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ATLAS Nr. 00105988

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**Mid Term Review – MTR**  
**GEF GOLD Peru - Integrated Sound Management of**  
**Mercury in Peru's Artisanal and Small-Scale**  
**Gold Mining (ASGM)**  
**(PIMS # 5872)**

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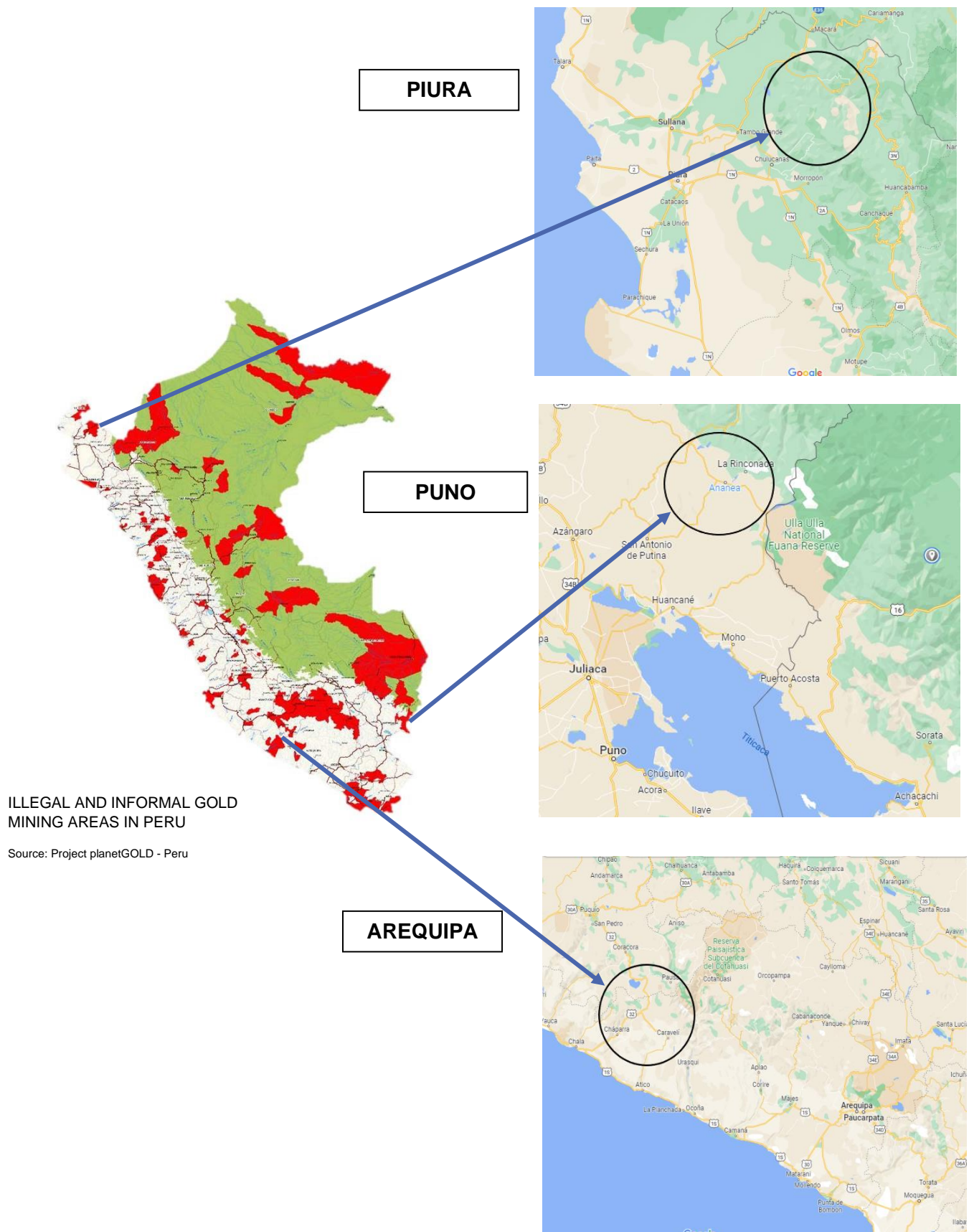
## ii. Acronyms and abbreviations

Abbreviation	English	Spanish
ASGM	Artisanal and small-scale Gold Mining	<i>Minería Artesanal de Pequeña Escala (MAPE)</i>
BGI	Better Gold Initiative (BGI)	<i>Iniciativa Suiza Oro Responsable</i>
CEPLAN	National Strategic Center (Peru)	<i>Centro de Planeamiento Estratégico Nacional (Perú)</i>
CO	Country Office (UNDP)	<i>Oficina de País (PNUD)</i>
CDP	Project Steering Committee	<i>Comité Directivo del Proyecto</i>
DCCSQ	Directorate for Control of Contamination and Chemical Substances (MINAM)	<i>Dirección de Control de la Contaminación y Sustancias Químicas (MINAM)</i>
DGCA	General Directorate for Environmental Quality (MINAM)	<i>Dirección General de Calidad Ambiental</i>
DGFM	General Office of Mining Formalization (MINEM)	<i>Dirección General de Formalización Minera (MINEM)</i>
DNP	National Directorate for the Project	<i>Dirección Nacional del Proyecto</i>
DREM	Regional Office for Energy and Mining	<i>Dirección Regional de Energía y Minas</i>
GEB	Global Environmental Benefits (GEB)	<i>Beneficios Ambientales Globales (BAG)</i>
GEF	Global Environment Facility	<i>Fondo Mundial para el Medio Ambiente (GEF)</i>
GORE	Regional Government	<i>Gobiernos Regional</i>
GREM	Regional Energy and Mining Management Office	<i>Gerencia Regional de Energía y Minas</i>
Hg	Mercury	<i>Mercurio</i>
M&E	Monitoring and Evaluation	<i>Monitoreo y Evaluación</i>
MEF	Ministry of Economy and Finance	<i>Ministerio de Economía and Finanzas</i>
MIDIS	Ministry of Development and Social Inclusion	<i>Ministerio de Desarrollo e Inclusión Social</i>
MIDAGRI	Ministry of Agricultural Development and Irrigation.	<i>Ministerio de Desarrollo Agrario y Riego</i>
MIMP	Ministry for Social Inclusion and Vulnerable People	<i>Ministerio de Inclusión Social y Poblaciones Vulnerables</i>
MINAM	Ministry of the Environment	<i>Ministerio del Ambiente</i>
MINEM	Ministry of Energy and Mining	<i>Ministerio de Energía y Minas</i>
MINSA	Ministry of Health	<i>Ministerio de Salud</i>
MTR	Mid Term Review	<i>Evaluación de Medio Término (EMT)</i>
NGO / CSO	Non-Governmental Organization – Civil Society Organization	<i>Organización no gubernamental (NGO) / Organización de la sociedad civil</i>

NIM	National Implementation modality	<i>Modalidad de Implementación Nacional</i>
OEFA	National Organism for Environmental Control	<i>Organismo de Evaluación and Fiscalización Ambiental</i>
OFP-GEF	Operative Focal Point (GEF)	<i>Punto Focal operativo del GEF en Peru.</i>
OGCAI	MINAM's General Office for Cooperation and International Affairs	<i>Oficina General de Cooperación y Asuntos internacionales del MINAM</i>
NGO / CSO	Non-Governmental Organization – Civil Society Organization	<i>Organización no gubernamental (NGO) / Organización de la sociedad civil</i>
<i>Pallaqueo, pallaqueras</i>	Manual work done by women on residual material for further gold extraction.	<i>Actividad de extracción adicional de oro a partir de material residual, realizada por mujeres.</i>
OMAPES	<i>Organizations of Small-Scale Artisanal Gold Miners</i>	<i>Organizaciones de Mineros Artesanales de Pequeña Escala</i>
PCM	Presidency of the Ministerial Council	<i>Presidencia del Consejo de Ministros</i>
PIR	Project Implementation Report (GEF PIR)	<i>Informe de Implementación del Proyecto al FMAM</i>
PMU	Project Management Unit	<i>Unidad de Gestión del Proyecto - UGP</i>
POA	Annual Operational Plan	<i>Plan Operativo Anual</i>
PPG	Project Preparation Grant	<i>Subvención para Preparación de Proyecto</i>
ProDoc	Project Document	<i>Documento de Proyecto.</i>
RECPO	Special Registry of Gold Marketers and Processors	<i>Registro Especial de Compradores y Procesadores de Oro.</i>
SBS	Superintendence for Banking and Insurance	<i>Superintendencia de Banca y Seguros</i>
SDG	U.N Sustainable Development Goals – SDG	<i>Objetivos de Desarrollo Sostenible – ODSNN.UU.</i>
SESP	Social and Environmental Screening Procedure	<i>Procedimiento de análisis social y ambiental</i>
SUNARP	National Superintendence for Public Records	<i>Superintendencia Nacional de Registros Públicos.</i>
SUNAT	National Superintendent of Customs and Tax Management	<i>Superintendencia Nacional de Aduanas y de Administración Tributaria</i>
ToC	Theory of Change (ToC)	<i>Teoría del Cambio (TdC)</i>
TE	Terminal Evaluation	<i>Evaluación Terminal (ET)</i>
TT	GEF Tracking Tools	<i>Herramienta de Seguimiento del FMAM</i>
UNDP / PNUD	United Nations Development Programme	<i>Programa de la Naciones Unidas para el Desarrollo</i>
UNDP-GEF	UNDP Global Environmental Finance Unit	<i>Unidad ambiental global de finanzas del PNUD</i>
UNEP / PNUMA	United Nations Environmental Programme	<i>Programa de las NN. UU. para el Medio Ambiente (PNUMA)</i>
UNIDO	United Nations Industrial Development Organization	<i>Organización de las NN.UU. para el Desarrollo Industrial (ONUDI)</i>



### iii. Zones of Project intervention



## 1. Executive Summary

### 1.1. Project Information Table

Project Title		GEF GOLD Peru - Integrated Sound Management of Mercury in Peru’s Artisanal and Small-Scale Gold Mining (ASGM)	
Project Details		Project Milestones	
UNDP Project ID (PIMS #):	105988	PIF Approval date:	08/12/2016
GEF Project ID (PMIS #):	109710	CEO Approval date:	26/03/2018
ATLAS Business Unit, Award # Project ID:	104395	Project Document (ProDoc) signature date:	19/06/2019
Country	Perú	Date of contract of the Project Coordinator:	01/10/2019
Region:	LAC	Date of Inception Workshop:	16/01/2020
Focal Area:	Chemical and Waste	Date of end of MRT	25/03/2022
GEF Focal Area Strategic Target:	Chemical	Estimated date to end ET:	17/03/24
		Estimated date for closing Project operations:	19/06/2024 <sup>1</sup>
Trust Fund:	GEF TF		
Implementation Agency and implementation partner:	Ministry of the Environment – MINAM Ministry of Mines and Energy – MINEM		
Involvement of NGO or BCO:	Beneficiaries		
Involvement of private sector:	Beneficiaries		
Geospatial coordinates Project intervention sites	(see zones in section iii)		
Financial Information			
PDF/PPG	Al momento de la aprobación (US\$)	Al término de PDF/PPG (US\$)	
GEF PDF/PPG Grants for Project Preparation	130,000	-	
Co-financing of project preparation	-	-	
Project financing	At CEO approval (US\$)	At Terminal Evaluation (US\$)	
[1] UNDP Contribution:	25,000		
[2] Government:	27’239,585		
[3] Other multilateral/bilateral:	4’916,456		
[4] Private sector:			
[5] NGO	3’052,471		
[6] Total Cofinancing [1+2+3+4+5]	35’233,512		
[7] Total GEF Financing	3’990,000		
[8] Total Project financing [6+7]	39’223,51		

<sup>1</sup> According to PIMS+ (Project Information Management System). The Project closing date that appears in the signed ProDoc is March 30<sup>th</sup>, 2023.



## 1.2. Project Description

The Integrated Sound Management of Mercury in Peru's Artisanal and Small-Scale Gold Mining - ASGM, (hereinafter planetGOLD Perú, or the 'Project') has, as its fundamental purpose, to improve the economic, social and environmental conditions in which artisanal and small-scale gold mining (ASM) activities are carried out in the country. Specifically, the objective of the Project is to reduce / eliminate the releases of mercury (Hg) generated by this activity, which contributes - by its dispersion over long distances - to the global pollution of ecosystems and natural resources, and causes serious health damage to the human populations exposed.

Globally, ASGM is the largest source of anthropogenic mercury releases into the environment (35%). ASM, however, is an important source of employment and livelihoods for rural people in many countries, accounting for about 17-20% of the world's annual gold production, with 15 million people directly involved in such activities, and an additional 100 million dependents on ASM for their livelihoods. For this reason, GEF, with UNEP as coordinator agency, are conducting a global programme to support national and local projects, as part of the Global Long-Term Development Opportunities and in support of the Parties to the Minamata Convention, which to date reaches eight countries, and which includes the Project in Peru in its sights.

The global programme unifies and coordinates international efforts in mercury release reduction or elimination in ASM, with the contribution of the experience and knowledge acquired by the implementation of similar actions in other locations. The Project in Peru benefits from lessons learned and good practices in other scenarios, in addition to contributing in turn to the dissemination of global knowledge based on its own experience.

The planetGOLD Project in Peru is financed by the Global Environment Facility (GEF) with a contribution of USD 3,990,000, and is executed through UNDP Peru, having as the implementing partner and leader the Ministry of the Environment (MINAM) under the modality of national implementation (NIM); and the Ministry of Energy and Mines (MINEM) as an partner for sectoral and subnational actions in mining activities. These, and other national and international entities, public and private, provide a co-financing sum of about USD 35 million. The Project began its execution in June 2019, with the signature of ProDoc, and has an execution period of five years.

The Project plans to achieve its objective in Peru through a strategy that includes: **(i)** the strengthening of institutions and the regulatory/normative framework for a mercury-free ASM; **(ii)** the establishment of financing mechanisms to provide loans for mercury-free processing equipment; **(iii)** increasing the capacity of mercury-free ASM through the provision of technical assistance, technology transfer and formalization support; and, **(iv)** monitoring and evaluation, awareness, recording and dissemination of experiences, lessons learned, and best practices."

During the life of the Project, 12 mining communities that practice ASGM in Peru, in the regions of Arequipa, Puno and Piura, will be supported; and will be strengthened the action of national, regional and local government entities and private sector partners, for a reduction target of 15 metric tons of mercury, thus generating Global Environmental Benefits (BAG).

The statements of the Objective, Components / Outcomes, and their respective indicators, formulated according to the Theory of Change, are the following:

**Project Objective:**

*Protect human health and the environment from mercury releases originating from the intentional use of mercury in artisanal and small-scale gold mining (ASGM)*

Objective Indicators:

- 4 new partnership mechanisms with funding for gender friendly and sustainable management solutions of natural resources, ecosystem services, chemicals and waste at national level.
- 47,097 direct project beneficiaries (44% females and 56% males) for which the risk of mercury exposure has been reduced.

**Component / Outcome 1:**

*Strengthening institutions and the policy/ regulatory framework for Mercury-free ASGM*

Outcome 1 Indicators:

- National systems have the capacity to assess, plan, and implement sustainable and mercury-free interventions in the ASGM sector.
- Enabling environment created through improved national policies and regulatory frameworks for ASGM and mercury phase-out in the ASGM sector.

**Component / Outcome 2:**

*Establishing financing lending arrangements to provide loans for mercury free processing equipment.*

Outcome 2 Indicators:

- Loans for the purchase of mercury-free processing equipment/ investments are accessible to legalized ASGM miners and cooperatives.
- 12 ASGM miner groups (of which 20% of the miners are women) are capacitated to apply for loans for mercury-free processing equipment/investments.

**Component / Outcome 3:**

*Increasing capacity for mercury-free ASGM through provision of technical assistance, technology transfer and support for formalization*

Outcome 3 Indicators:

- 15 tons of mercury avoided through the introduction of BEP, BAT and socially and environmentally sound ASGM practices.
- 12 ASGM miner groups (of which 20% of the miners are women) supported in their formalization processes leading to more sustainable income opportunities and safer working conditions.
- Route to market for mercury-free gold improved/established.

**Component / Outcome 4:**

*Monitoring and evaluation, awareness raising, capturing and disseminating experiences, lessons-learned and best practices.*

Outcome 4 Indicator:

- 19,000 people (5,000 women and 14,000 men) of whom awareness has been raised on the dangers of mercury and ways to reduce its use in ASGM.
- M&E and adaptive management applied in response to needs and Mid-Term Evaluation findings.
- Project results, experiences, lessons-learned and best practices are captured, published, and taken up by the GEF GOLD Global Dissemination Platform for national and global dissemination, using report templates provided by the GEF GOLD global component where appropriate.

### 1.3. Summary of Project progress

The execution of the Project has been conditioned by the surgency of the Covid19 pandemic as soon as the activities began. The consequent adaptive actions of the Project, such as remote work, meetings, virtual workshops, preparation of norms and legal frameworks, and care in the preparation of informative material and its dissemination by computer means, were adequate responses and present good progress; but official restrictions and health security measures undermined the effectiveness of concrete field actions, essential due to the characteristics of the Project. For this reason, progress towards the target is rated as **moderately satisfactory (MS)** to date of the MTR, with good prospects for progress from 2022 onwards.

Progress in the activities of Components 1 and 2 and their outcomes, mainly related to the planning and preparation of diagnostics and technical documents, strengthening of inter-agency coordination processes at the national and subnational levels, and the exploration of financing conditions and prospects for ASM, show satisfactory progress, for the most part in the case of Component 1, and moderately satisfactory in the case of Component 2.

The articulation of communication and knowledge management actions with the Global GEF GOLD Program have favorably positioned the Project, and especially its technical team. Likewise, through interviews and the opinions of the actors, an attitude and perspective favorable to change has been detected among the miners; as well as a positive reaction to work on gender issues and concrete work activities with women's groups participating in ASM, and effective synergies with other similar projects in the country and active international cooperation on the subject.

The greatest delays and urgency of progress reside in the core aspects of fieldwork for Component 3 and its outcomes, based on: appropriate and innovative technical assistance; official regulation for the ASM activity to receive attention of financial agents and from the State in terms of regulation and pending standards; and the testing and dissemination of good practices that convince actors in the field of the benefits of change. This stage is in full swing at the time of this evaluation, and there are good job prospects in the face of the regression of the virulence of the pandemic. However, the complexity of the tasks and the simultaneity of attention that the process will require, may require more time than the remaining left for the execution of the Project.

Component 4, in general, shows generally satisfactory progress, and its outcomes can be achieved based on the professional quality of the UGP team; the support of the global programme; and the functional and operational support of UNDP, with a very close and coordinated work with the PMU. Communicational products have been appreciated by all actors as useful for training and for dissemination of technical matters in adequate form to audiences.

Gender issues have been properly addressed as a transversal subject to the components, and specialist work has been positively recognized by most actors, especially when related to the direct work with women in ASGM marginal activities, but should be extended to a wider environment to include family and health concerns for the population involved.

#### 1.4. Summary Table of Valuation and Achievements (Table 2)

Parameter	MTR Valuation	Achievement description
Project Strategy	N/A	
Progress toward Results	<p><b>Project Objective:</b></p> <p><i>Protect human health and the environment from mercury releases originating from the intentional use of mercury in artisanal and small-scale gold mining (ASGM).</i></p> <p><b>Mid-Term Target Indicators:</b></p> <ul style="list-style-type: none"> <li>- 2 new partnership mechanisms with funding for sustainable and gender-friendly management solutions for chemicals and waste established at national and/or subnational level.</li> <li>- 25,000 direct beneficiaries of the project (44% women and 56% men) for whom the risk of exposure to mercury has been reduced</li> </ul> <p><b>Moderately Satisfactory - MS</b></p>	<p>The objective is on track to be achieved, conditioned to progress in Component 3 of transformative actions in the treatment for mercury-free gold, in demonstration processes and concomitant measures of financing and technical assistance.</p> <p>The medium-term target in the first indicator is satisfactorily reached in the first quarter of 2022 (<b>S</b>). The medium-term goal of direct beneficiaries has not yet been achieved due to limitations in fieldwork due to the pandemic (<b>MS</b>).</p>
	<p><b>Component / Outcome 1:</b></p> <p><i>Strengthening institutions and the policy/regulatory framework for Mercury-free ASGM</i></p> <p><b>Indicators:</b></p> <ul style="list-style-type: none"> <li>- National systems have the capacity to assess, plan, and implement sustainable, mercury-free interventions.</li> <li>- An enabling environment is generated through improved national policies and regulatory frameworks for ASM and mercury removal in the sector.</li> </ul> <p><b>Satisfactory - S</b></p>	<p>Institution-building activities and the design of standards and policies are on track; adaptive measures are required to ensure proactive engagement and complementary support of central government entities.</p> <p>The indicators and targets of this Outcome are relatively subjective, as they require a measurement of capacities in a changing governmental management environment. However, concrete results against the mid-term target (government entities improving their capacities, and an improved and approved policy or standard) are considered satisfactory</p>
	<p><b>Component / Outcome 2:</b></p> <p><i>Establishing financing lending arrangements to provide loans for mercury free processing equipment.</i></p> <p><b>Indicators:</b></p> <ul style="list-style-type: none"> <li>- Loans for the purchase of equipment / investments in mercury-free processes they are accessible to legalized ASM miners and cooperatives.</li> <li>- 12 groups of ASM miners (of which 20% of the miners are women) are trained to apply for loans for equipment/investments in mercury-free processes.</li> </ul> <p><b>Moderately Satisfactory - MS</b></p>	<p>Proposals and strategies for financing arrangements are appropriate and effective; the delay in the execution of the component could be overcome with simultaneous advancement to allow for a concurrent and extensive demonstration effect in Component 3 activities; or alternatively, by extending Project execution with time lost to the pandemic.</p> <p>The mid-term targets of the indicators are in the process of being achieved with the preparation of the agreements and commitments with the groups, already made; and signatures and applications planned for 2022. Women's participation has also been affected by health provisions in the face of the pandemic, in terms of their access to work areas.</p>

	<p><b>Component / Outcome 3:</b></p> <p><i>Increasing capacity for mercury-free ASGM through provision of technical assistance, technology transfer and support for formalization.</i></p> <p><b>Indicators:</b></p> <ul style="list-style-type: none"> <li>- 15 tons of mercury were avoided through the introduction of BEP, BAT and socially and environmentally friendly ASM practices.</li> <li>- 12 groups of ASM miners (of which 20% are women) are supported in their formalization processes which leads to more income opportunities sustainable and safer working conditions.</li> <li>- Improved/established route to market mercury-free gold</li> </ul> <p><b>Moderately Satisfactory - MS</b></p>	<p>The field activities involved in Component have not been able to advance due to the pandemic. The planning of activities and the selection of specialists, as well as the interest of funders and miners, should facilitate the process of demonstrating the benefits in the remaining time of execution of the Project and a due compensatory extension.</p> <p>The medium-term targets for these indicators – in terms of technical support, effective emission reductions and the production and marketing of mercury-free gold – have not yet been achieved due to the limitations of fieldwork, but the necessary preparation and planning to achieve these targets is in place to date, with the needed planning done for attaining these targets</p>
	<p><b>Component / Outcome 4:</b></p> <p><i>Monitoring and evaluation, awareness raising, capturing and disseminating experiences, lessons-learned and best practices.</i></p> <p><b>Satisfactory - S</b></p>	<p>The activities are carried out satisfactorily, both in the alignment with the GEF-UNDP guidelines and procedures, and in the communication and knowledge management aspects in coordination with the GEF GOLD Global Program.</p> <p>Special mention deserves the effort to achieve the medium-term goal of raising awareness of the risks and damages of mercury that extends to 10,000 people (30% women), through a diagnosis and an action plan for the three regions of intervention.</p>
Project Implementation, adaptive management and M&E.	<b>Highly Satisfactory - HS</b>	The implementation of the Project, and the operational, administrative and financial management are carried out very efficiently, in the adaptive aspects of the execution, and in terms of preparation for the subsequent phases.
Sustainability	<b>Likely - (L)</b>	Political sustainability presents some risks at present, due to the political and governmental conjuncture; but in environmental and socio-economic terms sustainability has a favorable prospect

## 1.5. Summary of Conclusions

### *On the Project design and formulation*

- The international experience developed and applied by the GEF GOLD Global Program has given rise to an intervention model that has served as the basis for the formulation of the Project. The relationship, exchange, and synergies of the Project with the actions of the

global parent program in other countries – as well as the convergence of other related projects in the country – is a substantial part of the strategy and must be strengthened and maintained in force, beyond the singularities of national experiences.

- It is perceived the convenience of leveling up, only for internal purposes, the Theory of Change assumed in the ProDoc, incorporating additional factors, peripheral and conjunctural, in social and environmental issues. These factors can influence, in a catalytic way, local development from ASM; especially in the marketing aspects, which are not yet sufficiently articulated from the demand side, because if a reasonable margin of commercialization is not achieved, they can become a drag on the adoption of good social and environmental practices.
- Public policies regarding ASM have not yet reach the level to constitute an organic and support set for a national solution of formalization and regulatory support, due in part to the great diversity of situations and problems. In this scenario, the Project and others of parallel intention, constitute a laudable effort of demonstration and stimulus for improvements, even if its dimension and scope is limited in the face of the magnitude of the challenges in the sector and regions.
- The Project succeeds in adopting a scalable and replicable paradigm for ASM, which aims to substantially reduce the use of mercury in gold processing. The proposal of a core or nuclei of exemplary mining units, capable of incorporating new practices and applying new technologies through training and access to financing, with a view to demonstrating economic viability, and reducing social, health and environmental risks, is key to a strategic leverage of this model.
- The selection of implementation sites, in the absence of *a priori* criteria, and as a result of the exclusion of the intervention in the Madre de Dios region, has led to the alternative of implementing the Project in three areas of hard rock ASGM, each one different in their geography, local culture, and socioeconomic problems. This decision allows to obtain diverse experiences applicable to a greater range of situations for their national or international replication. The disadvantage, however, lies in the need for greater specific attention in each of the localities, and the respective limitations to adopt standard measures in technology, business culture, and national and subnational regulations.
- A positive aspect of the preparation of the Project has been the careful analysis of actors, including gender criteria, which facilitates the coverage of actions and the selection of beneficiaries, avoiding omissions or imbalances.

#### *On the progress toward Project outcomes*

- The restrictions due to the pandemic have substantially affected the execution of the Project, which – on the one hand – has led to a timely and efficient adaptive action, especially in the case of diagnostic activities, consultancies, communications, and formulation of studies through optimal alternatives to the limitations for face-to-face in the field; but - on the other hand - delays from the original schedule will require a rethinking of programming, adjustment of results and indicators, and likely extension of compliance deadlines. This situation, although surmountable, determines that the current progress towards the objective of the Project is moderately satisfactory.



- In **Component / Outcome 1**, significant progress has been made in strengthening institutions and in the normative/regulatory framework for mercury-free ASGM - despite the COVID-19 restrictions - through work aimed at formulating or supporting policy initiatives. Achievements stand out in the technical-legal assistance for the formulation of the National Multisectoral Policy for Small and Artisanal Mining, which aims to provide guidelines for the current government in the field of the ASM sector; and the ASGM National Mercury Reduction Action Plan, developed in the frame of Annex 7 and Annex C of the 'Minamata Convention on Mercury'.
- In **Component / Outcome 2**, important progress has been attained during 2021 by advancing the generation of conditions for the establishment of financing alternatives and loans to promote the acquisition of mercury-free technologies. Given that this component requires local articulation – and, therefore, a greater presence in the field – it will be necessary to speed up and update during 2022 the diagnosis and training of the actors - men and women - so as not to generate a delay in key activities in 2023 due to lack of preparation of applications for loans or investments..
- The virtual modality in the topics of training for actors must be innovated with unconventional and culturally appropriate methods that compensate for the lack of face-to-face, regarding the need for full understanding of complex technical issues, such as geological and metal processing, even when audiences are familiar with the activity. On the other hand, the excessive delay between this stage and the one of practical application of what has been learned or assimilated, can reduce the effectiveness of the courses or presentations and require training refreshment.
- **Component / Outcome 3**, which is crucial to incorporate the actions for the success of the Project, has been most impacted by delays and restrictions imposed by the pandemic, so it shows an incipient execution. There are still no tangible results in terms of mercury-free gold access to formal markets, or in reducing mercury in ASGM. However, there are diagnoses and baselines that can accelerate its implementation, such as the selection of beneficiaries in the regions, the measurement of the volume of mercury used for gold production in each region, the diagnosis and development of an Action Plan with a Gender Approach aimed at the ASM sector, and specialized technical workshops.
- **Component / Outcome 4** is making progress in disseminating best practices and lessons learned regarding mercury removal in ASGM. The Project has stood out for being one of the main contributors of knowledge to the Global Program, considering the unique reality and learnings of ASGM in the country and in each of the regions where it operates; it has also contributed to alleviating the local impacts of the COVID-19 crisis through the dissemination of practical initiatives to reduce mercury in ASGM, and with the national campaign '#ASGMwithoutCOVID1'.
- The communication activities of the Project are well appreciated by actors at the regional, national and international levels; and are carried out with professional solvency and creativity. In this Component, the effort can be extended - beyond the purely communicational products - to the integrative management and evaluation of the advances within the Project, and to the exchange of experiences at the international level, a subject

in which the Project is in a position of relative leadership. This effort must anticipate the needs of scaling and replication, providing new criteria for local adaptation.

- In addition to the progress in generating awareness among the actors of the Project, it is key that technical and financial support actions are linked to those of awareness (sensitizing) of the harmful effects of mercury on human health and the environment, which is in turn conditioned on face-to-face contact with miners and their families. On the other hand, the complexity of the concept and measurement of 'sensitivity' itself seems to be related - in the case of certain groups of actors - to the need to perceive tangible results (for example: the installation and operation of technologies that demonstrate an effective reduction of mercury without loss of economic performance).
- Through interviews and progress reports, the general impression is gathered that the Project could achieve its goals despite mobility restrictions and field presence. This perception will be put to in trial during this year 2022 with the key implementation of fieldwork, whose difficulties and possible delays cannot be foreseen in the present context of health uncertainty and growing political instability.
- In preparation for possible delays, and in order to consolidate progress in the midst of the difficult political and sectoral panorama that is looming, it is necessary to foresee and work on the rationale for a possible extension of the project implementation period, including forecasts and activities of subsequent phases that incorporate new locations, with a view to the probable extensions of the overall program, and based on the commitments of the Minamata Convention.

*On planning and inter-institutional coordination of  
private sector, civil society, and beneficiaries*

- The governance of the Project is well established in the formal aspects and meets the needs of inter-institutional coordination of the Project as necessary. Given the diversity and number of actors, the formation of the Project Steering Committee (CDP) is rather numerous, but the representativeness acquired is necessary and appreciated by the actors.
- In the organizational scheme of the Project an inclusion is missing: an inter-institutional technical or coordination committee that – beyond eventual bilateral coordination – should contribute to strengthening actions and transversal collaboration with the private sector, civil society and academia, in order to compensate for sectoral limitations and vitalize government action, in addition to contributing to the national and local appropriation of the Project's actions.
- The actors perceive as positive the affiliation of the Project to MINAM, as it is the governing body in environmental matters, has a transversal and multisectoral character, and is also the focal point of the GEF and the Minamata Convention. On the other hand, there is a feeling that the participation and involvement of MINEM, as the governing body in mining, should have more relevance, given its normative role of the ASM activity and the specific objectives of the Project. Both visions are well founded, and can be reconciled in a position

that embraces the respective advantages; for example, a co-chair of the CDP or a rotating chair, depending on the issues addressed.

- The high level of sectorization of the national government, in the absence of a robust policy of multisectoral and inter-institutional action linked to an integrated vision of the country's development, and the recurrent high political and technical turnover of those responsible in the institutions, are conditions that conspire against a transversal action and more effective incidence of the Project.
- In this institutional and governmental context, the actors have identified UNDP as the main driving entity of the Project, which weakens the national ownership of the Project. This situation is recurrent in other cooperation projects, and originates from the need to concentrate the Management Units under a labor regime linked to UNDP, to better maintain operational contact and efficiency of financial and administrative management.
- Notwithstanding the recognized practical and efficiency advantages of UNDP-centered management, it tends to generate a distancing of the actors, and even suspicion, in the State itself, of their respective roles and responsibilities; and, consequently, a reduction in their direct involvement is caused, by entrusting the success of the Project – or eventually distancing themselves in the opposite case – by the capacities of UNDP, and even passively waiting for attention to their own problems.
- The Project Management Unit (PMU) has a convenient conformation in terms of specialists, experience of the subject in the field, professional and technical quality, and work capacity. The PMU is perceived, both as a whole and individually, as a very active, capable and efficient team; and this perception is confirmed in the interviews held with each of its members and with the other actors.
- The initiative to establish regional headquarters that articulate and combine the work at the level of the localities of the Project is necessary and positive. It provides a space and opportunity to adapt approaches and work methodology to local conditions. In this sense, there is a need to harmonize the 'top-down' requirements from the CDP and the Project management, with the 'bottom-up' adaptive contributions from the coordination headquarters, to obtain more appropriate and effective results, with a local adaptive vision.
- Although the Project emphasizes and mentions the conceptual importance of gender and interculturality issues – since the expected results and outputs explicitly assume the treatment of the issue – the activities in execution might not be reflecting in depth the problems of gender and interculturality specific to each of the areas of intervention. Likewise, environmental and health concerns are not perceived as immediate priorities, as they are relegated and dependent on the future success of the financial, technological and economic optimization model.
- However, the work carried out by the UGP team and specialists on the issue of gender is meritorious and of high quality, and is contributing to the treatment of key aspects of inclusion and formalization of the work of women involved in ASM that, both for ancestral cultural reasons of mining, as for their relegation to hard work, such as the *pallaqueo* - they

suffer discrimination and precarious dependence, and are not recognized or included in the regulations of the sector, nor by formal companies

- Coordination levels are currently satisfactory, but can be optimized for better results. Relationship with the global programme is permanent and the Project is active in this regard; but greater advantages can be obtained from experiences in other countries, and at the same time provide from Peru a greater contribution and analysis of experiences in the abatement of barriers, innovative ways of working, new knowledge and approaches in forms of training, all coming from analysis and management of the knowledge already generated to date.
- In the perception of the actors, and considering the documents produced, the activity of the PMU led by the general coordinator of the Project, is appropriate and highly satisfactory (**AS**). However, it is perceived that management tends to be bilateral and efficient in front of each group of actors; that is, in a 'radial' form of relationships. It would be important for the team to assume a catalytic role in inter-institutional relations, creating spaces and mechanisms for discussion, meetings and workshops that reinforce a multilateral, integrative and appropriation vision of the Project by the actors.
- In this regard, multi-institutional technical groups can be formed at the level of local intervention based on the nuclei of miners, to provide information and improve participation and appropriation; these groups would be linked to the decisions of the CDP and contribute to a roadmap to build the sustainability of the results, in addition to guiding the technical progress of the Project.

*On the efficiency of technical and administrative execution of the Project (adaptive management).*

- The Project has demonstrated good administrative management. The planning of the work is based on the results that are obtained with the progress of activities, but also incorporates considerations such as the limitations of the national and local context. The actors highlight the capacity of the Project team to be able to manage the four work fronts (components) as well as cross-cutting approaches, such as gender.
- In terms of financial management, the Project shows a proper control and adequacy of the budgets granted, in the face of the changing conditions derived from the context of the pandemic and its restrictions. Although these adjustments facilitate the flow of resources and payments, the formal management of these processes in UNDP often detracts from versatility and agility. Likewise, it is necessary to evaluate the structure of co-financing and the monitoring of the contributions committed by the different institutions involved, which is presented as a recurring challenge in most projects that serve diverse geographical areas.
- The management support, and the technical contribution in the execution of the Project by the UNDP, through the DNP and the PMU, is appreciated as efficient, both at the level of the CDP and the main actors interviewed, and at the level of the beneficiaries and specialists of the PMU. However, differences of appreciation underlie regarding appropriation and decision in the management that government entities should have as main actors, in the face of an apparent level of decision-making influence of the PMU due to its close relationship with UNDP. This perception must be resolved with an approximation of both parties and better levels of communication through the DNP.

