geneva

Att: Call by Parties to the Minamata Convention on Mercury related to the GEF-8 Replenishment, MC/GEF/2021/97, from 6.12.2021

Ref: MC/GEF/2021/97

Geneva, 6 December 2021

Subject: Call by Parties to the Minamata Convention on Mercury related to the GEF-8 Replenishment

Dear Mr. Rodriguez,

As you know, the Conference of the Parties to the Minamata Convention on Mercury, meeting at their fourth meeting from 1-5 November 2021, addressed the topic of the 8th replenishment of the GEF Trust Fund. Compiled here, as input to the ongoing deliberations on the GEF-8 replenishment, are the statements of our parties delivered at the meeting. I appreciate your attention to ensuring that replenishment participants receive this document.

Collectively, these statements represent a clear message to participants in the replenishment discussions that a robust allocation to the Minamata Convention and to the Chemicals and Waste focal area, at a percentage higher than the GEF-7 allocation, is vital to support parties to fulfil their legally-binding commitments under the Convention.

Parties recognized the role that action on mercury can and must play in achieving the interconnected challenges of climate change, biodiversity loss and pollution, improving the health of millions of people and addressing the drivers of environmental degradation.

Parties expressed appreciation for the support made possible to date by the donors to the GEF Trust Fund. They noted that their implementation efforts increasingly must support them to achieve reductions in mercury use and emissions as they meet Convention deadlines. Adequate and reliable financial assistance is needed to advance actions and innovative solutions in the framework of challenges and commitments under the Convention.

The fact that the upcoming GEF Council meeting will consider projects that take up the last remaining amount of financing allocated to the Convention in GEF-7 demonstrates the very significant ongoing demand, the great efforts by parties towards implementation, and the relevance of the work in meeting targets.

I appreciate the efforts of you and your staff to engage with our parties on this critically important topic. My staff and I look forward to further input to the replenishment process and to your participation in the resumed fourth meeting of the Conference of the Parties to the Minamata Convention on Mercury in March of 2022.

Yours sincerely,



Monika Stankiewicz
Executive Secretary

To: Mr. Carlos Manuel Rodriguez
CEO and Chairperson, Global Environment Facility

Cc: Mr. Gustavo Fonseca, GEF Secretariat
Ms. Chizuru Aoki, GEF Secretariat
Mr. Anil Sookdeo, GEF Secretariat

Att: Annex - Statements delivered by parties to the Minamata Convention on Mercury on the financial resources and mechanism at the online segment of the fourth meeting of the Conference of the Parties, 1-5 November 2021

Annex

Statements delivered by parties to the Minamata Convention on Mercury on the financial resources and mechanism at the online segment of the fourth meeting of the Conference of the Parties, 1-5 November 2021

Global Environment Facility

Introducing the item, the representative of the secretariat recalled the intention that only one aspect of GEF, in its role as part of the financial mechanism of the Minamata Convention, would be considered at the present online segment of the fourth meeting of the Conference of the Parties, namely the eighth replenishment of the GEF trust fund. Other items relevant to the financial mechanism, relating both to GEF and to the Specific International Programme, would be taken up at the resumed segment of the fourth meeting, in 2022.

Recalling that the period covered by the eighth replenishment would be 1 July 2022 to 30 June 2026, the representative of the secretariat drew attention to notes by the secretariat on the eighth replenishment of the GEF trust fund (UNEP/MC/COP.4/10) and on the related draft programming directions and strategic positioning framework (UNEP/MC/COP.4/INF/8). The former document covered the timeline, funding priorities and draft programming directions for the eighth replenishment, which were the subject of ongoing deliberations within the GEF Assembly, and the latter provided the full draft texts of the strategic positioning framework and draft programming directions as at 30 August 2021. She informed participants that the various elements of the eighth replenishment that were presently in draft form were due to be finalized at the third meeting on the replenishment, expected to take place in February 2022, and thus noted that a number of decisions related to the replenishment would be taken prior to the in-person segment of the fourth meeting of the Conference of the Parties to the Minamata Convention. She further noted that any statements made by parties on the current agenda item would be reflected in the present report, adding that parties might wish to make use of the information provided in the context of their national processes relative to the GEF replenishment.

