



Annexe D: Key considerations for drafting Terms of Reference on ASM studies

This section provides recommendations on commissioning a study on ASM to gain a better understanding of the sector and inform reporting on ASM as part of the EITI process. It follows the structure of the EITI's model Terms of Reference for scoping studies and suggests key elements relevant to ASM. A sample outline for an ASM study is also provided at this end of the section.

Background

By way of background, the study should describe the significance of the ASM sector in-country and explain the importance of collecting ASM data under the EITI process. This section could detail the main commodities examined as part of the study and provide a general overview of data gaps in the sector. It may be helpful to note that while the EITI Standard only refers to the ASM sector under Requirement 6.3, the EITI multi-stakeholder group is undertaking a study with the aim of obtaining a broader view of the sector.

Objectives

Scoping studies are generally conducted in order to inform MSG discussions and decisions regarding the scope of information to be covered in EITI reporting and the most suitable approach for publishing data. The general objective of research on ASM should be to gain a better understanding of the sector's contribution to the economy, identify discrepancies in publicly available data and increase public and policymakers' understanding of the sector. Specific objectives of the research study should be refined on the basis of the initial mapping performed under Step 1 of this note.

Scope of work

As ASM is a broad topic (especially in countries with significant ASM sectors), it will be important to define specific areas to be covered in EITI reporting. The study could provide an exhaustive list of data sources and data points in the description of the scope of the assignment. Gathering data on a broad set of topics will provide more opportunities for cross-checking and analysing ASM data, so as to provide a more complete picture of the sector. The proxies defined under Step 1 of this note (i.e. those that are most relevant to the in-country context) should be listed in this section.

EITI REQUIREMENT 6.3

Coverage of ASM in EITI reporting

Guidance Note

TOOL

Checklist: Examples of possible ASM data to include in EITI reporting

- Overview of ASM activity (by minerals and region)
- Production estimates by mineral on an annual basis
- Export data
- Revenues
- Official payments made, such as fees and levies
- Types of licenses for ASM operations
- ASM actors and supply chain
- Number of artisanal miners disaggregated by gender
- Information on specific sub regions where ASM activity takes place
- Information on illicit financial flows in the ASM sector
- Information on the marketing and trade of ASM minerals
- Information on the collaboration of ASM and LSM, where relevant
- Description of initiatives underway to support ASM development and/or formalisation
- ASM context and livelihoods, that consider gender and traditionally disadvantaged groups
- Environmental impacts of ASM activities (e.g. destruction of forests, water contamination)
- Information on women's participation in ASM
- ASM of critical minerals for the energy transition, and estimated growth

For further examples of possible data points to be considered under EITI reporting, see Annexe C.

Methodology

The consultant producing the scoping study should be encouraged to use a mixed methodology for the research. For example, the consultant could:

- Consider official institutions in charge of ASM and collect official data on payments and revenues;
- Carry out a thorough literature review;
- Map other initiatives and stakeholders present in the country that are already collecting data;
- Carry out qualitative interviews with a broad range of actors (see Annexe A) and analyse the data collected.

Recommendations

The scoping study should include a section with practical recommendations on how to include ASM under EITI reporting and key data to put forward. In addition, the recommendations should also propose ways for the MSGs to address data gaps in the sector and increase public understanding and debate of the issue to inform policies on the sector.

Deliverables

The Terms of Reference should propose a specific structure for the scoping study that can serve as a basis for disclosures under EITI reporting. Table 1 under Step 3 of this note suggests several options that may support the process of defining reporting objectives.

EITI REQUIREMENT 6.3

Coverage of ASM in EITI reporting

Guidance Note

EXAMPLE

Sample outline of an ASM scoping study

- 1. Introduction**
- 2. Objectives and purpose of the study**
- 3. Methodology**
 - 3.1. Conceptual framework of the study
 - 3.2. Methods of data collection
 - 3.3. Scope and limitation of the study
- 4. Overview of the national context of mining**
 - 4.1. ASM commodities and structure of the sector
 - 4.2. Legal framework of the ASM sector
 - 4.3. Requirements/eligibility for ASM licenses
- 5. Characteristics of the mining community**
 - 5.1. Legitimacy in the ASM process
 - 5.2. Demographics in the ASM sector
 - 5.3. Contribution of ASM to livelihoods
 - 5.4. Impact of ASM on labour mobility/migration
 - 5.5. Intra and inter-conflicts related to ASM
 - 5.6. Infrastructure access in mining communities
- 6. Artisanal mining operations**
 - 6.1. Artisanal resource reconnaissance
 - 6.2. Artisanal mining operations
 - 6.3. ASM cooperatives, enterprises, organisations and employment
 - 6.4. Minerals extraction and production
 - 6.5. Marketing of minerals
- 7. Economic contribution of artisanal mining**
 - 7.1. Micro and macroeconomic contribution of the ASM sector
 - 7.2. Income to the regional and national economy
 - 7.3. Export earnings
- 8. Environmental issues related to the ASM sector**
- 9. The challenges of mining communities**
- 10. Conclusion**
- 11. Recommendations for EITI reporting and addressing data gaps**

Source: Based on Ethiopia EITI (2016), [Artisanal Mining Operation and Its Economic Values, Ethiopia](#).