Matters for consideration or action by the Conference
of the Parties: financial resources and mechanism:
Global Environment Facility

Update on matters related to the Global Environment Facility

Note by the secretariat

I. Introduction

1. The Minamata Convention on Mercury, in paragraph 5 of its article 13, on financial resources and mechanism, defines a mechanism for the provision of adequate, predictable and timely financial resources to support developing-country parties and parties with economies in transition in implementing their obligations under the Convention. Paragraph 6 of the same article states that the mechanism is to include the Global Environment Facility (GEF) trust fund and a specific international programme to support capacity-building and technical assistance.

2. The present note provides information relevant to the first component of the financial mechanism, namely the GEF trust fund, and is to be considered in conjunction with document UNEP/MC/COP.5/10/Add.1, which sets out the executive summary of the report of the GEF Council to the Conference of the Parties to the Minamata Convention at its fifth meeting. The full report of the GEF Council is set out document UNEP/MC/COP.5/INF/14.

3. The elements of the report of the GEF Council to the Conference of the Parties are set out in a memorandum of understanding between the Conference of the Parties and GEF that was adopted by the Conference of the Parties at its second meeting and subsequently approved by the GEF Council, thereby taking effect. The memorandum of understanding stipulates that the Conference of the Parties may raise with the Council any matter arising from the reports received from the Council and seek clarification and explanation from GEF.

4. In its role as one of the entities entrusted, as per paragraph 11 of article 13 of the Convention, with operationalizing the financial mechanism of the Convention, GEF operates under the guidance of the Conference of the Parties regarding overall strategies, policies, programme priorities and eligibility for access to and utilization of financial resources. The guidance was adopted by the Conference of the Parties at its first meeting and is set out in decision MC-1/5.

* UNEP/MC/COP.5/1.

1 Documents UNEP/MC/COP.5/11 and UNEP/MC/COP.5/11/Add.1 set out information relevant to the second entity of the financial mechanism, namely the Specific International Programme to Support Capacity-Building and Technical Assistance.
II. Global Environment Facility programming on mercury

5. The report of the GEF Council to the Conference of the Parties at its fifth meeting contains an account of GEF support provided for implementation of the Minamata Convention during the reporting period of 1 July 2021–30 June 2022.² It also contains a summary of Convention programming in the seventh replenishment of the GEF trust fund (GEF-7).

6. During the reporting period, GEF committed $29.8 million for programming to support the implementation of the Minamata Convention, bringing total Convention programming in GEF-7 to $184.1 million, excluding agency fees and project preparation grants. A total of $4.1 billion was pledged for GEF-7, which ran from July 2018 to June 2022. A total of $599 million was indicatively allocated to the chemicals and waste focal area in GEF-7, representing approximately 15 per cent of the total GEF-7 resource envelope. Of that amount, $206 million was indicatively allocated to the Minamata Convention allocation.

7. Negotiation of the eighth replenishment of the GEF trust fund (GEF-8) was completed in April 2022, resulting in an allocation of $269 million for the implementation of the Minamata Convention during the GEF-8 period, from 1 July 2022 to 30 June 2026. This represents an increase of approximately 30 percent as compared to the GEF-7 allocation. The GEF-8 package, including programming directions, was endorsed by the GEF Council in June 2022, and approved by the Executive Directors of the World Bank in July 2022. The agreed programming directions will guide the design of projects and programmes within the allocated funding envelope in the GEF-8 period. The increased funding for the Minamata Convention, as well as the similarly robust increase of 38 per cent for the entire chemicals and waste focal area, reflects the importance placed on these issues by donors and recipient participants in the replenishment negotiations.

8. Funding for the Convention during the GEF-7 period, as per its chemicals and waste focal area programming strategy, comprises support both for enabling activities (Minamata initial assessments and artisanal and small-scale gold mining national action plans) and for implementation projects and programmes.

9. By August 2023 and inclusive of programming from the fifth to the seventh replenishments, GEF had provided support to enable a total of 119 countries to develop Minamata initial assessments, 73 of which had been submitted to the secretariat. A small number of countries have completed Minamata initial assessments that have not been submitted to the secretariat. The secretariat expects GEF agencies to submit finalized and validated Minamata initial assessments to the secretariat, for which country approval is required. During this same period, GEF support has enabled 48 countries to prepare their artisanal and small-scale gold mining national action plans. As at 1 August 2023, 30 artisanal and small-scale gold mining national action plans had been completed and submitted to the secretariat (of these, 3 were from non-parties). Additional details regarding the Minamata initial assessments and national action plans received by the secretariat are provided in document UNEP/MC/COP.5/INF/2.