*On the effectiveness of the approaches and the sustainability of the actions  
and outcomes of the Project: barriers, risks and management forecasts.*

- For social and economic sustainability, it is key to maintain the current positive perception of partners and stakeholders, and to live up to their expectations. In this aspect, it will be essential, as a mechanism and demonstration effect, the promotion and inclusion strategy, and the face-to-face participation in the tests of best practices, as well as in the dissemination of evidence of technological and business success of local actors.
- The training and strengthening of actors and partners in value chains, and fluid access to markets, is a challenge against which close coordination and support of the global program is required; and in parallel, from the government entities of the sector in the removal of regulatory barriers, or of prejudices and social resistances.
- The economic and financial sustainability of the activities promoted by the Project depends to a large extent on the social and economic response of the actors; but the preparation that the Project has on the subject is favorable for the necessary articulation. The relationship with the entities that source financing must be permanently cultivated, calibrating their level of interest and establishing joint evaluation spaces to face situations or risks in the process.
- The political risks, in terms of political and environmental sustainability, given the current political storm, governmental changes and national and subnational policies of the sector, are not negligible and must be carefully monitored and discussed within the CDP and coordination spaces of the Project, especially on the occasion of the upcoming elections of subnational governments. In this regard, it is important to keep and promote at the forefront the compliance with international commitments regarding ASGM, especially environmental and health, as political support in the government environmental and mining sectors.
- With a view to the completion of activities and exit strategy, the Project's contributions to environmental remediation actions and the inclusion of socio-economic incentives in national and subnational ASM regulations should be taken into account.

## 1.6. Summary of Recommendations Table

The following Table summarizes the main recommendations for action. The ones in lines **A** and **B** address urgent adaptive needs for the remaining execution term; and the ones included in lines **C** to **F** are diverse recommendations to be considered to support and consolidate outcome achievements, institutional strengthening and improvement of planning methodologies and consequent actions, both for UNDP and the CDP.

Rec #	Recommendations	Entities responsible
<b>A</b>	<b><i>For priority and immediate adaptive action</i></b>	
A.1	Keep the schedule of activities updated, with priority in Component 3, based on delays and changes in context in the areas of intervention, including the adaptation and optimization of indicators, products and quantitative result targets.	CDP PMU GORE OMAPES
A.2	Review, for internal purposes, the scheme of the Theory of Change assumed in the ProDoc, with an inclusive vision in the approach and sensitivity for social, environmental, and health issues; and economically, with greater attention to marketing and trading aspects.	CDP PMU UNDP GEF GOLD
A.3	Discuss and agree, at the level of the CDP and the DNP, with UNDP and the Project Coordination, the need for agreements and measures to resolve differences in perception and internal communication problems about the Project, such as the name and official identification of the Project in communications, relationship with the Global Program and MINEM-GORE, distribution of reports and reports, decision to extend deadlines, and others identified in the EMT.	CDP DNP PNUD MINAM MINEM
A.4	Develop and apply a strategy of advocacy and dynamization of political and technical decisions vis-à-vis the High-Level management of the key sectors at the national and regional level, including forecasts of action regarding new political actors in 2023 and the high turnover of technical level officials.	CDP UNDP MINAM MINEM GORE
<b>B</b>	<b><i>For a complementary adaptive and convergent action in the remaining execution term</i></b>	
B.1	Complete and implement the initiated strategy that will facilitate the development and programming of activities originally planned as sequential, and that could be simultaneous and synergistic, with special attention to the achievement of pending grant agreements, optimizing the workload, budgetary resources, and the availability of actors and consultants in the field.	CDP DNP UNDP PMU
B.2	Promote the formal establishment of institutional spaces, platforms, and consequent logistics, at the level of each area of intervention, to promote and allow interaction, generation of interest and appropriation of direct actors in the ASM issue, with a guiding, encouraging, and technical support role by the regional coordinators of the Project.	PMU GORE/MINEM Consultants OMAPES ASGM
B.3	Carry out a sample assessment of the state of learning and the interest of the actors who received training; as well as on the entities that offered financial support, in order to ensure the validity of the assumptions after the interruption of field work, and to ensure the positive effect of training, and of financing promotion.	PMU GORE OMAPES
<b>C</b>	<b><i>To ensure efficacy and impact of achievement</i></b>	
C.1	Consult, through UNDP and DNP, on the reactivation of fieldwork; and seeking adaptive measures on expenditure (per diem, travel); and coordination with the GORE, to optimize the work of the consulting teams in the next stages of the fieldwork.	PNUD CDP PMU GORE



Rec #	Recommendations	Entities responsible
C.2	Hold a face-to-face event to relaunch the Project in each locality, on the occasion of the lifting of pandemic restrictions, with a review of the advanced and reiterate events of interest to associations, private companies, financial institutions, and women.	CDP PMU GORE MINEM MINAM
C.3	Expedite the installation of technical facilities for the demonstrative effects of mercury-free gold processing, and at the same time arrange face-to-face visits and short stays of interested parties from the three regions to learn about other accessible experiences.	CDP PMU GORE MINEM MINAM
<b>D</b>	<b><i>To contribute to financial and socio-political sustainability of outcomes.</i></b>	
D.1	Review and reactivate the situation of co-financing commitments, with monitoring of contributions, and communication sessions of national and international progress and commitments acquired by the country and each entity.	CDP PMU UNDP GORE
D.2	Promote and follow up on the meetings at the political and technical level with the new authorities and their replacements in the Senior Management of the Ministries and the GORE involved, to promote and accelerate decisions on the regulations pending approval and implementation	CDP DNP–MINAM MINEM UNDP GORE
<b>E</b>	<b><i>To optimize approaches and achievements in gender and intercultural issues.</i></b>	
E.1	Promote and request the official recognition and incorporation of women and their organized groups in the operational and economic chain of ASGM, involving the Ministry of Health and the Ministry of Women and Vulnerable Populations (MIMP) in the effort.	CDP PMU MINAM MIMP GORE
E.2	Extend gender work with women involved in ASGM, to their families, formal education, health care, situations of vulnerability, violence and trafficking, beyond the limits of the areas of intervention and the precariousness of THEIR settlement conditions.	PMU MINSA MIMP GORE
<b>F.</b>	<b><i>To enable conditions for Project term extension, scalability and replicability.</i></b>	
F.1	Prepare a rationale and internal discussion of alternatives and deadlines that support an eventual extension of the execution term of the Project, with special attention to the remaining budgetary resources, and the realistic evaluation of the state of the sources of co-financing.	CDP PNUD PMU
F.2	Intensify coordination and synergies with the GEF GOLD global program and other concurrent projects, with a view to the continuity of actions and application of lessons learned in other ASGM areas, or in subsequent phases of consolidation of the current Project.	CDP PNUD DNP–MINAM

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## 2. Introduction

This document corresponds to the final version of the Mid-Term Review (MTR) report, the fourth deliverable of the respective contract and terms of reference (ToR) agreed (see ToR in **Annex B**), in the framework of the Project 'Integrated Management of Mercury in Artisanal and Small-Scale Gold Mining (ASGM) of Peru' (hereafter 'the Project', or 'planetGOLD Peru').

### 2.1. Purpose and objective of the MTR

As described in the GEF Evaluation Policy, mid-term reviews are mandatory for all full-size projects funded by the GEF, and constitute an important part of the monitoring and evaluation plan. MTRs are carried out primarily for adaptive management purposes, i.e. to identify challenges and outline corrective actions to ensure that a project is on track to achieve maximum results for completion.

To comply with the above, MTRs are conducted to assess the progress of projects towards outcomes, implementation and adaptive management to improve results, facilitate early identification of risks to sustainability, and provide supporting recommendations. Therefore, the purpose of this MTR is to analyze the process and degree of compliance with the objectives of the planetGOLD Project; the progress towards the achievement of the expected products, proposed activities with respect to ProDoc, its Logical Framework of Outcomes and the impact generated and expected to date.

### 2.2. MTR Scope and methodology

#### 2.2.1. Project design and execution processes

The objectives of the MTR are: **(i)** to ensure the success of the Project, identifying any changes that need to be incorporated into adaptive management to achieve the expected outcomes; **(ii)** ensure accountability for the achievement of Project objectives, as well as those of UNDP and GEF, and promote responsibility in the use of resources; **(iii)** improve organizational learning by documenting, feedback, and disseminating lessons learned; and, **(iv)** strengthen the oversight and management functions during the Project execution.

The present MTR of the Project is framed in the Evaluation Plan 2017-2021, of the Peru Office of the UNDP, according to the Terms of Reference of the contract, as well as the documents of the UNDP and the GEF that regulate the procedures, contents and purposes of the evaluation, for which the consultant has followed the suggestions and requirements of substance and form.

The evaluation matrix, structured according to four GEF evaluation criteria for MTRs<sup>2</sup>, has provided the fundamental guidance for the evaluation and the basis for mission preparation, as well as the review of documents. The matrix is developed in detail in **Annex C** of this document.

The time scope covers all the activities carried out within the framework of the Project, in the period from the beginning in July 2018, until December 2021, additionally proposing the recommendations for the remaining execution period, considering that the completion is

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<sup>2</sup> UNDP-GEF MTR ToR Standard Template 1 for UNDP Procurement Website

scheduled for June 20243. The geographical scope of the evaluation is Peru, without neglecting that the Project is framed and interacts with the global program.

### 2.2.2. Evaluation Approach

The central focus of the MTR is the critical analysis of the strategy and complementary instruments (ToC, project logic and results framework); progress in achieving objectives and results according to ProDoc, analyzing early signs of achievement, difficulties or impossibility of achieving goals; adaptive implementation and management; and the sustainability risks of the Project. This approach is part of the GEF and UNDP guidelines and directives, and is described in detail in **Annex C**.

The evaluation had a collaborative, participatory and gender-based approach, combining the experience of the evaluator with that of the stakeholders. In this regard, a total of 36 people interviewed have participated, of which 36% are women (13). The DNP and members of the CDP, the UNDP (Regional Office and Peru Office) were interviewed; officials and technicians from nine national, sectoral, and regional entities in Piura, Arequipa, and Puno (MINEM, MINAM, MINSA, APCI, DREM/GREM), international officials of the GEF GOLD program, PFO of the GEF in Peru, and all UGP specialists.

Likewise, permanent contact has been maintained with the relevant units of MINAM and MINEM, through the CDP, the UGP and the UNDP, with whom perspectives and approaches have been discussed, useful and timely exchange for the objectives of the EMT. Likewise, the review of gender mainstreaming has mainly included a review of the gender marker, the Action Plan, the specific products and/or results and the deepening of this issue hand in hand with the specialists of the Project team.

### 2.2.3. Data gathering methods

Data collection and analysis is in line with the evaluation process and execution deadlines. For the collection of information, the following techniques have been applied:

- *Documentary review*: based on the reading and consultation of ProDoc; review of the physical and financial progress reported and documented through reports, and their consistency with the fulfillment of goals and achievements attained as compared to the base indicators; annual progress and status as of the date of the MTR (see **Annex G**).
- *Application of semi-structured interviews*: based on specific guiding questionnaires depending on the quality of the interviewees and their role in the expected outcomes of the Project (see **Annex D**), and depending on the needs for more information and the time available for data collection and analysis. Special emphasis has been placed throughout the interviews on the cross-cutting issues that affect the results, in addition to their specialized treatment in the Project (gender approaches in activities, human rights, and interculturality). Given the travel restrictions due to the pandemic, interviews have been conducted virtually. (see list of interviewees in **Annex F**).
- *Briefings*: at the request of the consulting team in coordination with the Project team and UNDP, depending on the needs and conveniences that arise.
- *Direct observation*: which includes a synthetic appreciation of the social, economic and political context of the national and international scope of the Project, in order to raise

useful reflections and recommendations on the outcomes and impact of the Project and its future prospects, in terms of the expected effectiveness of the measures.

The evaluation team contrasted the information obtained from the application of the aforementioned methods, in order to triangulate and corroborate the data and, therefore, guarantee their accuracy and robustness.

#### 2.2.4. Limitations

The content of this evaluation is mainly based on an exhaustive review of the documents that were made available to the evaluator, as well as on a series of virtual interviews with relevant actors of the Project. Although the MTR consultant has made a detailed assessment of progress towards the expected outcomes, travel restrictions in the wake of the pandemic have prevented, on the one hand, visits to some of the three implementation sites (Piura, Arequipa or Puno); and on the other, the possibility of conducting *in situ* interviews with actors in person, or in focus groups, especially beneficiaries, to obtain more and diverse opinions.

### 2.3. MTR Report Structure

The MTR Report follows the structure prescribed in the ToR template. The document is divided into the following sections:

1. Executive Summary
2. Description of the Project and context
3. Proven facts
4. Sustainability
5. Contribution to the level of achievement of the expected result under the UNDP Country Programme, contribution to the UNDP Strategic Plan and the SDGs
6. Conclusions and recommendations
7. Annexes **A – G**.

The first part contains an executive summary of the report, with the data and description of the Project, the summary of progress and evaluation, as well as a list of recommendations. The second part describes the background in more detail. The third part contains information that was collected through the techniques described above, where the documentary review and mission stand out. The fourth part evaluates the sustainability of the results, considering different types of risks, and includes an assessment of these. The last part provides evidence-based conclusions connected to the findings, as well as a set of recommendations.

The Annexes prescribed by the MTR guide include the Table of Progress in Achieving Results (**Annex A**), the synthesis of which is incorporated in section **4.3** of this report.

### 3. Project description and context

#### 3.1. Development context

Mining in Peru, in general, is – and has been so throughout the history of the country – a key activity for the economy and for the well-being of large sectors of the population, especially rural and smaller urban settlements in the country. Traditionally, the rural Andean population has seasonally combined its agricultural, livestock, and subsistence activities with formal or informal mining jobs, even at medium and large scale.

Modern mining techniques, however, have reduced and displaced the participation of unskilled labor. On the other hand, the global gold boom has boosted everywhere informal and illegal mining, which is dedicated to a marginal extraction gold, by of alluvial and hard rock gold mining, throughout the country, and which together acquires a first-rate economic, social, environmental and health importance.

The importance of this phenomenon and its consequences has not yet achieved the priority attention it deserves from the government mining sector, especially in the aspects of regulation and control of the marketing of inputs and gold itself in its various channels. The division of sectoral functions in mining, environment and health, and between the level of national and subnational governments ends up relegating ASGM, since responsible sector tends to concentrate in large formal mining. Thus, efforts to formalize and modernize ASM activities have not had the necessary momentum, giving place to the increase of informality and illegality in gold mining.

The effect of the widespread and uncontrolled use of mercury has become a national health and environmental threat that, in the face of other development and economic growth requirements, has not had the necessary response or national attention to international commitments in this regard. The meritorious action of the government technicians of MINAM, MINEM, and MINSA, in their central and regional dependencies is not enough; and its action is limited by the scarce allocation of fiscal resources, the low number of staff in charge, the high turnover of functionaries over time, and the relative priority given to ASM at the national level.

#### 3.2. Problems that the Project sought to address

In this national context, the foreseen impact of the Project, within the framework of international initiatives and commitments, should have a key role by highlighting the ASGM problem and providing direct solutions that generate changes in the activity of treatment and trading of gold.

The main problem that the Project seeks to solve is the traditional use of mercury in the processing of gold in the ASGM activity, and the need to gradually reduce the harmful impact of the releases of this metal on the environment and on the health of the population. To this end, it has opted – based on international experience – for an approach focused on the improved economy of the activity, with technological innovation, adequate financing and assured commercialization, with the purpose of obtaining greater collaboration from stakeholders. Environmental and health awareness and benefits should then derive from those practices

adopted as the main motivation, since presenting them as primary advantages could appear less attractive for mining actors dealing with the adoption of new practices.

The solution of the main problem requires intensive planning work, which has already begun, in related activities of: legal formalization, ordering of tenure and access to the mining resource; inter-agency coordination at the national and subnational levels; training and social awareness; attention to the problem of women's participation in activities and benefits; prospecting for financing options; and demonstration of new technologies and good practices that can be adopted and cost-effective.

These essential activities face frequent obstacles and barriers. In the case of Peru, the main difficulties – apart from the limitations imposed by the pandemic on travel activities and face-to-face field work and coordination – lie, among others, in the following situations:

- (i) the slowness and complexity of the processing of legal holdings and the coordination and formulation of regulatory policies and standards;
- (ii) the marginal, remote and dispersed location of informal or illegal mining settlements in the territory, and the precarious socio-economic situation of most ASM miners;
- (iii) the persistence of schemes of corruption and socio-environmental degradation that affect the actors, and the inertia imposed by the need for daily subsistence in many of the ASM miners, in the face of instances or opportunities for change;
- (iv) the difficulty of offering, and accessing, credit and formal financing due to the risk of informality and precariousness of the activity and the difficulties in establishing and maintaining a value chain in the activities that incorporate the actors from the extraction of gold to its formal commercialization among other eventualities.

### 3.3. Project description and strategy

The strategy of the Project is based, given the social and economic conditions of the scenarios in which ASGM is developed in Peru and the international experience in similar projects, on directing the effort to optimize the economic and social performance of the ASGM activity, supporting the establishment of better legal, regulatory, financial conditions, technological, and commercialization, thus resulting in a substantive, scalable and replicable reduction in the use of mercury in ASGM activity. In this sense, the Project aligns and contributes to the objectives of the GEF, in the focal area 'Chemical and Waste', and also to the UNDP 'Country Programme' document (see section 5).

Consequently, the final objective of the Project, according to the respective ProDoc, is: "to reduce / eliminate mercury releases from the artisanal and small-scale gold mining sector in Peru (ASM)", through the execution and obtaining of the following components and results:

- (i) strengthening institutions and the regulatory/normative framework for mercury-free ASM;
- (ii) the establishment of financing mechanisms to provide loans for mercury-free processing equipment;



- (iii) increase the capacity of mercury-free ASM through the provision of technical assistance, technology transfer and formalization support; and,
- (v) monitoring and evaluation, awareness, recording and dissemination of experiences, lessons learned and best practices.

To meet this objective and outcomes, the Project has selected three locations representative of the diverse socio-cultural and mining problems in the country. Thus, the Project focuses on supporting 12 groups of miners (concessionaires / owner operators) that are located in the regions of Puno (San Antonio de Putina province, Ananea district, at 4,440 meters above sea level), where alluvial (fluvial-glacial) exploitation is performed; and, Arequipa (Condesuyos province, Yanaquihua district, at 3,000 meters above sea level), and Piura (Ayabaca province, Suyu districts, at 400 meters above sea level; and Paimas, at 570 masl). In the Arequipa and Piura sites, hard rock exploitation is the case.

The ideal goal is to completely eliminate mercury use in each of the priority mining communities, but the Project's indicators refer to a 50% reduction in mercury emissions among all target groups. At least 1,200 miners participate in the activities of the Project, with an average of 100 miners for each intervention site. Research and fieldwork estimates suggest that cumulative emissions among all target communities could exceed 6 tons of mercury per year.

The mercury reduction target has therefore been set at 5 tons per year (starting in year three (2022) of the Project. This target would result in a cumulative reduction in mercury release of 15 ton over the duration of the Project, which is 5 years.

The total projected investment is more than 39 million dollars, of which the GEF contributes directly an amount of 3,990,000 million, corresponding to the balance to co-financing of various entities, as shown in the section **4.4.3** of this document.

### 3.4. Mechanisms for Project execution

The Project is executed, as foreseen in the ProDoc, under the modality of national implementation (NIM or *national implementation modality*), under the responsibility of the Ministry of the Environment (through the General Directorate of Environmental Quality) as Implementing Partner and national director of the Project (DNP), with the inclusion of the Ministry of Energy and Mines (General Directorate of Mining Formalization) as the responsible sectoral entity for mining activities; and with the respective sectoral dependencies of the Regional Governments of the areas of intervention (DREM and GREM). The letter of understanding (LoA) is duly accredited as Annex J of the signed ProDoc.

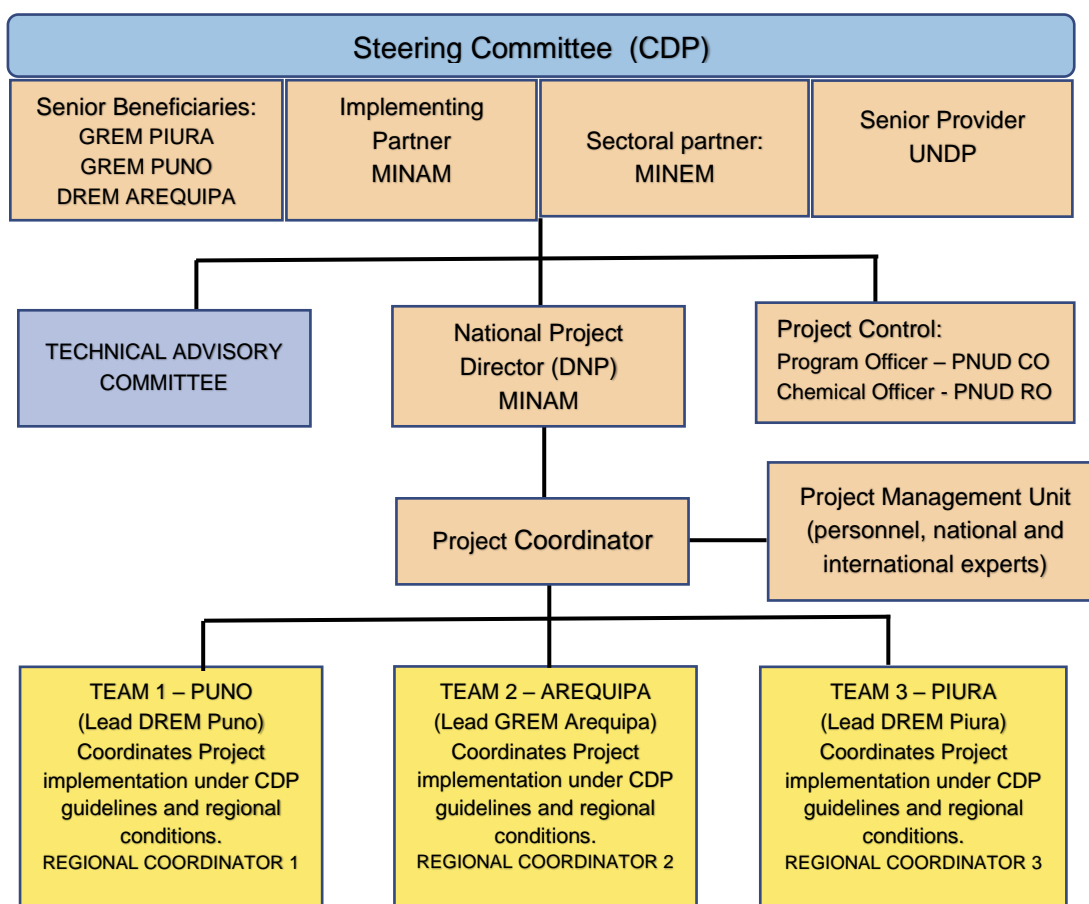
The following diagram (**Graphic 1**) shows the organizational structure of the Project, as approved in the ProDoc, and implemented accordingly with the exception of the Technical Advisory Committee originally planned, which has not been formed, as it would have been desirable given the technical requirements and inter-institutional coordination required by the Project.

The composition of the Steering Committee (CDP) varied, at the time of the Project's Inception workshop, with the inclusion of MINEM (DGFM) as an additional executing partner, the

Ministry of Health (MINSA), the Peruvian Agency for International Cooperation (APCI), and the GEF Focal Point in charge of the Office of Cooperation and International Affairs (OCAI) of MINAM.

The decision to form regional coordination teams, led by the respective directors or managers of energy and mines (DREM or GREM) in the regional governments of Piura, Arequipa and Puno, with presence in the Project Steering Committee (CDP), is positive as a means of regional presence in the CDP, and as a mechanism for coordination and adaptation of decisions and technical proposals to each locality of action and groups of beneficiaries of the Project.

**Graphic 1. Project Organizational scheme.**



### 3.5. Deadlines for Project execution and milestones to be met during its development

The term of execution of the Project is five years. Considering that it began in June 2019 (signing of ProDoc), that in the first year there was no substantial progress, and that in March 2020 occurred the pandemic and the restrictions on face-to-face work and travel, the Project faces a challenge for the completion of the Project, so the unexpected impact of the restrictions due to the pandemic should be considered; and if required, a justification and request for an extension of the deadline must be foreseen by appealing to this cause of force majeure. This MTR assumes

the date of June 19, 2024 with the operational end of the Project, in line with the PIR 2020 and 2021 presented, and the budgetary approval until that date agreed by the CDP.

The most important milestones to be met refer to the results of Component 3, and especially those quantified as core goals of the Project: the effective reduction of 15 Tons of mercury in the term of execution of the Project; the access of 12 groups of ASM miners to financing and technical assistance under conditions of training and organization that result in an effective improvement in the performance and profitability of their production; recognition of women's groups and support for the improvement of their income and working conditions; and demonstration effect of the feasibility of scaling and replicating the achievements of the Project.

### 3.6. Main interested parties

To identify stakeholders, a participation plan was formulated (outlined in annex 'F' of the ProDoc), from which the Project prepared a simplified stakeholder engagement plan in which it identified the main institutions - and their respective interests - that should be part of the Project, considering their potential for input and their influence on the positive impact and expected success..

The main Project stakeholders identified by the analysis include:

- Ministry of the Environment / Vice ministry of Environment Management, with the DGCA as the DNP, and as GEF-OFP (OGCAI)
- Ministry of Energy and Mines / General Directorate of Mining Formalization, and Directorate of Mining Formalization.
- Regional Governments of Piura, Arequipa and Puno / Respective Regional Directorates or Management of Energy and Mines.
- Ministry of Health / Directorate of Environment)
- International cooperation projects and programs related to the issue of ASM and gold mining in general.
- Non-governmental organizations, international and national.
- National and regional universities.
- Grassroots and Civil Society Development Organizations
- Financial institutions and banks
- Women's organizations
- Mining organizations
- Private sector in related activities.

The persons interviewed for the MTR in each case are found in **Annex F**.

## 4. Findings

### 4.1. Inquiry questions answered

The research questions answered through the reading of documents and interviews conducted, were formulated according to the ToR and the GEF-UNDP methodological guides; were presented and approved in consultation for the Initiation Plan of this EMT; and refer to the following aspects:

- (i) *Project Strategy: To what extent is the Project strategy relevant to global priorities, the country, and stakeholder ownership? Is it considered to be the best route to the expected results?*
- (ii) *Progress towards results: To what extent are the expected outcomes and objectives of the Project being achieved?*
- (iii) *Project Implementation and Adaptive Management: Is the Project being implemented efficiently, cost-effectively and has it been able to adapt to changing conditions so far? To what extent do project-level monitoring, reporting and evaluation systems and project communications support implementation?*
- (iv) *Sustainability: To what extent are there financial, institutional, socio-economic and/or environmental risks to the long-term sustainable results of the Project?*
- (v) *Covid-19: To what extent is the Project affected in its technical and operational implementation due to the pandemic? What adaptive management measures have been adopted and how effective has they been?*

The development of the questions in each aspect is presented in the table in **Annex C** of this report (MTR Evaluation Matrix), including for each question the indicators, sources and methodology of inquiry.

### 4.2. Project Strategy

#### 4.2.1. Project Design

The Project has been designed based on international experience in similar projects in other parts of the world with similar ASM problems, and has been guided by the global GEF GOLD program during the formulation of the ProDoc. A positive aspect of the preparation of the Project has been the careful analysis of actors, including gender criteria, which has facilitated the coverage of actions and the selection of beneficiaries, avoiding omissions or imbalances.

In addition to these guidelines and references to the overall framework of the activity, the design of the Project incorporates the conditions of the national context in the ASM activity, which is in a permanent process of regulation by MINEM in the aspects of operational activities; and MINAM and MINSa in environmental and public health aspects, respectively, especially in relation to the commitments of the Minamata Convention.

The original intention of the Project to cover ASM activities in alluvial gold in the Amazon region of Madre de Dios – of national priority and of high degree of socio-environmental impact – was set aside in consideration that other similar projects would intervene in the area, which did not finally happen. Consequently, the activities of the Project and the intervention sites focus on hard rock mining in the areas of Piura and Arequipa; and in alluvial mining only in the area of Ananea, in Puno.

The design of the Project and its objectives are considered viable as they aim at a demonstrative effect in different regional contexts, and to promote the commitment and awareness of groups of ASM miners representative of the national universe, and willing to accept innovations and changes that have an impact on national and regional regulations, economic well-being, social and environmental of the actors, and that incorporate gender equity. The expected impact should be expressed in the scaling and replication of results elsewhere, and in the sectoral governance structure of the activity.

The sustainability of the Project's actions in the medium and long term is largely dependent on the initial success in incorporating financial institutions into the chain, the establishment of a mercury-free gold market; and positive developments in sectoral governance at the national and subnational levels for ASM. The Project includes planning and implementation actions and mechanisms that aim to strengthen these processes; however, ASM activity is subject to many variables and is still far from consolidating, so it will require continuity of efforts and synergies of concurrent projects.

ProDoc adequately describes the main political, financial, environmental and regulatory risks, among others (Table 2, p. 39); and prescribes in detail the response measures in each case. The components, expected results and outputs in progress are consistent with these responses and aim to mitigate or avoid these risks, in the scale and scope of ongoing operations.

The decision-making processes of the Project are well established, and the degree of stakeholder participation is relatively high among the selected groups. The Project does not imply an affectation of rights or conditions of other groups not involved in its activities; but its results could be of interest and activate an expanded demand for services, which should be foreseen and met with additional resources or incorporation of private and public interests, as far as possible.

In terms of inter-institutional coordination, although the action of the technical team of the Project has the capacity and proactivity to promote activities, it is necessary to design autonomous coordination mechanisms between the actors themselves to which solutions and synergies are delegated and consolidated; and capitalize on the team's bilateral momentum in front of each actor separately.

Gender issues have been developed in a manner appropriate to the uniqueness of women's issues linked to ASM activity in the various regions, but further attention would be required to the aspects affecting women in the family and the community, for a structural consideration of the problems in each region. In this regard, the Project has the opportunity to contribute to studies, analysis and national regulations for the inclusion of women in mining activity; however, it must be recognized that the precarious situation of these settlements, and the impacts of the pandemic have made that approach difficult.

#### 4.2.2. Results Framework

The logical framework of the Project, as described in section 3.3, responds to a design derived from international experience in the field of ASGM, based on a direct approach to the objective set out in the ProDoc and subsequent PIR Results Framework: "To protect human health and the environment from mercury releases caused by the intentional use of mercury... in ASGM". To achieve the objective and its goal, the Project proposes four Components / Outcomes that make up a sequential and complementary approach of activities. The respective indicators and targets are designed with acceptable consistency against the S-M-A-R-T standard, but they

are not without problems that will need to be corrected and updated through the Project's governance channels.

The Objective indicators refer, one to partnership and financing mechanisms for sustainable management that leads to a reduction in mercury use; and the other to a quantitative target of direct beneficiaries, men and women, for whom the risk of exposure to mercury is reduced. In the first case, the goal of four mechanisms, two in the medium term, is concrete, measurable and realistic. In the second case, the goal seems ambitious and difficult to measure the mitigation of risk referred to a number of male and female miners; the medium-term goal of 50% of about 50,000 people will not be reached in this instance.

For the Components / Outcomes, a formal differentiation between indicator and target has been adopted in practice and applied to the 2021 annual report by the technical team. This change is rational and should be officially incorporated into the logical framework of the Project.

For Component / Outcome **1**, there are two target indicators that are reasonably achievable and are in process, referring to the training of officials and the development of regulations that promote the result. Training actions may present problems of indicator and form of evaluation, frequent in this type of intervention, increased in this case by the pandemic and the high turnover of officials at the regional level.

For Component / Outcome **2**, the first indicator refers to the final target of 'four financial mechanisms produced', two of them at this medium-term stage. This goal is realistic in time and relatively concrete. On the other hand, the second result indicator, referring to the training of miners (including women) in actions and effective loan applications and their approvals, should be reformulated according to the delays suffered by the pandemic, and consider for this purpose the need to extend the execution period.

The first and third indicators in Component / Outcome **3** refer specifically to the amount by weight of mercury releases reduced or eliminated: 15tm, at the end of the Project, at a rate of 5tm for each of the last three years of implementation; and the amount of gold produced and traded without mercury. The difference between these quantitative targets by weight, and the eventual measurement of mercury releases required by the project's objective statement, draws attention to the difficulties of establishing a baseline due to lack of accurate information in the country, and of measuring the avoided releases themselves. These are pragmatic, measurable and realistic goals for the limited purposes of the Project, but they do not relate to a quantifiable objective in physical, environmental and health terms.

In the case of Component / Outcome **4**, problems for monitoring and evaluating results are foreseen in indicator 4.1, which will require precise monitoring and presents risks of changes in the basis and in the definition and measurement of the level of 'awareness' or 'sensitivity' achieved. The other indicators of the Component respond to the quality standards in this type of activities (monitoring and evaluation requirements, and communications and knowledge management actions).

Gender actions and activities have been cross-cutting and are specifically aimed at women who participate directly or indirectly in ASGM activities; however, there are no gender differentiating specific indicators in the logical framework for each relevant case of indicator and target, except in the number of men and women. These activities are discussed, as appropriate, in other sections of the report.



### 4.3. Progress in achieving results

The analysis of progress in achieving the results described in ProDoc as Component/Outcome is summarized in this section, and is presented in detail in Annex A (Table 1) of this report. This analysis is based – according to the guidelines of the Guide for MTR – on the signed text of the ProDoc; in the content of the PIR carried out as of June 2021; in the 2021 Annual Progress Report, carried out by the PMU, handed to the evaluator on February 22, 2022; also, in the content of periodic technical and administrative reports, consultancy studies, minutes of the CDP meetings, and other relevant documents such as the GEF Tracking Tools; and, to an important extent, in the opinions and statements of the direct and indirect actors interviewed.

The GEF Tracking Tools, which are incorporated as a reference in a separate special annex, are updated as of December 2021, including planning and preparatory activities, as well as gender training. The monitoring of field activities, central to environmental concern, has not yet made progress in this tool because they only begin in 2022.

In the format of the Results Framework (**Annex A**), the evaluation carried out maintains the nomenclature assumed by ProDoc, as well as the structure of the Components/Results and target-indicators; and for the relationship and evaluation of the status of the products in each component, it is based on the annual report prepared by the PMU, which distinguishes and separates indicators and goals.

#### 4.3.1. Progress to Outcomes Analysis

**PROJECT OBJECTIVE:**

**MS**

*Protect human health and the environment from mercury releases originating from the intentional use of mercury in artisanal and small-scale gold mining (ASGM)*

**Objective Indicator 1:**

**MS**

*4 new partnership mechanisms with funding for gender friendly and sustainable management solutions of natural resources, ecosystem services, chemicals and waste at national level.*

**Mid Term Target**

*2 new partnership mechanisms with funding for gender friendly and sustainable management solutions of chemicals and waste established at national and/or subnational level.*

**Comments and justification for rating:**

The Project's progress indicators towards its objective are achievable from the point of view of the project's conceptual approach and strategy; but the measurement of concrete progress towards the results of each component is not balanced to date.

It has the necessary basic studies of support, and good prospects of the Low Value Grant Agreements, which can be replicable and scalable, the interest of the financial institutions convened, and the international support framework for the initiative.

