

EITI REQUIREMENT 6.3

Coverage of artisanal and
small-scale mining (ASM)
in EITI reporting

Guidance Note



September 2022

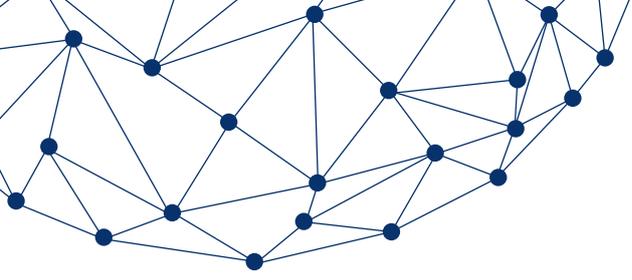
This note has been issued by the EITI International Secretariat to provide guidance to implementing countries on meeting the requirements in the EITI Standard. The International Secretariat would like to thank the OECD for their support and contributions to this note, made possible with co-funding from the European Commission. Readers are advised to refer to the EITI Standard directly, and to contact the International Secretariat to seek further clarification.

Contact details can be found at www.eiti.org.

EITI International Secretariat
Rådhusgata 26, 0151 Oslo, Norway
+47 222 00 800
secretariat@eiti.org

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Executive summary

In many resource-rich developing countries, the extraction of minerals by artisanal and small-scale miners plays a significant role in national mineral production and economic activity. According to the global data platform on artisanal and small-scale mining (ASM), Delve, the ASM sector is estimated to comprise nearly 45 million people worldwide and is the second main source of livelihood after agriculture.¹ Artisanal miners produce significant amounts of the world's minerals – from 20% of the world's gold to nearly 80% of coloured gemstones. They also produce minerals used for clean energy technologies and electronic products such as laptops and phones; about a quarter of global tantalum and tin comes from ASM. Heightened demand for such minerals has already resulted in a significant growth of ASM and exacerbated risks of corruption and revenue loss in the sector.²

Despite its scale, ASM remains predominantly an informal sector. As such, the sector does not directly contribute to official government revenues and its true value is largely overlooked.³ Obtaining detailed information about ASM's scale, dynamics and economics can be challenging even in countries where ASM is regulated and where research has been undertaken. Data is often not well captured and may not be routinely used for policy and decision-making purposes. Much ASM activity remains unregulated or there may be gaps in the enforcement of existing regulations. Production may therefore be clandestine and evade official monitoring or registration. The higher the value and portability of the material, the more likely it is to be traded illegally and the harder it is to accurately quantify production.

While EITI reporting traditionally focuses on the formal large-scale mining (LSM) and oil and gas sector, Requirement 6.3 of the EITI Standard requires countries to disclose an estimate of informal activities (including ASM), so as to provide a more comprehensive picture of the economic significance of the extractive sector. This is especially important in countries where ASM is known to make a material contribution to the economy, whether through production or employment. Including ASM in the scope of EITI reporting allows countries to improve public access to data on artisanal mining, underpin public debate, curb smuggling and corruption and build capacity to formalise and effectively regulate the sector. Such measures are particularly pertinent in regions hosting minerals critical to the energy transition, where stronger governance frameworks can support the responsible supply of minerals in a period of increased demand.

1 Delve, <https://delvedatabase.org>.

2 International Institute for Sustainable Development (2018), *Global Trends in Artisanal and Small-Scale Mining (ASM): A review of key numbers and issues*. Retrieved from <https://www.iisd.org/publications/report/global-trends-artisanal-and-small-scale-mining-asm-review-key-numbers-and>.

3 In some countries, regulation of ASM and revenue mobilisation from the sector are more developed at the subnational level.

This note provides step-by-step guidance to multi-stakeholder groups (MSGs) on covering ASM in EITI reporting and presents examples of current practices in EITI countries. It considers the types of data that may be included in the report, how to find them, and how to use them to inform public policies. Ultimately, the significance of ASM in a country's mining sector and national economy will most likely shape the extent to which implementing countries integrate ASM into their EITI processes.

EITI reporting and multi-stakeholder dialogue can be used to:

- 1) Improve the governance of the sector by providing a better understanding of the extent to which ASM contributes to mineral production, government revenues, subnational revenues, employment and local livelihoods;
- 2) Provide clarity on the regulatory framework, anti-corruption efforts and recommendations for reforms that could contribute to formalisation and reduce the potential for conflict;
- 3) Support international institutions, such as the World Bank or the IMF, design economic policies and projects by providing a better macroeconomic view of the extractive sectors of producing countries;
- 4) Improve engagement with ASM stakeholders and inform public understanding and debate on ASM.