Ms. Chizuru Aoki, Lead Environmental Specialist, GEF Programming Unit, on behalf of Mr Carlos Manuel Rodriguez, Chief Executive Officer, GEF, delivered additional information on the eighth replenishment. She noted that Mr. Rodriguez had expected to participate in the current online segment, but owing to unforeseen circumstances had been unable to do so at the time when the item was initially taken up.

Ms. Aoki highlighted that the ongoing COVID-19 pandemic had prevented the convening of certain meetings of the conferences of the parties to conventions for which GEF acted as the financial mechanism, and thus the replenishment process was taking place without guidance from some of those conferences of the parties. Nevertheless, GEF had been working closely with the secretariats of those conventions, as it had with the secretariat of the Minamata Convention, to ensure coherence. She recalled also that the Conference of the Parties to the Minamata Convention, at its first meeting, had provided GEF with guidance on its clearly defined priorities, which GEF had followed when supporting parties in implementing the Convention, including in terms of enabling activities through the Minamata initial assessments and national action plans for artisanal and small-scale gold mining. GEF had been supporting efforts to make mercury history since 2010, first through the intergovernmental negotiating committee to prepare a global legally binding instrument on mercury and later through the Convention. The eighth replenishment would build on the experience accumulated and the guidance provided by the Conference of the Parties in terms of programming priorities, and work would be undertaken with parties on issues that needed to be addressed for the successful implementation of the Convention, such as mercury in products, industrial emissions, storage and trade.

The eighth replenishment strategy built on the growing and converging understanding that supply chains and megatrends were the primary drivers of chemical pollution. The strategy was being drafted in such a way that there was the flexibility to include new topics that the Conference of the Parties might choose to prioritize during the eighth replenishment period.

Ms. Aoki gave a brief overview of the process to be followed in relation to replenishments, recalling that the trust fund was replenished every four years by countries that wished to contribute. The process was initiated by the GEF Council and involved a series of four to five meetings, over the course of about a year, that brought together contributing participants, regional representatives, Convention secretariats, GEF agencies and others. During those meetings, participants reviewed the performance of GEF, assessed future funding needs and agreed on a financing framework, along with policy reforms and programming directions. When the group



had completed its work, a summary of the negotiations was presented to the GEF Council for a decision and to the GEF Assembly for approval. The present replenishment process had been initiated by the GEF Council at its fifty-ninth meeting, in December 2020, and two meetings had been held to date. The process was due to be concluded at the seventh meeting of the GEF Assembly, scheduled for May 2022. The first programming of projects to be carried out in the eighth replenishment period would be approved by the GEF Council at its sixty-third meeting in December 2022.

To assist in the development of the draft programming directions for the eighth replenishment, GEF had convened a meeting of its Technical Advisory Group, from 8 to 11 February 2021, to collect input from scientists and environmental experts. Representatives of the secretariats of the five conventions for which GEF served as the financial mechanism had also taken part. The meeting had provided the basis, along with existing guidance from conferences of parties, for the development of the first draft of the programming directions, which had since been refined and would be further refined on the basis of the outcomes of the second meeting, which had taken place in September 2021. A decision would be taken on the programming directions at the third meeting, which was scheduled for February 2022. All the documentation considered at the eighth replenishment meetings to date, along with a co-chair's summary of the discussion, were available on the GEF website.

Ms. Aoki thanked the Executive Secretary and the other members of the secretariat for their active involvement in the process to date. The secretariat had participated in the discussions of the Technical Advisory Group, provided comments on the strategic positioning framework and the draft programming directions and had taken part in the first two meetings on the eighth replenishment as observers. She assured parties and the secretariat that GEF considered the Minamata Convention to be critically important and that it took its responsibility as the Convention's financial mechanism very seriously.