It is presumable that, had the pandemic restrictions not been in place, progress to date would have been satisfactory. In any case, it is considered that the indicator-target described is

in progress, although the comprehensiveness and completeness of the achievement (at this stage, 2 new mechanisms that are already in process with the agreements in place) will require a consolidated base in the legal, training and appropriation of the grassroots actors and regulatory (governmental) and support actors (financial entities) that is still on the way to consolidate.

**Objective Indicator 2:**

**MS**

*47,097 direct project beneficiaries (44% females and 56% males) for which the risk of mercury exposure has been reduced*

**Mid Term Target:**

**MS**

*25,000 direct project beneficiaries (44% females and 56% males) for which the risk of mercury exposure has been reduced.*

**Comments and justification for rating**

As in the previous target indicator, the Project has managed to attract the interest of the target groups identified in each of the project's intervention districts.

The medium-term goal has been affected by the pandemic and the consequent population movement caused in mining settlements, so it needs to be verified for an adaptive adjustment, either in the quantification of the target or in the scope of gender composition. Despite the limitations, sufficient progress has been made in the conceptual and methodological approaches to recover the pace of implementation on that basis.

It is considered that the Project, if maintained the current interest of the actors, and if the pace of implementation is increased, the final target can be reached. This possibility requires that health restrictions and protocols be lifted by the second quarter of 2022, and remain as such along 2023, which would be possible with the current evolution of the pandemic.

In any case, the valuation of progress is conditional, either to a considerable effort of the Project team and the teams of specialized consultants; or, alternatively, to an extension of the Project's execution period.

**COMPONENT / OUTCOME 1**

**S**

*Strengthening institutions and the policy/ regulatory framework for Mercury-free ASGM*

**Outcome Indicator 1.1:**

**S**

*National systems have the capacity to assess, plan, and implement sustainable and mercury-free interventions in the ASGM sector*

**Mid Term (and end-of-project) Target**

*4 government entities improve their capacities to assess, plan and implement sustainable and mercury-free interventions in the ASM sector:*

- (01) Ministry of Energy and Mines
- (03) Authority is Regional Energy and Mines

**Comments and justification for rating:**

The progress of the Project in relation to the final indicator (there is no medium-term goal) is based on the consultancy, already completed, of evaluation of articulation and coordination capacities of the main national and regional entities with political and operational interference in the ASM activity. An action plan was programmed on this basis for the strengthening of the government entities involved:

Three products are derived from this part of the Component, for which the study of diagnosis and evaluation of capabilities is essential:

- The evaluation, already carried out;
- The capacity-building plan, under implementation; and
- Training of 40 specialists and government officials, in the process of implementation.

As a result of the first two products, the Project is carrying out technical support and advisory services to the regional units responsible for ASM (DREM/GREM) in each intervention area. The training programme for central government officials and technicians (MINAM and MINEM) has not yet begun; but the needs and themes relevant to the training have already been identified.

The implementation of the Component according to the planned target and the respective indicator presents a satisfactory progress considering that the planned training can be completed in the remaining period of the Project; and that the quality of the support services being provided in the regions, based on the needs assessment, and their relevance, is appreciated by the actors.

An advance of 75% is estimated, and the remaining 25% would be executed until the end of 2022. The political risk related to subnational elections, and the dynamics of current government management, must be monitored and adaptive action must be taken on the remaining tasks.

**Outcome Indicator 1.2:**

*Enabling environment created through improved national policies and regulatory frameworks for ASGM and mercury phase-out in the ASGM sector*

**S**

**Mid Term Target:**

*1 policy, regulation or standard revised and/or developed to improve the enabling environment for ASGM and mercury phase-out in the ASGM sector.*

**S**

**Comments and justification for rating:**

In this Component/Outcome the Project has made consistent progress in supporting the achievement of three main outputs for its achievement, which are sequential:

- Support for the formulation of the National Action Plan to Reduce Mercury in ASM; which includes the gender approach. The formulation of this Plan, already completed, will be implemented through MINAM, within the framework of its functions and as a commitment to the focal point of the Minamata Convention on Mercury. To this end, a review of existing instruments was conducted to assess their contribution to an enabling national policy environment at 15 country sites.

- (ii) Preparation of a document of recommendations with contributions from the actors to improve the implementation of the Plan in terms of gender inclusion, articulation of policies and reduction of gaps for its adaptation to subnational spaces; and
- (iii) Concrete policies and regulations, revised or developed for the implementation of the Plan. In this regard, the regulation for the marketing of gold and its traceability has been concluded; being in process the design of the computer application, in charge of the MINEM.

In a complementary way, work has been done at the level of technical advocacy in support of the design and constitution of the Peruvian Mining Fund and Formal Gold Seal; and in technical support to the national commission that participates in the elaboration of the regulation for the Andean Mercury Observatory, approved in April 2021.

Progress in implementation towards this outcome indicator is considered satisfactory. The target for the implementation period has been achieved with the projected regulation document. It is considered feasible to achieve the approval of a second regulation to reach the final target, linked to the creation of the Mining Fund for ASGM, whose basic regulatory structure must be established by the MINEM, and for which the Project has provided the benchmarking criteria. The contribution of the Project to the elaboration of the draft Regulation on the commercialization of gold and its traceability, is considered positive, as well as the follow-up activities carried out.

Although the contribution of the Project to influence public policies and regulations is satisfactory, close monitoring is required in front of MINAM, and especially of MINEM, given the risk that the implementation process will be affected by reasons of inaction, or government priority, and that this will affect other goals of the Project.

<b>COMPONENT / OUTCOME 2:</b>	<b>MS</b>
<i>Establishing financing lending arrangements to provide loans for mercury free processing equipment.</i>	
<b>Outcome Indicator 2.1:</b>	<b>MS</b>
<i>Loans for the purchase of mercury-free processing equipment/ investments are accessible to legalized ASGM miners and cooperatives</i>	
<b>Mid Term Target:</b>	
<i>2 new/improved financial products/mechanisms (including women friendly financial products) established for the ASGM sector.</i>	

**Comments and justification for rating:**

The conclusion and dissemination in July 2021 of the results of the "Study of supply and demand..." is crucial to influence the inclusion of ASM miners in the National Strategy for Financial Inclusion, and to give rise to greater visibility and attention to the social and environmental problems of this mining subsector, and to facilitate adequate financing for its activities.

The study is also essential to promote the achievement of the target of the indicator for this stage of implementation, which must be achieved through eleven outputs, of which only three show progress: (i) selection of appropriate financial institutions; (ii) memorandum of understanding with the selected entities; and, (iii) new or improved financial mechanisms, adapted to women.

The first two products have been achieved so far with a single entity (50% of the intermediate goal); and for the third product, the supply and demand study has proposed 10 financial instruments, which for now exceed the final goal of 4, to be formalized with the selected entities or in the process of selection and the signing of the respective agreement. Most of the remaining eight outputs relate to training actions for stakeholder groups or actors; and the rest refer to complementary actions of evaluation, inclusion of women, and design of economic models.

While the negative impact that the restrictions of the pandemic have had on this result is understandable, this result lags behind the need to promote the implementation of Component 3 with concrete offers and commitment from financial institutions. The remaining term of execution of the Project might be insufficient to realize these commitments that require a relatively complicated development, and that - in addition - the final goals are considered to include certain amounts of available financing (\$ 15 million) and approved loan goals (\$ 3 million).

It is necessary to intensify the project's foresight activities in this regard and the efforts that are being made with the grant agreements and with the rural funds, in parallel with the demonstration and technical support activities in the field, in order to ensure the financial base in time to accompany the field activities of Component 3.

**Outcome Indicator 2.2:**

**MS**

*12 ASGM miner groups (of which 20% of the miners are women) are capacitated to apply for loans for mercury-free processing equipment / investments.*

**Mid Term Targets**

- 600 ASGM miners (of which 200 women and 400 men miners) are trained in developing a loan/investment application (incl. undertaking technical and financial feasibility studies).
- 12 loan applications developed (with technical support of the project).
- 50% of loan applications (developed with technical support of the project) approved

**Comments and justification for rating:**

The Project has made satisfactory progress in conceptual and operational planning for the effective implementation of activities with a view to the indicator of result and targets. Preparatory activities for the evaluation and selection of ASM organizations (13), based on appropriate criteria that address the gender approach and inclusion of women's groups; and the systematization of the information collected, including the design of an evaluation tool for application in other areas of the ASM sector, are appropriate bases for systematic progress.

However, due to the limitations of the pandemic for access and presence in the field, which is essential for the expected results, none of the three products planned for this stage to obtain the final result have been totally or partially achieved.

This valorization of progress (**MS**) recognizes the substantial progress in the planning of the Component / Outcome in terms of this indicator, and considers that if the fieldwork had not been limited, the planned mid-term targets could have been reached.

It is presumed that, once the sanitary restrictions and protocols have been lifted, the advance will be able to recover in part the loss in terms of time. It should be borne in mind, however, that the technical team and the specialists hired to support from the 'Low Value Grant Agreements', will be under pressure to advance with equal efficiency in the other components of simultaneous execution

In this respect, vigorous adaptive action and the preparation and rationale for an extension of implementation deadlines are critical. An additional problem to overcome will be the overlap of activities in the field with those of Component / Outcome 3, which may be conflicting for the dedication of the beneficiaries.

**COMPONENT / OUTCOME 3:**

**MS**

*Increasing capacity for mercury-free ASGM through provision of technical assistance, technology transfer and support for formalization.*

**Outcome Indicator 3.1:**

**MS**

*15 tons of mercury avoided through the introduction of BEP, BAT and socially and environmentally sound ASGM practices.*

**Mid Term Target:**

- *Mercury use/releases from ASGM avoided by 5 tons/year.*
- *650 kg of gold produced per year without mercury.*

**Comments and justification for rating:**

Component/Result 3 has a core relevance in the Project, since in this instance all the previous actions converge, and the main objective is crystallized. The progress made up to this stage is important in terms of planning, refinement of approaches and preparations, but time and the accumulation of delays due to the pandemic threaten a smooth execution in a context that requires logical sequence and coherence between activities.

This is reflected in the first indicator, referring to a specific magnitude of mercury reduction, with a target of 33% for this evaluation stage. To achieve this fully, it has been planned to obtain 29 relatively complex products that must be obtained mostly in sequence, although some simultaneity of processes is possible. Of this magnitude of products, those already achieved – partially or totally – apart from the satisfactory advances in Components/Results 1 and 2, are:

- (i) The socio-economic progress surveys of the ASM organizations that will participate in each selected region;
- (ii) (ii) The selection of 8 of the 12 organizations planned for the implementation of the Component (3 in Piura; 4 in Puno and 1 in Arequipa), with their respective commitments; and,
- (iii) The identification and contracting of technical services, identified in the study carried out by the Project ('Mapping of Technology Suppliers for the ASM sector'), even though the induction and training aspects are pending.

In the assessment of this outcome / indicator, the basic work carried out in planning, information collection, negotiation of key contracts, conclusion of agreements with ASM



organizations, and training actions and demonstration visits to the groups of miners involved are mostly valued. All this constitutes a good basis that, with the professional quality of the Project team and the support of the global program and international organizations, can lead to achieving the goals.

However, the time and dimension of the effort to be made can be a considerable limitation. Some of the programmed products are ambitious considering the delay suffered and the time needed to realize them. Therefore, the scope could be at risk unless an extension of the implementation period is achieved.

**Outcome Indicator 3.2:**

**MS**

*12 ASGM miner groups (of which 20% of the miners are women) supported in their formalization processes leading to more sustainable income opportunities and safer working conditions.*

**Mid Term Target:**

*At least 600 ASGM miners (of which 200 women miners and 400 men miners) supported in their formalization processes.*

**Comments and justification for rating:**

For this result indicator, the progress is that reported in the PIR 2021 (June) and there is no additional progress to the closing date for this MTR, since the activities are scheduled from this year 2022.

As in the previous cases, there are appropriate planning and gender focus studies that will facilitate fieldwork, which is just beginning to obtain the four planned outputs applicable to the 12 target groups of ASM miners, which include: training; support for processes for the recognition of legal rights (including women's groups); formalization and corresponding permits; and support to implement processes with adequate environmental management.

As in the progress reported for the previous indicators; there is a good basis for planning and conceptual advances and operational coordination. The mid-term goal has not been achieved, for reasons not attributable to the Project, and to a large extent the progress towards the end-of-project goal will be conditioned by the impact that is achieved on the action of the sectoral authorities at the central and regional level.

The prospects and risks in this regard are not favorable in terms of the current evolution of the national political context, and the prospects for the elections of subnational governments.

**Outcome Indicator 3.3:**

**MS**

*Route to market for mercury-free gold improved/established.*

**Mid Term Target:**

*350 kg of mercury-free gold sold to the formal market.*

**Comments and justification for rating:**

No tangible progress has been made to date towards this result, nor has the indicated target been reached. For this, it is necessary to start the intervention work in the field with the support of the groups of specialists in mining and metallurgy that have already been selected for the regions of Piura and Puno, and that are in the process of selection for Arequipa. The expected outputs for this target outcome indicator are four:

- (i) Agreement with an international refiner;
- (ii) Partnership agreement with national or local banks;
- (iii) Partnership with transfer/holding agent; and,
- (iv) Association with a gold certifying entity.

There are good prospects from the point of view of programming and preparation of the technical assistance process in the field; but it is not yet possible to foresee how the final target in terms of tons of mercury-free gold would be achieved, in the remaining time, unless an adequate extension equivalent to the time of action restricted by the pandemic is achieved..

**COMPONENT / OUTCOME 4:**

**MS**

*Monitoring and evaluation, awareness raising, capturing and disseminating experience lessons-learned and best practices*

**Outcome Indicator 4.1:**

**MS**

*19,000 people (5,000 women and 14,000 men) of whom awareness has been raised on the dangers of mercury and ways to reduce its use in ASGM.*

**Mid Term Target:**

*Sensibilización de 10.000 personas (3.000 mujeres y 7.000 hombres) sobre los peligros del mercurio y las formas de reducir su uso en la MAPE.*

**Comments and justification for rating:**

The Project has done a remarkable job in the process of raising awareness among actors, despite the limitations imposed by the pandemic. Quantitative impact assessment, however, would not be possible under these conditions of restricted population movement. This revaluation should lead, if necessary, to a readjustment of this target indicator.

Interviews with field actors reveal that interest and enthusiasm for the support offered and prospects for economic, social and environmental improvement are maintained. The three outputs linked to this indicator have been successfully completed:

- (i) The diagnosis and awareness plan in the three areas of intervention;
- (ii) The action plan for gender awareness; and
- (iii) The beginning of the implementation of the plans.

In this indicator-target of Component / Result, the evaluation highlights the progress of the awareness-raising (sensitivity) process in terms of preparation and interest of the actors; but draws attention to the post-pandemic situation, which is likely to involve a quantitative review based on changes from baseline levels, and a more precise and quantifiable definition of the concept and levels of 'awareness' (sensitivity).

**Outcome Indicator 4.2:**

**S**

*M&E and adaptive management applied in response to needs and Mid-Term Evaluation findings*

**Mid Term Target:**

*15 of GEF M&E requirements met and adaptive management applied in response to needs and Mid-term Review (MTR) findings.*

**Comments and justification for rating:**

The Project presents a good progress and efficiency in the fulfillment of administrative actions and adaptive management, and in the coordination of execution, in accordance with the requirements of the GEF. The implementation of the 11 expected products of adaptive management is planned, and the monitoring and evaluation of progress. Likewise, the coordination of the execution with the overall program and with the parallel and convergent projects to the objectives of the Project, is considered satisfactory.

Given the constraints, the Project has managed to react appropriately and adaptively. The limitations of the pandemic have not substantially affected compliance with the implementation directives and guidelines.

**Outcome Indicator 4.3:**

**S**

*Project results, experiences, lessons-learned and best practices are captured, published, and taken up by the GEF GOLD Global Dissemination Platform for national and global dissemination, using report templates provided by the GEF GOLD global component where appropriate.*

**Mid Term Target:**

- 1 GEF GOLD country project webpage (using the template developed by the Global Gold Project) maintained.
- Country project participated on a yearly basis in 1 Global ASGM Forum (3 in total), 1 Annual Programme Conference, and 12 monthly programme/project calls.
- Opportunities for communication of project activity results at a global level are identified on a quarterly basis in collaboration with the GEF GOLD global component.
- On a quarterly basis, information on project progress (using agreed metrics and templates provided by the GEF GOLD global component where appropriate) is submitted to the GEF GOLD global component.

**Comments and justification for rating:**

The communication activities of the Project in general, continue to advance satisfactorily, in parallel with the technical implementation activities, but with greater flexibility due to its relatively independent characteristic of the restrictions of the pandemic. The activities for the five outputs that will make up the outcome and targets are being developed efficiently, in coordination with the global GEF GOLD programme

The conditions in this indicator for the valuation of actions as satisfactory are given, since the planned goals are being achieved and there are no barriers to their realization.

#### 4.3.2. Remaining barriers to the achievement of Project objectives

The main barriers – or mostly risks and difficulties of action – that can affect the achievement of the objective of the Project, at this stage of the evaluation are:

- The persistence of the restrictive conditions of the pandemic, while the conditions for the return to normality were not yet clarified at the MTR closing date..
- The changes that may have occurred in the perceptions and intentions of the actors, especially the private and financial sector, to continue in their initial work commitments, which need to be evaluated.
- The time remaining for the execution of the Project, in the absence of a preparation and extension decision that compensates for the delays caused in face-to-face activities due to the pandemic and health protocols.
- Political instability and changes of key officials that may affect the decisions and sanction of legal or regulatory devices, by the sectors responsible for the activity at the national and subnational level.

### 4.4. Project implementation and adaptive management

#### 4.4.1. Management mechanisms

The Project is implemented under the UNDP National Implementation Modality (NIM), in accordance with the Basic Standard Assistance Agreement between UNDP and the Government of Peru, and the Country Programme. The Ministry of the Environment (MINAM) is the Implementing Partner, in its role of ensuring compliance with environmental standards and defining national planning and procedures, in coordination with other responsible entities. The National Project Directorate (DNP), in charge of MINAM as prescribed by ProDoc, chairs the CDP and is responsible for the approval of the work plan and delivery of annual reports; to sign the financial report or the financing authorization, and the certificate of expenditure. The MINEM, as the sectoral partner, is incorporated to the CDP according to its sectoral leadership in mining affairs at the national level, and at the subnational level in front of the respective management or directorate dependencies of the GORE.

The assignment of the Project to MINAM is justified and appropriate as it is the governing body that has a transversal and multisectoral character, in addition to being the focal point of the GEF and the Minamata Convention. On the other hand, it is believed that the participation of MINEM as a governing body in mining should have a preponderant role, in connection with its regulatory attributions of the ASM activity and the specific objectives of the Project. Both visions are well founded, and could have been reconciled in an alternative position that welcomes the respective advantages, such as a co-chair of the Committee, or a rotating chair.

UNDP, as the implementing agency of the GEF, supports the implementation of the Project and is the guarantor of the monitoring and evaluation of its progress vis-a-vis the CDP and the DNP. Its role of support and technical assistance is considered suitable and is perceived

as necessary to the extent that it contributes in the orientation of the activities; enables the selection, appointment and supervision of consultants and appropriate staff for interventions; and intervenes in the procurement of necessary goods and services; and is the one with the global program, through the Regional Office for the purposes of coordination and exchange of information and experiences. In addition, it provides the logistics and establishes the working conditions of the PMU team, tasks that have been increased in terms of support, due to the limitations imposed by the pandemic.

The governance of the Project is exercised from the CDP (Steering Committee) as responsible for the management decisions by consensus, and the orientation and recommendations on the implementation of the plans and reviews. Governance is considered to be well established as a whole and the inter-agency coordination needs of the Project are essentially addressed.

Given the complexity and diversity of actors, the formation of the Steering Committee is relatively numerous, but the representativeness it shows is necessary and appreciated by the actors. There is still an exception at the level of MINSA and its representativeness in this space, and it has been suggested that the invitation be extended to the 'Directorate for the Prevention and Control of Noncommunicable, Rare or Orphan Diseases', which has competence in the health aspects associated with the exposure of metals such as mercury.

The technical team of the Project (PMU) has an ideal conformation in terms of specialties, field experience, professional quality and work capacity. It is perceived, both as a whole and individually, as a very active, capable and efficient team, a perception that is confirmed in the interviews held with each of its members and with the other actors.

The initiative to form headquarters that articulate and combine the work at the level of the localities of the Project is necessary and positive. It provides a space and opportunity to adapt approaches and work methodology to local conditions. In this sense, it is perceived the need to harmonize the 'top-down' requirements from the direction of the Project, to the adaptive contributions 'bottom-up' from the coordination headquarters, which result in a more appropriate and effective result of the field activities, beyond the eventual operational efficiency, with a local adaptive vision.

#### 4.4.2. Planning of work

The operational planning of activities has followed the logic of the results framework and is executed under the responsibility, capacity and leadership of the Project Coordinator and Administrator, the Regional Coordinators and the specialists in the different areas. This planning is a joint team building exercise, and although it is reported annually in POAs, it requires constant review.

The Project began in June 2019, but the Inception Workshop was held only in January 2020, coinciding these planning and initial development of activities with the beginning of the pandemic and the restrictions on face-to-face work and travel. The effects of this situation continue to affect the timing and planning of the Project.

In response to the changing context, the Project team has adopted a planning approach based on results and scenarios, with the understanding that - although constraints were constituted as limitations for the development of activities - ensuring the achievement of results required significant progress in the processes associated with each component.

In this sense, the strategy adopted has consisted of the prioritization of activities based on two main criteria: (i) the possibility of development in virtual format without prejudice to the quality and validity of the final product; and, (ii) baseline or diagnostic activities, which do not require a parallel level of progress in the field, or are not conditioned to previous actions. This has made it possible to record important advances in progress towards results, laying the foundations for work to optimize field activities.

The operational planning of the Project is recorded in each of the three PoAs, which have been presented since the beginning of the implementation. For the year 2020, the planning of the Project did not incorporate the variable of the pandemic and its effects, so the projections of activities became excessive and the budget high (USD 1,035,245.91). This trend, however, is adjusted in the planning of the year 2021, in which the magnitude of the pandemic and the restrictions is already realized; and, at the same time that the real impact on activities due to this context was recorded. With these provisions, an adjustment of expectations in the development of activities is perceived, but also a change and prioritization of those that can be developed with greater independence of changes in the context, such as the planning of basic studies and consultancies.

By 2022, it is expected to accelerate the pace of implementation, with a focus on the activities of Component 3, with accompaniment of activities of 2, and to a lesser extent of 4 and 1. Although the main challenge could be the culmination of activities in the initially planned period, the interviewees perceive that the Project could achieve its goals despite the restrictions of mobility and presence in the field.

The pace of deployment of activities and the results achieved during 2022 will confirm this perception, or give rise to the need to request an extension. If, in addition to the development of the pandemic, it is considered the difficult landscape in political and sectoral issues, that is looming, it would be advisable to prepare the rationale for an extension of the project implementation period in the event of possible delays and to consolidate progress.

#### 4.4.3. Financing and co-financing

The management of the Project evidences a responsible financial management of resources under the administration of UNDP, which is evidenced in the results of the audit, expenditure reports and testimonies of the interviewees, who allude to a rational use of resources.

The existence of financial controls for the allocation of budgets for activities, by the Project team, is recorded. In addition, the ability to adapt budgets to the changing conditions derived from the context of the pandemic and its restrictions is highlighted. Although the above characteristics, which are mainly associated with team-level management, facilitate an adequate flow of resources and payments, the formal management of these procedures in UNDP often detracts from versatility and agility, judging by the opinion of actors who perceive delays in these processes.

The financial management of the Project presents important changes since its inception, so it is necessary to make a detailed explanation and justification:

- **Initial budget:** at the time of the design of the Project, the planning of the budget of the same was carried out considering an implementation period counting five years counted from March 2019 to March 2023. In this sense, what was stated in the ProDoc, and in the report of the Inception Workshop, did not allocate a budget to the year 2024 (See **Table 2a**).



- **Programmed budget:** Considering the date of signature of the ProDoc (June 17, 2019) as the official start of the Project, the budget was adjusted at the suggestion of the Steering Committee and at the request of UNDP. Four revisions were carried out, of which the third is assumed for the purposes of this MTR, which projects the budget until the operational closure in June 2024, as approved by the Steering Committee in September 2020. (See **Table 2b**). The fourth revision corresponds to adjustments made by the PMU to reconcile the budget programmed and executed in the PIMS system for administrative purposes of alignment to the dynamics that must be aligned with the budgetary dynamics of the system.

- **Budget executed:** The budget execution corresponds to the actual expenditure of the Project, which is recorded from 2019 to the end of 2021, as shown in **Table 3 (a, b, and c)** and **Graphs 2 and 3**. The information for this case has been provided by the PMU and processed by the evaluation team.

During 2020 and 2021, budget execution has been below schedule, reaching **51%** (\$432,687.34) and **81%** (\$757,727.36) respectively of what was scheduled for each year. This situation is explained by the dynamics of the pandemic, the restrictions and the need to adapt the planned activities as they cannot be implemented in the field.

In that sense, at the end of 2021 the expense amounts to \$1,276,743.34 (**32%** of total budget), with which the balance corresponds to \$2,713,256.66 (**68%**), an amount that is assigned for the development of activities during 2022, 2023 and 2024 (until June). However, it should be noted that, as a result of the budget committed to various multi-year activities, projecting high levels of implementation for this year and the next, the budget for 2024 is subject to the result of expenditure, and therefore to the available balances of the previous periods.

Regarding co-financing, when assessing and monitoring the contributions committed by the different institutions involved, a challenge is usual in most of the projects that serve dispersed geographical areas. The overall accounting monitoring of this contribution is carried out by the UGP, but it is not possible to accurately detail its impact on the specific achievements of the Project. The expected amounts are usually affected by budget reductions during the year, or their impact is diluted in territorial allocations of current expenditure, or not necessarily coinciding with the scope of the Project.

The amounts of co-financing at the date of ProDoc and the actual amounts at the date of this evaluation are presented in **Table 4**. The co-financing has been incorporated by the Regional Directorate of Energy and Mines of Puno and the NGO *Solidaridad*. In the case of the Embassy of Canada in Peru and the MRA, no funds have been made available to date.

**Table 2. Initial (a) and Adjusted (b) Budgets by Components<sup>3</sup>**

**a. Initial Budget (ProDoc) - USD**

	2019	2020	2021	2022	2023	Total
<b>Component 1</b>	191,500.00	182,500.00				374,000.00
<b>Component 2</b>	79,000.00	400,000.00	713,333.00	58,334.00	58,333.00	1,309,000.00
<b>Component 3</b>	164,400.00	488,400.00	556,900.00	169,400.00	99,400.00	1,478,500.00
<b>Component 4</b>	128,000.00	104,125.00	140,625.00	104,125.00	161,625.00	638,500.00
<b>Project Mgnt.</b>	38,000.00	38,000.00	38,000.00	38,000.00	38,000.00	190,000.00
<b>TOTAL</b>	<b>600,900.00</b>	<b>1,213,025.00</b>	<b>1,448,858.00</b>	<b>369,859.00</b>	<b>357,358.00</b>	<b>3,990,000.00</b>

**Note:** Signed version of ProDoc considers execution only up to March 30th 2023.

**b. Adjusted Budget (3rd revision) - USD**

	2019 (jun-dec)	2020	2021	2022	2023	2024 (jan-jun)	Total
<b>Component 1</b>	4,125.61	249,911.61	80,962.78	-	39,000.00	-	374,000.00
<b>Component 2</b>	-	209,400.00	295,000.00	488,600.00	294,000.00	22,000.00	1,309,000.00
<b>Component 3</b>	-	205,800.00	398,200.00	466,000.00	378,500.00	30,000.00	1,478,500.00
<b>Component 4</b>	8,427.52	143,000.00	136,900.00	129,472.48	183,700.00	37,000.00	638,500.00
<b>Project Mgnt.</b>	73,775.51	41,097.00	26,097.00	25,097.00	23,933.49	-	190,000.00
<b>TOTAL</b>	<b>86,328.64</b>	<b>849,208.61</b>	<b>937,159.78</b>	<b>1,109,169.48</b>	<b>919,133.49</b>	<b>89,000.00</b>	<b>3,990,000.00</b>

**Note:** This adjustment was submitted and approved in September 2020 by the CDP.

<sup>3</sup> According to approved and reviewed POA 2020 and 2021. No records for POA 2019 were found, nor data for 2022 or 2023. Data supplied by PMU administration.

**Table 3. Budget Programmed and Executed**

**a. Budget execution by Component up to December 2021 – USD**

	Total Budget	2019	2020	2021	Total Executed	Balance
<b>Component 1</b>	374,000.00	4,125.61	90,873.64	142,957.07	<b>237,956.32</b>	<b>136,043.68</b>
<b>Component 2</b>	1,309,000.00	-	128,221.80	256,308.14	<b>384,529.94</b>	<b>924,470.06</b>
<b>Component 3</b>	1,478,500.00	-	106,762.54	200,565.88	<b>307,328.42</b>	<b>1,171,171.58</b>
<b>Component 4</b>	638,500.00	8,427.52	72,122.14	135,049.10	<b>215,598.76</b>	<b>422,901.24</b>
<b>Project Mgmt.</b>	190,000.00	73,775.51	34,707.22	22,847.17	<b>131,329.90</b>	<b>58,670.10</b>
<b>Totals</b>	<b>3,990,000.00</b>	<b>86,328.64</b>	<b>432,687.34</b>	<b>757,727.36</b>	<b>1,276,743.34</b>	<b>2,713,256.66</b>
<b>%</b>	<b>100%</b>	<b>2.0%</b>	<b>11%</b>	<b>19%</b>	<b>32%</b>	<b>68%</b>

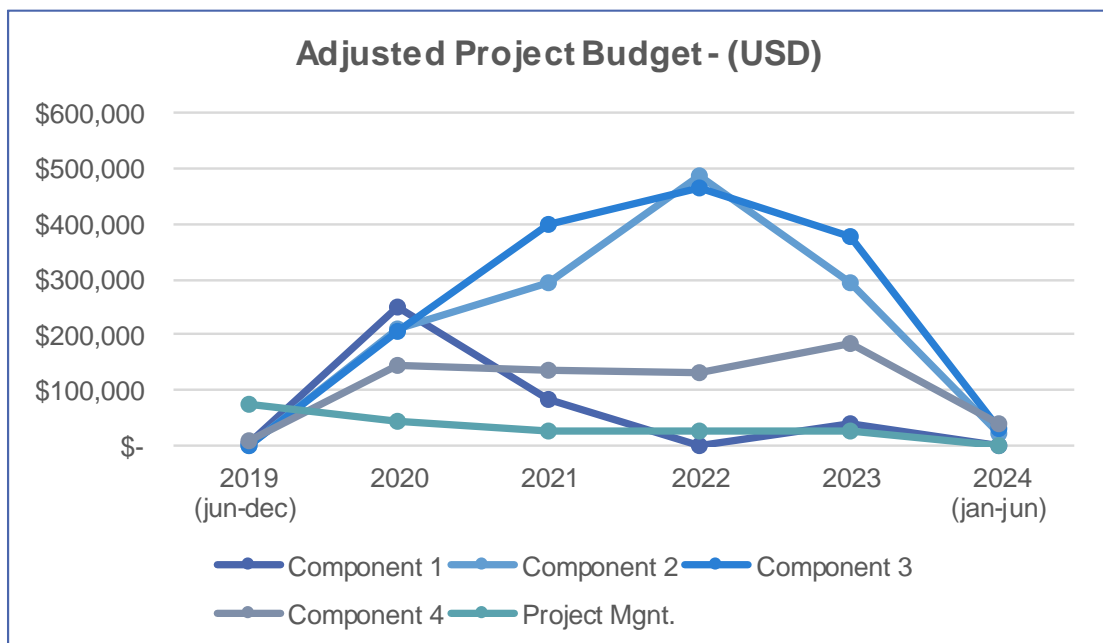
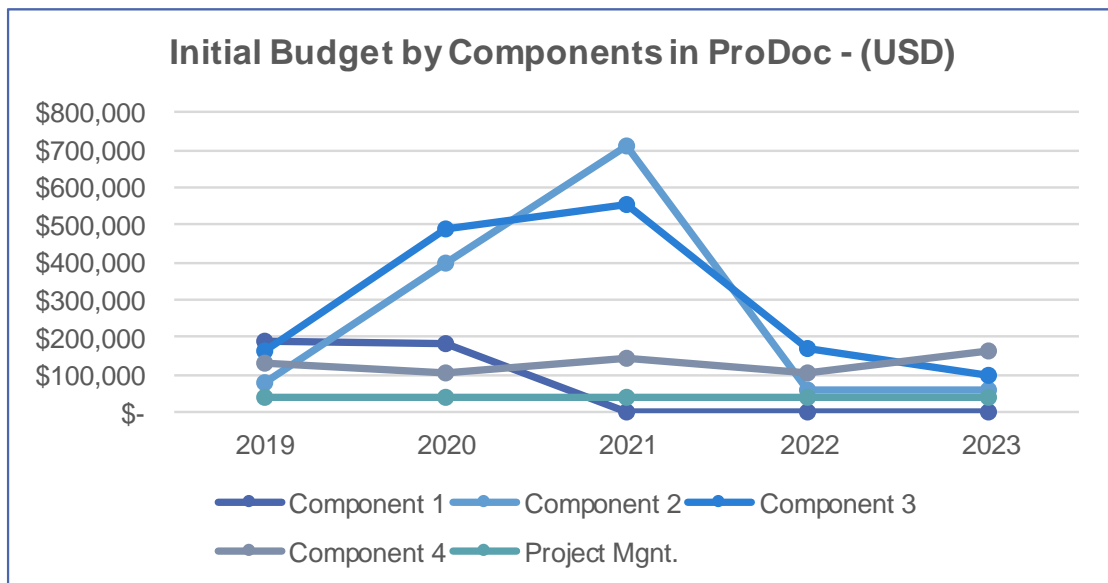
**b. Budget Programmed vs Executed by Year up to 2021 - (USD)**

	2019 (jun-dec)	2020	2021	2022	2023	2024 (jan-jun)
<b>Programmed</b>	86,328.64	849,208.61	937,159.78	1,109,169.48	919,133.49	89,000.00
<b>Executed</b>	86,328.64	432,687.34	757,727.36			

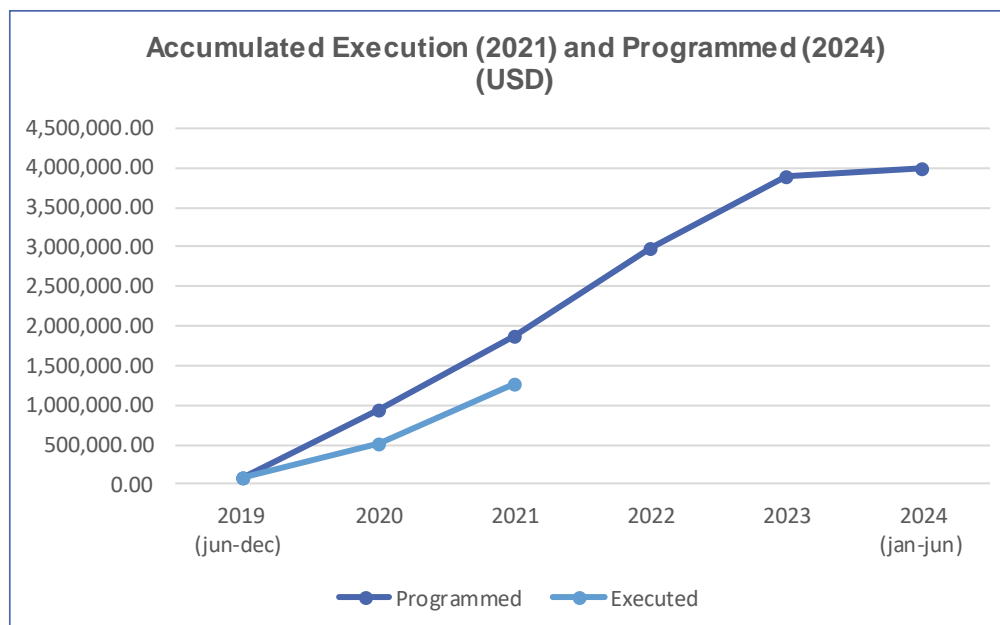
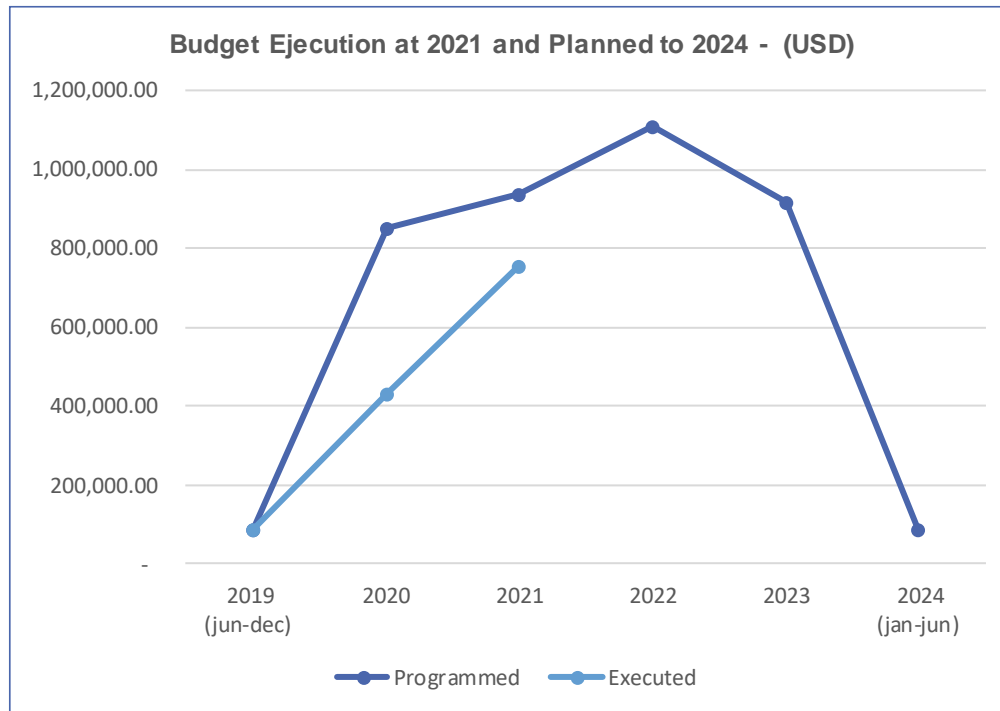
**c. Accumulated Execution (2021) vs. Programmed (2024)**

	2019 (jun-dec)	2020	2021	2022	2023	2024 (jan-jun)
<b>Programmed</b>	86,328.64	935,537.25	1,872,697.03	2,981,866.51	3,901,000.00	3,990,000.00
<b>Executed</b>	86,328.64	519,015.98	1,276,743.34			

**Graph 2. Initial planned and adjusted budget by Component and Year**



**Graph 3. Planned and executed Budget by Component and Year.**



**Table 4. Cofinancing for planetGOLD Project Peru (USD)**

Sources	Institution Name	Type	Amount committed at CEO authorization	Amount actually contributed at MTR date (US\$)	% of committed amount
National Government	MINEM	<i>Grant</i>	25'700,000.00	8'704,756.49	34%
Subnational Government	DREM - Piura	<i>Grant</i>	447,280.00	141,645.26	32%
Subnational Government	GREM - Arequipa	<i>Grant</i>	1'092,305.00	336,741.13	31%
Subnational Government	DREM - Puno	<i>Grant</i>	0	424,122.23	-
International Cooperation	Embassy of Canada in Peru	<i>In Kind</i>	3'118,026.00	0	0%
International Cooperation	Swiss Cooperation BGI Project	<i>In Kind</i>	1'798,430.00	75,000.00	4%
International Cooperation	UNDP	<i>In Kind</i>	25,000.00	15,000.00	60%
NGO	<i>Solidaridad</i>	<i>In Kind</i>		70,000.00	-
NGO	MRA	<i>In Kind</i>	1'578,210.00	0	0%
<b>Total</b>			<b>33'759,251.00</b>	<b>9'767,265.11</b>	<b>29%</b>

Source: Project PMU

#### 4.4.4. M & E Systems at the Project level

The ProDoc states that the results of the Project, as described in the results framework, will be monitored annually and will have periodic evaluation during the implementation phase of the project to ensure that it achieves the results effectively. It is also proposed as part of Component 4, which the M&E contributes to the knowledge management of the Project. For this aspect, a budget of \$ 781,500 has been arranged according to ProDoc, of which \$ 582,000 correspond to the GEF grant.

