

ASM FORMALIZATION: LEARNING FROM THE PAST TO SHAPE THE FUTURE

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WORLD BANK GROUP

Session Objectives For Today

1. Overview of forthcoming World Bank ASM position paper
2. Share preliminary findings and reflections
3. Stimulate feedback and engage in discussion on key questions

Format

- Registration and welcoming
- Presentation of background & context
- Live polling & Group Table Discussions

House Rules

- Listen
- Be respectful
- Be 'in the room'
- Be honest
- Follow-up with us

WORLD BANK POSITION PAPER: BACKGROUND

OBJECTIVE:

(Re)define the World Bank's approach to supporting the development of the artisanal and small-scale mining sector

Answer the following key questions through this ASM Position paper:

- How do we make sense of the (dis)continuity facing the ASM agenda over the last 40 years?
- What can be the most strategic support offered by the World Bank in support of a new era of ASM development?

Key tasks:

- Inventory and assess support given to the sector (internal and external) since the 1990s
- Explore the current context surrounding ASM practices today and what makes it different (if at all) from the past
- Outline where World Bank value added is with respect to the sector's development
- Propose a framework for World Bank engagement

WORLD BANK POSITION PAPER: STRUCTURE

Phase 1

Framing the Discussion

Phase 2

Deepening Insights

Phase 3

Consultation & Publication

Phase 1

Framing the Discussion

Methodology



PHASE 1: WHY HAVE EFFORTS TO FORMALIZE THE ASM SECTOR NOT PRODUCED IMPACT AT SCALE?

HYPOTHESIS:

Although there have been many successes in ASM formalization interventions, their ability to formalize ASM over time, in high numbers, across geographic regions has been limited.

- The World Bank has invested an estimated \$320M in ASM interventions since the mid 1980s.
- Other partner investments likely in the \$400-450M range.
- But few countries today where we can see consistent improvements

PHASE 1: METHODS

Project Catalogue

Identify and catalogue ASM formalization projects and interventions from 1990 to present.

Literature Review

Systematic desktop review of published literature on ASM formalization (academic, handbooks, reports, etc.)

Analysis

Synthesis into formalization topics and key debates, approaches, intervention themes, elements of success and failure and identification of key case studies.



Phase 1

Framing the Discussion

Preliminary Findings

DEFINING ASM FORMALIZATION

In discussing with different audiences and reading the literature, common recurring definitions of formalization are:



1. Legalization
3. Recognition by Government
9. Security of Tenure



2. Professionalization



8. Sustainable Development



4. Legitimation of ASM as Business
5. Recognition by Service Providers
6. Recognition by Markets
7. Marketing

QUESTION: LIVE POLL 1

How would you define formalization of the ASM sector?



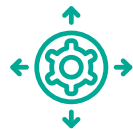
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Go to menti.com and use
the code **4698 7140**

PHASE 1: HIGHLIGHTS



Five Emerging Approaches

JUSTICE DRIVEN

Miners aspire to practices that protect a secure and equitable livelihood

ASM operates in an environment where miners feel their rights and interests are being treated justly

SERVICE ECONOMY

Increase support to miners and local service providers to grow a cadre of professionalized small-scale mining operations that are compliant sector

Provide ASM with the same types of access to financial, technical and regulatory resources as LSM

MINES TO MARKET

Use of market demand for mineral products to drive formalization of ASM operations and adherence to regulatory and industry standards

'Responsible' ASM production recognized in global market

LEGALIST

Provide legal recognition for miners

Integrate ASM into formal economy and regulatory environment along a traditional extractives industries approach

HUMAN RIGHTS

Recognition and protection of miners' human rights

Inclusive and equitable ASM sector contributing to local development



PHASE 1: HIGHLIGHTS



Four Common Formalization Themes

TRANSFORMATIONAL ESG PRACTICES

Environmental, social and governance (ESG) practices, that if adopted, lead to remarkably better formalization outcomes.

SUPPORT FOR LEGAL COMPLIANCE

Regulatory processes that ensure miners can invest in OHS, ESG and other site improvements.