10. GEF has provided funding for several projects and programmes since July 2021, such as expanding the number of countries participating in the planetGOLD programme to 23, significantly broadening the reach of transformational artisanal and small-scale gold mining approaches in response to the requirements of article 7 of the Convention. GEF also expanded the Implementing Sustainable Low and Non-Chemical Development in Small Island Developing States (ISLANDS) programme to additional subregional groups. The programme now provides support to 33 small island developing State in the Atlantic, Caribbean, Indian and Pacific regions to undertake work on mercury-added products and waste, among other activities. Three multiparty medium-sized projects addressing mercury-added products (medical devices, skin-lightening cosmetics and dental amalgam) were launched, with the World Health Organization serving as an executing agency. A medium-sized project to assess existing and potential mercury and persistent organic pollutant emission reductions from the coal sector was approved. To address trade flows of mercury, a full-sized Latin America regional project to improve understanding and control of mercury trade was approved.

² GEF intends to report on the first two years of the GEF-8 period in the report of the GEF Council to the sixth meeting of the Conference of the Parties, thereby better synchronizing the data and information of that report and future reports with GEF replenishment cycles.
III. Responsiveness to guidance

11. Consistent with the memorandum of understanding between the Conference of the Parties and GEF, the secretariat reviews mercury projects submitted to GEF, looking at responsiveness to the Conference of the Parties’ guidance to GEF, consistency with Convention obligations, the technical merits of the approach and the expected results. GEF agencies provide written responses to the secretariat’s comments. The GEF secretariat has provided the Minamata Convention secretariat with access to its projects submission portal, allowing for secretariat review of project proposals going forward for endorsement by the Chief Executive Officer of GEF, in the case of enabling activities and medium-sized projects, and to the GEF Council in the case of full-sized projects. Since the Convention entered into force, the secretariat has not considered any of the submitted projects to be inconsistent with the guidance or with Convention obligations.

IV. Monitoring and evaluation

12. During the reporting period, the GEF Independent Evaluation Office did not undertake any mercury-specific evaluations.

13. The memorandum of understanding between the Conference of the Parties to the Minamata Convention and the GEF Council states that official documentation of GEF, including information on project activities, and of the Minamata Convention will be made available on the respective websites of GEF and the Convention. The GEF website contains a searchable projects database, which includes approved project documents and completed project implementation review reports. The secretariat has retooled the projects database on the Minamata Convention website. The database is designed to include only Minamata Convention allocation projects, and to be interoperable with the GEF projects database, such that new data can be harvested and uploaded regularly, and presented on a dashboard, consistently and without duplication of efforts. The data can be sorted and used for data visualization and graphics, and will be periodically updated on the dashboard and accessible from parties’ profiles.

14. The secretariat continues to engage with the GEF secretariat on knowledge management and results visualization to improve access of parties and stakeholders to information on the financial mechanism.

15. The secretariat also regularly collaborates with the GEF secretariat on communication to raise public awareness and generate greater impact on different audiences.

V. Cooperation between the secretariat of the Global Environment Facility and the secretariat of the Minamata Convention

16. The GEF secretariat and the secretariat of the Minamata Convention have continued their cooperation during the reporting period. The Chief Executive Officer of GEF participated in the in-person segment of the fourth meeting of the Conference of the Parties to the Minamata Convention in Bali, Indonesia, in March 2022. The Executive Secretary attended the sixty-first meeting of the GEF Council in December 2021. She provided the Council with updates on the fourth meeting of the Conference of the Parties, noting that she had delivered to the GEF Chief Executive Officer and Council a compilation of statements made by parties during the online segment of the meeting, held in November 2021, with respect to GEF-8. She highlighted the importance to the Convention of the discussions on GEF-8 and the secretariat’s engagement thereto, and highlighted the importance of action on mercury – including the valuation of ecosystem services and addressing the drivers of environmental degradation – in tackling the interconnected challenges of climate change, biodiversity loss and pollution, while improving human health.

17. The Executive Secretary participated in person in the sixty-second meeting of the GEF Council in June 2022, during which she welcomed the outcomes of the GEF-8 negotiations. She also delivered a presentation that updated Council members on the outcomes of the fourth meeting of the Conference of the Parties to the Minamata Convention following the in-person segment, provided reflections on party implementation needs, and expressed the willingness of the secretariat to engage in discussions to plan for the roll-out of integrated programmes in GEF-8. She provided additional updates and reflections to the sixty-third meeting of the GEF Council in November 2022 via remote participation. In addition, she will participate in the GEF Assembly in August 2023 in Vancouver, Canada.
18. The secretariat was engaged throughout GEF-8 negotiations. The secretariat provided comments on all drafts of the GEF strategic positioning and programming directions documents. The Executive Secretary delivered remarks at the February 2022 replenishment meeting, noting the secretariat’s hope to engage fully when the GEF-8 programmes were designed, in order to ensure that they met the needs of parties and maximized the impact of GEF investments.

19. The secretariat participated actively in GEF chemicals and waste task force meetings held in November 2021, June 2022 and April 2023. Because such meetings included GEF agencies and other secretariats, they provided an opportunity to discuss projects under development and parties’ ongoing needs.

VI. Suggested action by the Conference of the Parties

20. The Conference of the Parties may wish to take note of the information set out in the present note and in the executive summary (UNEP/MC/COP.5/10/Add.1) and full report (UNEP/MC/COP.5/INF/14) of the GEF Council to the Conference of the Parties to the Minamata Convention at its fifth meeting.