The M&E of the Project to date, is perceived as efficient to review the progress of activities and validate the achievement of results. The systems are described below:



(i) *Workshop and start-up report:* held in January 2020, the start-up workshop convened the Steering Committee in order to present the Project and its operational plan, the governance structure, approved budget, among other relevant aspects.

(ii) *Project Implementation Report (RIP):* The GEF M&E policy requires that the PIR be compiled annually for each GEF fiscal year and therefore cover the June-July period for each project implementation year. Until the completion of the MTR, two PIRs have been registered, with coverage of the implementation phase until July 2021. The reports have received contributions from the Project Coordinator, the UNDP Country Office Programme Officer, the OFP-GEF, the MINAM national implementing partner and the UNDP RTA. The revised PIRs conform to the standard format provided by GEF, and have an adequate level of detail in the record of progress in achieving results, as well as the qualification and its justifications. In the PIR 2021, the implementation of activities and financial execution are indicated as aspects to be monitored. These suggestions are addressed and incorporated into the management of the Project, which shows that the revised PIRs fulfill their purpose as a monitoring tool. However, to facilitate appropriate monitoring and communication of progress to stakeholders, it is advisable to include the percentage of progress according to the targets for each indicator.

(iii) *Project progress reports:* prepared by the Project Coordinator; are semi-annual reports, considering an evaluation period from January to June, and annual, evaluated between January and December. These documents present a summary of the main achievements of components / results, as well as evidence of the activities and products carried out during the period evaluated according to the results framework of the Project. They also identify problems, obstacles and risks in the implementation, providing important information that allows monitoring the planned activities. To date, there are two semi-annual and two annual reports, which are valued as detailed and sufficient for an understanding of the status of the Project and for adaptive management.

(iv) *GEF Focal Area Tracking Tools:* Tracking Tools seek to monitor global environmental benefits in line with the GEF's strategic priorities. For this Project, the first version of the chemical and waste tracking tools is used, only the mercury tracking, and these have been prepared by the team at the beginning of the implementation and preparation of the EMT. The current report records no change in the amount of reduced mercury emissions, which corresponds to progress in the implementation of Component 3.

(v) *Mid-Term Review (MTR):* process that began after conclusion of PIR 2020, will submit the final report for 2022, before PIR 2022 (MTR has started in January 2022). The ToRs, MTR process and required report outline follow the standard templates and guidance for GEF-funded projects. The MTR is carried out by an independent national consultant. The MTR report will be submitted during March 2022 and its findings and recommendations will be incorporated for implementation in the remaining duration of the Project.

(vi) *Terminal Evaluation (ET):* A terminal evaluation will be carried out by an independent evaluator upon completion of all major project outputs and activities. The planning of this process is coordinated to begin approximately three months before the operational closure of the project, which will ensure an effective exit strategy and conclusions on key aspects such as sustainability. The UNDP Country Office will upload the report in English and the management response to the Evaluation Resource Centre (ERC).

(vii) *Lessons learned and knowledge generation:* the results achieved from the Project should be disseminated both at the level of stakeholders, but also with external parties through

information exchange platforms, as proposed in the ProDoc. To meet this requirement, the Project team has been identifying, analyzing and recording lessons learned and good practices as evidenced in the annual Progress Reports prepared by the Project Coordinator. Other spaces for dissemination are the web platform of the Global Program, with biannual updates, and participation in national and international events.

The tools described contribute to an effective system of monitoring and evaluation of the Project, provided that they are: (a) updated according to the suggested frequency, (b) incorporated into the planning of activities as part of adaptive management, and (c) communicated to stakeholders. Although the Project efficiently addresses the first two conditions, it should intensify communication to stakeholders on the modalities of monitoring and evaluation, their usefulness and application and the results obtained from these tools.

#### 4.4.5. Participation of interested parties

The Project has, from its design stage, the commitment and participation of strategic actors with defined responsibilities. MINAM, as implementing partner, assumes transversal leadership at the level of public entities, and MINEM and MINSA are incorporated, with specific functions, highly relevant to their sectors. The GORE and GG. LL. participate in field activities, through joint planning, process support and the identification of potential synergies between the Project's proposals and its own institutional agenda.

At the regional level there is a deconcentrated presence of the Ministries, although it is perceived that the involvement is only of the DREM / GREM, evidencing a gap in environmental and health issues, which is convenient to resolve since it can influence the vision of the Project by the beneficiaries or local allies.

The role of UNDP in the Project, from the perspective of some public actors, subtracts image of appropriation by the State and its actors, and it is already perceived as the main driving entity. This situation, which is recurrent in other projects in the country, is reinforced by the current need to concentrate PMUs under a labor regime linked to UNDP, for the sake of operational contact and management efficiency. However, the recognized practical and efficient advantages of UNDP-centered management tend to result in a distancing of actors, including the State itself, from their respective roles and responsibilities; and, consequently, a reduction in their direct involvement is encouraged, by entrusting the success of the Project – or eventually distancing themselves in the opposite case – from the capacities of UNDP, and even passively waiting for attention to their problems through the agency.

On other national and international initiatives and projects, the design of the Project raises a key synergistic coincidence that requires permanent coordination and adaptation of activities, as well as technical and financial collaboration. In practice, synergies with partners are oriented to jointly developed trainings, thus limiting their potential for action and impact on implementation, an aspect that could change from the operational deployment of field activities.

In contrast, the relationship, exchange, and synergies of the Project with the actions of the Global Program in other countries is a substantial part of the strategy and is perceived as satisfactory, but can be optimized for better results. Greater advantages can be obtained from experiences in other countries, and at the same time provide from Peru a greater contribution and analysis of experiences in the reduction of barriers, innovative ways of working, new knowledge and approaches in forms of training, all coming from analysis and management of the knowledge already generated to date.

At the level of the beneficiaries of the Project, a relationship with the Project is perceived that remains in the process of construction, given that, in these groups, the exercise of coordination and planning of activities responds to the level of trust gained, which in turn is based both on the face-to-face interaction of the parties involved and on the demonstrable evidence of success. On the first aspect, the Regional Coordinators are having and will have an important role in strengthening these relationships to ensure the development of the activities programmed in the field, having to generate a level of approach through constant communication, delivery of information, reception of feedback and joint planning of activities.

The second aspect, on the other hand, depends on being able to demonstrate in the field that the Project proposal works, where the operation of clean technologies in the optimization of processes and reduction of mercury use could be fundamental and should consider the possibility of pilots. Another way to address the above aspects is the strengthening of the experience and representativeness of beneficiaries through mining internships and their inclusion as a guest on the CDP (Steering Committee) respectively.

#### 4.4.6. Information

The changes from the design phase to the current implementation of the Project respond to the beginning and prolongation of the pandemic that, as mentioned in previous sections, has affected the development of every Component. The Project team has adapted the implementation strategy and operational planning with emphasis on the prioritization of processes, times and allocated budget. These changes, both in context and implementation strategy, are reflected in the POAs, progress reports and PIRs, as well as in the reports submitted to the CDP. In addition, key actors have been informed of these changes through different instances, such as in the CDP sessions.

The documentation of lessons learned is a practice derived from adaptive management and the development of activities in the Components. This task is concentrated by the PMU and there is evidence of its record in progress reports. However, other stakeholders, such as partners, allies and beneficiaries, have expressed in the interview's contributions from their perspective and role in the Project, which would not necessarily be identified by the technical team. No information has been revealed on the adoption of good practices that have been reported by other members of the Global Programme, and how they would be adapted to the national context and the regions of implementation. In this regard, it is important to expand, evaluate and rethink the way in which knowledge is documented, managed and shared, integrating the perspective of the different actors and reporting on their internalization and appropriation.

#### 4.4.7. Communication

Communication takes place at the internal level, that is, aimed at collaborators such as the technical team, CDP, implementing partners and UNDP; and at the external level, between the Project as an entity and external actors, beneficiaries, allies, populations and the general public.

The internal communication of the Project at the level of the technical team is effective and makes possible the progress in the planned activities, positively influencing the achievement of results. It has been reported that there are different spaces for communication and feedback, which is confirmed by the interviews with the team, which have shown a good level of information and articulation with the activities. In the case of partners, communication is perceived as effective, but its characteristic is mostly bidirectional or bilateral between the team and each

counterpart, be it MINAM or MINEM, other parties or beneficiaries. It is therefore necessary to strengthen and extend the communication mechanisms to a multilateral integration of the partners so that there is also communication between them without intermediation of the Project. It is perceived that it is necessary to establish permanent communication and exchanging channels that are not limited to ordinary sessions, as well as responses from the Project team to suggestions or queries, in time and by appropriate means.

Regarding external communication, the interviews reveal an adequate strategy in which three aspects stand out: (i) having a platform at the level of the Global Program, with constant updating and uploading of content such as results and good practices of the Project, information that is available to any actor; (ii) the co-organization or support of communication campaigns on topics relevant to the context and theme of the Project, such as those achieved with the initiative '#MAPESinCovid' ('ASGM-without-Covid'); and, (iii) the awareness workshops for beneficiaries, which, although part of the activities of Component 4, cover various topics aligned with the Project's strategy, and represent a good adaptation to the conditions of fieldwork restrictions during the pandemic. Additionally, the informative materials, both for the internal and external public, generated by the Project present an adequate language and form of communication that it is convenient to maintain in the remaining period, seeking to adapt it in each case to the receiving public, and taking into account the cultural conditions.

## 4.5. Sustainability

Sustainability is defined as the continuity and resilience of the benefits achieved with an intervention, after development assistance has been completed, and with a focus on results. In the case of the Project, the proposed interventions are generally considered to have the potential to ensure long-term sustainability, and the rating of '**Likely**' (L) is assigned for the subject as a whole. However, there are significant risks in some aspects, which must be addressed and managed by project managers and government officials for the continuation of actions.

### 4.5.1. Financial risks for sustainability

Financial sustainability presents as a risk the lack of access to financial resources, which occurs in different areas of the Project. Firstly, because of the difficulty in ensuring the implementation of the budget committed by the sources of co-financing, which are difficult to evaluate since they are mostly in-kind. The relationship with the entities that source co-financing must be permanently cultivated, calibrating their level of interest and establishing joint evaluation spaces to face situations or risks in the process.

On the other hand, the historical nature of ASM financing is presented as a barrier to the implementation of technologies. Some ASMG actors are likely to prioritize, due to economic factors, maintaining mining practices as they currently develop, regardless of the environmental and health hazards posed by the use of mercury. Prioritization of livelihood factors, particularly by capital owners, poses a risk to the effectiveness of mercury removal interventions; and therefore, creates a risk to the socio-economic sustainability of the results. Concerns about the cost of investment and maintenance of the technologies to be implemented have been mentioned by some actors, as well as other expenses that may imply a lower profit margin.

On this basis, a partnership with banks, (micro) financial institutions and other lenders to make available financing for the purchase of mercury-free processing/investment equipment is included as an activity of Component 2. Although at the date of completion of the MRT some Low Value Grant Agreements have been reached, as well as collaboration commitments with the rural bank '*Caja Rural de Ahorro y Crédito Los Andes SA*', there is not yet a financial product available. Another proposed activity considers strengthening the financial capacities of beneficiaries, but there is still limited capacity among mining groups to identify and request access to financing.

The training and strengthening of actors and partners in value chains, and fluid access to markets, as well as the generation of specific financial mechanisms are challenges in terms of financial sustainability; but, at the same time, they present a way to test the success and technical-economic viability of the Project's approaches. For these reasons, financial sustainability is rated as **Likely (L)**

#### 4.5.2. Social or political risks for sustainability

The socio-political sustainability of the Project lies in the generation of favorable political and social conditions. In the first place, the risk that has arisen in the run-up to the MTR, and that is currently accentuated, corresponds to the instability of the political scenario, with implications for government institutions and potential effects on national and subnational policies of the sector.

Although it is not possible to project the evolution of this risk in the short or medium term, its impacts may be especially negative for consolidation of Component 1 outcomes. This risk should be monitored and discussed also considering the upcoming elections of subnational governments. In this regard, it is appropriate to insist on compliance with international commitments regarding ASGM, especially environmental and health, and to commit key actors to the continuity and strengthening of the Project's activities. This risk should lead to the internal revision and calibration of the Project's Theory of Change, updating the situation for the country and estimating its impact.

On the other hand, the incipient ownership of the Project by stakeholders is also a major risk. The sensitization of potential actors and beneficiaries has focused on communication and training, considering various topics such as working conditions, good practices, health, etc. As a result, actors are perceived to have a greater understanding of the impacts of mercury use, as well as the potential benefits of adopting best practices and technological changeover.

However, expectations about the Project are concentrated in the activities planned to be developed in the field, a fact that is evidenced in that certain actors maintain doubts about the technologies to reduce or eliminate mercury and this makes the acceptance of the Project's interventions less likely. In this aspect, it is key to maintain the current positive perception of the actors, and to live up to their expectations. It will be essential, as a mechanism and demonstration effect, the promotion and inclusion strategy, and the face-to-face participation in the tests of best practices, as well as in the dissemination of evidence of technological and business success of local actors. In general terms and in balance of risks and good prospects, social and political sustainability is rated as **'Moderately Likely' (ML)**.



#### 4.5.3. Risks for sustainability regarding institutional and governance framework.

The Project is making a tangible contribution to the existing institutional framework for the formulation of policies and regulations concerning ASGM. The main milestones of this contribution correspond to: (i) technical assistance to MINEM for the formulation of the proposal for a National Multisectoral Policy for Small And Artisanal Mining; (ii) technical support to the Regulation on the Marketing of Gold for ASM, and support for the development of the Traceability System; (iii) support to MINAM to define lines of work of the National Action Plan to reduce ASGM mercury, developed within the framework of the Minamata Convention; (iv) inclusion of the Project as part of the Committee for the design, development and constitution of the Peruvian Mining Fund and Formal Gold Seal; and, (v) participation in the formulation of the Regulations of the Andean Mercury Observatory, implemented by the members of the Andean Community.

Support for the above processes, most of which correspond to Component 1 activities, helps key stakeholders - mainly ministries and subnational governments - to identify with the Project at the institutional level and support its development, and is an opportunity to promote ownership of the Project. These processes are also spaces for articulation with other external initiatives or projects, such as the Swiss Initiative for Better Gold, which have been participating in supporting the regulation of ASGM in the country, which is why it is perceived as potential for the generation of synergies. In this scheme of actors involved, however, it is necessary to include civil society, characterized mainly in the beneficiaries of the Project, who must be informed of these contributions and how it benefits them.

Institutional and governance frameworks are aspects that are being properly addressed from the Project, and evidence indicates that they will remain in place for use in the post-closure period. The sustainability associated with these elements will be conditioned by the legitimacy of the regulatory products generated, an effect that may be greater to the extent that the stakeholders, mainly the sectoral governing entities, adopt these processes at the institutional level. Care will be needed for the success of these actions, mainly in the harmonization and coherence between the regional and the central legal frameworks, policies, strategies, plans and other instruments. In summary, it is considered that the sustainability of the legal and regulatory framework in process for ASGM can be qualified as '**Likely**' (L).

#### 4.5.4. Environmental risks for sustainability

The environmental risks that threaten the sustainability of the actions of the Project are directly linked to the processes of extraction and production of ASGM, the main danger being the degradation and pollution of the environment, compromising the soil, water, air and biological diversity. Specifically, the lock and *quimbaleta*<sup>4</sup>, the most common methods of gold mining, generate uncontrolled discharges, lead to significant mercury contamination and turbidity that threaten clean water supplies and fishing, tailings with high pollutant load, dust production, leaching of heavy metals, among others. These hazards have implications for the health of miners and nearby communities, due to direct or indirect exposure.

The misuse and mismanagement of mercury in ASGM is currently associated with safety and contamination risks. In this regard, the Project focuses on the possibility of reducing the use of mercury through best practices and the installation of clean technologies, so the prevalence or increase of the aforementioned environmental risks would be associated with a possible

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<sup>4</sup> Artisanal instrument and method for rock crushing.



inefficiency of the activities that the Project develop. The reduction or elimination of mercury, on the other hand, will allow improvements in environmental conditions, as well as health benefits for beneficiaries. In this sense, the Project generates potential environmental benefits, while its objectives and the execution of its activities tend to combat and reduce the current environmental impacts in ASM. In balance, the sustainability rating in this area is **'Likely' (L)**.

#### 4.5.5. Global assessment of sustainability

Considering the risks identified, their assessment in terms of the impact they may have on the Project, as well as the possibility of managing them, it is concluded that the sustainability of the achievements of the Project, in balance of the factors that compose it, is rated is qualified as **Likely (L)**. Sustainability issues are rated as follows:

**Table 5. Valuation of Project sustainability**

Sostenibilidad	Calificación
Financial sustainability	<b>L</b>
Socio-political sustainability	<b>ML</b>
Institutional and governance framework sustainability	<b>L</b>
Environmental sustainability	<b>L</b>
<b>Global valorization of sustainability</b>	<b>L</b>

## 5. Contribution to UNDP Country Program, Strategic Plan, and SDO frameworks

The ProDoc plans a contribution by the Project to different instances in which UNDP's activity is framed at the global level and in the country.

In the case of the 2017-2021 Country Program, which results in the country *"By 2021, people in situations of poverty and vulnerability improve access to decent livelihoods and productive employment through sustainable development that strengthens social and natural capital, integrating adequate risk management"*, the impact of activities is related to Result 1 *"Growth and development are inclusive and sustainable and incorporate productive capacities that create jobs and livelihoods for the poor and the excluded."*

The Project offers: advice to MINAM and the MEF in relation to the institutional framework, which highlights the formulation of policies and regulations for mercury management in ASGM; strengthening sustainable development mechanisms in ASGM, with a beneficial impact on environmental conservation and human health; reduction of informal ASGM and creation of work with sustainable conditions; and, contribution to the gender gap by positioning the *'pallaqueras'* as an important interest group in mining activity.

On the contribution to the UNDP Strategic Plan, the Project contributes to the achievement of *"growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded"*, through output 1.3 *"Solutions developed at the national and subnational levels for the sustainable management of natural resources, ecosystem services, chemicals and waste"*.

In this case, the management of mercury as an input for gold mining and its disposal, when it becomes waste, is the central aspect of fieldwork with beneficiaries. The solutions proposed by the Project contribute to: the improvement of practices and processes in mining companies (Component/Outcome 3); the design of financing mechanisms to enable a more sustainable ASM (Component/Outcome 2); the generation of an enabling environment for the development of the activity through the strengthening of the institutional framework (Component/Outcome 1); and the management of acquired knowledge (Component/Outcome 4).

Within the framework of the '2030 Agenda', the Project mentions that it will contribute to SDGs 1, 3, 5, 8, 9, 10, 12 and 16. The results achieved are contributing to the goals considered, specifically to the following targets: (i) SDG 1; target 1.4, 1.a and 1.b; (ii) SDG 3, target 3.9; (iii) SDG 5, target 5.1 and 5.c; (iv) SDGs 8 to targets 8.3 and 8.8; (v) SDGs 9 to targets 9.3 and 9.4; (vi) SDG 12, targets 12.4 and 12.5. The contributions to close the gender gaps stand out, with the visibility of the *'pallaqueras'*, also seeking the legal recognition of their role (SDG 5), as well as the awareness and teaching of good practices in the management of mercury, since its waste persists in the environment (SDG 3 and SDG 8). The activities of the Project that will be implemented in the field, will contribute to the achievement of SDGs 9 and 12, through the implementation of clean technologies that contribute to the reduction or elimination of mercury used in ASM processes.

## 6. Conclusions and recommendations

### 6.1. Conclusions

#### *On the Project design and formulation*

- The international experience developed and applied by the GEF GOLD Global Program has given rise to an intervention model that has served as the basis for the formulation of the Project. The relationship, exchange, and synergies of the Project with the actions of the global parent program in other countries – as well as the convergence of other related projects in the country – is a substantial part of the strategy and must be strengthened and maintained in force, beyond the singularities of national experiences.
- It is perceived the convenience of leveling up, only for internal purposes, the Theory of Change assumed in the ProDoc, incorporating additional factors, peripheral and conjunctural, in social and environmental issues. These factors can influence, in a catalytic way, local development from ASM; especially in the marketing aspects, which are not yet sufficiently articulated from the demand side, because if a reasonable margin of commercialization is not achieved, they can become a drag on the adoption of good social and environmental practices.
- Public policies regarding ASM have not yet reach the level to constitute an organic and support set for a national solution of formalization and regulatory support, due in part to the great diversity of situations and problems. In this scenario, the Project and others of parallel intention, constitute a laudable effort of demonstration and stimulus for improvements, even if its dimension and scope is limited in the face of the magnitude of the challenges in the sector and regions.
- The Project succeeds in adopting a scalable and replicable paradigm for ASM, which aims to substantially reduce the use of mercury in gold processing. The proposal of a core or nuclei of exemplary mining units, capable of incorporating new practices and applying new technologies through training and access to financing, with a view to demonstrating economic viability, and reducing social, health and environmental risks, is key to a strategic leverage of this model.
- The selection of implementation sites, in the absence of *a priori* criteria, and as a result of the exclusion of the intervention in the Madre de Dios region, has led to the alternative of implementing the Project in three areas of hard rock ASGM, each one different in their geography, local culture, and socioeconomic problems. This decision allows to obtain diverse experiences applicable to a greater range of situations for their national or international replication. The disadvantage, however, lies in the need for greater specific attention in each of the localities, and the respective limitations to adopt standard measures in technology, business culture, and national and subnational regulations.
- A positive aspect of the preparation of the Project has been the careful analysis of actors, including gender criteria, which facilitates the coverage of actions and the selection of beneficiaries, avoiding omissions or imbalances.

### *On the progress toward Project outcomes*

- The restrictions due to the pandemic have substantially affected the execution of the Project, which – on the one hand – has led to a timely and efficient adaptive action, especially in the case of diagnostic activities, consultancies, communications, and formulation of studies through optimal alternatives to the limitations for face-to-face in the field; but - on the other hand - delays from the original schedule will require a rethinking of programming, adjustment of results and indicators, and likely extension of compliance deadlines. This situation, although surmountable, determines that the current progress towards the objective of the Project is moderately satisfactory.
- In **Component / Outcome 1**, significant progress has been made in strengthening institutions and in the normative/regulatory framework for mercury-free ASGM - despite the COVID-19 restrictions - through work aimed at formulating or supporting policy initiatives. Achievements stand out in the technical-legal assistance for the formulation of the National Multisectoral Policy for Small and Artisanal Mining, which aims to provide guidelines for the current government in the field of the ASM sector; and the ASGM National Mercury Reduction Action Plan, developed in the frame of Annex 7 and Annex C of the 'Minamata Convention on Mercury'.
- In **Component / Outcome 2**, important progress has been attained during 2021 by advancing the generation of conditions for the establishment of financing alternatives and loans to promote the acquisition of mercury-free technologies. Given that this component requires local articulation – and, therefore, a greater presence in the field – it will be necessary to speed up and update during 2022 the diagnosis and training of the actors - men and women - so as not to generate a delay in key activities in 2023 due to lack of preparation of applications for loans or investments..
- The virtual modality in the topics of training for actors must be innovated with unconventional and culturally appropriate methods that compensate for the lack of face-to-face, regarding the need for full understanding of complex technical issues, such as geological and metal processing, even when audiences are familiar with the activity. On the other hand, the excessive delay between this stage and the one of practical application of what has been learned or assimilated, can reduce the effectiveness of the courses or presentations and require training refreshment.
- **Component / Outcome 3**, which is crucial to incorporate the actions for the success of the Project, has been most impacted by delays and restrictions imposed by the pandemic, so it shows an incipient execution. There are still no tangible results in terms of mercury-free gold access to formal markets, or in reducing mercury in ASGM. However, there are diagnoses and baselines that can accelerate its implementation, such as the selection of beneficiaries in the regions, the measurement of the volume of mercury used for gold production in each region, the diagnosis and development of an Action Plan with a Gender Approach aimed at the ASM sector, and specialized technical workshops.
- **Component / Outcome 4** is making progress in disseminating best practices and lessons learned regarding mercury removal in ASGM. The Project has stood out for being one of the main contributors of knowledge to the Global Program, considering the unique reality

and learnings of ASGM in the country and in each of the regions where it operates; it has also contributed to alleviating the local impacts of the COVID-19 crisis through the dissemination of practical initiatives to reduce mercury in ASGM, and with the national campaign '#ASGMwithoutCOVID1'.

- The communication activities of the Project are well appreciated by actors at the regional, national and international levels; and are carried out with professional solvency and creativity. In this Component, the effort can be extended - beyond the purely communicational products - to the integrative management and evaluation of the advances within the Project, and to the exchange of experiences at the international level, a subject in which the Project is in a position of relative leadership. This effort must anticipate the needs of scaling and replication, providing new criteria for local adaptation.
- In addition to the progress in generating awareness among the actors of the Project, it is key that technical and financial support actions are linked to those of awareness (sensitizing) of the harmful effects of mercury on human health and the environment, which is in turn conditioned on face-to-face contact with miners and their families. On the other hand, the complexity of the concept and measurement of 'sensitivity' itself seems to be related - in the case of certain groups of actors - to the need to perceive tangible results (for example: the installation and operation of technologies that demonstrate an effective reduction of mercury without loss of economic performance).
- Through interviews and progress reports, the general impression is gathered that the Project could achieve its goals for 2024, despite mobility restrictions and field presence. This perception will be put to in trial during this year 2022, with the key implementation of fieldwork, whose difficulties and possible delays cannot be foreseen in the present context of health uncertainty and growing political instability.
- In preparation for possible delays, and in order to consolidate progress in the midst of the difficult political and sectoral panorama that is looming, it is necessary to foresee and work on the rationale for a possible extension of the project implementation period, including forecasts and activities of subsequent phases that incorporate new locations, with a view to the probable extensions of the overall program, and based on the commitments of the Minamata Convention on Mercury.

*On planning and inter-institutional coordination of  
private sector, civil society, and beneficiaries*

- The governance of the Project is well established in the formal aspects and meets the needs of inter-institutional coordination of the Project as necessary. Given the diversity and number of actors, the formation of the Project Steering Committee (CDP) is rather numerous, but the representativeness acquired is necessary and appreciated by the actors.
- In the organizational scheme of the Project an inclusion is missing: an inter-institutional technical or coordination committee that – beyond eventual bilateral coordination – should contribute to strengthening actions and transversal collaboration with the private sector, civil society and academia, in order to compensate for sectoral limitations and vitalize

government action, in addition to contributing to the national and local appropriation of the Project's actions.

- The actors perceive as positive the affiliation of the Project to MINAM, as it is the governing body in environmental matters, has a transversal and multisectoral character, and is also the focal point of the GEF and the Minamata Convention. On the other hand, there is a feeling that the participation and involvement of MINEM, as the governing body in mining, should be preponderant, given its normative role of the ASM activity and the specific objectives of the Project. Both visions are well founded, and can be reconciled in a position that embraces the respective advantages; for example, a co-chair of the CDP or a rotating chair, depending on the issues addressed.
- The high level of sectorization of the national government, in the absence of a robust policy of multisectoral and inter-institutional action linked to an integrated vision of the country's development, and the recurrent high political and technical turnover of those responsible in the institutions, are conditions that conspire against a transversal action and more effective incidence of the Project.
- In this institutional and governmental context, the actors have identified UNDP as the main driving entity of the Project, which weakens the national ownership of the Project. This situation is recurrent in other cooperation projects, and originates from the need to concentrate the Management Units under a labor regime linked to UNDP, to better maintain operational contact and efficiency of financial and administrative management.
- Notwithstanding the recognized practical and efficiency advantages of UNDP-centered management, it tends to generate a distancing of the actors, and even suspicion, in the State itself, of their respective roles and responsibilities; and, consequently, a reduction in their direct involvement is caused, by entrusting the success of the Project – or eventually distancing themselves in the opposite case – by the capacities of UNDP, and even passively waiting for attention to their own problems.
- The Project Management Unit (PMU) has a convenient conformation in terms of specialists, experience of the subject in the field, professional and technical quality, and work capacity. The PMU is perceived, both as a whole and individually, as a very active, capable and efficient team; and this perception is confirmed in the interviews held with each of its members and with the other actors.
- The initiative to establish regional headquarters that articulate and combine the work at the level of the localities of the Project is necessary and positive. It provides a space and opportunity to adapt approaches and work methodology to local conditions. In this sense, there is a need to harmonize the 'top-down' requirements from the CDP and the Project management, with the 'bottom-up' adaptive contributions from the coordination headquarters, to obtain more appropriate and effective results, with a local adaptive vision.
- Although the Project emphasizes and mentions the conceptual importance of gender and interculturality issues – since the expected results and outputs explicitly assume the treatment of the issue – the activities in execution might not be reflecting in depth the problems of gender and interculturality specific to each of the areas of intervention.



Likewise, environmental and health concerns are not perceived as immediate priorities, as they are relegated and dependent on the future success of the financial, technological and economic optimization model.

- However, the work carried out by the UGP team and specialists on the issue of gender is meritorious and of high quality, and is contributing to the treatment of key aspects of inclusion and formalization of the work of women involved in ASM that, both for ancestral cultural reasons of mining, as for their relegation to hard work, such as the *pallaqueo* - they suffer discrimination and precarious dependence, and are not recognized or included in the regulations of the sector, nor by formal companies
- Coordination levels are currently satisfactory, but can be optimized for better results. Relationship with the global programme is permanent and the Project is active in this regard; but greater advantages can be obtained from experiences in other countries, and at the same time provide from Peru a greater contribution and analysis of experiences in the abatement of barriers, innovative ways of working, new knowledge and approaches in forms of training, all coming from analysis and management of the knowledge already generated to date.
- In the perception of the actors, and considering the documents produced, the activity of the PMU led by the general coordinator of the Project, is appropriate and highly satisfactory (**AS**). However, it is perceived that management tends to be bilateral and efficient in front of each group of actors; that is, in a 'radial' form of relationships. It would be important for the team to assume a catalytic role in inter-institutional relations, creating spaces and mechanisms for discussion, meetings and workshops that reinforce a multilateral, integrative and appropriation vision of the Project by the actors.
- In this regard, multi-institutional technical groups can be formed at the level of local intervention based on the nuclei of miners, to provide information and improve participation and appropriation; these groups would be linked to the decisions of the CDP and contribute to a roadmap to build the sustainability of the results, in addition to guiding the technical progress of the Project.

*On the efficiency of technical and administrative execution of the Project (adaptive management).*

- The Project has demonstrated good administrative management. The planning of the work is based on the results that are obtained with the progress of activities, but also incorporates considerations such as the limitations of the national and local context. The actors highlight the capacity of the Project team to be able to manage the four work fronts (components) as well as cross-cutting approaches, such as gender.
- In terms of financial management, the Project shows a proper control and adequacy of the budgets granted, in the face of the changing conditions derived from the context of the pandemic and its restrictions. Although these adjustments facilitate the flow of resources and payments, the formal management of these processes in UNDP often detracts from versatility and agility. Likewise, it is necessary to evaluate the structure of co-financing and the monitoring of the contributions committed by the different institutions involved, which is presented as a recurring challenge in most projects that serve diverse geographical areas.