Subsequently, Mr. Rodriguez was able to deliver a statement at the present online segment of the meeting. In his statement, he said that it was an honour to be able to address the Conference of the Parties, noting that, despite the challenges related to the pandemic, much hard work had been undertaken in relation to the implementation of the Convention and that the Minamata family had remained creative and innovative in that regard.

Noting that he was joining the meeting online from the twenty-sixth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, which was taking place in person in Glasgow, United Kingdom, he emphasized that his physical presence at that meeting should not be interpreted as an indication that GEF had a greater interest in climate change than other environmental issues. He recalled that the pandemic had prevented GEF from working closely with many parties to the conventions for which it acted as the financial mechanism and that the eighth GEF replenishment was being planned in the absence of guidance from certain of the governing bodies of those conventions. The physical presence of GEF in Glasgow provided a unique opportunity to work with donors and to share with them its highly integrated proposals for the eighth replenishment. There would not be any progress towards meeting the goal of limiting global warming to 1.5°C compared with pre-industrial levels if mercury and chemical-related issues were not addressed, just as there would be no progress towards the biodiversity-related goal of protecting 30 per cent of the Earth's lands and oceans by 2030 if chemicals and hazardous substances were not addressed. The issue of land degradation was equally interdependent.

Discussions with donors were going well and they had responded very positively to the programming proposals for the eighth GEF replenishment. He noted that the input of the secretariat of the Minamata Convention had been helpful in the formulation of the proposals, enabling GEF to prepare a very ambitious set of goals and targets. He recalled that GEF had been supporting the implementation of the Minamata Convention since its inception to address the highest-priority sectors, including artisanal and small-scale gold mining, but also mercury products, industrial emissions, and mercury storage and trade. He confirmed that the eighth replenishment would build on past experience and guidance from the Conference of the Parties; that GEF would work with parties to assist in achieving the Convention-related goals prioritized during the replenishment period; and that the eighth replenishment strategy had built-in flexibility to allow the Conference of the Parties to address new priorities. He looked forward to participating in the resumed fourth meeting of the Conference of the Parties to the Convention in Bali, in 2022.

In the discussion, there was consensus on the vital importance of the eighth replenishment of the GEF trust fund for the implementation of the Minamata Convention and for assisting parties, particularly developing countries and countries with economies in transition, in fulfilling their obligations under the Convention. There was recognition of the role that action on mercury could play in achieving a number of global environmental



objectives, including through synergies with other environmental instruments. There was also strong support for increasing the proportion of funding allocated to the chemicals and waste focal area in the eighth replenishment. It was considered important that the discussions on the eighth replenishment at the present online segment of the fourth meeting be an integral part of any further deliberations on the matter during the in-person segment of the fourth meeting.

One representative, recognizing the importance of giving direction to GEF during the deliberations on the eighth replenishment, said that it was crucial that the chemicals and waste focal area receive sufficient funding to ensure that essential work could be carried out on chemicals, waste and pollution globally, including through specific integrated programmes. GEF could play a vital role in funding and supporting parties to fulfil legally binding commitments under the Convention with specific deadlines, thereby improving the health of millions of people and addressing the drivers of environmental degradation. In carrying out that role, GEF should ensure synergies between the interconnected challenges of climate change, biodiversity loss and pollution.

Another representative said that continued dedicated GEF funding was needed given that the Minamata Convention was still new and required adequate, predictable support to facilitate its timely implementation. She indicated that her party viewed GEF as the key part of the treaty's financial mechanism in supporting eligible developing country parties and parties with economies in transition to implement their legally-binding obligations. She added that while her party supported strengthening the chemicals and waste focal area in the eighth replenishment through integrated programming, there was a need for the continued provision of strong support for targeted efforts to maximize the delivery of priorities on multilateral environmental agreements as identified through guidance from the Conference of the Parties. She urged GEF to continue achieving important global environmental benefits by assisting parties to reduce mercury emissions and releases through its dedicated support for the Minamata Convention in the eighth replenishment.