TERMINOLOGY

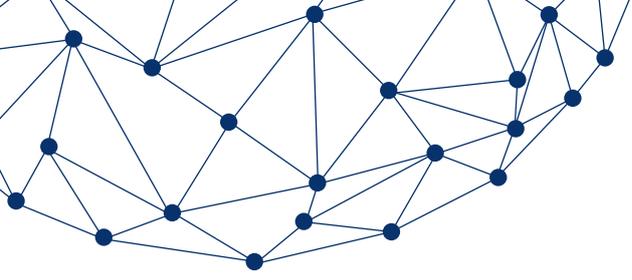
Artisanal and small-scale mining (ASM)

While there is no universal definition of ASM, the OECD defines it as “formal or informal mining operations with predominantly simplified forms of exploration, extraction, processing, and transportation. ASM is normally low capital-intensive and uses high labour-intensive technology.”

Distinctions between artisanal and small-scale mining are made in some countries, where “artisanal” typically refers to pure manual mining while “small-scale” may have fixed installations or use mechanised equipment. However, the diversity of ASM operations is vast and difficult to generalise. ASM can include men and women (or even youth and children) working on an individual basis or in family groups, in partnership, or as members of cooperatives or other types of legal associations and enterprises involving hundreds or even thousands of miners.

ASM activities usually take place in areas where minerals can be extracted with basic tools and can cover everything from gold, gemstones and base metals (such as cobalt, tin, tungsten and tantalum) as well as sand, gravel and crushed stones. Developing countries that have significant reserves of these minerals are most likely to have significant ASM sectors.

Source: OECD (2016), [Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, Third Edition](#).



Requirement 6.3

The objective of this requirement is to ensure a public understanding of the extractive industries' contribution to the national economy and the level of natural resource dependency in the economy.⁴

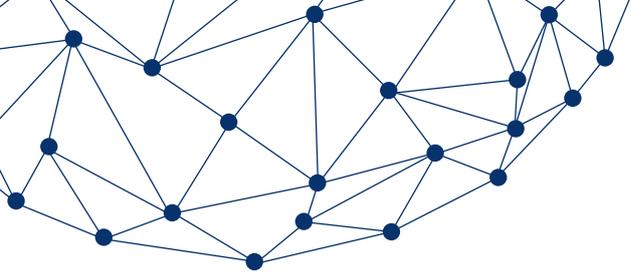
Implementing countries **must** disclose, when available, information about the contribution of the extractive industries to the economy for the fiscal year covered by EITI implementation. It is **required** that this information includes:

- a) The size of the extractive industries in absolute terms and as a percentage of Gross Domestic Product as well as an estimate of informal sector activity, including but not necessarily limited to artisanal and small-scale mining. [...]

⁴ EITI (2021), *Validation Guide*, <https://eiti.org/guidance-notes/validation-guide>.

Overview of steps: Requirement 6.3

Steps	Key considerations	Examples
<p>Step 1: Map potential sources of data and stakeholders</p>	<ul style="list-style-type: none"> • Which commodities are exploited and produced by the ASM sector? • What are the oversight bodies that regulate and monitor formal or informal ASM activities? • Do other stakeholders or entities already collect data on the ASM sector? • What are the main revenue streams of the ASM sector? • What other types of data can be reported? 	<ul style="list-style-type: none"> • International Tin Supply Chain Initiative (ITSCI) • DRC • Ethiopia • Madagascar • Philippines
<p>Step 2: Collect data and engage stakeholders</p>	<ul style="list-style-type: none"> • Is the primary or official data on ASM payments or exports available and reliable? • How can the MSG engage with other stakeholders to gather additional data or information? 	<ul style="list-style-type: none"> • Burkina Faso • Mali • OECD Due Diligence Guidance
<p>Step 3: Report findings and provide recommendations</p>	<ul style="list-style-type: none"> • How can ASM data be included in EITI reporting? • What measures could be taken to strengthen data collection, anti-corruption and improve ASM governance? • How can the data be presented and used to support analysis and public understanding? 	<ul style="list-style-type: none"> • DRC • Ghana • Honduras • Kyrgyz Republic • Liberia • Mongolia • Cameroon • Papua New Guinea



How to include the ASM sector in EITI reporting



Step 1 Map the potential sources of data and stakeholders

Providing an overview of the sector is a first step to start informing policies. The overall objective of Step 1 is to assess how ASM activities can be captured in the EITI process. To achieve this, MSGs will need to identify existing disclosures on ASM and the institutions responsible for reporting on ASM – as well as those who may provide additional information – in order to collect data as outlined in Step 2.