- The management support, and the technical contribution in the execution of the Project by the UNDP, through the DNP and the PMU, is appreciated as efficient, both at the level of the CDP and the main actors interviewed, and at the level of the beneficiaries and specialists of the PMU. However, differences of appreciation underlie regarding appropriation and decision in the management that government entities should have as main actors, in the face of an apparent level of decision-making influence of the PMU due to its close relationship with UNDP. This perception must be resolved with an approximation of both parties and better levels of communication through the DNP.

*On the effectiveness of the approaches and the sustainability of the actions and outcomes of the Project: barriers, risks and management forecasts.*

- For social and economic sustainability, it is key to maintain the current positive perception of partners and stakeholders, and to live up to their expectations. In this aspect, it will be essential, as a mechanism and demonstration effect, the promotion and inclusion strategy, and the face-to-face participation in the tests of best practices, as well as in the dissemination of evidence of technological and business success of local actors.
- The training and strengthening of actors and partners in value chains, and fluid access to markets, is a challenge against which close coordination and support of the global program is required; and in parallel, from the government entities of the sector in the removal of regulatory barriers, or of prejudices and social resistances.
- The economic and financial sustainability of the activities promoted by the Project depends to a large extent on the social and economic response of the actors; but the preparation that the Project has on the subject is favorable for the necessary articulation. The relationship with the entities that source financing must be permanently cultivated, calibrating their level of interest and establishing joint evaluation spaces to face situations or risks in the process.
- The political risks, in terms of political and environmental sustainability, given the current political storm, governmental changes and national and subnational policies of the sector, are not negligible and must be carefully monitored and discussed within the CDP and coordination spaces of the Project, especially on the occasion of the upcoming elections of subnational governments. In this regard, it is important to keep and promote at the forefront the compliance with international commitments regarding ASGM, especially environmental and health, as political support in the government environmental and mining sectors.
- With a view to the completion of activities and exit strategy, the Project's contributions to environmental remediation actions and the inclusion of socio-economic incentives in national and subnational ASM regulations should be taken into account.

### 6.1.1. Recommendations

The following is the set of recommendations for action that derive from the findings and conclusions of the evaluation. Those in groups **A** and **B** meet urgent needs for adaptive management during the remaining period of implementation; while those included in groups **C** to **F** are diverse recommendations to be considered for the support of the achievement of the results, the consolidation of the achievements, the institutional strengthening of the actors, and the improvement of planning methodologies and consequent actions, both of the UNDP and of the UGP and of the CDP.

#### **A. For priority and immediate adaptive action**

*A.1 Keep the programming of activities updated, with priority in Component 3, based on delays and changes in context in the areas of intervention, including the adaptation and optimization of indicators, products, and quantitative results targets. (Responsible entities: CDP, PMU, GORE, OMAPES).*

Component 3 activities are crucial and have been affected by delays in field actions; this delay requires prioritizing readjustment actions in programming and reviewing the scope of quantitative indicators and targets, especially those of coverage of actions with the population and in the incidence of gender issues.

*A.2 Review, for internal purposes, the scheme of the Theory of Change assumed in the ProDoc, with an inclusive vision in the approach and awareness of social, environmental, and health issues; and economically, with greater attention to marketing and trading aspects. (Responsible entities: CDP, PMU, UNDP, GORE, OMAPES).*

While it is not appropriate to vary the essence of ToC, which corresponds to the vision of the global programme of which the Project is a part, it is appropriate to complement and refer this global vision in an appropriate way to the local realities in which the Project is involved. In particular, it is recommended to detail the implications of commercialization of mercury-free gold, of socio-environmental impact, and of convergence with the family health actions of the population.

*A.3 Discuss and agree, at the level of the CDP and the DNP, with UNDP and the Project Coordination, the need for agreements and measures to resolve differences in perception and internal communication problems about the Project, such as the name and official identification of the Project in communications, relationship with the Global Program and MINEM-GORE, distribution of reports and reports, decision to extend deadlines, and others identified in the EMT. (Responsible entities: CDP, DNP, UNDP, MINA, MINEM).*

There are, judging by the opinions received, some disagreements among the main actors regarding issues of communication, level of national appropriation of the Project, forms of relationship with the Global Program, and apparent unknowingness of decisions, communications and documents, all of which merit a discussion within the CDP to avoid tensions in the development of the activities.

**A.4** *Develop and apply a strategy of advocacy and dynamization of political and technical decisions vis-à-vis the High-Level management of the key sectors at the national and regional level, including forecasts of action regarding new political actors in 2023 and the high turnover of technical level officials. (Responsible entities: CDP, PNUD, MINAM, MINEM, GORE).*

It is appropriate to intensify the coordination actions of the Project to promote government decision-making, to address the risks posed by the high turnover and political instability that the country has been going through at the national and regional level. This situation will worsen with the electoral campaigns for the subnational authorities. In this regard, greater emphasis should be placed on the approval of the sectoral and regional standards required for the consolidation of the Project's actions.

**B. For a complementary adaptive and convergent action in the remaining execution term-**

**B.1** *Complete and implement the initiated strategy that will facilitate the development and programming of activities originally planned as sequential, and that could be simultaneous and synergistic, with special attention to the achievement of pending grants agreements, optimizing the workload, budgetary resources and the availability of actors and consultants in the field. (Responsible entities: CDP, DNP, PNUD, PMU)*

The Project team has initiated these coordination activities with the consultants in the field and the GORE, and also for the achievement of pending grant agreements with the planned financial entities. This will require the support and follow-up of the CDP and the DNP for the approval and consequent signing of agreements and budgetary modifications and other measures that streamline these processes and their timely implementation.

**B.2** *Promote the formal establishment of institutional spaces, platforms, and consequent logistics, at the level of each area of intervention, to promote and allow interaction, generation of interest and appropriation of direct actors in the ASM issue, with a guiding, encouraging, and technical support role by the regional coordinators of the Project. (Responsible entities: PMU, GORE/MINEM, consultants, OMAPES)*

The recommendation is aimed at generating its own dynamics and local and permanent inter-institutional synergies, which contributes to the appropriation of the actions of the Project and allows a fluid and effective exit strategy at the end of the execution stage, which contributes to the sustainability of the achievements and changes introduced. This modality has been successfully introduced in some localities of the country through the 'Tramas' project (PCM, with the support of the European Union) with the formation of 'regional development agencies'.

**B.3** *Carry out a sample evaluation of the state of knowledge learning and interest of the actors who have received training; as well as the entities that offered financial support, in order to ensure the validity of the assumptions after the interruption of the field work. (Responsible entities: PMU, GORE, OMAPES)*

The interruptions and the necessary removal of beneficiaries due to the pandemic and the sanitary control measures may have caused a loss of effectiveness of the trainings received, so

it would be convenient to carry out a brief survey of a sample of beneficiaries to verify the permanence of the interest and the assimilation of the knowledge acquired; and if necessary carry out the necessary reinforcement. On the other hand, the virtual modality in the topics of training for actors must be innovated with unconventional and culturally appropriate methods for the full understanding of complex technical issues, such as geological and improved gold processing.

**C. To ensure efficacy and impact of achievement**

*C.1 Consult, through UNDP and DNP, on the reactivation of fieldwork; and seeking adaptive measures on expenditure (per diem, travel); and coordination with the GORE, to optimize the work of the consulting teams in the next stages of the fieldwork. (Responsible entities: PNUD, DNP, PMU, GORE)*

The difficulty of adapting the travel and travel expenses of project staff and consultants to the conditions of the areas of intervention has been mentioned in the interviews as a negative factor; as well as the desirability of maintaining GORE personnel in an area closer to these areas, which could be resolved with appropriate agreements and flexible management of expenditure in these areas.

*C.2 Hold a face-to-face event to relaunch the Project in each locality, on the occasion of the lifting of pandemic restrictions, with a review of the advanced and reiterate events of interest to associations, private companies, financial institutions, and women. (Responsible entities: CDP, PMU, GORE, MINAM, MINEM)*

The recommendation is aimed at compensating for the effect of loss of attendance and probable reduction of interest in beneficiaries and actors for two years, due to the pandemic. The proposed activities could revive enthusiasm and enhance the presence of the Project and its projections.

*C.3 Expedite the installation of technical facilities for the demonstrative effects of mercury-free gold processing, and at the same time arrange face-to-face visits and short stays of interested parties from the three regions to learn about other accessible experiences. (Responsible entities: CDP, PMU, GORE, MINAM, MINEM)*

Face-to-face visits and demonstrations have been repeatedly mentioned in beneficiary interviews as important and desirable. These activities could be combined with the start-up of the pilot and demonstration phase under Component 3, and with side activities in other Projects of the Global Programme.

**D. To contribute to financial and socio-political sustainability of outcomes.**

*D.1 Review and reactivate the situation of co-financing commitments, with monitoring of contributions, and communication sessions of national and international progress and commitments acquired by the country and each entity. (Responsible entities: CDP, PMU, PNUD, GORE).*

Co-financing commitments are often made with some ease, and are implemented with many difficulties, especially by government entities, whose budgets are chronically affected by reductions and reallocations, or amounts that are generic and refer to activities not directly

connected to the projects committed. The monitoring and activation of the co-financing amounts is crucial, and in this case the argument of the country's international commitments is available.

*D.2 Promote and follow up on the meetings at the political and technical level with the new authorities and their replacements in the Senior Management of the Ministries and the GORE involved, to promote and accelerate decisions on the regulations pending approval and implementation. (Responsible entities: CDP, DNP-MINAM, MINEM, PNUD, GORE).*

This recommendation, which is generally recurrent in projects that require government decisions, is even more urgent in the current political conjuncture, with an unusual rotation and replacement of authorities at the ministerial level. The Project is aware of this problem and does the technical follow-up, but it is necessary to go to the highest levels of power and emphasize the importance of the issue in the international commitments of the country and donors.

**E. To optimize approaches and achievements in gender and intercultural issues.**

*E.1. Promote and request the official recognition and incorporation of women and their organized groups in the operational and economic chain of ASGM, involving the Ministry of Health and the Ministry of Women and Vulnerable Populations (MIMP) in the effort. (Responsible entities: CDP, PMU, MINAM, MIMP, GORE)*

*E.2 Extend gender work with women involved in ASGM, to their families, formal education, health care, situations of vulnerability, violence and trafficking, beyond the limits of the areas of intervention and the precariousness of THEIR settlement conditions. (Responsible entities: PMU, MINSA, MIMP, GORE).*

**F. To enable conditions for Project term extension, scalability and replicability.**

*F.1 Prepare a rationale and internal discussion of alternatives and deadlines that support an eventual extension of the execution term of the Project, with special attention to the remaining budgetary resources, and the realistic evaluation of the state of the sources of co-financing. (Responsible entities: CDP, PNUD, PMU)*

*F.2 Intensify coordination and synergies with the GEF GOLD global program and other concurrent projects, with a view to the continuity of actions and application of lessons learned in other ASGM areas, or in subsequent phases of consolidation of the current Project. (Responsible entities: CDP, PNUD, DNP-MINAM)*

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## **Annexes to the MTR document**

**A. Table 1 – Matrix of Progress towards Results**

**B. MTR Terms of Reference**

**C. MTR Evaluation matrix**

**D. Questionnaire guide for Interviews**

**E. Evaluation rating scales**

**F. Itinerary of MTR mission and list of interviewees**

**G. List of documents reviewed**

**H. Code of Conduct**

**I. AUDIT TRAIL (SEPARATE FILE)**

**J. SIGNED TE REPORT CLEARANCE FORM**

**K. TRACKIN TOOLS (SEPARATE FILE)**

**A. Table 1 – Matrix of Progress towards Results**



**Table 1: MATRIX OF PROGRESS TOWARDS RESULTS**

Baseline level	Mid Term Indicator /Target	End of Project Target Indicator	Level at 2nd PIR (self-reported)	Mid Term Level & Assessment	Achievement Rating	Justification for Rating
<b>OBJECTIVE: <i>Protect human health and the environment from mercury releases originating from the intentional use of mercury in artisanal and small-scale gold mining (ASGM)</i></b>						
<b>Objective Indicator 1: <i>4 new partnership mechanisms with funding for gender friendly and sustainable management solutions of natural resources, ecosystem services, chemicals and waste at national level.</i></b>						
No partnership mechanisms exist that provide access to funding for gender friendly sustainable management solutions in the ASGM sector.	2 new partnership mechanisms with funding for gender friendly and sustainable management solutions of chemicals and waste established at national and/or subnational level.	4 new partnership mechanisms with funding for gender friendly and sustainable management solutions of chemicals and waste established at national and/or subnational level.	<p>The "Study of national supply and demand for the development of financial mechanisms for the ASM sector. The objective was to carry out a diagnosis and analysis of the supply and demand of financial products and services for the artisanal and small-scale mining sector at the national level, prioritizing the regions with the highest density of ASM miners: Puno, Arequipa, Piura, Madre de Dios, Ayacucho, La Libertad, Apurímac;</p> <p>The results of this study will be published in the second half of 2021 and its dissemination will be aimed at public and private actors in the ASM sector. MINAM and MINEM will present it at a special event.</p> <p>With the results, it will coordinate with the Multisectoral Commission on Financial Inclusion for the inclusion of the ASM sector as a vulnerable group in the National Strategy for Financial Inclusion, in order to make it visible to other public and private sectors, and prioritize it in social programs, financing, and others.</p> <p>In April 2021, the Low Value Grant Agreement with Solidaridad Sudamérica (NGO) was initiated, to design,</p>	<p>The Project's progress indicators towards its objective are achievable from the point of view of the project's conceptual approach and strategy; but the measurement of concrete progress towards the results of each component is not balanced to date.</p> <p>It has the necessary basic studies of support, and good prospects of the Low Value Grant Agreements, which can be replicable and scalable, the interest of the financial institutions convened, and the international support framework for the initiative.</p>	<b>MS</b>	It is presumable that, had the pandemic restrictions not been in place, progress to date would have been satisfactory. In any case, it is considered that the indicator-target described is in progress, although the comprehensiveness and completeness of the achievement (at this stage, 2 new mechanisms that are already in process with the agreements in place) will require a consolidated base in the legal, training and appropriation of the grassroots actors and regulatory (governmental) and support actors (financial entities) that is still on the way to consolidate

			<p>implement and evaluate new financial inclusion mechanisms for ASM that allow them to establish themselves through credit profiles and incorporate them into the formal economy and operate with good productive, labor and environmental standards (without the use of mercury).</p> <p>The Agreement will work with eight (8) ASM organizations of the San Juan de Chorunga mining unit (century Mining Peru (CMP) mining concessions in Arequipa. Each selected organization will identify its technical and organizational needs, and then Investment Plans will be designed with information for the strengthening of each one, and the inclusion of opportunities articulated with technology providers in the region, for the introduction of mercury-free technologies and operations.</p> <p>In this framework, a new mechanism will be demonstrated to finance the Investment Plans, which consists of articulating the financial institution with the ASM organization, reducing its credit risk through the participation of two key actors: Century Mining Peru (CMP) and technology providers.</p> <p>The financing scheme is based on the fact that the financial institution approves the repayable financing operation to the ASM organization, conditioned on the inclusion as guarantor of the company that buys the mineral from them (in this case, Century Mining Peru (CMP)). A percentage of the payment will go towards repaying the loan. The financial institution would</p>			
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			<p>provide direct financing to technology providers, under the conditions of each Investment Plan.</p> <p>To help develop financial mechanisms and instruments, a new Low Value Grant Agreement is being negotiated with the Peruvian Federation of Municipal Savings Banks, which maintains direct links with the main rural microfinance institutions at the national level.</p> <p>This Agreement is in the design phase to develop: a financial education program aimed at ASM organizations and organized groups of pillaquera women; a strategy to raise awareness of investment opportunities in the ASM sector, targeting rural microfinance operators; and the design and validation of financial instruments between rural savings banks and ASM organizations.</p> <p>In parallel to the Low Value Grant Agreements that are being implemented or negotiated, specialized and multidisciplinary work teams are being convened for each impact region (Puno, Arequipa and Piura), in order to implement the field preparation activities of ASM organizations for the submission of credit applications.</p>			
<b>Objective Indicator 2: 47,097 direct project beneficiaries (44% females and 56% males) for which the risk of mercury exposure has been reduced</b>						
Inhabitants in pilot districts (47,097):	25,000 direct project beneficiaries (44% females)	47,097 direct project beneficiaries (44% females and 56% males) for	The Project has concluded the "Diagnosis and awareness of the risk of exposure to mercury in ASM", in the regions of Arequipa,	As in the previous target indicator, the Project has managed to attract the interest of the target groups identified in each of	<b>MS</b>	It is considered that the Project, if maintained the current interest of the actors, and if

<p><u>Ananea</u> (Puno): 20,572 inhabitants (11,769 men and 8,803 women)</p> <p><u>Yanaquihua</u> (Arequipa): 4,936 inhabitants (2,500 men and 2,436 women)</p> <p><u>Paimas</u> (Piura): 9,638 inhabitants (4,800 men and 4,836 women).</p> <p><u>Suyo</u> (Piura): 11,951 inhabitants (5,999 men and 5,952 women).</p>	<p>and 56% males) for which the risk of mercury exposure has been reduced.</p>	<p>which the risk of mercury exposure has been reduced.</p>	<p>Piura and Puno (November 2020 to January 2021).</p> <p>The diagnosis concluded in an Action Plan that will raise awareness about the impacts of mercury on community populations, aimed at ASM organizations, communities, decision makers, and the public and private sector, as well as NGOs involved in the Project.</p> <p>The Plan has identified channels of communication and awareness-raising; and the first phase of the Awareness Campaign (Regional: planetGOLD) will start in October 2021, as well as the Mercury Expedition Campaign, which began in October 2020 and was worked together with the Directorate of Pollution and Chemicals Control of the Ministry of the Environment.</p>	<p>the project's intervention districts.</p> <p>The mid-term goal has been affected by the pandemic and the population movement it has caused in mining settlements needs to be evaluated for an adjustment of goals. Despite the limitations, satisfactory progress has been made in conceptual and methodological approaches sufficiently to trace the pace of implementation on that basis.</p>		<p>the pace of implementation is increased, the final goal can be reached.</p> <p>This possibility requires that health restrictions and protocols be lifted by the second quarter of 2022, which would be possible with the current evolution of the pandemic.</p> <p>In any case, the valuation of progress is conditional, either to a considerable effort of the Project team and the teams of specialized consultants; or, alternatively, to an extension of the Project's execution period.</p>
<b>COMPONENT / OUTCOME 1: Strengthening institutions and the policy/ regulatory framework for Mercury-free ASGM</b>						
<b>Outcome Indicator 1.1: National systems have the capacity to assess, plan, and implement sustainable and mercury-free interventions in the ASGM sector</b>						
<p>Regional Government s have few or inefficient processes and procedures to manage mercury- free ASM.</p> <p>The permanent Multisectoral Commission for the formalization of mining and illegal mining does not address</p>	<p>4 government entities improve their capacities to assess, plan and implement sustainable and mercury- free intervention s in the ASM sector: - (01) Ministry of Energy and Mines - (03) Authority is</p>	<p>4 government entities improve their capacities to assess, plan and implement sustainable and mercury- free interventions in the ASM sector: - (01) Ministry of Energy and Mines - (03) Authority is Regional Energy and Mines</p>	<p>The service of "Consulting to Evaluate the Articulation and Coordination Capacities of The Governmental, National and Regional Entities, linked to the PROCESS of Formalization of the ASM and develop a Program to strengthen the capacities of the Evaluated Entities" was concluded. With the information obtained, a capacity building program will be developed for the second half of 2021, aimed at the authorities and officials of the Regional Directorates of Energy and Mines, as</p>	<p>The progress of the Project in relation to the final indicator (there is no medium- term goal) is based on the consultancy, already completed, of evaluation of articulation and coordination capacities of the main national and regional entities with political and operational interference in the ASM activity. An action plan was programmed on this basis for the strengthening of the government entities involved:</p>	<b>S</b>	<p>The implementation of the Component according to the planned target and the respective indicator presents a satisfactory progress considering that the planned training can be completed in the remaining period of the Project; and that the quality of the support</p>

management aspects related to ASGM.  Regional DREMs do not have the capacity or budget to support the formalization process.	Regional Energy and Mines		well as government entities linked to the mining formalization processes.	<p>Three products are derived from this part of the Component, for which the study of diagnosis and evaluation of capabilities is essential:</p> <ul style="list-style-type: none"> <li>- The evaluation, already carried out;</li> <li>- The capacity-building plan, under implementation; and</li> <li>- Training of 40 specialists and government officials, in the process of implementation.</li> </ul> <p>As a result of the first two products, the Project is carrying out technical support and advisory services to the regional units responsible for ASM (DREM/GREM) in each intervention area.</p> <p>The training programme for central government officials and technicians (MINAM and MINEM) has not yet begun; but the needs and themes relevant to the training have already been identified.</p>		<p>services being provided in the regions, based on the needs assessment, and their relevance, is appreciated by the actors.</p> <p>An advance of 75% is estimated, subtracting 25% to be executed until next year 2023. The political risk related to subnational elections, and the dynamics of current government management, must be monitored and adaptive action must be taken on the remaining tasks.</p>
<b>Outcome Indicator 1.2. Enabling environment created through improved national policies and regulatory frameworks for ASGM and mercury phase-out in the ASGM sector</b>						
<p>In 2017, the Government of Peru initiated the design of the National Action Plan for ASGM.</p> <p>Many ASGM that officially registered for the formalization</p>	<p>1 policy, regulation or standard revised and/or developed to improve the enabling environment for ASGM and mercury phase-out in the</p>	<p>2 policies, regulations and standards, revised and/or developed to improve the enabling environment for ASGM and mercury phase-out in the ASGM sector.</p>	<p>The Project is supporting the formulation of upcoming policy initiatives with technical and legal assistance:</p> <p>1. The National Action Plan to reduce ASM mercury, developed within the framework of the Minamata convention and led by the Ministry of the Environment (MINAM). The Project team</p>	<p>In this Component/Outcome the Project has made consistent progress in supporting the achievement of three main outputs for its achievement, which are sequential:</p> <p>(i) Support for the formulation of the National Action Plan to reduce Hg in ASM, which</p>	<b>S</b>	<p>Progress in implementation towards this outcome indicator is considered satisfactory. The target for the implementation period has been achieved with the regulation document.</p>

<p>n process, often have their requests for exploitation contracts rejected by concession owners, which are a fundamental prerequisite for the formalization process..</p>	<p>ASGM sector.</p>		<p>supported MINAM to define the lines of work that will be prioritized with this instrument, which are:</p> <ul style="list-style-type: none"> <li>• Reduction of emissions and releases from the use of mercury associated with ASM</li> <li>• Formalization and sustainability of small and artisanal gold mining</li> <li>• Control and monitoring of mercury traceability in ASM</li> <li>• Strengthening public health in the face of the risk of exposure from the use of mercury in ASM,</li> <li>• Development of complementary strategies to the Plan.</li> </ul> <p>2. Regulation on the Marketing of Gold for ASM and Support for the Development of the Gold Traceability System.</p> <p>The Project concluded in November 2020 the socialization and updating of the proposal, which establishes provisions for the commercialization of gold, and legal assistance to the personnel who develop the computer system of the Special Registry of Gold Marketers and Processors (RECPO).</p> <p>3. National Multisectoral Policy for Small and Artisanal Mining, whose objective is to provide guidelines for the current Government on ASM. The Project engaged a consultant to provide technical assistance to MINEM in the process. The first product has been delivered and approved, which is the review and validation of the design of the National Policy in accordance with the</p>	<p>includes the gender approach, which has already been completed, and whose implementation will be in charge of MINAM, as a commitment to the Minamata Convention. To this end, a review of existing instruments was conducted to assess their contribution to an enabling national policy environment at 15 country sites.</p> <p>(ii) Preparation of a document of recommendations with contributions from the actors to improve the implementation of the Plan in terms of gender inclusion, articulation of policies and reduction of gaps for its adaptation to subnational spaces; and</p> <p>iii) Concrete policies and regulations, revised or developed for the implementation of the Plan. In this regard, the regulation for the marketing of gold and its traceability has been concluded; being in process the design of the computer application, in charge of the MINEM.</p> <p>In a complementary way, work has been done at the level of technical advocacy in support of the design and constitution of the Peruvian Mining Fund and Formal Gold Seal; and in technical support to the national commission that</p>		<p>It is considered feasible to achieve the approval of a second regulation to achieve the final goal, linked to the creation of the Mining Fund for ASM, whose basic regulatory structure must be established by the MINEM, and for which the Project has provided the benchmarking criteria.</p> <p>The contribution of the Project to the elaboration of the Regulation on the commercialization of gold and its traceability is considered positive; and the follow-up activities carried out.</p> <p>Although the contribution of the Project to influence public policies and regulations is satisfactory, close monitoring is required before the MINAM, and especially the MINEM, given the risk that the implementation process will be affected by reasons of inaction or government priority, and that this will affect other goals of the Project..</p>
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			<p>guidelines of the National Center for Strategic Planning (CEPLAN). This product includes:</p> <ul style="list-style-type: none"> <li>(i) Delimitation of the public problem;</li> <li>(ii) Enunciation and structuring of the public problem;</li> <li>(iii) Determination of the desired future situation; and</li> <li>(iv) Selection of alternative solutions.</li> </ul> <p>Technical support was also given to the DGFM of MINEM for the formulation of the new National and Multisectoral Policy aimed at the ASM sector; specifically, the Project supported the inclusion of manual gold sorters (pallaqueras) in the design of the validation policy and process. The support consisted of an evaluation of the current situation faced by the pallaqueras in terms of associativity; knowledge of financial education; training services received; and details on the formalization process. With this information, actions/services were proposed that can be articulated to the Policy.</p> <p>4. Currently the Project is part of the committee for the design, development and constitution of the Peruvian Mining Fund and Formal Gold Seal, convened by the DGFM.</p> <p>5. Finally, the Project was part of the National Commission of Peru to support the elaboration of the Regulation of the Andean Mercury Observatory, implemented by the members of the Andean Community,</p>	<p>participates in the elaboration of the regulation for the Andean Mercury Observatory, approved in April 2021.</p>		
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			which was approved in April 2021.			
<b>COMPONENT / OUTCOME 2: Establishing financing lending arrangements to provide loans for mercury free processing equipment.</b>						
<b>Outcome Indicator 2.1: Loans for the purchase of mercury-free processing equipment/ investments are accessible to legalized ASGM miners and cooperatives</b>						
Municipal savings banks, small and microenterprise development entities (EDYPYME) and rural savings and loan banks are present in the project's pilot regions. The number of agencies is: <u>Arequipa:</u> EDYPYME (9); Banco Municipal (58) and Banco Rural (8) branches. <u>Piura:</u> EDYPYME (29); Banco Municipal (57) and Banco Rural (7) branches. <u>Puno:</u> EDYPYME (5); Banco Municipal (48) and Banco Rural (23) branches. The financial assessment found no evidence that these banks provide funds to the ASM sector or that they have financial	2 new/improved financial products/mechanisms (including women friendly financial products) established for the ASGM sector.  US\$ 3 million (Total amount of funding) available to the ASGM sector through existing/new financial mechanisms.  US\$ 1 million (Total amount of funding) allocated to the ASGM sector through approved loans.	4 new/improved financial products/mechanisms (including women friendly financial products) established for the ASGM sector.  US\$ 15 million (Total amount of funding) available to the ASGM sector through existing/new financial mechanisms.  US\$ 3 million (Total amount of funding) allocated to the ASGM sector through approved loans.	The results of the "Study of national supply and demand for the development of financial mechanisms for the artisanal and small-scale mining sector in Peru", which conclude in an Action Plan to articulate the financial sector with ASM, will be published and disseminated to public and private actors related to the ASM sector. A public event will be held with regional authorities, relevant actors in the sector and ASM organizations to present the results or findings of the study.  Since it will be necessary to articulate investments with ASM organizations to support the acquisition of technology, a Low Value Grant Agreement was signed with <i>Solidaridad Sudamérica</i> (NGO), initiated in April 2021, to design, implement and evaluate new financial inclusion mechanisms for ASM organizations in Arequipa; these mechanisms will be articulated with Investment Plans that will include mercury-free technologies. It is expected, as a result, articulate the ASM organization with a financial institution, having as guarantor the buyer of the gold of the selected ASM organizations: Century Mining Peru (CMP).  In the same line of consolidating financial instruments and mechanisms, a new 'Low	The conclusion and dissemination in July 2021 of the results of the "Study of supply and demand..." is crucial to influence the inclusion of ASM miners in the National Strategy for Financial Inclusion, and to give rise to greater visibility and attention to the social and environmental problems of this mining subsector, and to facilitate adequate financing for its activities.  The study is also essential to promote the achievement of the target of the indicator for this stage of implementation, which must be achieved through eleven outputs, of which only three show progress: (i) selection of appropriate financial institutions; (ii) memorandum of understanding with the selected entities; and, (iii) new or improved financial mechanisms, adapted to women.  The first two products have been achieved so far with a single entity (50% of the intermediate goal); and for the third product, the supply and demand study has proposed 10 financial instruments, which for now exceed the final goal of 4, to be formalized with the	<b>MS</b>	While the negative impact that the restrictions of the pandemic have had on this result is understandable, this result lags behind the need to promote the implementation of Result 3 with concrete offers and commitment from financial institutions.  The remaining term of execution of the Project may be insufficient to realize these commitments that require a relatively complicated development, and that - in addition - the final goals are considered to include certain amounts of available financing (\$ 15 million) and approved loan goals (\$ 3 million).  It is necessary to intensify the foresight activities of the Project in this regard and the efforts that are being made with the grant agreements and with the rural savings

mechanisms that are tailored to the ASM sector. Informal ASM financing networks sometimes involve illegal actors, who are often abusive. Borrowers are sometimes forced into unreasonable terms or unfair dependencies. The National Fund for Mining Formalization (administered by MINEM) has approximately USD 12 million available, but this funding is expected to increase in the coming years. The loans granted in 2016 (US\$ 6 million) to the mining sector in general (not gold or ASM specifically) were issued by various banks (97.7%): Municipal (0.57%) and Rural (0.12%) (Source: SBS)			<p>Value Grant Agreement' is being designed with the Peruvian Federation of Municipal Savings and Credit, in order to take advantage of the potential of the Federation in approaching the main rural microfinance institutions at the national level, as well as its experience in the development of instruments adapted to the demand of rural economic sectors.</p> <p>The Project is convening specialized and multidisciplinary work teams for each Impact Region of the Project in order to implement activities in the field, and prepare ASM organizations in technical, financial and organizational terms for the submission of credit applications.</p> <p>Finally, the Project completed the 'Mapping of Technology Providers for the ASM sector'. The study concluded in the elaboration of a catalog that has formal companies that provide technologies for the exploitation and processing of the mineral.</p>	<p>selected entities or in the process of selection and the signing of the respective agreement.</p> <p>Most of the remaining eight outputs relate to training actions for stakeholder groups or actors; and the rest refer to complementary actions of evaluation, inclusion of women, and design of economic models.</p>		banks, in parallel with the demonstration and technical support activities in the field.
<b>Outcome Indicator 2.2: 12 ASGM miner groups (of which 20% of the miners are women) are capacitated to apply</b>						

for loans for mercury-free processing equipment/investments.						
Approximately 4,800 male miners and 3,000 women miners from the districts where the pilot sites are located do not have access to financing and are considered a finance risk by financial entities.	- 600 ASGM miners (of which 200 women and 400 men miners) are trained in developing a loan/investment application (incl. undertaking technical and financial feasibility studies).	-1,200 ASGM miners (of which 400 women, 800 men and miners are trained in developing a loan/investment application (incl. undertaking technical and financial feasibility studies).	In progress. For each region, the Project conducted an evaluation to select 13 ASM organizations. The evaluation included the following: (i) fiscal and labor formality, (ii) mining formality, (iii) organization, gender and leadership, (iv) characteristics of the mining operation, (v) environment, (vi) commercialization and (vii) certification.	The Project has made satisfactory progress in conceptual and operational planning for the effective implementation of activities for the outcome/target indicator. Preparatory activities for the evaluation and selection of ASM organizations (13), based on appropriate criteria that include the gender approach and inclusion of women's groups; and the systematization of the information collected. Including the design of an assessment tool for application in other areas of the ASM sector, they are the basis for systematic progress.	<b>MS</b>	This valorization of progress recognizes the substantial progress in the planning of the Component/Result in terms of this indicator, and considers that if the fieldwork had not been limited, the planned mid-term goals could have been achieved.
The miners located in the selected pilot areas do not carry out feasibility studies or profit studies when they apply for MAPE investments.	- 12 loan applications developed (with technical support of the project).	-12 loan applications developed (with technical support of the project).	To systematize the information collected by the regional coordinators, the Project designed an Evaluation Tool for ASM Organizations that can be used by any institution or person linked to the sector, allowing a real-time photograph of the organization to be able to prospect support actions. However, it is suggested to contrast the results with a baseline study or deeper diagnosis.	However, due to the limitations of the pandemic for access and presence in the field essential for the expected results - none of the 3 products planned at this stage to obtain the final result, such as:		It is presumed that, once the sanitary restrictions and protocols have been lifted, the advance will be able to recover in part the loss in terms of time. It should be borne in mind, however, that the technical team and the specialists hired to support from the 'Low Value Grant Agreements', will be under pressure to advance with equal efficiency in the other components of simultaneous execution.
0 ASGM loan applications developed.	- 50% of loan applications developed with technical support of the project) approved.	-50% of loan applications (developed with technical support of the project) approved.	In Piura Region three ASGM organizations were selected: <ul style="list-style-type: none"> <li>• <i>Asociación Formalizadora de Mineros de Sapillica - AFOMAS</i>, with 80 miner workers.</li> <li>• <i>Sociedad Minera de Responsabilidad Limitada San Sebastián de Suyo</i>, with 40 miners</li> <li>• <i>Asociación de Mineros Artesanales de Servilleta - Serviminas</i>, with 145 miners.</li> <li>• In the Puno region, four organizations were selected:</li> <li>• <i>Sociedad Minera de Responsabilidad Limitada Polar Bear JJ 2005</i> (Oso Polar), with two associated and 10 workers.</li> <li>• <i>Cooperativa Minera</i></li> </ul>	(i) The training of 600 ASM miners, of which 200 women (for the mid-term stage) in the processing of applications and studies for financing; (ii) 12 loan applications developed with support from the Project; and, (iii) Approval of six (50%) of the applications submitted.		