One representative expressed concern at the limited availability of resources to meet legally binding commitments under the Convention. Those collective commitments, namely to eliminate the use of mercury, reduce emissions and releases of mercury from industrial processes and ensure the environmentally sound management and disposal of the element, would be achieved through the implementation of programmes and projects to develop regional and local capacities, national legislative frameworks and technology transfer, and the development of the infrastructure needed for the complex but essential process of industrial transformation. Those actions required adequate and reliable financial assistance. Accordingly, and bearing in mind the impact of the pandemic on developing economies and the increase in the use of medical devices with added mercury, her region stressed the insufficiency of resources for the implementation of the aforementioned processes and wished to request the secretariat and the parties, especially donors, to convey to GEF the need to give due priority to the fulfilment of obligations under the international chemical conventions, in particular the Minamata Convention, and to take into consideration the challenges currently faced by developing countries. It was important to request that, in the eighth replenishment of the GEF trust fund, the percentage of funds allocated to the chemicals conventions should be greater than 15 per cent of the total, in order to enable the parties to implement the Convention effectively. Specifically, GEF should be reminded of the need to continue supporting the parties with respect to implementation activities through the Convention's financial mechanism and integrated programmes to be approved by the next GEF Assembly. Moreover, the GEF Council and participants in the eighth replenishment meetings should be informed that several legally binding commitments had upcoming deadlines and that adequate funding was needed to achieve successful results. The secretariat should report back on the outcome of those activities to the Conference of the Parties to the Minamata Convention at its fifth meeting.

Another representative said that she understood that GEF had supported every technically cleared project submitted to it. In addition, the fact that very little remained of the funding allocated to the Minamata Convention in the seventh replenishment period indicated that demand for financing under the Minamata Convention was high, and that GEF was appropriately responsive to that demand. She also expressed serious concern that the proposed allocation of 15 per cent of the full resource envelope to the chemicals and waste focal area under the eighth replenishment would be insufficient and stressed that it should be increased. She noted that she looked forward to continued discussion on the topic at the resumed segment of the fourth meeting of the Conference of the Parties.

Another representative underscored that stopping the use and release of the most toxic substances was a basic requirement for maintaining public health, a sustainable environment, safe food production and healthy ecosystems. The Minamata Convention was essential to those endeavours, and GEF was a vital source of



funding for its continued implementation. Against the background of the COVID-19 pandemic and other global crises, which had left many countries increasingly vulnerable to the impact of polluting activities, it was crucial that the chemicals and waste sector receive sufficient funding, both for activities under the GEF focal area and as an integral element of relevant integrated programmes. Achieving the legally binding commitments under the Minamata Convention, with specific deadlines that needed to be met, required that a greater proportion of GEF funding be allocated to the chemicals and waste focal area than the current 15 per cent.

Another representative stressed the importance of capacity-building and technology transfer in assisting developing countries to carry out activities under the Minamata Convention, including with respect to meeting Convention deadlines on products and processes. In that regard, he recalled that parties should ensure that, pursuant to article 13 of the Convention, they reviewed the financial mechanism, including GEF, on a regular basis, including the level of funding, its effectiveness and its ability to address the changing needs of developing country parties and parties with economies in transition .

Another representative, speaking on behalf of a group of countries, considered it important that the needs of the Minamata Convention were duly addressed during the eighth replenishment of the GEF trust fund, particularly with regard to supporting parties with developing and transitional economies in fulfilling their obligations under the Convention. He expressed support for the proposal that the report of the first segment of the fourth meeting of the Conference of the Parties, including statements from parties, be forwarded to GEF, and that GEF be requested to consider that information. It was important to send a clear message to the discussion on the eighth replenishment on the immediate funding needs under the Minamata Convention. Furthermore, the needs of the Convention were dynamic; possible new commitments might arise in the future, as exemplified by the proposals to include additional sectors and products under the Convention that would be considered by the Conference of the Parties at the second segment of its fourth meeting. Given the important linkages between the chemicals and waste cluster and the climate and biodiversity clusters, enhanced financial support from GEF was imperative for the continued implementation of the Convention and would contribute strongly to a safer environment and better human health.