1. Map key stakeholders and data sources

The institutions in charge of dealing with the ASM sector will largely depend on in-country contexts. A wide range of institutions can be considered, such as key ministries or national institutions (in charge of mines, trade, revenues and audits, environment, gender and youth affairs, etc.), regional mining agencies, environmental bureaus at regional levels, national and central banks (e.g. central banks operating a domestic purchase programmes), and revenue and customs authorities. Annexe B and Annexe C provide examples of governmental institutions that may be dealing with formal or informal ASM activities.

MSGs could also consider how stakeholders working on ASM issues and related initiatives or programmes might already be collecting information on the sector. Where these stakeholders or initiatives exist, they may already be engaged in collecting both qualitative and quantitative data and could be a useful source of data for EITI reporting.

MSGs could consider mapping the organisations, programmes and/or schemes relevant to the in-country context. They may also wish to identify schemes or industrial programmes that implement the OECD Due Diligence Guidance. These stakeholders and organisations are very diverse and can be active around ASM through different topics and entry points. More details on who these stakeholders might be in different contexts, and how they can be approached according to which thematic area, are provided in Step 2 and Annexe A.

CASE STUDY

ITSCI as a source of data for production and revenues for 3T minerals

The International Tin Supply Chain Initiative (ITSCI) is a comprehensive due diligence and mineral traceability programme which enables end-user industries to verify the responsible sourcing of tin, tantalum, and tungsten (3Ts) sourced from Burundi, the Democratic Republic of the Congo, Rwanda and Uganda. According to a 2018 assessment by the OECD, ITSCI is fully compliant with the OECD Due Diligence Guidance, which provides a 5-step framework and detailed recommendations to help companies respect human rights and avoid contributing to conflict through their mineral supply chains.

The programme is implemented by ITSCI's on-the-ground partner, PACT, and involves several stakeholders – including government authorities at a national and subnational level – on due diligence and mineral traceability. Minerals are traced and recorded at mine, processor and exporter levels, and this data forms a comprehensive database of ASM production and baselines. Together, the EITI and ITSCI can support good governance in the ASM sector by combining revenue transparency and mineral traceability.

In the **Democratic Republic of the Congo**, the government has been implementing ITSCI since 2012. ITIE-RDC has used ITSCI data to discern the levels of production and revenues being derived from traceable ASM sites, and included data on ASM in subnational payments and mineral production in its 2020 EITI Report.

In 2014, the Government of **Burundi** signed a Memorandum of Understanding with the International Tin Research Institute (ITRI) to implement ITSCI. ITSCI data was used to develop an understanding of production and revenue levels in the country, and to assess how the EITI could be implemented in a predominantly ASM environment.

2. Develop an action plan

Once MSGs have reviewed potential proxies proposed in Step 1, MSGs wishing to include an estimate of the size of the ASM sector in their EITI reporting should set their own objectives for the EITI Report and develop an action plan for data collection. They may also wish to consult experts to support with estimating the size of the ASM sector and collecting available data identified in Step 1. The action plan can also include the possibility of working with a specialised consultant (individual or organisations) with background and expertise on ASM to collect additional information that could be included in the EITI Reports (see Annexe D for guidance on drafting Terms of Reference for an ASM scoping study). When planning for ASM disclosures, MSGs should consider allocating time and resources that are proportionate to the extent to which the information will be used.

CASE STUDIES**Scoping studies on ASM in implementing countries**

Philippines EITI undertook a scoping study in 2015, providing a profile of small-scale mining operations in the country. The study revealed a discrepancy in the number of ASM activities reported by regional mining bureaus and those reported by local government units, which control ASM operations in their jurisdictions. The study also compiled information on the laws, regulatory framework, fiscal regime, available revenues and production data pertaining to ASM, and highlighted the existence of ASM activities in areas where such activities are not allowed.

Source: PH-EITI (2015), [Philippines EITI Scoping Study on Small-Scale Metallic Mining](#).

Ethiopia EITI collected a wide variety of qualitative and quantitative data to provide an overview of the economic contribution of the ASM sector and the sector's affiliated institutions. It further developed a conceptual framework considering the entire ASM value chain and a set of specific indicators to ensure that all topics and matters were included in the data collection instruments. It also made use of recent research studies on the topic.

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

A scoping study on ASM in the **Democratic Republic of the Congo** used a combination of secondary data and field visits to provide a roadmap on integrating ASM data in EITI reporting. The study included a stakeholder mapping of various actors operating in the informal and semi-formal ASM sector, an overview of revenue streams stemming from ASM at the national and local levels (drawing on the ITSCI framework), recommendations to the MSG, and reporting templates for entities and individuals (merchants or traders, purchasing houses, processing entities, local and central authorities) that would be required to report.

Source: PricewaterhouseCoopers (2015), [Rapport de l'Auditeur Independent sur l'Etude de Cadrage de la Couverture de l'Exploitation Minière Artisanale a l'est de la République Démocratique du Congo](#).