			<p><i>Limata Limitada (Limata)</i>, with 44 partners and 65 workers in the mines. .</p> <ul style="list-style-type: none"> <li>• <i>Luis Mamani Ramos</i>, chief of the <i>Mining Project 'Jesús 2004 III</i>, with one associated and 32 workers in the mine.</li> <li>• <i>Agustín Pachari Flores</i>, chief of the mining project <i>Cruz Pata</i>, with 24 workers in the mine.</li> </ul> <p>In Arequipa five organizations were selected:</p> <ul style="list-style-type: none"> <li>• <i>Empresa Minera de Mollehuaca Zorrito S.A.</i>, (64 associated)</li> <li>• <i>Empresa Minera Artesanal Capitana S.A. - EMACSA</i>, with 104 associated.</li> <li>• <i>Empresa Minera El Guardián Palca S.A.</i>, with 133 associated.</li> <li>• <i>Empresa Minera Virucha S.A. - EMVIRSA</i>, with 24 associated.</li> <li>• <i>Empresa Minera Galenos de Pozo S.A.</i>, with 110 associated.</li> </ul> <p>The Project identified 4 associations of women manual gold selectors (pallaquera organizations) with which they will work on the activities of the project. These associations do not yet have public registration since their activity (pallaqueo) does not have regulation:</p> <ul style="list-style-type: none"> <li>• Association of <i>Selectoras de Cuatro Horas</i>, from the province of Caravelí (Arequipa) in the district of Chaparra, where 40 organized Pallaquera women were identified.</li> <li>• Association of women miners of Mollehuaca, in the province of Caravelí (Arequipa) in the district of Huanu, where 100 pallaqueras were identified.</li> <li>• Association of</li> </ul>		
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			<p>Pallaqueras Cuchicorral, Chirinos, Suyo, from the province of Ayabaca (Piura) in the district of Suyo, identifying 40 pallaqueras.</p> <ul style="list-style-type: none"> <li>• San Francisco Association, from the province of San Antonio de Putina (Puno) in the district of Ananea, with 30 organized pallaqueras, which are part of the 9 associations that make up the Central de Pallaqueras de Base Lunar.</li> </ul> <p>Contact with pallaquera organizations has been complicated since, as they are not formal, they have had to migrate or move to other districts, looking for new income as a result of the pandemic meant the paralysis of their activities within the framework of mining operations.</p>			
<b>COMPONENT / OUTCOME 3: Increasing capacity for mercury-free ASGM through provision of technical assistance, technology transfer and support for formalization</b>						
<b>Outcome Indicator 3.1: 15 tons of mercury avoided through the introduction of BEP, BAT and socially and environmentally sound ASGM practices.</b>						
<p>In 2010 it was estimated that total releases of mercury into the environment from ASGM in Peru totaled 70 tons, a figure that has probably increased with the increase in gold production and the growth of mining populations.</p> <p>According to PPG</p>	<ul style="list-style-type: none"> <li>• Mercury use/releases from ASGM avoided by 5 tons/year.</li> <li>• 650 kg of gold produced per year without mercury.</li> </ul>	<ul style="list-style-type: none"> <li>• Total mercury use/releases from ASGM avoided by 15 tons.</li> <li>• 2,000 kg of gold produced without mercury.</li> </ul>	<p>The preliminary diagnostic phase of the Project was recently completed, which included the services of identifying awareness levels on mercury impacts, gender gaps, supply and demand for financial services, mapping of technology providers for ASM and assessment of government capacities at the national/regional level) and selection of ASM organizations to participate in the project. To initiate activities on the ground, based on the work plans resulting from the diagnoses and the work of each regional coordinator, the Project will convene multidisciplinary work teams for each region,</p>	<p>Component/Result 3 has a core relevance in the Project, since in this instance all the previous actions converge, and the main objective is crystallized.</p> <p>The progress made up to this stage is important in terms of planning, refinement of approaches and preparations, but time and the accumulation of delays due to the pandemic threaten a smooth execution in a context that requires logical sequence and coherence between activities.</p> <p>This is reflected in the first indicator, referring to a specific</p>	<b>MS</b>	<p>In the evaluation of this result indicator, the basic work carried out in planning, information collection, negotiation of key contracts, conclusion of agreements with ASM organizations, and training actions and demonstration visits to the groups of miners involved are mostly valued.</p> <p>All this constitutes a good basis</p>

<p>estimates, approximately 6 tons of mercury are emitted annually at the 12 project sites.</p> <p>The annual production of gold in the districts where the pilot sites are located is 2.5 tons</p>			<p>specialized in metallurgy, mining engineering, organizational management and accounting, microfinance and gender. It is expected to have the work teams established from the second half of 2021, whose work will be monitored by each Project coordinator and from the specialists in communication, gender and microfinance. Activities with the new health and safety protocols are expected to begin in the second half of 2021.</p> <p>The planetGOLD project, in conjunction with the Ministry of Energy and Mines, the Ministry of the Environment and the Regional Directorate of Energy and Mines of Puno, convened organizations linked to ASGM from the countries of Peru, Bolivia, Colombia, Ecuador, Honduras and Indonesia. The objective was to promote the exchange of successful experiences and lessons learned between mining organizations and initiatives that promote responsible ASM, as role models to promote formalization, optimization of activities and reduction/elimination of mercury use in ASM. Likewise, in partnership with the Better Gold Initiative and ABR Grupo Consultor, training workshops were held for ASM, where planetGOLD Peru addressed the topics of:</p> <ul style="list-style-type: none"> <li>• May 13 on "Money Laundering and Compliance Officer".</li> <li>On May 14 on "Marketing and Export of Gold".</li> <li>• May 26 on "Gold Processing Technologies"</li> <li>• On 27 May on "Prospecting and exploitation of deposits in ASGM".</li> </ul>	<p>magnitude of mercury reduction, with a target of 33% for this evaluation stage. To achieve this fully, it has been planned to obtain 29 relatively complex products that must be obtained mostly in sequence, although some simultaneity of processes is possible. Of this magnitude of products, those already achieved – partially or totally – apart from the satisfactory advances in Components/Results 1 and 2, are:</p> <ul style="list-style-type: none"> <li>(i) The socio-economic progress surveys of the ASM organizations that will participate in each selected region;</li> <li>(ii) The selection of 8 of the 12 organizations planned for the implementation of the Component (3 in Piura; 4 in Puno and 1 in Arequipa), with their respective commitments; and</li> <li>(iii) The identification and contracting of technical services, identified in the study carried out by the Project ('Mapping of Technology Suppliers for the ASM sector'), even though the induction and training aspects are pending.</li> </ul>	<p>that, with the professional quality of the Project team and the support of the global program and international organizations, can lead to achieving the goals.</p> <p>However, the time and dimension of the effort to be made is a considerable limitation. Some of the programmed products are ambitious considering the delay suffered and the short time to carry them out. Therefore, the scope could be limited unless an extension of the implementation period is achieved.</p>
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Outcome Indicator 3.2: <b>12 ASGM miner groups (of which 20% of the miners are women) supported in their formalization processes leading to more sustainable income opportunities and safer working conditions</b>						
<p>Between 2012 and 2017, 1,124 ASGM miners were formalized (through the extraordinary process).</p> <p>As of August 2017, nationwide 55,737 mining activities have been registered with REINFO.</p> <p>Of the 55,737 miners in the process of formalization (as of August 2017), 10% are located in Puno; 24% in Arequipa; and 3% in Piura. Thus, a total of 20,621 miners located in the pilot areas are in the process of formalization.</p> <p>There are approx. 20,000 informal ASGM miners in the districts of Ananea (Puno), Yanaquihua (Arequipa), Paimas and</p>	<p>At least 600 ASGM miners (of which 200 women miners and 400 men miners) supported in their formalization processes.</p>	<p>At least 600 ASGM miners (of which 200 women miners and 400 men miners) supported in their formalization processes.</p>	<p>The diagnostic processes were concluded, as well as the evaluation and selection of 13 ASGM organizations that will participate in the project.</p> <p>To meet the quota of 20% of women, the selection of organized groups of pallaqueras was completed, and the "Diagnosis and Development of an Action Plan with a Gender Focus aimed at the ASGM sector" was concluded, in this way it will be possible to identify the gaps between men and women, and develop a strategy to train ASGM organizations in formalization, in good mercury-free mining practices, technical assistance, business development and access to credit, with a gender focus.</p>	<p>For this result indicator, the progress is that reported in the PIR 2021 (June) and there is no additional progress to the closing date for this MTR, since the activities are scheduled from this year 2022.</p> <p>As in the previous cases, there are appropriate planning and gender focus studies that will facilitate fieldwork, which is just beginning to obtain the four planned outputs applicable to the 12 target groups of ASGM miners, which include: training; support for processes for the recognition of legal rights (including women's groups); formalization and corresponding permits; and support to implement processes with adequate environmental management.</p>	<p><b>MS</b></p>	<p>As in the progress reported for the previous indicators; there is a good basis for planning and conceptual advances and operational coordination.</p> <p>The mid-term goal has not been achieved, for reasons not attributable to the Project, and to a large extent the progress towards the end-of-project goal will be conditioned by the impact that is achieved on the action of the sectoral authorities at the central and regional level.</p> <p>The prospects and risks in this regard are not favorable in terms of the current evolution of the national political context, and the prospects for the elections of subnational governments.</p>

Suyo (Piura).						
<b>Outcome Indicator 3.3: Route to market for mercury-free gold improved/established.</b>						
None of the gold produced in the project's priority areas is currently produced mercury free. During the project's PPG phase, the ratios gold production: Hg use were determined to be: Puno (Ananea): 192 Kg Au : 384 Kg Hg Arequipa (Yanaquihu a): 144 Kg Au : 288 Kg Hg Piura (Suyo): 96 Kg Au : 192 Kg Hg	350 kg of mercury-free gold sold to the formal market.	700 kg of mercury-free gold sold to the formal market.	There is still no progress on this indicator as fieldwork has not yet been consolidated.  In order to give an estimate of the current situation of mercury use in ASGM and thus establish a first intervention strategy, the coordinators of each region have made an estimate of the volume of gold and mercury in the selected ASM organizations; this estimate will be validated and/or fed back with the gold/mercury balance studies to be carried out during the second half of 2021 with each selected organization.	No progress has been made to date towards this result, nor has the indicated target been reached.  For this, it is necessary to start the intervention work in the field with the support of the groups of specialists in mining and metallurgy that have already been selected for the regions of Piura and Puno, and that are in the process of selection for Arequipa.  The expected outputs for this target outcome indicator are four: (i) Agreement with an international refiner; (ii) Partnership agreement with national or local banks; (iii) Partnership with transfer/holding agent; and (iv) Association with a gold certifying entity.	<b>MS</b>	There are good prospects from the point of view of programming and preparation of the technical assistance process in the field; but it is not yet possible to foresee how the final target in terms of tons of mercury-free gold would be achieved in the limited time remaining.
<b>COMPONENT / OUTCOME 4: Monitoring and evaluation, awareness raising, capturing and disseminating experience lessons-learned and best practices</b>						
<b>Outcome Indicator 4.1: 19,000 people (5,000 women and 14,000 men) of whom awareness has been raised on the dangers of mercury and ways to reduce its use in ASGM.</b>						
The population in the four districts has very little knowledge or no knowledge at all on how mercury can affect	Awareness raised of 10,000 people (3,000 women and 7,000 men) on the dangers of mercury and ways to reduce its	Awareness raised of 19,000 people (5,000 women and 14,000 men) on the dangers of mercury and ways to reduce its use in ASGM.	The Project has completed the "Diagnosis and awareness plan on the risk of exposure to mercury in ASM", in the 3 districts of the regions of Arequipa, Piura and Puno; the diagnosis concluded in an Action Plan to Raise Awareness of the Impacts of Mercury, which will be	The Project has done a remarkable job in the process of raising awareness among actors, despite the limitations imposed by the pandemic. Quantitative impact assessment, however, would not be possible under these conditions of	<b>MS</b>	In this indicator-target of Component/Result, the evaluation highlights the progress of the awareness-raising (sensitivity) process in

human health and the environment in direct or indirect manners.  The number of ASGM miners who live/work in each of the pilot areas: Ananea: 1,800 Yanaquihua : 2,200 Paimas: 650 Suyo: 100 Total: 4,750	use in ASGM.		implemented progressively during the life of the project, starting in the second half of this year.  The first phase of the Awareness Campaign (Regional: planetGOLD) will begin in October 2021, as will the Mercury Expedition Campaign, an initiative that began in October 2020 and that was worked on together with the Directorate of Pollution control and Chemical Substances of the Ministry of the Environment, and that for this 2021 seeks to replicate.	restricted population movement. This reevaluation should lead, if necessary, to a readjustment of this target indicator. Interviews with field actors reveal that interest and enthusiasm for the support offered and prospects for economic, social and environmental improvement are maintained. The three outputs linked to this indicator have been successfully completed: (i) The diagnosis and awareness plan in the three areas of intervention; (ii) The action plan for gender awareness; and (iii) The beginning of the implementation of the plans.		terms of preparation and interest of the actors; but draws attention to the post-pandemic situation, which is likely to involve a quantitative review based on changes from baseline levels, and a more precise and quantifiable definition of the concept and levels of 'awareness' (sensitivity)
<b>Outcome Indicator 4.2: M&amp;E and adaptive management applied in response to needs and Mid-Term Evaluation findings</b>						
0 GEF M&E requirements met by the project.	15 of GEF M&E requirements met and adaptive management applied in response to needs and Mid-term Review (MTR) findings.	34 of GEF M&E requirements met and adaptive management applied in response to needs and Mid-term Review (MTR) findings.	During the first year of execution, the Project held the National Initiation Workshop, in which the Annual Operational Plan of the Project and the Regional Initiation Workshop in Piura were approved, both workshops were face-to-face. In the case of the regional start-up workshops in Puno and Arequipa, due to the COVID19 pandemic, they were held virtually in March 2021. PlanetGOLD Peru was part of the GEF evaluation process for the Ecuador and Peru projects conducted by Gabriel Sidman. In this evaluation, the strategies that will be followed so that because the project was adapted to work virtually due to the pandemic were exposed.	The Project presents a good progress and efficiency in the fulfillment of administrative actions and adaptive management, and in the coordination of execution, in accordance with the requirements of the GEF. The implementation of the 11 expected products of adaptive management is planned, and the monitoring and evaluation of progress. Likewise, the coordination of the execution with the overall program and with the parallel and convergent projects to the objectives of the Project, is considered satisfactory.	<b>S</b>	Given the constraints, the Project has managed to react appropriately and adaptively. The limitations of the pandemic have not substantially affected compliance with the implementation directives and guidelines.

<b>Outcome Indicator 4.3: Project results, experiences, lessons-learned and best practices are captured, published, and taken up by the GEF GOLD Global Dissemination Platform for national and global dissemination, using report templates provided by the GEF GOLD global component where appropriate.</b>						
0 project results, experiences, lessons-learned or best practices are captured, published, and taken up by the GEF GOLD Global Dissemination Platform	<ul style="list-style-type: none"> <li>• 1 GEF GOLD country project webpage (using the template developed by the Global Gold Project) maintained.</li> <li>• Country project participated on a yearly basis in 1 Global ASGM Forum (3 in total), 1 Annual Programme Conference, and 12 monthly programme/project calls.</li> <li>• Opportunities for communication of project activity results at a global level are identified on a quarterly basis in collaboration with the GEF GOLD global component.</li> <li>• On a quarterly basis,</li> </ul>	<ul style="list-style-type: none"> <li>• 1 GEF GOLD country project webpage (using the template developed by the Global Gold Project) maintained.</li> <li>• Country project participated on a yearly basis in 1 Global ASGM Forum (3 in total), 1 Annual Programme Conference, and 12 monthly programme/project calls.</li> <li>• Opportunities for communication of project activity results at a global level are identified on a quarterly basis in collaboration with the GEF GOLD global component.</li> <li>• On a quarterly basis, information on project progress (using agreed metrics and</li> </ul>	<p>The Project uses as its official website the Global Program platform that is updated monthly: <a href="http://www.planetgold.org/es/peru">www.planetgold.org/es/peru</a> The planetGOLD Project has been leading a national campaign called #MAPESinCOVID19, disseminating information on health and safety precautions to miners; In addition to the scope reported in the last PIR, it was possible to reach a total of 10 regions with the presence of ASM: Piura, Arequipa, Puno, Madre de Dios, Ancash, La Libertad, Ayacucho, Ica, Pasco and Apurímac.</p> <p>The Project also created a quarterly newsletter to collect and communicate all updates on the activities it has been working on.</p>	<p>The communication activities of the Project in general, continue to advance satisfactorily, in parallel with the technical implementation activities, but with greater flexibility due to its relatively independent characteristic of the restrictions of the pandemic.</p> <p>The activities for the five outputs that will make up the outcome and targets are being developed efficiently, in coordination with the global GEF GOLD programme.</p>	<b>S</b>	<p>The conditions in this indicator for the valuation of actions as satisfactory are given, since the planned goals are being achieved and there are no barriers to their realization.</p>

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	information on project progress (using agreed metrics and templates provided by the GEF GOLD global component where appropriate) is submitted to the GEF GOLD global component.	templates provided by the GEF GOLD global component where appropriate) is submitted to the GEF GOLD global component.				
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## ANNEX B - TOR Contract IC 516 2021 EMT Planet Gold

### TERMS OF REFERENCE (ToR)

#### UNDP/IC-516-2021 – Mid-Term Evaluation of the Project “Integrated Management of Mercury in Artisanal and Small-Scale Gold Mining (MAPE) in Peru”

##### 1. General information

<b>Draft:</b>	00105988 - Integrated Mercury Management in Artisanal and Small-Scale Gold Mining (ASGM) in Peru
<b>Destination place:</b>	home-based
<b>Term:</b>	70 calendar days
<b>Supervision:</b>	Strategic Planning Officer and Environment Program Officer

##### 2. Introduction

These are the Terms of Reference (ToR) of the UNDP-GEF Mid-Term Review (MTR) for the project called “Integrated Management of Mercury in Artisanal and Small-Scale Gold Mining (ASGM) of the Peru” Project Award PIMS (UNDP) 104395 (Project ID 00105988), GEF ID Project 5874 implemented through UNDP in the period 2019-2021.

The project began on June 17, 2019 with the signing of the PRODOC and is currently in its third year of execution. These ToRs set out the requirements for the MTR. In accordance with the "Guide for the Conduct of the Mid-Term Review in Projects Supported by UNDP and Financed by the GEF", this mid-term review (MTR) process began before the presentation of the Third Implementation Report of the Project (PIR). The MTR process must follow the guidelines set forth in the document "Guide for the Conduct of the Mid-term Review in Projects Supported by the UNDP and Financed by the GEF" (<http://web.undp.org/evaluation/guidance.shtml#gef>).

##### 3. Project Background

Global artisanal and small-scale gold mining (ASGM) is the world's largest source of anthropogenic mercury releases to the environment (35%). Mercury can travel long distances, contributing to global mercury pollution and polluting global ecosystems and fisheries. Exposure to mercury can cause serious health problems and is a threat to a child's development in the womb and during the first years of life. ASGM is a very important source of employment and livelihoods. ASGM accounts for around 17-20% of the world's annual gold production, with 15 million people directly involved in ASGM-type activities and another 100 million dependents on ASGM for their livelihoods.

In this sense, the United Nations through UNEP and with financing from the Global Environment Facility (GEF) promoted the global project "Global opportunities for the long-term development of the ASGM sector" that is coming developing in 8 countries (Colombia, Guyana, Peru, Burkina Faso, Kenya, Mongolia, Philippines and Indonesia).

In the case of Peru, the implementing agency is the United Nations Development Program (UNDP) that through an agreement called "Integrated Management of Mercury in Artisanal and Small-Scale



Gold Mining (MAPE) of Peru" they made the decision to implement, under the direction of the Ministry of the Environment of Peru and the Ministry of Energy and Mines, the project, whose term of execution is 5 years.

The objective of the project is to reduce/eliminate mercury releases from the artisanal and small-scale gold mining sector in Peru (ASGM) by i) strengthening institutions and the regulatory/normative framework for mercury-free ASGM; ii) the establishment of financing mechanisms to provide loans for mercury-free processing equipment; iii) Increase the capacity of mercury-free ASGM through the provision of technical assistance, technology transfer and support for formalization; and, (iv) Monitoring and evaluation, awareness, registration and dissemination of experiences, lessons learned and best practices.

During the life of the project, 12 mining communities that practice ASGM in Peru (located in the departments of Arequipa, Puno and Piura) are supported and national, regional and local government entities and private sector partners are supported to reduce mercury releases by 15 metric tons, thus generating Global Environmental Benefits (GAB).

This project contributes to the following Sustainable Development Goals: SDG 1, 3, 5, 8, 9, 10, 12 and 16.

This project was approved for a duration of 60 months by the GEF, starting in June 2019 with a completion date of June 2024. Regarding the institutional arrangements, the project is executed under the direct implementation modality (NIM, for its acronym in English), in charge of the Ministry of the Environment through the General Directorate of Environmental Quality, which assumes the National Directorate of the Project. Likewise, through a Letter of Agreement between UNDP and MINAM (LoA), UNDP is empowered to provide support services for the hiring of personnel and services, among others; therefore, the Implementation Unit is operating in accordance with UNDP rules and regulations.

The National Project Steering Committee (CDP) is chaired by the Implementing Partner, in this case MINAM. On the other hand, the members of the Committee include the accredited representatives of the UNDP, the Ministry of Energy and Mines, the Ministry of Health (MINSA), the Regional Government of Arequipa (in charge of the Regional Management of Energy and Mines – GREM Arequipa ), the Regional Government of Piura (in charge of the Regional Directorate of Energy and Mines - DREM Piura), the Regional Government of Puno (in charge of the Regional Directorate of Energy and Mines - DREM Puno), the representative of the Peruvian Agency of International Cooperation (APCI) and the Operational Focal Point of the GEF in Peru.

The amount of investment provided by the Global Environment Facility (GEF) is US\$ 3.99 million, and co-financing amounts to US\$ 35.23 million, through direct and indirect actions of agencies of the Government of Peru (US\$ 27.30 million), bilateral donors/collaborating agencies (US\$ 4.91 million), NGOs (US\$ 3 million) and the UNDP (US\$ 25,000). The execution of the project is carried out under the supervision and guarantee of the UNDP, including the monitoring and evaluation mechanisms established by the GEF and the UNDP, including periodic reports, audits and mid-term evaluation (MTR) and terminal evaluation (TE).

It should be noted that since March 16, 2020, Peru was declared in a state of emergency, which included a quarantine that was lifted in stages, for specific sectors, starting in May and then resumed in March 2021. which has had a significant impact on the Project in terms of the implementation of services and activities that require national travel and field work in rural areas. In addition, the pandemic created risks as a result of the limited availability of government officials, the private sector, local producers and mining communities, to participate in Project activities.

However, the project has continued to work with its partners to ensure an effective restart from the third quarter of 2020. In addition, the project developed an adjusted work plan to be able to continue its activities when possible through intensive use of meetings. virtual and design of COVID-19 protocols in the field, among others.

The Project Document can be found at the following links: [GEF GOLD PRODOC](#)

#### **4. MTR PURPOSE AND METHODOLOGY**

##### **4.1 Objectives of the MTR**

The objectives of the mid-term evaluation (MTR) are:

- Ensure the success of the project, identifying any changes that need to be incorporated into adaptive management to achieve the expected results.
- Guarantee accountability for the achievement of project objectives, as well as those of the UNDP-GEF, and promote responsibility in the use of resources;
- Improve organizational learning through documentation, feedback and dissemination of lessons learned)
- Strengthen project supervision and management functions

Specifically, the evaluation will seek to assess:

- The project strategy and complementary instruments (the project logic and the Results Framework)
- The progress in achieving the objectives and results of the project established in the Project Document (PRODOC), analyzing the early signs of achievement, or difficulties or impossibility of achieving the project goals
- The execution and adaptive management of the project
- The sustainability risks of the project

This evaluation is part of the 2017-2021 Evaluation Plan of the Peru Office of the United Nations Development Program.

The end users of the evaluation will be the government counterparts (the GEF operational focal point), the implementing partners, the UNDP country office and the other project stakeholders for decision-making during the project implementation period.

##### **4.2 MTR approach and methodology**

The data provided by the MTR must be based on reliable and useful information.

The MTR Assessor will review all relevant sources of information; and in this sense, two types of information sources will be considered: the first will be made up of the documents prepared during the preparation phase (e.g. Project Identification Form - PIF, UNDP Initiation Plan, UNDP Environmental and Social Protection Policy, Document of the Project - PRODOC), as well as by the management documents prepared during the implementation phase of the project (e.g. Annual Review/Project Intermediate Report - PIR, UNDP monitoring reports, budget reviews and other documents that the consultant considers relevant for a better understanding of the background, context, planning and management of the project). See Annex A: List of Documents to Review. Likewise, the MTR consultant will analyze the GEF Performance Area Tracking Tool (GEF Tracking Tool converted to Core Indicators) that was completed at the beginning and mid-cycle of the project.

The second source of information is made up of interviews with direct project stakeholders (implementing partners, strategic allies and beneficiaries) so that they contribute to the evaluation of the project's progress and with suggestions to increase the probability of achieving the

proposed goals. The main actors to be interviewed are detailed in Annex B: List of Actors to be Interviewed.

As for the information collected, it must be analyzed through triangulation between the information collected in the interviews, the documentary review or other information collection tools. In this way, the findings, conclusions, lessons learned and recommendations obtained from the analysis of this information must have a solid basis in evidence and maintain the same logic among themselves.

Faced with the COVID context, the consultant must submit a proposal to adapt the methodology as appropriate, considering travel restrictions, security guidance, virtual meetings, among others. Such proposal, in addition to any constraints faced during the MTR process, should be detailed in the initial MTR report and in the final report.

The specific design and methodology of the MTR should emerge from consultations between the MTR team and the parties mentioned above about what is appropriate and feasible to meet the purpose and objectives of the MTR and answer the evaluation questions, given the budget, time and data constraints.

The evaluator must use gender-sensitive methodologies and tools and ensure gender equality and women's empowerment, as well as other cross-cutting issues such as a participatory approach that ensures a close relationship with the Project Team, implementing partners, responsible parties, points focal points of state entities related to the project and the GEF Focal Points of the Country Offices, the UNDP-GEF Regional Technical Advisor (RTA) and other key stakeholders. In addition, the inclusion of the SDGs in the report must be ensured.

The final methodological approach, including the schedule of interviews, field visits and data to be used in the mid-term review, should be clearly outlined in the inception report and fully discussed and agreed upon between UNDP, stakeholders and the midterm review team.

The consultant must hold at least three presentation meetings, which may be virtual:

- one at the beginning, to present the details of the methodology to be followed and the evaluation work plan;
- another at the end of the interviews with the main actors, to present the findings and conclusions;
- and another at the end of the evaluation, for the presentation of the results.

The main product derived from this process is the final report of the MTR, which must contain a complete description of the methodology followed and the reasons for its adoption, explicitly pointing out the hypotheses used and the challenges, strengths and weaknesses of the methods used. for the MTR, according to the format in Annex C.

#### **4.3 Detailed scope of the MTR**

The MTR evaluator will evaluate the following four categories of project progress. For more extensive descriptions see the Guidance for Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects (<http://web.undp.org/evaluation/guidance.shtml#gef>).

## i. project strategy

### Project design:

- Analyze the problem addressed by the project and the hypotheses applied. Examine the effect of any incorrect assumptions or changes in the context on the achievement of the project results set out in the Project Document.
- Analyze the relevance of the project strategy and determine if it offers the most effective way to achieve the desired/intended results. Were lessons learned from other relevant projects adequately incorporated into the project design?
- Analyze how the priorities of the country and specifically of the competent sectors are included in the project. Check national ownership of the project. Was the project concept aligned with national sector development priorities and plans for the country?
- Analyze decision-making processes. Was the perspective of those who would be affected by the decisions related to the project, those who could influence its results and those who could contribute information or other resources during the design processes taken into account during the design processes of the project?
- Analyze to what extent relevant gender issues were addressed in the project design.
- Analyze if there are important areas that require attention, recommend aspects for improvement.
- Was the voice of beneficiaries collected during the design of the project?
- Analyze the mechanisms for evaluating the impact on the beneficiaries considered in the project, mainly in the pilot projects.

### Results framework/logical framework:

- Carry out a critical analysis of the indicators and goals of the project's logical framework taking into account the adjustments made to it (if any), evaluate the extent to which the project's mid-term and end-term goals meet the "SMART" criteria (abbreviation in Specific, Measurable, Achievable, Relevant and Time-bound) and suggest specific modifications/revisions of said goals and indicators as necessary.
- Determine the feasibility of achieving the objectives and results of the project or its components with the available resources of time, human, economic, among others.
- Analyze whether progress so far has generated beneficial development effects or could catalyze them in the future (for example, in terms of income generation, gender equality and women's empowerment, improvements in governance, quality of life, etc.) so they should be included in the project results framework and monitored on an annual basis.
- Ensure effective monitoring of the broader development and gender aspects of the project. Develop and recommend SMART "development" indicators, which should include gender-disaggregated indicators and others that capture development benefits.
- Analyze how the gender approach is being considered and/or applied in the Project components, as well as recommend gender-disaggregated indicators to the extent necessary, in order to ensure full and correct integration of the development beneficiaries. of the project.

## ii. Progress in achieving results

### Analysis of progress in achieving results:

- Review the Project indicators and compare them with the progress made in achieving the goals established for the end of the project through the Matrix of Progress in the Achievement of Results (see Table 1) and based on what is established in the "Guide for the Realization of the Mid-Term Examination in Projects Supported by the UNDP and Financed by the GEF"; reflect progress following the "traffic light" color system based on the level of progress achieved; assign a progress rating to each outcome; make recommendations from areas marked "Not on track to be achieved" (red).

**Table 1. Matrix of progress in achieving results (results obtained in comparison with the goals for the end of the project)**

Strategy of the project	Indicator	Base line	Goal Mid-term	Goals at the end of the project	Level in the 2nd PIR (Self-reported)	level and mid-term evaluation	Assessment of achievements	Valuation rationale
<b>Objective of the project:</b> Protect human health and the environment from mercury releases from the intentional use of mercury in artisanal and small-scale gold mining (ASGM)	4 new partnership mechanisms with funding for sustainable and gender-sensitive management solutions for natural resources, ecosystem services, chemicals and waste at the national level.	There are no partnership mechanisms that provide access to finance for gender-sensitive sustainable management solutions in the ASGM sector.	2 new funding partnership mechanisms for sustainable and gender-sensitive chemical and waste management solutions established at the national and/or sub-national level.	4 new funding partnership mechanisms for sustainable and gender-sensitive chemicals and waste management solutions established at the national and/or sub-national level.	<p>The project concluded the "National supply and demand study for the development of financial mechanisms for the artisanal and small-scale mining sector in Peru" (November 2020 to February 2021). The study was carried out in seven (07) regions of Peru, with the highest incidence or presence of small-scale mining: Puno, Arequipa, Piura, Madre de Dios, Ayacucho, La Libertad, Apurímac; The objective was to carry out a diagnosis and analysis of the supply and demand of financial products and services for the artisanal and small-scale mining sector at the national level, prioritizing the regions with the highest density of miners dedicated to this activity.</p> <p>The results of the "National supply and demand study for the development of financial mechanisms for the artisanal and small-scale mining sector in Peru" will be published in the second half of 2021 and its dissemination will be aimed at public and private actors in the sector. MAPE. An event will be held to present the results of the study, the event will be organized by the Ministry of Mines and the Ministry of the Environment.</p> <p>With the results of the "Study of national supply and demand for the development of financial mechanisms for the artisanal and small-scale mining sector in Peru", the project aims to influence the Multisectoral Commission for Financial Inclusion so that the mining sector is included craft as a vulnerable group in the National Strategy for Financial Inclusion.</p>			

1 Color only this column, according to the Code for the evaluation of indicators.

					<p>Coordination will continue with the Multisectoral Commission to ensure the inclusion of the ASGM sector; It should be noted that the inclusion of the ASGM sector in the aforementioned strategy will be important for the ASGM sector since it will be visible to other public and private actors, allowing small artisans to be included and prioritized in social programs, financing opportunities, among others.</p> <p>On the other hand, in April 2021, the Low-Value Subsidy Agreement was initiated with Solidaridad Sudamerica (NGO), whose purpose is to design, implement and evaluate new financial inclusion mechanisms aimed at ASGM organizations, allowing them to establish themselves through adequate credit profiles, achieve an accelerated incorporation into the formal economy and operate with good production, labor and environmental standards (without the use of mercury).</p> <p>This Agreement will work with eight (8) ASGM organizations from the San Juan de Chorunga mining unit, belonging to the Century Mining Peru (CMP) mining concessions in the Arequipa region. For each selected organization, its main needs will be identified in technical and organizational terms; Based on the identification and prioritization of the critical points, Investment Plans will be designed that contain information aimed at the organizational strengthening of each of the selected ASGMs, as well as the inclusion of articulated opportunities with technology providers in the region for the introduction of mercury-free technologies and/or operations.</p> <p>In this framework, a new mechanism will be demonstrated to finance the resulting Investment Plans, which consists of articulating the financial institution with the ASGM organization, reducing its credit risk through the participation of two key actors: Century Mining Peru (CMP) and technology providers. The financing scheme would be based on the fact that the financial institution would approve the reimbursable financing operation to the ASGM organization, as long as the company that provided them is included as a guarantor. buys the ore, for example, in this case, Century Mining Peru</p>			
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					<p>(CMP), in this way, a percentage of the payment for the purchase of mineral delivered to the MAPE organization would be used to pay off the loan. Likewise, the financial institution would grant direct financing to technology providers, under the conditions explained in each Investment Plan.</p> <p>In order to continue contributing to the objective of developing financial mechanisms and/or instruments, a new Low Value Subsidy Agreement is currently being negotiated with the Peruvian Federation of Municipal Banks, an organization that maintains direct links with the main rural microfinance institutions at the national level. This new agreement, which is still in the design phase, will work on the following issues: the development of a financial education program aimed at ASGM organizations and organized groups of pallaquera women; the development of an awareness strategy on investment opportunities in the ASGM sector, aimed at rural microfinance operators; finally, and the design and validation of financial instruments between rural savings banks and ASGM organizations.</p> <p>Finally, in parallel to the Low Value Grant Agreements that are being implemented and/or negotiated, the project -as part of its annual operating plan- is convening specialized and multidisciplinary work teams for each region of impact of the project (Puno, Arequipa and Piura), in order to implement the project's activities in the field, which are aimed at preparing ASGM organizations to submit credit applications.</p>			
	47,097 direct beneficiaries of the project (44% women and 56% men) for whom	Inhabitants in pilot districts (47,097): Ananea (Puno): 20,572 population (11,769	25,000 direct beneficiaries of the project (44% women and 56%men) for whom the	47,097 direct beneficiaries of theproject (44% women and 56%mens) for which the risk of	The project has concluded the "Diagnosis and awareness of the risk of exposure to mercury in ASGM", in the regions of Arequipa, Piura and Puno (November 2020 to January 2021); The diagnosis concluded in an Action Plan that will raise awareness about the impacts of mercury on the populations of the communities of ASGM organizations, aimed at ASGM organizations, communities, decision makers, the public sector and as well as NGOs and their relationship and involvement with the			

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	the risk of exposure to mercury has been reduced.	men and 8,803 women) Yanaquihua (Arequipa): 4,936 population (2,500 men and 2,436 women). Paimas (Piura): : 9,638 population (4,800 men and 4,836 women). Yours (Piura):11,951 population (5,999 men and 5,952 women).	risk of exposure to mercury.	mercury exposure	purpose of the project. Likewise, the Plan has already identified the best communication and awareness channels.  The first phase of the Awareness Campaign (Regional: planetGOLD) will begin in October 2021, as well as the Mercury Expedition Campaign, an initiative that began in October 2020 and was worked on in conjunction with the Pollution Control Directorate and Chemical Substances of the Ministry of the Environment.			
<b>Outcome 1</b>	<b>Outcome 1: Strengthening institutions and the normative/regulatory framework for ASGM free of mercury</b>							
	<b>1.1</b> Number of government entities that have the ability to	Regional governments have few or inefficient processes and procedures	Increased capacity of 4 government entities is to improve your	4 government entities improve their capabilities to assess,	The project concluded the service of "Consulting to Assess the Articulation and Coordination Capacities of Government, National and Regional Entities, linked to the ASGM Formalization process and develop a Program to strengthen the capacities of the Assessed Entities". With the information obtained, a capacity building program will be developed for the			