One representative said that the discussions on the eighth replenishment of the GEF trust fund presented a timely opportunity to draw attention to the unjustified, discriminatory approach of GEF towards his party and other developing countries. Given that GEF had been designated, by article 13 of the Minamata Convention, as the main financial mechanism to assist parties in meeting their obligations under the instrument, it was a matter of regret and concern that GEF continued to undermine the objective and purpose of the Convention by depriving certain developing country parties of equal access to international financial resources, as enshrined in the instrument. He therefore requested the Conference of the Parties to urge GEF to set aside the politicized attitude that was resulting in the systemic denial of access of certain parties to the financial resources, capacity-building and technical assistance necessary to fulfil their obligations under the Convention, with negative consequences for the effectiveness of the instrument.

Another representative expressed appreciation for GEF assistance to developing countries in carrying out enabling activities for the implementation of the Minamata Convention. However, as attention shifted towards real activities that physically reduced or eliminated mercury emissions and uses, and in view of the fact that the sound management of chemicals protected biodiversity, there was a strong case for increased allocation of funds to the chemicals and waste focal area during the eighth replenishment, with priority attention given to the implementation of the Minamata Convention.

Another representative, recognizing the importance of GEF for the successful implementation of the Minamata Convention and the sound management of chemicals and waste, joined the call for an increase in the allocation of funding to the chemicals and waste focal area during the eighth replenishment. He drew attention to an upcoming event, organized by the Geneva Environment Network, showcasing the achievements under the chemicals and waste focal area and explaining the needs and opportunities related to the eighth replenishment. He urged those representatives calling for increased financing to attend the meeting and help signal to the participants in the replenishment process the strong support for additional financing for the chemicals and waste sector.

Another representative said that it was important that GEF dedicate sufficient funds to the implementation of the Minamata Convention, given the upcoming deadlines for parties to meet their obligations under the Convention, including those related to manufacturing processes in which mercury or mercury compounds were used and the management of mercury-added products. She recalled that the UNEP medium-term strategy for the period 2022–2025, approved by the United Nations Environment Assembly of the United



Nations Environment Programme at its fifth session, had identified pollution from chemicals and waste as one of the three greatest current environmental crises, alongside biodiversity loss and climate change. It was therefore crucial that GEF donors support an increase in the financing of the chemicals and waste focal area during the eighth replenishment, especially for the Minamata Convention, and that a strong message to that effect be communicated by the Conference of the Parties at the present online segment to the upcoming replenishment meeting and that the outcome of that meeting be conveyed to the Conference of the Parties at the resumed in-person segment of the fourth meeting of the Conference of the Parties.

A representative speaking on behalf of a group of countries, said that the African region was one of the most severely affected by mercury pollution, particularly from emissions and releases from the open burning of waste and dump sites, and from such activities as artisanal and small-scale gold mining. In addition, the severe economic impact of the COVID-19 pandemic had intensified the challenges of hazardous waste generation and management. African States therefore required additional financial and technical assistance to fulfil their obligations under the Minamata Convention. Accordingly, as part of the eighth replenishment of the GEF trust fund, additional funding should be made available to developing countries and countries with economies in transition to facilitate the effective implementation of activities under the Convention, including capacity-building of customs officials and other actors responsible for controlling the import and distribution of mercury and mercury-containing products; the establishment and operation of infrastructure to manage seized products and waste; strengthening of the legal framework for the environmentally sound management of mercury and mercury-containing products to ensure compliance; the sustainable management of mercury emissions and releases from open burning and dump sites and artisanal and small-scale gold mining; and the identification, characterization and restoration of mercury-contaminated sites.