ACCESS TO SERVICES

Access to services that provide miners with the tools and resources they need to mine efficiently.

CAPACITY BUILDING

Support to miners and their entities' capacity to organize, advocate for their needs, and to make operational decisions.

PHASE 1: HIGHLIGHTS

△ → ?

□ → ?

○ → ?

15 Common Areas of Formalization

TRANSFORMATIONAL ESG PRACTICES

1. ASM-LSM cohabitation and relationships
2. Decent work
3. Gender equality
4. Occupational health and safety
5. Child labor
6. Environmental care

SUPPORT FOR LEGAL COMPLIANCE

7. Legal & regulatory reforms
8. Decentralization of government monitoring
9. Extension services

ACCESS TO SERVICES

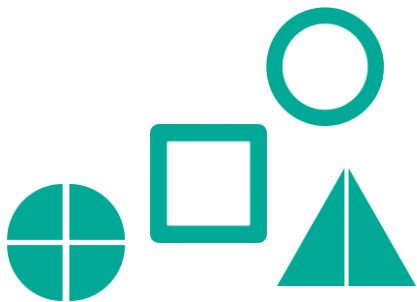
10. Access to finance
11. Access to legal & equitable markets
12. Access to land and mining permits/ licenses
13. Access to geological and technical support

CAPACITY BUILDING

14. Organizational capacity building
15. Operational (mining and processing) capacity building

QUESTION: GROUP TABLE DISCUSSION 1

Are there any themes or areas that you think we have missed?



Instructions

1. Discuss as a table group
2. Record group responses on flip chart #1



PHASE 1: HIGHLIGHTS

Why have efforts to formalize the ASM sector not produced an impact at scale: **The Missing Middle**

WHAT IS NEEDED?

Lots of suggestions about what solutions need to be implemented.

WHAT HAS NOT WORKED?

Lots of critique pointing out that interventions have not resulted in significant improvements to formalization of the ASM sector



Very little explaining why there is a gap between expectations and reality.

PHASE 1: HIGHLIGHTS

Why have efforts to formalize the ASM sector not produced an impact at scale: **The Missing Middle**

Emerging Findings

Inconsistency

- **Short project periods** do not give time for the intervention to become widely understood or trusted.
- **No follow-up support** results in many projects collapsing after the project period has ended.

Flawed Logic

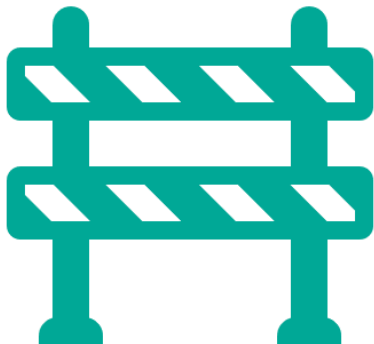
- ASM formalization is a **complex problem** but is often tackled as though it were simple.
- **Structural** and **behavioral barriers** are overlooked.

Not Designed to Scale

- Focus on funding activities rather than finding a problem-solution fit.
- Lack of attention to **demand from miners** makes it difficult to find a self-sustaining model to fund projects.

QUESTION: GROUP TABLE DISCUSSION 2

**What do you think is the biggest barrier to
ASM Formalization to date?**



Instructions

1. Discuss as a table group
2. Record group responses on flip chart #2

QUESTION: GROUP TABLE DISCUSSION 3

What should we (as a community of practitioners) **stop, start, and continue** in order to strengthen support to the sustainable development and wellbeing of miners and their communities?



Instructions

1. Discuss as a table group
2. Record group responses on flip chart #3

QUESTION: Full Room Discussion

Considering all of the 'stop, start and continue', which would you consider **first order priorities**?



NEXT STEPS

Phase 1

- Continued stakeholder consultation (in-person, virtual)
- Refining analysis and identifying deep dives targets

Phase 2

- Deep dive research into specific case studies
- Insight generation and development of position paper

Phase 3

- Sharing of position paper through public consultation
- Actioning on outcomes

Thank You

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