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	<p>evaluate, plan and implement sustainable and mercury-free interventions in the ASGM sector.</p>	<p>to manage mercury-free ASGM.</p> <p>The permanent Multisectoral Commission for the formalization of mining and illegal mining does not address management aspects related to mercury-free ASGM, financial inclusion and gender.</p>	<p>capacity to assess, plan and implement sustainable and mercury-free interventions in the artisanal gold mining sector.</p>	<p>plan and implement sustainable and mercury-free interventions in the ASGM sector:</p> <ul style="list-style-type: none"> <li>- (01) Ministry of Energy and Mines</li> <li>- (03) Regional Authority for Energy and mines</li> </ul>	<p>second semester of 2021, addressed to the authorities and officials of the Regional Directorates of Energy and Mines, as well as to the government entities linked to the mining formalization processes.</p>			
	<p><b>1.2</b>Enabling environment created by improving national policies and regulatory frameworks for ASGM and phasing out mercury in</p>	<p>In 2017, the Government of Peru began the design of the National Action Plan for ASGM.</p> <p>Many ASGM organizations that have officially registered to the process of</p>	<p>1 policy, regulation or standard reviewed and/or developed to improve the enabling environment for ASGM and mercury phase-out in the ASGM sector.</p>	<p>2 policies, regulations and standards reviewed and/or developed in order to create the enabling environment for ASGM and mercury removal in the ASGM sector.</p>	<p>To achieve this goal, the project is supporting the formulation of the next normative initiatives with technical and legal assistance:</p> <ol style="list-style-type: none"> <li>1. The National Action Plan to reduce mercury in ASGM, developed within the framework of the Minamata agreement, and led by the Ministry of the Environment (MINAM). During the period of this report, the project team supported MINAM to define the lines of work that this instrument will prioritize, which are: <ul style="list-style-type: none"> <li>✓ Reduction of emissions and releases from the use of mercury associated with ASGM</li> <li>✓ Formalization and sustainability of small-scale mining and artisanal gold mining</li> </ul> </li> </ol>			

	the ASGM sector.	<p>formalization, they often have their applications for exploitation contracts rejected by the concession owners, which are a fundamental prerequisite for the formalization process.</p> <p>The regulatory framework at the national and regional levels is complex and has regulatory gaps.</p>			<ul style="list-style-type: none"> <li>✓ Control and monitoring of mercury traceability in ASGM</li> <li>✓ Strengthening public health against the risk of exposure from the use of mercury in ASGM,</li> <li>✓ Development of complementary strategies to the Plan.</li> </ul> <p>2. The Regulation on the Marketing of gold for ASGM and support for the development of the Gold Traceability System. For the technical support of this regulation, the project concluded in November 2020 the socialization and updating of the regulatory proposal that establishes complementary provisions for the commercialization of gold, and legal assistance to the personnel that develops the computer system of the Special Registry of Marketers and Gold Processors (RECPO). Additionally, the online platform for the gold traceability system (called RECPO online) is being developed.</p> <p>3. <u>National Multisectoral Policy for Small Mining and Mining handmade</u>, which aims to provide the guidelines for the next government in terms of the ASGM sector. Regarding this process, the planetGOLD project hired a consultant to provide technical assistance to the Ministry of Energy and Mines in the process of formulating this policy; The first product has been delivered and approved, which consisted of reviewing and validating the design of the National Policy, in accordance with the guidelines of the National Center for Strategic Planning (CEPLAN). This first product includes the following (i) Delimitation of the public problem, (ii) Enunciation and structuring of the public problem, (iii) Determination of the desired future situation and (iv) Selection of solution alternatives.</p>			
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					<p>Likewise, technical support was given to the General Directorate of Mining Formalization (DGFM) of the Ministry of Energy and Mines for the formulation of the new National and Multisectoral Policy aimed at the ASGM sector; Specifically, the project provided support to include manual gold selectors (pallaqueras) in the design of the policy and in its validation process. The support provided consisted of carrying out an evaluation of the current situation that the pallaqueras currently face in terms of associativity, knowledge about financial education, training services received and details about the formalization process; With this information, actions/services that can be articulated to the Policy were proposed.</p> <p>Four. Currently the project is part of the committee for the design,development and constitution of the Mining Fund and Formal Peruvian Gold Seal, convened by the General Directorate of Mining Formalization.</p> <p>Finally, the project was part of the National Commission of Peru to support the elaboration of the Regulation of the Andean Mercury Observatory, implemented by the members of the Andean Community, the which was approved in April 2021.</p>				
<b>Outcome 2</b>	<b>Outcome 2: Establishment of financing alternatives and loans to promote the acquisition of mercury-free technologies from formalized ASGM and in the process of being formalized</b>								
	<b>2.1</b> Loans for the purchase of equipment/in vestments in mercury-free processing are accessible	Municipal savings banks, small and microenterprise development entities (EDYPYME) and savings and loan banks	two new/improved financial products/mech anisms (including financial products tailored to women)	4 new/improved financial products/mech anisms (including women-friendly financial products) are	As reported in the previous indicators, the project concluded the "National supply and demand study for the development of financial mechanisms for the artisanal and small-scale mining sector in Peru", concluding in an Action Plan to articulate the financial sector with ASGM; The results will be published and disseminated to public and private actors related to the ASGM sector; a Public Event will convene regional authorities, relevant actors in the sector and ASGM organizations; The objective of the event is to present the results or findings on the study of				

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t	for miners and ASGM cooperatives formalized and in the process of being formalized.	rural areas are present in the pilot regions of the project. The number of their respective branches are: Arequipa EDYPYME (9); Branches of Municipal Bank (58) and the Rural Bank (8). Piura EDYPYME (29); Branches of Municipal Bank (57) and the Rural Bank (7). Puno EDYPYME (5); Branches of Municipal Bank (48) and the Rural Bank (23). However, the financial assessment was unable to find any evidence that these banks provide financing to the ASGM sector or that have	established for the ASGM sector.  \$3 million (total funding amount) available to the artisanal and small-scale gold mining sector through existing or new financial mechanisms.  \$1 million (total funding amount) allocated to the artisanal and small-scale gold mining sector through	implemented for the ASGM sector.  US\$15 million (total funding amount) available to the ASGM sector through new/existing financial mechanisms.  US\$3 million (total financing amount) allocated to the ASGM sector through approved loans.	supply and demand for the development of financial mechanisms for the ASGM sector.  Given that it will be necessary to coordinate investments with ASGM organizations to support the acquisition of technology, a Low Value Subsidy Agreement was signed with Solidaridad South America (NGO), initiated in April 2021, to design, implement and evaluate new mechanisms for financial inclusion for ASGM organizations in Arequipa; These mechanisms will be articulated with Investment Plans that will include mercury-free technologies. The expected results are to articulate the ASGM organization with a financial institution, having as guarantor the gold buyer of the selected ASGM organizations: Century Mining Peru (CMP).  In the same line of work to continue consolidating financial instruments and/or mechanisms, a new Low Value Subsidy Agreement is being designed with the Peruvian Federation of Municipal Savings and Credit, in order to take advantage of the Federation's potential in bringing to the main rural microfinance institutions at the national level, as well as its experience in the development of instruments adapted to the demand of the rural economic sectors.  Likewise, the project is in the process of convening specialized and multidisciplinary work teams for each region of impact of the project (Puno, Arequipa and Piura), in order to implement the project activities in the field; prepare ASGM organizations in technical, financial and organizational terms for the presentation of credit applications.  Finally, the project completed the Mapping of Technology Providers for the ASGM sector; The study concluded in the elaboration of a catalog that has formal companies that provide technologies for the exploitation and processing of the mineral.			
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		<p>financial mechanisms in place that are tailored to the ASGM sector.</p> <p>Informal ASGM financing networks sometimes involve illegal actors, and are often predatory. Borrowers are sometimes subject to unreasonable terms or unfair dependencies.</p> <p>The National Fund for Mining Formalization (administered by MINEM) has approximately 12 million soles available, but It is expected that this level of</p>	of approved loans.						
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		<p>funding will increase in the coming years.</p> <p>The amount of credit in 2016 (6.6 million dollars) that was granted to the mining sector in general (not gold or ASGM, specifically) was granted by Multiple Banks (97.7%) Municipal Banks (0.57%) and Rural Banks (0.12%) (Source: Superintendence of Banking, Insurance and AFP).</p>						
	<p><b>2.2</b>Number of ASGM-type miner groups (of which 20% of miners are women) are able to apply</p>	<p>Approximately 4,800 male miners and 3,000 women miners in the districts where the pilots are located do not have access to</p>	<p>Training of 600 ASGM miners (of which 200 women and 400 men) in preparing a loan/investment application</p>	<p>12 priority sites of the project (of which 20% of the miners are women) trained in developing an application</p>	<p>In progress. For each region, the project team carried out an assessment to select 13 ASGM organizations. The evaluation for the selection of each organization included the following aspects (i) tax and labor formality, (ii) mining formality, (iii) organization, gender and leadership, (iv) characteristics of the mining operation, (v) environment, (vi) commercialization and (vii) certification.</p> <p>To systematize the information collected in the field by the regional coordinators, the project team designed an ASGM Organization Assessment Tool, which can be used by any institution or person linked to the sector,</p>			

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	loans for equipment/investments in mercury-free processes.	<p>financing and financial entities consider them a financial risk.</p> <p>The miners located in the selected pilot areas do not conduct feasibility studies or profit studies when applying for ASGM investments.</p> <p>0 requests of ASGM loans developed.</p> <p>0 ASGM loan applications approved.</p>	<p>(including carrying out technical and financial feasibility studies).</p> <p>12 loan applications developed (with technical support from the project).</p> <p>Approval of 50% of the loan applications (developed with the project's technical support).</p>	<p>loan/investment (including the performance of technical and financial feasibility studies).</p> <p>1,200 ASGM miners (of which 240 women, 960 men) are trained to develop a loan/investment application, including conducting technical and financial feasibility studies.</p> <p>12 loan applications developed.</p>	<p>allowing a real-time photograph of the organization to be able to prospect support actions. However, it is suggested to contrast the results with a more in-depth baseline or diagnostic study.</p> <p>Under this mechanism, 3 ASGM organizations were selected in the case of the Piura Region:</p> <ul style="list-style-type: none"> <li>Sapillica Miners Formalizing Association - AFOMAS, with 80 miners.</li> <li>San Sebastián de Suyu Limited Liability Mining Company, which has 40 mining workers.</li> <li>Association of Artisanal Miners of Servilleta - Serviminas, with 145 miners.</li> </ul> <p>In the case of Puno, 4 ASGM organizations were selected:</p> <ul style="list-style-type: none"> <li>Limited Liability Mining Company Polar Bear JJ 2005 (Polar Bear), which has 2 associates and 10 mining workers.</li> <li>Cooperativa Minera Limata Limitada (Limata), which has 44 members and 65 mining workers.</li> <li>Luis Mamani Ramos Head of the Jesús 2004 Tres Mining Project (Jesús 2004 III), which has 1 associate and 32 mining workers.</li> <li>Agustín Pachari Flores Head of the Cruz Pata Mining Project (Cruz Pata), has 24 mining workers.</li> </ul> <p>Finally, in the case of Arequipa, 5 ASGM organizations were selected:</p> <ul style="list-style-type: none"> <li>Mining Company of Mollehuaca Zorrito SA, with 64 partners</li> <li>Capitana SA Artisanal Mining Company - EMACSA, with 104 partners.</li> </ul>			
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				<p>50% of loan applications (developed with project technical support) are approved.</p>	<ul style="list-style-type: none"> <li>• El Guardián Palca SA Mining Company, with 133 partners.</li> <li>• Empresa Minera Virucha SA - EMVIRSA, which has 24 partners.</li> <li>• Galenos de Pozo SA Mining Company, which has 110 partners.</li> </ul> <p>Likewise, the project identified 4 associations of women manual gold selectors (organizations of pallaqueras) with whom it will work in the project's activities. It should be noted that these Associations do not yet have public records since the activity of pallaqueo does not have legal regulation:</p> <ul style="list-style-type: none"> <li>• Association of Women Selectors of Cuatro Horas, from the province of Caravelí (Arequipa) in the district of Chaparra, where 40 organized pallaquera women were identified.</li> <li>• Association of mining women from Mollehuaca, in the province of Caravelí (Arequipa) in the district of Huanu, where 100 pallaqueras were identified.</li> <li>• Association of Pallaqueras Cuchicorral, Chirinos, Suyo, from the province of Ayabaca (Piura) in the district of Suyo, identifying 40 pallaqueras.</li> <li>• San Francisco Association, from the province of San Antonio de Putina (Puno) in the district of Ananea, where 30 organized pallaqueras were identified. This Association is one of the 9 Associations that make up the Central de Pallaqueras de Base Lunar.</li> </ul> <p>It should be noted that contact with the pallaquera organizations has been complicated given that, since they are not formal, they have had to migrate and/or move to other districts, seeking new income as a result of the pandemic that meant the paralysis of their activities in the district. framework of mining operations. The manual selection of the ore depends almost exclusively from the decision of the mining operator and the State began to demand that for the reactivation of mining activities</p>			
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					follow certain security protocols, which meant leaving aside the population of pallaqueras.			
Outcome 3	<b>Outcome 3: Increase the capacity of mining communities to carry out mercury-free ASGM through the provision of technical assistance, transfer of technology and support for the formalization</b>							
	<b>3.1</b> Number of tons of mercury avoided through the introduction of BEP, BAT and good social and environmental ASGM practices	Total mercury releases to the environment from the ASGM sector in Peru were estimated to be 70 tons in 2010, and this has likely increased with gold production and mining population.  According to PPG estimates, approximately 6 tons of mercury are emitted	ASGM mercury use/emissions avoided in 5 tons/year.  650 kg of gold produced per year without mercury.	Total mercury use/ASGM releases avoided by 15 tons.  2,000 kg of gold produced without mercury.	The preliminary diagnostic stage of the project was recently completed, which included the services of identifying the degrees of awareness about the impacts of mercury, gender gaps, supply and demand of financial services, mapping of technology providers for ASGM and evaluation of government capacities at national/regional level) and selection of ASGM organizations that will participate in the project.  To initiate activities on the ground, based on the work plans resulting from the diagnoses and the work of each regional coordinator, the project will convene multidisciplinary work teams for each region, specialized in metallurgy, mining engineering, organizational management and accounting, micro financing and gender. It is expected to have the work teams established as of the second half of 2021, whose work will be monitored by each project coordinator and from specialists in communication, gender and microfinance. Activities with the new health and safety protocols are expected to begin in the second half of 2021.  The planetGOLD project, together with the Ministry of Energy and Mines, the Ministry of the Environment and the Regional Directorate of Energy and Mines of Puno, convened organizations linked to ASGM from the countries of Peru, Bolivia, Colombia, Ecuador, Honduras and Indonesia. The objective was to promote the exchange of successful experiences and lessons learned between mining organizations and initiatives that promote responsible ASGM, as role models to promote the formalization, optimization of activities and reduction/elimination of mercury use in ASGM.			

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		<p>annually at the 12 project sites.</p> <p>The production annual gold in the districts where the pilot sites are located is 2.5 tons.</p>			<p>Likewise, in alliance with the Better Gold Initiative and ABR Grupo Consultor, training workshops were held for ASGM, where planetGOLD Peru addressed the topics of:</p> <ul style="list-style-type: none"> <li>• May 13 on "Money Laundering and Compliance Officer."</li> <li>• On May 14 on "Marketing and export of gold"</li> <li>• May 26 on "Gold Processing Technologies"</li> </ul> <p>On May 27 on "Prospecting and exploitation of deposits in the MAPE"</p>			
	<p><b>3.2</b>Number of ASGM-type priority mining sites (among which 20% of miners are women) are supported in their formalization processes, leading to more sustainable income opportunities and</p>	<p>Between 2012 and 2017, it they formalized 1,124 ASGM miners (through the extraordinary process)</p> <p>By August 2017, 55,737 mining activities at the national level had been registered with REINFO.</p> <p>Of the 55,737 miners in the process of</p>	<p>At least 600 ASGM miners (including 200 women miners and 400 men miners) supported in their formalization processes.</p>	<p>At least 12 priority mining sites (of which 20% of the miners are women) supported in their formalization processes.</p>	<p>As explained in the previous indicator, the diagnostic processes were recently concluded, as well as the evaluation and selection of 13 ASGM organizations that will participate in the project.</p> <p>To meet the 20% quota for women, the project completed the selection of organized groups of pallaqueras, as mentioned in the previous indicator, additionally, the "Diagnosis and Development of an Action Plan with a Gender Approach addressed to the ASGM sector", in this way it will be possible to identify the gaps between men and women, and develop a strategy to train ASGM organizations in formalization, good mining practices without mercury, technical assistance, business development and access to credit, with Gender approach.</p>			



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	safer working conditions.	<p>formalization (as of August 2017), 10% it is located in Puno; 24% in Arequipa; and 3% in Piura. Thus, a total of 20,621 miners located in the pilot areas are in the process of formalization.</p> <p>There are approx.20,000 informal miners in the ASGM sector, in the districts of Ananea (Puno), Yanaquihua (Arequipa), Paimas and Suyu (Piura).</p>						
	<b>3.3</b> Number of kg of mercury-free gold sold in the	The gold produced in the priority areas of the project is	350 kg of gold without mercury sold to	700 kg of mercury-free gold sold in the	<p>There is still no progress on this indicator as the field work has not yet been consolidated.</p> <p>To give an estimate of the current situation of the use of mercury in ASGM and thus establish a first intervention strategy, the</p>			

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	formal market	currently produces with mercury. During the PPG phase of the project, the ratios of gold production: Hg use were determined to be: Puno (Ananea): 192 Kg Au: 384 Kg Hg Arequipa (Yanaquihua): 144 Kg Au: 288 KgHg Piura (Yours): 96 Kg Au: 192 KgHg	formal market.	formal market.	coordinators from each region have made an estimate of the volume of gold and mercury in the selected ASGM organizations; This estimate will be validated and/or fed back with the gold/mercury balance studies that will be carried out during the second half of 2021 with each selected organization.			
Outcome 4	<b>Outcome 4: Raise awareness and disseminate best practices and lessons learned regarding mercury phase-out in the gold mining sector artisanal and small-scale</b>							
	<b>4.1</b> Number of people (women and men) who have been made aware of the dangers of	People in the four districts have little or no knowledge of how mercury	10,000 awareness people (3,000 women and 7,000 men) on the dangers of	Awareness of 19,000 people (5,000 women and 14,000 men) about the dangers of	The project has concluded the "Diagnosis and awareness plan on the risk of exposure to mercury in ASGM", in the 3 districts of the regions of Arequipa, Piura and Puno; The diagnosis concluded in an Awareness Action Plan on the impacts of mercury, which will be implemented progressively during the life of the project, starting in the second half of this year.			

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	mercury and ways to reduce its use in ASGM.	can affect human health and the environment directly or indirectly.  The number of ASGM miners living/working in each of the pilot areas: Ananea: 1,800 Yanaquihua: 2,200 Paymas: 650 Yours: 100 Total: 4,750	Mercury and ways to reduce its use in ASGM.	mercury and ways to reduce its use in ASGM.	The first phase of the Awareness Campaign (Regional: planetGOLD) will begin in October 2021, as will the Mercury Expedition Campaign, an initiative that began in October 2020 and was worked on in conjunction with the Mercury Control Directorate. Pollution and Chemical Substances of the Ministry of the Environment, and that for this 2021 it seeks to replicate.			
	<b>4.2</b> Number of tailored M&E and management requirements are applied in response to needs and findings product of	0 GEF M&E requirements fulfilled by the project.	15 of the GEF M&E requirements fulfilled and adaptive management applied in response to needs and conclusions	34 of the GEF M&E requirements fulfilled and adaptive management applied in response to the needs and findings of the Assessment	During the first year of execution, the project held the National Initiation Workshop, in which the Project's Annual Operational Plan was approved, and the Regional Initiation Workshop in Piura, both workshops were face-to-face. In the case of the initial regional workshops in Puno and Arequipa, due to the COVID19 pandemic, they were held virtually in March 2021.  PlanetGOLD Peru was part of the GEF evaluation process for the Ecuador and Peru projects carried out by Gabriel Sidman. In this evaluation, the strategies that will be followed so that the execution of the project is coherent and efficient, especially			

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	the Mid-Term Evaluation (MTE)		of the Interim Review (MTR).	Mid-Term (MTE)	because the project was adapted to work virtually due to the pandemic.			
	<p><b>4.3</b>Project results, experiences, lessons learned and best practices are recorded, published and taken up by the GEF GOLD Global Dissemination Platform for national and global dissemination, using reporting templates provided by the GEF GOLD Global Component, when correspond.</p>	<p>Project results, experiences, lessons learned or best practices are captured, published and adopted by the GEF GOLD Global Dissemination Platform.</p>	<p>Maintenance of 1 web page of the GEF national GOLD project (using the template developed by the World Gold Project).</p> <p>The country project participated annually in 1 Global Forum ASGM (3 in total), 1 Annual Program Conference and 12 monthly program/project calls.</p>	<p>1 website of the GEF GOLD project of country (using the template developed by the Global Gold Project) is managed.</p> <p>The project participates once a year in 1 ASGM global forum (3 in total), 1 annual program conference, and 12 monthly program/project calls.</p> <p>opportunities for</p>	<p>The project uses the Global Program platform as its official website, which is updated monthly:<a href="http://www.planetgold.org/es/peru">www.planetgold.org/es/peru</a> The planetGOLD project has been leading a national campaign called #MAPEsinCOVID19, disseminating information on health and safety precautions to miners; in addition to the scope reported in the last PIR, it was possible to reach a total of 10 regions with ASGM presence: Piura, Arequipa, Puno, Madre de Dios, Ancash, La Libertad, Ayacucho, Ica, Pasco and Apurímac.</p> <p>Likewise, the project created a quarterly Bulletin to collect and communicate all the updates of the activities in which it has been working.</p>			

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			<p>Communication opportunities for the results of project activities at the global level are identified on a quarterly basis in collaboration with the global GEF GOLD component.</p> <p>Quarterly, is presented to the global component GEF GOLD information on the progress of the projects (using agreed metrics and templates provided by the component</p>	<p>Communicate project results globally are identified quarterly in collaboration with the GEF GOLD global component.</p> <p>Quarterly and, information on the progress achieved by the project (using metrics and templates agreed with and provided by the GEF GOLD Global Component where appropriate) is sent to the GEF GOLD Global Component.</p>					
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			global GEF GOLD when appropriate).					
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Indicator evaluation code

Green = Achieved	Yellow = way to be achieved	Red = Not on track to be achieved
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In addition to the analysis of progress in achieving results:

- Compare and analyze the GEF Tracking Tool (Core Indicators) at the initial reference level with that completed immediately before the mid-term review.
- Identify the barriers to the achievement of the project objectives in the remainder until its completion, and those relevant that have arisen in this stage of project implementation.
- Once the aspects of the project that have been successful have been examined, identify formulas for the project to extend the benefits achieved.
- Review of the Social and Environmental Screening Procedure (SESP) and its respective update



### iii. Project implementation and adaptive management

#### Management mechanisms

- Analyze the general efficiency in the management of the project as stated in the Project Document. Have changes been made? Are they effective? Are responsibilities and chain of command clear? Are decisions made transparently and at the right time? Recommend areas for improvement.
- Analyze the quality of the execution of the Project, according to its implementation modality.
- Analyze the quality of the support provided by the GEF Partner Agency (UNDP) and recommend areas for improvement.
- Analyze the effectiveness and empowerment of the participation of the entities that make up the Board of Directors.
- Analyze how the context of the Covid-19 pandemic has affected project management and how it has adapted to it.

#### Work planning

- Analyze any delay in the start-up and implementation of the project, identify its causes and examine if they have already been resolved. Likewise, evaluate if it is necessary to make an adjustment in the implementation times of the project, in order to achieve its expected results and goals.
- Are work planning processes results-based? If not, can you suggest ways to reorient work planning to focus on results?
- Review the use of the project's results framework/log frame as a management tool and review any changes since the start of the project.

#### Financing and co-financing

- Evaluate the financial management of the project, with special reference to the profitability or cost/performance ratio of the interventions. The effectiveness of financial management is analyzed based on the budget approved by the GEF.
- Analyze the changes produced in the appropriations of funds as a result of budget revisions and determine if said revisions have been appropriate and relevant.
- Does the project have adequate financial controls, including appropriate information and planning, that allow the Project Management to make informed decisions regarding the budget and that facilitate a flow of funds in a timely and adequate manner?
- Based on the information contained in the co-financing monitoring table to be filled in, provide comments on the co-financing. Is co-financing used strategically to support project objectives? Does the Project Team meet regularly with all co-financing partners to align funding priorities and annual work plans?

Source of Co-financing	Name of institution Co-financer	Type Co-financing	Amount of Co-financing Confirmed at the Time of the CEO Endorsement (US\$)	Amount of effective Co-financing contributed at the time of the Mid-Term Review (US\$)	% of Total Expected Co-financing Amount

		<b>TOTAL</b>			

### Monitoring and evaluation systems at the project level

- Analyze the monitoring tools currently used. Do they offer the necessary information? Do they involve key partners? Are they aligned with national systems or incorporated into them?  
  
Do they use existing information? Are they efficient? Are they profitable? Are additional tools required? How can they be made more participatory and inclusive?
- Are there adequate monitoring instruments for project indicators?
- Analyze the financial management of the budget for the monitoring and evaluation of the project. Are sufficient resources allocated for monitoring and evaluation? Are these resources used effectively?

### Stakeholder engagement

- Project management: Has the project developed and forged the right partnerships, both with direct stakeholders and with other tangential actors?
- Participation and processes promoted from the country: Do local and national governments support the objectives of the project? Do they continue to have an active role in project decision-making that contributes to efficient and effective project execution?
- Public involvement and awareness: To what extent has public awareness and involvement contributed to the progress made towards achieving the project objectives?

### Social and environmental standards (safeguards)

- Validate the risks identified in the project's most recent SESP and the categorizations of those risks; Are reviews needed?
- Summarize and evaluate revisions made since CEO Endorsement approval (if applicable) to:
  - The risk categorization of the project's general safeguards.
  - The types of risks identified (in the SESP).
  - Individual risk ratings (in the SESP).
- Describe and assess the progress made in implementing the project's environmental and social management measures, as outlined in the SESP presented in the CEO Approval (and prepared during implementation, if applicable), including any revisions to those measures. These management measures may include environmental and social management plans (ESMPs) or other management plans, although they may also include aspects of project design; see the Question 6 of the SESP template for a summary of the identified management measures.

A given project should be assessed against the version of the UNDP safeguards policy that was in effect at the time of project approval.

### Information

- Analyze the mechanisms used by the Project Management to report changes in adaptive management and communicate them to the Project Board.
- Assess the extent to which the Project Team and its partners carry out and comply with all GEF reporting requirements (e.g.: what measures have been taken to address PIRs with low ratings, where applicable)?
- Assess how the lessons from the adaptive management process have been

documented, shared and internalized by key partners.

Communication

- Examine internal project communication with stakeholders: Is there regular and effective communication? Are important stakeholders left out of communication channels? Are there feedback mechanisms when communication is received?  
Does communication with stakeholders contribute to increased stakeholder awareness of project results and activities, and greater commitment to long-term sustainability of project results?
- Examine the external communication of the project: Have adequate communication channels been established – or are they being established – to express the progress of the project and the desired public impact (e.g., is there a web presence?)? Did the project carry out adequate communication and public awareness campaigns?.
- For information purposes, write a half-page paragraph summarizing the project's progress towards results in terms of its contribution to the generation of benefits related to sustainable development and the global environment.

#### iv. Sustainability

Validate if the risks identified in the Project Document, the Annual Project Review/PIR and the Risk Management Module of the UNDP ERP System called ATLAS are the most important and if the applied risk assessments are adequate and updated. If not, explain why. Also, evaluate the following risks to sustainability:

##### Financial risks to sustainability

- What is the probability that the availability of economic resources will be reduced or ceased once the GEF assistance ends (taking into account that potential resources can come from multiple sources, such as the public and private sectors, income-generating activities and others? resources that will be adequate to sustain the results of the project)?

##### Social or political risks to sustainability

- Are there social or political risks that could jeopardize the sustainability of the project results? What is the risk that the level of stakeholder ownership and involvement (including that of governments and other stakeholders) is insufficient to sustain the results/benefits of the project? Are the various key stakeholders aware that it is in their interest to keep the benefits of the project flowing? Do the public and/or stakeholders have a sufficient level of awareness to support the long-term goals of the project? Does the Project Team document lessons learned on an ongoing basis? Are they shared/transferred to the right actors who are in a position to apply them and potentially replicate and/or expand them in the future?

##### Sustainability risks related to the institutional framework and governance:

- Do the legal frameworks, policies, structures and governance processes present risks that could jeopardize the continuity of the benefits of the project? In assessing this parameter, it is also necessary to consider whether the required systems/mechanisms for accountability, transparency and technical expertise are in place.

##### Environmental risks to sustainability

- Are there any environmental risks that could jeopardize the continuity of the project's results?

The scales of the assessments both on the progress in achieving results, project execution and adaptive management as well as on the sustainability of the project that are detailed in the "Guide for the Implementation of the Mid-Term Review in Projects supported by the UNDP and Financed by the GEF". Watch: <http://web.undp.org/evaluation/guidance.shtml#gef>.

#### Conclusions and recommendations

The MTR Evaluator will include a section in the report where the conclusions obtained from all the data collected and tests carried out and in line with the findings are collected.

Recommendations should be succinct suggestions for critical interventions that should be specific, measurable, achievable, and relevant. A table of recommendations should be included within the executive summary of the evaluation report. For more information on the table of recommendations and the

Audit Trail, see the Guide for Conducting the Mid-Term Review in Projects Supported by UNDP and Funded by the GEF. MTR recommendations should be limited to a maximum of 15.

## Ratings

The MTR Evaluator will include their assessments of the project results and brief descriptions associated achievements in a Summary Table of Ratings and Achievements in the Executive Summary of the MTR Report (See ToR Annex E MTR Ratings) of the “Guide for Conducting the Mid-Term Review of UNDP-Supported and Funded Projects”. by the GEF” to check the rating scales). It is not necessary to make an assessment of the Project Strategy or a general assessment of it.

**Table 2. Summary of assessments and achievements of the MTR Project**

Parameter	MTR rating	Achievement Description
project strategy	N/A	
Progress in achieving results	Assessment of the degree of achievement of the objective. Assessment of the degree of achievement of Component 1 (Grade according to a 6-point scale)	
	Assessment of the degree of achievement of the objective. Assessment of the degree of achievement of Component 2 (Grade according to a 6-point scale)	
	Assessment of the degree of achievement of the objective. Assessment of the degree of achievement of Component 3 (Grade according to a 6-point scale)	
Project execution and adaptive management, monitoring and evaluation	Grade on a 6 pt. scale.	
Sustainability	Grade on a 4 pt. scale.	

\* See Annex F: MTR Assessment Scale.

The report should not exceed 40 pages in total (not including annexes).

## 5. TIMEFRAME

The total duration of the MTR will be 70 calendar days, counted from the day following the signing of the contract. The tentative schedule for the MTR is as follows:

**Table 3. Provisional schedule of execution of the MTR**

TIMEFRAME	ACTIVITY
At the date of signing the contract	Start of the Service Preparation of the MTR Evaluator (virtual delivery of the Documents by the Project)
At 07 calendar days from the beginning of the service.	Presentation of the MTR initiation report virtually.
14 calendar days from the start of the service.	Presentation of the Initial Report with observations raised via email.
16 calendar days from the start of the service	Start of the MTR Mission: meetings and/or virtual interviews with the interested parties, based on a schedule of a maximum duration of 15 days, prepared in coordination with the IFC team.
At 40 calendar days	Virtual closing meeting of the mission and presentation of the first findings and conclusions.
At 48 calendar days	Presentation of the draft of the full final report with annexes (electronic way)
At 60 calendar days	Reception of comments and/or observations received on the draft of the final report by the partners and parties project stakeholders
70 calendar days after service started	Presentation of Management's response
70 calendar days after the start of the service	Presentation of the revised MTR Final Report with annexes (including English and Spanish versions) including the audit trail (see Annex H) detailing how all comments received from stakeholders have been addressed (or not) in the report. the partners and/or key actors of the project (electronic way)
Depending on the date to be coordinated with the implementing partner and the parties project stakeholders	Virtual presentation of the Final MTR report at the conclusion workshop with stakeholders

## 6. DELIVERABLES

Do not.	Product	Description	Term	Responsibilities
one	<b>Report of the Initiation of the MTR (in Spanish)</b>	The MTR consultant clarifies the objectives, scopes Y review methods half period. Explain how do you understand the project examined, the approach applied, presents its proposed work plan, matrix of evaluation and criteria applied	7 calendar days after started the service consultancy and once the review documentary of the draft.	The MTR Evaluator presents it virtually, the Adjudicator Unit (UNDP) and the Project team

two	<b>Presentation of findings initials</b>	Initial Conclusions	40 calendar days after service started (It includes the findings of the mission and work of cabinet)	The MTR Evaluator introduces them, virtually, in view of the the Adjudicator Unit (UNDP), the Direction National Project, the project team and the <b>other parts Interested in draft</b>
3	<b>Presentation of Eraser from Final report</b>	Full Report with Annexes (use content guidelines in TOR Annex B of the MTR Guide, including the new Co-financing template	At 48 calendar days from the beginning of the service	The MTR Evaluator presents it virtually to the Adjudication Unit (UNDP), the National Directorate, the project team and other interested parties of the project
4	<b>Presentation of Final report*</b>	Full report reviewed (use the guidelines on the content collected in the TDR (Annex B of the MTR Guide), including the test audit detailing how it has been addressed (or not) in the report all the comments received by part of the partners and/or key actors of the project. include the review GEF tools follow-up (TT acronym in English) and the evaluation matrix. this report shall be prepared in Spanish and English. Brief report of the meeting virtual presentation of MTR.	At 70 calendar days from the start of the service.	Sent to UNDP (offices of country and regional office), to the National Directorate, project team and other interested parties of the project

All products must be delivered virtually.

## 7. PAYMENT SCHEDULE

Payments will be made via bank transfer, to the account of the contract holder, within 10 calendar days following receipt of the agreement by the Adjudicator Unit (UNDP Peru Office) after delivery of the receipt for fee, invoice or document. to do his turn in his country of origin and Payment Certificate (Annex 6), according to the following schedule:

Product	Payment	Payment Condition
First Product	twenty%	To the conformity of the initial report of the MTR
Second and Third Product	40%	Presentation of first findings and approval of the draft report of the MTR



Fourth Product	40%	Upon approval of the final report of the MTR in English and Spanish
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In case there are observations to the reports presented, the term will be counted from the date of these observations.

## 8. MTR ARRENGEMENTS

The main responsibility in the management of this Mid-Term Evaluation (MTR) corresponds to the Commissioning Unit of this project, which is the UNDP Peru Office, which is made up of the Strategic Planning, Program and Procurement area. The Commissioning Unit will hire the consultant, will ensure the timely supply of the project information package and will guarantee the timely payment of the products delivered, subject to prior approval. The Commissioning Unit will verify the products delivered by the consultant in order to guarantee the required quality and compliance with the "Guide for Carrying out the Mid-Term Review in Projects Supported by UNDP and financed by the GEF".

The Commissioning Unit will be responsible for contacting the consultant in order to provide him with the information package and all the pertinent documents of the project. Likewise, the Commissioning Unit will provide the evaluator with an updated list of interested parties with contact information (telephone and email). The project team will support the consultant in the preparation of a schedule and the organization and/or coordination of interviews with the interested parties, for which measures against COVID-19 should be considered, such as the use of technological tools and virtual interviews. The workplace will be remote and the evaluator must have their own laptop.

The Commissioning Unit, from the project team, must prepare and provide the evaluator with an updated list of project stakeholders with contact details (phone and email). The Project Team will be responsible for liaising with the evaluator to arrange interviews with stakeholders, drawing up a schedule.

