



Yayasan Tambuhak Sinta

The Chief

PSM / OOS /PRC

UNIDO

Wagramer Strasse 5,

A-1220 Vienna, Austria

Wednesday, January 10th, 2007

Attention: Mounira Latrech

Re: **GEF/ UNDP/UNIDO Global Mercury Project, in Central Kalimantan.**
Removal of barriers to the introduction of cleaner gold mining and extraction technologies

REPORT OF ACTIVITIES FOR DECEMBER 2006

Dear Ms Latrech,

In December, the project obtained detailed data on the gold trade from a survey of eleven gold shops, and made a close estimate of the total amount of mercury that is combusted annually in the town. The amount is approximately 2 Tonnes per annum.

Thus, we decided to finish the year with a focus on reducing mercury emissions from gold shops in the urban area. By the end of the year, modifications had been made to the chimneys of seven gold shops, providing simple filtration-systems in an attempt to reduce these vapor emissions by direct intervention at the point-sources. So far, these have been successful, and we hope to be able to extend this work into January 2007.

At the same time, we have continued to develop a locally-appropriate prototype 'fume-hood'. New fume-hood concepts provided by UNIDO consultants, such as the use of glass marbles as filters, have been integrated into a new design and a prototype will soon be manufactured and tested. This prototype will represent the culmination of our research and experimentation, and incorporates the body of knowledge gained during discussions with several gold shops regarding their technological requirements.

In the goldfields, follow-up work during December continued to provide health and technical advice in the form of equipment demonstrations and the delivery of mercury-awareness brochures and films. The range of locations was extended to expose communities in areas that had not previously been mapped, thus extending the reach of the message. The project will continue follow-up work through January 2007 to maintain contact with mining camps in the field and with gold shops in town, and provide support to operators wishing to obtain retorts or modify existing chimneys.

Our December newsletter has been distributed by email in both English and Indonesian languages, and printed copies are now being distributed to local stakeholders, including government. This issue focuses on community participation in the project, through active cooperation by schools, health services and gold shops. A fourth and final issue will be printed and distributed during February 2007.

* * *

The following is a summary of expenses for the month of December in local currency and US dollars, shown with a fixed conversion rate of Rp. 9,200 to one US dollar, in line with the conversion rate in our original submission. Please note that the actual conversion values are subject to fluctuations.

DECEMBER 2006	Indonesian Rupiah	US \$
Income	Nil	Nil
Expenses		
Project Management	Rp. 46,448,800	\$ 5,049
Implementation	Rp. 13,800,000	\$ 1,500
Other Project Costs	Rp. 3,000,000	\$ 326
Equipment, Materials, Supplies	Rp. 7,406,500	\$ 805
Total Income for December	Nil	Nil
Total Expenses for December	Rp. 70,655,300	\$ 7,680

We thus conclude 2006 with this Seventh Monthly Report, and shall report further on the completion of field operations during the two project months remaining in 2007.

Yours sincerely,



Bardolf Paul
Project Supervisor