Another representative, supporting the call from his region for additional financing, recalled that article 13 of the Minamata Convention, on financial resources and mechanism, identified the GEF trust fund as one of the financial sources for the implementation of the Convention, and that paragraph 7 of the article stated that the GEF trust fund was to provide new, predictable, adequate and timely financial resources to meet costs in support of implementation of the Convention, as agreed by the Conference of the Parties. To ensure that developing countries and countries with economies in transition had the adequate and sustainable resources needed to implement their national implementation plans, it was vital that GEF prioritized implementation activities under the Convention in the eighth replenishment of the trust fund to protect human health and the environment from anthropogenic emissions and releases of mercury and mercury compounds.

Another representative expressed gratitude to GEF and the implementing agencies for their funding to assist in the implementation of Minamata initial assessments and national action plans. Regarding the eighth replenishment of the GEF trust fund, it was important to ensure that sufficient financing was available to developing countries to enable them to carry out investment projects in line with the priorities identified.

Another representative agreed with other speakers calling for an increase in financing for the chemicals and waste focal area in the eighth replenishment. The COVID-19 pandemic had led to greater economic, social and health vulnerability, and a robust replenishment of the GEF trust fund would help developing countries to resolve the challenges they faced, including with regard to the risks linked to mercury emissions and releases, including to vulnerable societies.

Another representative urged GEF to explore the possibility of reducing the amount of co-financing to be submitted by the recipient country when funding proposals were made.

One representative acknowledged and expressed appreciation for the funding contributions of GEF, especially for developing countries, and stressed the need to continue to strengthen and increase the funding available for the implementation of the Minamata Convention. The percentage allocated to the chemicals and waste focal area under the eighth replenishment should be increased to guarantee a solid funding base, taking account of the great efforts that parties must make to meet the upcoming deadlines for phasing out mercury-added products and putting in place national action plans. Sufficient funding was necessary to ensure that the best technologies and practices were available to address the challenges of new emission sources and to ensure that parties met their legally binding commitments.

Another representative, noting that GEF was a core funding source for parties to meet their commitments under the Convention and undertake actions under the specific integrated programmes, and expressing gratitude to donor countries for their support of the financial mechanism, said that it was essential to support the efforts of developing countries through capacity-building, technology transfer and the development of enabling infrastructure. Access to mercury-free technology would help drive policies for the protection of



vulnerable peoples, taking into account a gender perspective. The guidance of the Conference of the Parties to GEF, as adopted by decision MC-1/5, was essential in ensuring that decisions adopted by the Conference of the Parties put in place activities ensuring the environmentally sound management of mercury. Furthermore, an increase in the allocation of funding to the chemicals and waste focal area under the eighth replenishment would help drive forward actions and innovative solutions in the framework of new challenges and commitments under the Convention.

One representative, recognizing the valuable contribution of GEF in enabling the compliance of parties with their obligations under the Minamata Convention to reduce and eliminate mercury consumption, concurred with the call to GEF to increase, in the eighth replenishment of the GEF trust fund, the percentage dedicated to the chemicals and waste focal area beyond the current 15 per cent in order to meet the real needs of parties in the effective implementation of the Convention. He urged parties to convey to GEF the need to give due priority to the challenges facing developing countries in meeting their obligations under the Convention during discussions on the eighth replenishment.

Another representative, strongly supporting the statement from his region, urged that GEF, in discussions on the eighth replenishment, grasp the opportunity to take account of the needs of developing countries for capacity-building and financial support to fulfil their obligations under the Convention.

In concluding, the President thanked representatives for their statements and comments, which reflected the great importance placed by parties on the eighth replenishment of the GEF trust fund. It was clear that parties needed to continue their efforts to place the Minamata Convention high on the GEF agenda, and that parties should redouble their advocacy efforts at the national level to apprise GEF focal points of the need to prioritize the Convention in the eighth replenishment.