Behind this guidance is a "do no harm" principle and a consideration that the safety of staff, consultants, stakeholders, and communities is paramount and everyone's foremost concern when planning and implementing assessments during the COVID-19 crisis.

## 9. REQUIRED SKILLS AND EXPERIENCE

The Consultant may not have participated in the preparation, formulation and/or execution of the project (including the drafting of the Project Document) and must not have a conflict of interest with the activities related to it. The Evaluator will sign the Evaluation Consultant Code of Conduct Agreement Form2 (Annex E).

### Education

- Bachelor's degree in environment, science, engineering, economics or another related

field.

- Desirable specialization, or course, or seminar, related to: artisanal and small-scale mining, remediation of contaminated sites, ecosystem preservation, clean technologies for mineral production and extraction, land planning, among others.
- Fluent in written, read and spoken Spanish, Fluent in written and read English.

### **Professional experience**

- At least five (5) years of experience identifying, formulating, monitoring, implementing (includes advice and/or technical assistance), managing projects or programs related to sustainable production projects, land planning, remediation of contaminated sites, land planning, mitigation/adaptation to climate change, among others. It will be valued that the experience has been linked to the mining sector and/or clean technologies for production.
- At least three experiences carrying out evaluations, similar to this one, to projects related to: sustainable productive projects, land planning, remediation of contaminated sites, land planning, mitigation/adaptation to climate change, among others. It will be valued if they are in the mining sector and/or clean technologies for production.
- At least two experiences conducting evaluations of projects financed by the GEF. It will be assessed if any of the projects was implemented by the UNDP.
- Experience in the application of SMART indicators, either in the framework of the design, monitoring or implementation of projects and/or reconstruction or validation of initial scenarios (baselines).
- Desirable experience in evaluations and analyzes sensitive to interculturality and a gender approach.

The selected candidate is required to have immediate availability to carry out the consultancy.

## **TORS Annexes**

The following annexes are attached:

- Annex A: List of documents to be reviewed by the consultant
- Annex B: List of actors to be interviewed
- Annex C: Structure of the final report
- Annex D: Model templates for the MTR evaluation matrix
- Annex E: UNEG Code of Conduct for MTR Evaluators
- Appendix F: MTR Rating Scale (Ratings)
- Annex G: MTR Report Authorization Form
- Annex H: MTR Audit Trail Format.

## ANNEX C - MID-TERM EVALUATION MATRIX

EVALUATION QUESTIONS	INDICATORS	SOURCES	METHODOLOGY
<b>Project Strategy: To what extent is the Project strategy relevant to global and country priorities, and to stakeholder ownership? Do you consider that it is the best route to the expected results?</b>			
Does the Project contribute to the improvement of national policies and regulatory frameworks for ASGM? How is the Project expected to contribute to the better design and implementation of national policies and regulatory frameworks?	<ul style="list-style-type: none"> <li>Degree of alignment with national and other related policies.</li> <li>Degree of alignment with the results frameworks of UNDP Peru and UN Peru</li> <li># and quality of inputs generated in the Project that can contribute to national policies.</li> <li>Level of inter-institutional conciliation of the Project proposals</li> </ul>	<ul style="list-style-type: none"> <li>ProDoc, PIR, national plans and regulations, consultancy documents</li> <li>Interviews with interested parties</li> </ul>	<ul style="list-style-type: none"> <li>Comparative and consistency analysis of reports and documents;</li> <li>Semi-structured interviews with the designers and implementers of the Project.</li> </ul>
How has the Project contributed to the development of financial mechanisms for the ASGM sector?	<ul style="list-style-type: none"> <li># of workshops, courses, invitations, communications.</li> <li># financial mechanisms created or strengthened</li> <li>Opinions of interviewees</li> </ul>	<ul style="list-style-type: none"> <li>ProDoc, PIR</li> <li>Specific consulting reports</li> <li>Interviews with interested parties and beneficiaries.</li> </ul>	<ul style="list-style-type: none"> <li>Comparative and consistency analysis of reports and documents.</li> <li>Semi-structured interviews with the designers and implementers of the Project</li> </ul>
How is the Project expected to contribute to the reduction/elimination of mercury in ASGM?	<ul style="list-style-type: none"> <li># of workshops, courses, invitations, communications.</li> <li># tons of mercury that are not released into the environment</li> <li>Opinions of interviewees.</li> </ul>	<ul style="list-style-type: none"> <li>PIF, ProDoc, PIR</li> <li>Interviews</li> </ul>	<ul style="list-style-type: none"> <li>Comparative and consistency analysis of reports, documents.</li> <li>Semi-structured interviews with the designers and implementers of the Project</li> </ul>
Did the main beneficiaries and those involved participate in the design of the Project? Were their perspectives incorporated?	<ul style="list-style-type: none"> <li># of workshops, courses, invitations, communications.</li> <li>Opinions of interviewees</li> </ul>	<ul style="list-style-type: none"> <li>PIF, ProDoc</li> <li>Interviews</li> </ul>	<ul style="list-style-type: none"> <li>Comparative and consistency analysis of reports, documents and interviews.</li> <li>Semi-structured interviews with the designers, implementers and beneficiaries of the Project.</li> </ul>
Have lessons learned from previous similar projects been	<ul style="list-style-type: none"> <li># of previous experiences incorporated</li> </ul>	<ul style="list-style-type: none"> <li>PIF, ProDoc</li> <li>Interviews</li> </ul>	<ul style="list-style-type: none"> <li>Comparative and consistency analysis of reports, documents</li> </ul>

EVALUATION QUESTIONS	INDICATORS	SOURCES	METHODOLOGY
incorporated into the Project design?	<ul style="list-style-type: none"> <li>Opinions of interviewees.</li> </ul>		and interviews. <ul style="list-style-type: none"> <li>Semi-structured interviews with the designers and implementers of the Project.</li> </ul>
Are the indicators and goals of the Project adequate? Is the Logical Framework consistent with the proposed Theory of Change?	<ul style="list-style-type: none"> <li>Degree of relevance of the indicators</li> </ul>	<ul style="list-style-type: none"> <li>PIF, ProDoc</li> <li>Interviews</li> </ul>	<ul style="list-style-type: none"> <li>Comparative and consistency analysis of reports, documents and interviews.</li> <li>Semi-structured interviews with the designers and implementers of the Project.</li> </ul>
Have new objectives or goals been adopted that should be incorporated into the Project's logical framework?	<ul style="list-style-type: none"> <li># of new objectives, indicators or goals incorporated in the ProDoc</li> </ul>	<ul style="list-style-type: none"> <li>ProDoc, PIR,</li> <li>Interviews</li> </ul>	<ul style="list-style-type: none"> <li>Comparative and consistency analysis of documents and interviews.</li> </ul>
<b>Progress towards results: To what extent have the expected Outcomes and objectives of the Project been achieved?</b>			
What is the progress of the Project towards the achievement of the results?	<ul style="list-style-type: none"> <li>Estimated % of progress in relation to goals and indicators</li> </ul>	<ul style="list-style-type: none"> <li>ProDoc, PIR.</li> <li>Interviews</li> </ul>	<ul style="list-style-type: none"> <li>Comparative and consistency analysis of documents and semi-structured interviews.</li> <li>Quantitative/qualitative analysis of information.</li> </ul>
Is the Project expected to achieve its objectives before the planned closing date (June 2024)?	<ul style="list-style-type: none"> <li>Level of complexity of pending activities/results</li> <li>Level of risks (low, medium, high) to achieve the results of the Project</li> </ul>	<ul style="list-style-type: none"> <li>ProDoc, PIR, POA.</li> <li>Semi-annual progress reports</li> <li>meeting minutes</li> <li>Interviews</li> </ul>	<ul style="list-style-type: none"> <li>Preparation of a matrix of progress towards the results</li> <li>Comparative and consistency analysis of reports, documents and interviews.</li> <li>Semi-structured interviews with implementers.</li> </ul>
To what extent is it estimated that the results and achievements of the Project will influence the process of reducing/eliminating mercury emissions in the country?	<ul style="list-style-type: none"> <li>Coincidences in achievements and official policies.</li> <li>Opinions of interviewees</li> </ul>	<ul style="list-style-type: none"> <li>ProDoc, PIR.</li> <li>Semiannual progress reports.</li> <li>Interviews.</li> </ul>	<ul style="list-style-type: none"> <li>Comparative and consistency analysis of reports, documents and interviews.</li> <li>Interviews with implementers and beneficiaries.</li> </ul>
To what extent does the Project impact or determine the	<ul style="list-style-type: none"> <li>Coincidences in achievements and official policies.</li> </ul>	<ul style="list-style-type: none"> <li>ProDoc, PIR, Interviews, national plans and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Comparative and consistency analysis of reports, documents</li> </ul>

EVALUATION QUESTIONS	INDICATORS	SOURCES	METHODOLOGY
institutionalization and regulatory framework for mercury reduction/elimination and formalization in ASGM?	<ul style="list-style-type: none"> <li>Range of diversity of opinions of interviewees</li> </ul>		and interviews. <ul style="list-style-type: none"> <li>Semi-structured interviews with the actors.</li> </ul>
How effective has the Project been in preparing financial institutions, miners and mining cooperatives to develop financial mechanisms for mercury-free equipment?	<ul style="list-style-type: none"> <li># of workshops, courses, invitations, communications.</li> <li>Opinions of interviewees</li> </ul>	<ul style="list-style-type: none"> <li>ProDoc, PIR, Interviews, Semi-Annual Progress Reports</li> </ul>	<ul style="list-style-type: none"> <li>Comparative and consistency analysis of reports, documents and interviews.</li> <li>Semi-structured interviews with the actors.</li> </ul>
How effective has the Project been in accompanying ASGM in its formalization process?	<ul style="list-style-type: none"> <li># of workshops, courses, invitations, communications.</li> <li>Opinions of interviewees</li> </ul>	<ul style="list-style-type: none"> <li>ProDoc, PIR, Interviews, Semi-Annual Progress Reports</li> </ul>	<ul style="list-style-type: none"> <li>Comparative and consistency analysis of reports, documents and interviews</li> </ul>
What are the main barriers to face during the remaining period of the Project?	<ul style="list-style-type: none"> <li># of barriers identified</li> <li>Opinions of interviewees</li> </ul>	<ul style="list-style-type: none"> <li>ProDoc, PIR, Interviews, Steering Committee Meeting Minutes</li> </ul>	<ul style="list-style-type: none"> <li>Comparative and consistency analysis of reports, documents and opinions of interviewees.</li> </ul>
How can the success stories experienced by the Project be strengthened, scaled and replicated?	<ul style="list-style-type: none"> <li>Opinion of interviewees and judgment of evaluators</li> </ul>	<ul style="list-style-type: none"> <li>ProDoc, PIR</li> <li>Interviews</li> <li>Minutes of sessions of the Project Steering Committee (CDP)</li> </ul>	<ul style="list-style-type: none"> <li>Openness to the suggestions of the interviewees and analysis based on the documentation</li> </ul>
<b>Project Implementation and Adaptive Management:</b> <b>Has the project been implemented efficiently, cost-effectively and has it been able to adapt to changing conditions so far? To what extent do project-level monitoring, reporting and evaluation systems and project communications support implementation?</b>			
What changing conditions have occurred during project implementation? How has the Project adapted to these changing conditions? Could the project implement additional actions?	<ul style="list-style-type: none"> <li># of risks identified in the implementation of the project</li> <li># measures proposed by the project team to mitigate risks</li> <li>barriers/drivers/stressors associated with changing conditions.</li> </ul>	<ul style="list-style-type: none"> <li>ProDoc, PIR, Interviews, Steering Committee Meeting Minutes</li> </ul>	<ul style="list-style-type: none"> <li>Comparative and consistency analysis of reports, documents and opinions of the interviewees in charge of the implementation.</li> </ul>
Have women been benefited and involved during the implementation of the Project? How? Is there gender equity in the implementation team and in the Steering Committee? What	<ul style="list-style-type: none"> <li>Degree of participation of women in the implementation team and Steering Committee</li> <li>Degree of participation of women in the project</li> </ul>	<ul style="list-style-type: none"> <li>ProDoc, PIR, Semi-Annual Progress Reports, Steering Committee Meeting Minutes, Interviews</li> </ul>	<ul style="list-style-type: none"> <li>Analysis of the relative participation of women through reports of workshops, training and other participatory events.</li> <li>Semi-structured interviews with specialists and</li> </ul>

EVALUATION QUESTIONS	INDICATORS	SOURCES	METHODOLOGY
measures have been implemented to promote gender equality?			participants.
Have there been delays in the implementation of the Project? What factors influence these delays and what measures have been taken to mitigate them?	<ul style="list-style-type: none"> <li>• Punctuality in achieving results</li> <li>• Support informed of delays</li> </ul>	<ul style="list-style-type: none"> <li>• ProDoc, PIR,</li> <li>• Interviews, Semi-Annual Progress Reports, POAs</li> </ul>	<ul style="list-style-type: none"> <li>• Comparative and consistency analysis of reports, documents and interviews: and relationship between what was planned and what was executed.</li> </ul>
How has the pace of execution of the Project budget evolved?	<ul style="list-style-type: none"> <li>• % of project execution as of December 2021</li> <li>• % of budget contracted with suppliers as of December 2021</li> </ul>	<ul style="list-style-type: none"> <li>• ProDoc, PIR, Interviews, CDR, Semi-Annual Progress Reports, POA</li> </ul>	<ul style="list-style-type: none"> <li>• Financial analysis of reports and documentation through graphs, budget and expense analysis.</li> <li>• Semi-structured interviews with implementers.</li> </ul>
Have changes in budget allocation occurred during implementation? What have been the causes of these? Have these changes been pertinent?	<ul style="list-style-type: none"> <li>• Reported Changes in Budget Allocation</li> </ul>	<ul style="list-style-type: none"> <li>• ProDoc, PIR</li> <li>• Interviews, CDR</li> <li>• Semi-Annual Progress Reports</li> </ul>	<ul style="list-style-type: none"> <li>• Financial analysis of reports and documentation through graphs and analysis.</li> <li>• Semi-structured interviews with implementers.</li> </ul>
Have adequate financial planning and control tools and mechanisms been used? Has adequate spending planning been carried out considering cash flow?	<ul style="list-style-type: none"> <li>• Report of cash flow problems</li> </ul>	<ul style="list-style-type: none"> <li>• ProDoc, PIR, Interviews, CDR, Semi-Annual Progress Reports</li> </ul>	<ul style="list-style-type: none"> <li>• Comparative and consistency analysis of reports, documents and interviews</li> <li>• Semi-structured interviews with implementers.</li> </ul>
Has co-financing been used strategically to achieve the Project's objectives? Has it been possible to leverage additional funds?	<ul style="list-style-type: none"> <li>• Amount of executed co-financed funds and estimate of leveraged funds</li> </ul>	<ul style="list-style-type: none"> <li>• ProDoc, PIR, Interviews, CDR, Semi-Annual Progress Reports</li> </ul>	<ul style="list-style-type: none"> <li>• Comparative and consistency analysis of reports, documents and interviews with implementers and partners.</li> </ul>
Is the monitoring and reporting extensive and consider the participation of the main partners? Have sufficient resources been used for monitoring and reporting?	<ul style="list-style-type: none"> <li>• % of the budget allocated to the MRE</li> <li>• Opinions of interviewees</li> </ul>	<ul style="list-style-type: none"> <li>• ProDoc, PIRs, Interviews, Semi-Annual Progress Reports</li> </ul>	<ul style="list-style-type: none"> <li>• Comparative and consistency analysis of reports, documents and interviews with implementers and partners.</li> </ul>
Have synergistic relationships been	<ul style="list-style-type: none"> <li>• # of actors and associated programs</li> </ul>	<ul style="list-style-type: none"> <li>• ProDoc, PIRs, Interviews,</li> </ul>	<ul style="list-style-type: none"> <li>• Comparative and consistency analysis of</li> </ul>

EVALUATION QUESTIONS	INDICATORS	SOURCES	METHODOLOGY
established with relevant actors and programs?		Semiannual Progress Reports.	reports, documents and interviews with the main actors.
To what extent do national and local actors support the project's objectives and maintain an active role in the decision-making process that favors implementation?	<ul style="list-style-type: none"> <li>• Opinion of the interviewees</li> <li>• Resolution level evidenced</li> <li>• Level of participation in meetings, workshops, and other participatory activities.</li> </ul>	<ul style="list-style-type: none"> <li>• ProDoc, PIR, Interviews, Steering Committee Meeting Minutes, Semi-Annual Progress Reports</li> </ul>	<ul style="list-style-type: none"> <li>• Comparative and consistency analysis of reports, documents and interviews</li> </ul>
Have effective internal and external communication measures been used? Were communication and awareness campaigns carried out?	<ul style="list-style-type: none"> <li>• # of communication and awareness campaigns</li> <li>• Level of participation in meetings, workshops, etc.</li> <li>• Range of opinions of interviewees.</li> </ul>	<ul style="list-style-type: none"> <li>• ProDoc, PIR.</li> <li>• Interviews, Semi-Annual Progress Reports</li> </ul>	<ul style="list-style-type: none"> <li>• Comparative and consistency analysis of reports, documents and opinion of specialists and actors.</li> </ul>
<b>Sustainability: To what extent are there financial, institutional, socioeconomic and/or environmental risks to the long-term sustainable results of the Project?</b>			
What risks exist for the financial sustainability of the Project once it has finished? Has a financial strategy been considered to ensure the sustainability of the Project?	<ul style="list-style-type: none"> <li>• # of risks identified</li> <li>• Opinion of the interviewees</li> <li>• # measures taken to address these risks</li> <li>• Availability of financing.</li> </ul>	<ul style="list-style-type: none"> <li>• ProDoc, PIR, Interviews</li> </ul>	<ul style="list-style-type: none"> <li>• Comparative and consistency analysis of reports, documents and opinions of interviewees and specialists.</li> </ul>
What social or political risks exist that threaten the sustainability of the Project's achievements? Is there an appropriate knowledge management that allows the institutionalization of capacities?	<ul style="list-style-type: none"> <li>• # of risks identified</li> <li>• Range of opinions of the interviewees</li> <li>• # measures taken to address these risks</li> <li>• Conditions in the country situation.</li> </ul>	<ul style="list-style-type: none"> <li>• ProDoc, PIR, Interviews</li> </ul>	<ul style="list-style-type: none"> <li>• Comparative and consistency analysis of reports, documents and opinions of interviewees and specialists.</li> </ul>
What risks exist at the political and government structure levels that threaten the sustainability of the Project's benefits? Are there adequate mechanisms for transparency and technical knowledge at the institutional level?	<ul style="list-style-type: none"> <li>• # of risks identified</li> <li>• Opinion ranges of the interviewees.</li> <li>• # measures taken to address these risks</li> <li>• Political situation of the country</li> </ul>	<ul style="list-style-type: none"> <li>• ProDoc, PIR, Interviews</li> </ul>	<ul style="list-style-type: none"> <li>• Comparative and consistency analysis of reports, documents and interviews with specialists and actors.</li> </ul>



EVALUATION QUESTIONS	INDICATORS	SOURCES	METHODOLOGY
Are there environmental risks that threaten the sustainability of the Project's results? Has a strategy to address them been considered?	<ul style="list-style-type: none"> <li>• # of risks identified</li> <li>• Opinion of the interviewees</li> <li>• # measures taken to address these risks</li> </ul>	<ul style="list-style-type: none"> <li>• ProDoc, PIR, Interviews</li> </ul>	<ul style="list-style-type: none"> <li>• Comparative and consistency analysis of reports, documents and interviews</li> </ul>
<p style="text-align: center;"><b>Covid-19: To what extent is the project affected in its technical and operational implementation due to the pandemic?</b></p> <p style="text-align: center;"><b>What adaptive management measures have been adopted and what has been their effectiveness?</b></p>			
To what extent is the project affected in its technical and operational implementation due to Covid-19?	<ul style="list-style-type: none"> <li>• # activities affected % of affectation to the fulfillment of the project</li> </ul>	<ul style="list-style-type: none"> <li>• ProDoc, PIR, Interviews, Steering Committee Meeting Minutes, Semi-Annual Progress Reports.</li> </ul>	<ul style="list-style-type: none"> <li>• Comparative and consistency analysis of reports, documents and interviews</li> </ul>
What adaptive measures have been adopted to manage the risk associated with the health situation due to Covid-19? Have they been effective?	<ul style="list-style-type: none"> <li>• # and nature of perceived risks of non-compliance with the objectives and financial execution of the project before January 2022.</li> </ul>	<ul style="list-style-type: none"> <li>• Steering Committee Meeting Minutes, Semi-Annual Progress Reports, PIRs, Interviews</li> </ul>	<ul style="list-style-type: none"> <li>• Comparative and consistency analysis of reports, documents and interviews</li> </ul>

## ANNEX D - QUESTIONNAIRE INTERVIEW GUIDE

The semi-structured interviews were oriented according to the scope and parameters of the MTR, trying to obtain findings and responses that correspond to the purposes of the evaluation and the OECD recommendations in this regard. The following questions were adapted and formulated, in each case, to the relevance to the interviewee and her role in the Project, including specific extensions according to the evaluator's criteria, according to the following classification:

- A. Questionnaire for UNDP officials linked to the project
- B. Questionnaire to key government officials and CDP members
- C. Questionnaire for the project team (PMU) and sector officials linked to the problem of project implementation.
- D. Questionnaire related to administrative issues and financial execution
- E. Questionnaire for suppliers, stakeholders, and direct and indirect beneficiaries.

A	B	C	D	E	GUIDING QUESTIONS
					<b>Introduction and general opening questions</b>
					[Introduction of the interviewers, thanks for their availability; purpose of the interview and assessment; name, contact and position of the interviewee]
					[Confidentiality and treatment of the information provided; permission to take notes]
					[Duration of the interview and sequence of questions alternated by the interviewers, and beginning of the questions]
					How familiar are you with the Project and its objectives? How much do you know about its design, formulation and implementation?
					What is your current relationship, or your role and functions, regarding the execution of the Project?
					What is your general opinion about the importance of the Project for the country and for your own institution?

					<b>About the strategy and design of the Project</b>	
					Did you participate in the design of the Project and the formulation of the execution strategy?	
					How aligned do you think the Project is with national and government policies?	
					How aligned do you think the Project is with the UNDP Country Program and the UNDAF?	
					Do you believe in general that the Project's strategy is efficient to achieve its objectives in the national context and the social and economic scenarios?	
					What are the main challenges that, in your opinion, the design and implementation process of the Project has had? What do you think are the main virtues and advantages of the Project's design?	
					Would you say that the Project has been designed on a participatory basis of the actors and beneficiaries involved? Has the gender issue been properly considered in the design of the Project?	
					Based on your experience and from your point of view, if the Project could be redesigned, what changes would you make or what provisions would you include for better performance and results?	
					<b>Efficiency in the execution of the Project</b>	
					How effective do you think the Project is being in terms of its objectives and future impact? What do you think is required to improve its impact and benefits?	
					How effective is the Project being in terms of supporting compliance with the country's international commitments in the face of ASM problems? And in the processes of management of the national territory and social welfare?	
					How do you perceive the Project in terms of its actions and levels of participation in training and communication between government institutions and private sector entities, civil society and the population?	
					Do you perceive that the Project is supporting the strengthening of participating institutions and actors from the private sector and the population? What extent? What do you think needs to be done about it?	
					Do you think that the Project is convening and working with all relevant actors? Do you feel that it is a project that is understood and that arouses the interest of the actors?	
					<b>Efficiency in the execution of the Project</b>	
					How do you perceive the execution of the Project to date, in terms of meeting deadlines and plans to date (December 2021)?	

				What do you think are the main barriers or bottlenecks to comply with the execution of the expenses and the activities of the Project?
				How do you think that human and financial resources are being allocated in the execution of the Project? Do you consider that the process is efficient?
				How do you perceive the role of the Steering Committee in the execution of the Project?
				How do you perceive the role and efficiency of the managers and the technical team of the Project to date?
				Do you feel that UNDP support in the Project execution process has been efficient and timely?
				Has it been necessary to make changes or amendments to the ProDoc, operating plans and budgets to adapt to unforeseen situations? How fluid has this adaptive process been and how frequent has it been?
				What have been the main administrative and budget execution problems and how have they been addressed?
				How do you perceive the progress of the Project in terms of deadlines and execution time that remains?
				What lessons learned do you think have been derived from the execution of the Project to date?
<b>Sustainability of the Project and its actions in the medium and long term</b>				
				How do you perceive the risks and sustainability of the Project in the future? What are the main ones for its continuity and stability of achievements?
				To what extent do you think the financial sustainability of the Project and its implementation actions can be ensured?
				What legal or institutional changes or modifications do you estimate would be favorable to the sustainability of the Project, including economic, social forecasts and the effect of the Covid-19 pandemic in the medium and long term?
				What other measure can you suggest to improve the current action and the future sustainability of the Project's achievements?

## ANNEX E - MTR Rating Scales

Assessments of progress in achieving results: (one assessment per result and objective)		
6	Highly Satisfactory (HS)	It is expected to achieve or exceed the objectives/results established by the end of the project without major shortcomings. Progress towards achievement of objectives/results can be presented as "good practice"
5	Satisfactory (S)	It is expected to achieve most of the objectives/results established by the end of the project with only minimal shortcomings.
4	Moderately Satisfactory (MS)	It is expected to achieve most of the objectives/results established for the final project, but with significant shortcomings.
3	Moderately Unsatisfactory (MU)	It is expected to achieve most of the objectives/results established for the final project with significant shortcomings.
2	Unsatisfactory (U)	It is not expected to achieve most of the objectives / results established by the end of the project
1	Highly Unsatisfactory (HU)	The objectives/results for the mid-term have not been achieved and it is not expected that any of those established will be achieved by the end of the project.

Assessments of project execution and adaptive management		
6	Highly Satisfactory (HS)	Implementation of the seven components – management mechanisms, work planning, financing and co-financing, project-level monitoring and evaluation systems, stakeholder engagement, information and communication – is leading to effective and efficient implementation and management. adaptive. The project can be presented as a "good practice".
5	Satisfactory (S)	Implementation of most of the seven components is leading to effective and efficient execution and adaptive management, except for a few that require action corrections.
4	Moderately Satisfactory (MS)	The implementation of some of the seven components is leading to effective and efficient execution and adaptive management, although some of the components require corrective action.
3	Moderately Unsatisfactory (MU)	The implementation of some of the seven components is not leading to effective and efficient execution and adaptive management of the project; most components require corrective action.
2	Unsatisfactory (U)	The implementation of most of the seven components is not leading to effective and efficient execution and adaptive management of the project.
1	Highly Unsatisfactory (HU)	None of the seven components is implemented in a way that is conducive to effective and efficient execution and adaptive project management.

Sustainability Ratings		
4	Likely (P)	Minimal risk to sustainability; the most important results are on track to be achieved at the end of the project and are expected to continue in the near future.
3	Moderately Likely (MP)	Moderate risks, but it is expected that at least some results will be sustainable due to the progress observed in the achievement of the goals during the mid-term review.

1	Moderately Unlikely (MI)	Significant risk that the most important results will not continue after the end of the project, although some products and activities should continue.
2	Unlikely (I)	Serious risk that project results and key deliverables may not be sustained.

## ANNEX F - Itinerary of the MTR mission and people interviewed (35)

Date	Interview
Wed 19 Jan	Interviews with members of the Project team planetGOLD <ul style="list-style-type: none"> <li>• <b>Sandra Guzman</b>, Gender Specialist.</li> <li>• <b>Jonathan Soto</b>, Puno Headquarters Coordinator.</li> </ul>
Thu Jan 20	Interviews with members of the Project team planetGOLD: <ul style="list-style-type: none"> <li>• <b>William Quaa</b>, Piura Headquarters Coordinator.</li> <li>• <b>Javier Irigoyen</b>, Arequipa Headquarters Coordinator.</li> <li>• <b>Jane Lazarte</b>, Communications Specialist.</li> </ul>
Fri Jan 21	Interviews with members of the Project team planetGOLD and MINAM: <ul style="list-style-type: none"> <li>• <b>Camila Alba</b>, former director at DGCA - MINAM</li> <li>• <b>Andrea Ravens</b>, Microfinance Specialist.</li> <li>• <b>Nicholas Chavez</b>, Administrator of the project.</li> </ul>
Sun 23 Jan	Interview with Project Management planetGOLD <ul style="list-style-type: none"> <li>• <b>Franco Arista</b>, project manager.</li> </ul>
Mon 24 Jan	Interviews with actors and partners of the Project, and members of the Global Program <ul style="list-style-type: none"> <li>• <b>Albert Rojas</b>, Legal Coordinator of the DGFM – MINEM.</li> <li>• <b>Susan Keane</b>, Coordinator of Global Knowledge Management and communications of the Global planetGOLD Program.</li> <li>• <b>Xavier Camargo</b>, National Advisor SBG – Swiss Cooperation.</li> <li>• <b>Dallas Gonzalez</b>, Specialist in Soil Contamination of the DGCSQ – MINAM.</li> </ul>
Tue Jan 25	Interviews with actors and partners of the Project <ul style="list-style-type: none"> <li>• <b>Carmen Gastanaga</b>, Specialist in Environmental Health and Environmental Management of the National Institute of Health (INS) – MINSA.</li> <li>• <b>George Samanez</b>, UNDP Portfolio Manager – Peruvian Agency for International Cooperation (APCI).</li> </ul>
Wed 26 Jan	Interviews to officials, partners and beneficiaries of the Project: <ul style="list-style-type: none"> <li>• <b>Luis Izquierdo and collaborators (+2)</b>, SERVIMINAS, beneficiaries.</li> <li>• <b>Martha Rich</b>, Specialist in communications, gender and international cooperation at MINEM – DGFM.</li> <li>• <b>Duberli Lopez / Hernan Garcia</b>, Regional Director / Head of the Directorate of Mining Cadastre and Concessions-DREM Piura.</li> </ul>
Thu Jan 27	Interviews with partners and beneficiaries of the Project: <ul style="list-style-type: none"> <li>• <b>Jonathan Jaramillo</b>, Representative of Solidaridad.</li> <li>• <b>Obed Alvarez</b>, Mining specialist and member of the Steering Committee - DREM Puno.</li> </ul>



- **Alfredo Condori**, Jesus Mining Project 2004 Three, Puno beneficiary.
- **Agustin Pachari**, Cruz Pata Mining Project, beneficiary Puno.

Fri Jan 28	Interviews with Project beneficiaries. <ul style="list-style-type: none"> <li>• <b>Victor Taype</b>, Estrella Mining SAC, beneficiary Arequipa.</li> <li>• <b>Zayra Burgos</b>, Minerales de Ayabaca SAC, beneficiary Piura.</li> </ul>
Mon 31 Jan	Interviews with the National Directorate of the Project, and with officials of the Global planetGOLD Program. <ul style="list-style-type: none"> <li>• <b>Miracles Verastegui</b>, National Director of the Project (DNP).</li> <li>• <b>Ludovic Bernaudat</b>, Leader of the Global planetGOLD Program.</li> </ul>
Tue Feb 02	Interviews with Program Officer, and Compliance specialist, UNDP <ul style="list-style-type: none"> <li>• <b>George Alvarez</b>, Program Officer and Project Guarantor.</li> <li>• <b>Maria Cebrian</b>, Compliance CP.</li> </ul>
Wed 03 Feb	Interviews with actors and partners of the Project and GEF Focal Point in Peru <ul style="list-style-type: none"> <li>• <b>Karen Rondon / Mirtha Vilca</b>, In charge of the Mining Formalization area of GREM Arequipa.</li> <li>• <b>Martha Cuba</b>, Director of the Office of International Affairs and Cooperation - MINAM, GEF Focal Point in Peru.</li> </ul>
Thu Feb 10	Interview with officials from the UNDP Regional Office for LA. <ul style="list-style-type: none"> <li>• <b>Dove Somohano</b>, Regional Technical Specialist.</li> <li>• <b>Kasper Koefoed</b>, RTA, Regional Project Manager.</li> </ul>

## ANNEX G – LIST OF DOCUMENTS EXAMINED

UNDP and the Project team have achieved the following technical and operational documents for EMT purposes:

- Project Identification Form (PIF, August 2016)
- Project Document (ProDoc, signed June 2019)
- Project Implementation Reports (2020 and 2021 PIRs)
- Annual and Semiannual Progress Reports (2020 and 2021)
- Consulting Reports (17 reports, between 2019 and 2021)
- Social and Environmental Analysis Report (SESP)
- Financial report by activities (CDR) 2019, 2020 and 2021
- GEF Tracking Tool
- Annual GEF-UNDP portfolio indicators
- CDP Session Minutes (5 sessions)
- Co-financing table
- Project Inception Workshop Report
- Annual Operating Plans (POA) 2020, 2021 and 2022
- Project Communications Material Annual (Preliminary) Project

## ANNEX H – EVALUATION CONSULTANT CODE OF CONDUCT AGREEMENT FORM EVALUATORS

1. Must present information that is complete and fair in its assessment of strengths and weaknesses so that decisions or actions taken are well founded
2. Must disclose the full set of evaluation findings along with information on their limitations and have this accessible to all affected by the evaluation with expressed legal rights to receive results.
3. Should protect the anonymity and confidentiality of individual informants. They should provide maximum notice, minimize demands on time, and: respect people's right not to engage. Evaluators must respect people's right to provide information in confidence, and must ensure that sensitive information cannot be traced to its source. Evaluators are not expected to evaluate individuals, and must balance an evaluation of management functions with this general principle.
4. Sometimes uncover evidence of wrongdoing while conducting evaluations. Such cases must be reported discreetly to the appropriate investigative body. Evaluators should consult with other relevant oversight entities when there is any doubt about if and how issues should be reported.
5. Should be sensitive to beliefs, manners and customs and act with integrity and honesty in their relations with all stakeholders. In line with the UN Universal Declaration of Human Rights, evaluators must be sensitive to and address issues of discrimination and gender equality. They should avoid offending the dignity and self-respect of those persons with whom they come in contact in the course of the evaluation. Knowing that evaluation might negatively affect the interests of some stakeholders, evaluators should conduct the evaluation and communicate its purpose and results in a way that clearly respects the stakeholders' dignity and self-worth.
6. Are responsible for their performance and their product(s). They are responsible for the clear, accurate and fair written and/ or oral presentation of study limitations, findings and recommendations.
7. Should reflect sound accounting procedures and be prudent in using the resources of the evaluation. Evaluation Consultant Agreement Form<sup>34</sup> Agreement to abide by the Code of Conduct for Evaluation in the UN System

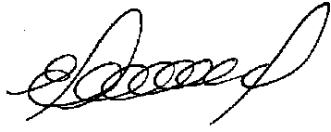
Name of Consultant: **EDUARDO DURAND**

Name of Consultancy Organization (where relevant): Not Applicable

I confirm that I have received and understood, and will abide by the United Nations Code of Conduct for Evaluation IC-516-2021 of the **Project 'GEF GOLD Peru Integrated Sound Management of Mercury in Artisanal and Small-Scale Gold Mining (ASGM)'**

Signed at Lima, Peru on December 23, 2021

Signature:

A handwritten signature in black ink, appearing to be 'Elvira', written in a cursive style.

## ANNEX J: SIGNED TE REPORT CLEARANCE FORM

### Mid Term Review Report for GEF GOLD Peru - Integrated Sound Management of Mercury in Peru's Artisanal and Small-Scale Gold Mining (ASGM) -UNDP PIMS 5874

**Reviewed and Cleared By:**

#### Commissioning Unit (M&E Focal Point)

Name: Maria Cebrian

Signature: \_\_\_\_\_

DocuSigned by:

*Maria Cebrian*

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Date: 22/05/2022

#### Regional Technical Advisor (Chemicals & Waste)

Name: Paloma Somohano

Signature: \_\_\_\_\_

DocuSigned by:

*Paloma Somohano*

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Date: 22/05/2022