3. Identify the main revenue streams of the ASM sector

The main objective of reporting ASM data under the EITI is to offer an accurate estimate of ASM production, employment, revenue and revenue leakages in order to inform policymakers (see Annexe B for possible data points and data sources to cover in EITI reporting). In this step, MSGs should note that even though ASM constitutes a significant source of employment and revenue generation in mineral-rich developing countries, the informal nature of the sector makes it challenging to estimate the potential contribution to national development and economic growth. This often stems from two gaps in data: 1) production statistics, both disaggregated by mine site and mineral, and aggregated at the national level; and 2) formal revenues streams derived from licensing permits, leases paid to traditional chiefs or land holders (often paid in addition to licensing permits, if they exist), value added taxes for exports, production taxes at mine sites, in-country processing taxes, or fees associated with trading (third-party buyers).

MSGs may wish to consider including the following data points in their EITI reporting on ASM:

- Overview of ASM activity (by mineral and region)
- Production estimates by mineral on an annual basis
- Export data⁵
- 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.

4. Consider other data types

In countries with a predominant ASM sector but where official sources of information on revenue streams are lacking, MSGs are encouraged to use more innovative proxies and emphasise contextual or qualitative data. In cases where a legal framework for ASM exists and is implemented, MSGs could draw on sector information provided by official sources such as national or subnational institutions. Such data may include ASM actors, employment, production licenses, production figures and export revenues.

⁵ Export data can be compared with declared import data using the UN Comtrade Database (<https://comtrade.un.org/>), which may point to discrepancies between export/import data.

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The challenges for these countries will be to identify appropriate data that can be shared on the sector, as there is usually no clear categorisation of revenue streams in the ASM sector. Regarding production licenses, it is important to explore if there exists a simple and workable licensing process that allows ASM miners to acquire mining rights. Complex and costly regulations may present a barrier for ASM formalisation efforts.

There is often a very strong regional aspect to ASM trade activities which would call for an effort to coordinate with EITI MSGs in neighbouring countries either to identify data that can be useful for the country report or to carry out a regional data collection effort.

EXAMPLES

Using employment data to estimate the significance of the ASM sector

In its 2018 EITI Report, EITI Madagascar acknowledges the difficulty of estimating the significance of ASM for the Malagasy economy. In the absence of concrete statistics, EITI Madagascar reviewed the data provided by the Ministry of the Presidency in charge of Mines and Petroleum, which identified that about 1 million people worked in the sector in 2015 (excluding farmers who regularly engage in ASM during the non-agricultural season), making it the second largest sector in terms of employment, after agriculture.

Source: *EITI-Madagascar (2019)*, [Rapport de réconciliation 2018](#).

Conducting a scoping study to estimate the size of the ASM sector

In its 2019 EITI Report, Togo provided an overview of the ASM sector as part of the description of the context of mining activities in country. The data was extracted from an ASM scoping study by the National Statistics Institute, which was based on data collected from a sample of ASM producers. The study provides detailed information on the number and location of ASM mines, employment figures and conditions, ASM production, trading conditions and the economic importance of the sector.

Source: *ITIE Togo (2021)*, [ITIE Togo: Rapport Final 2021](#).

Using data on in-country mercury use to estimate gold production volumes

The Minamata Convention on Mercury is a global treaty that aims to protect human health and the environment from the adverse effects of mercury. The Convention requires the development and implementation of National Action Plans (NAPs) specific to the ASM gold sector. To support the drafting of these NAPs, inventories of gold sourced from the ASM sector are produced. These inventories include production estimates by regions/sites, primary ASM stakeholders, descriptions of the value chain and local institutional capacities.

Source: *Minamata Convention on Mercury*, ["National Action Plans"](#).



Step 2

Collect data and engage stakeholders

Reporting on ASM can include qualitative and/or quantitative data and draw on primary and/or secondary data sources (e.g. reports or surveys). While data on ASM exports, production and sales do not necessarily provide a complete picture of the sector, it can provide an indication of the scale of revenues and production at the national or regional level. If possible, the data from these sources should not be more than five years old. Methods for collecting and reporting data can be adapted to different situations, needs and opportunities.

1. Identify existing research on ASM

EITI reporting on ASM should draw on reliable data from other sources. A mapping of recent research and studies on ASM in-country may provide MSGs with valuable data, including production estimates for certain types of minerals/regions, non-official payments, information on cross-border trade, employment and livelihoods, vulnerabilities, etc. When identifying existing research, MSGs may wish to draw on the list provided in the “Further resources” section of this note.

2. Collect data on payments

Payments in the ASM sector generally comprise of taxes (i.e. royalties) and other related fees (i.e. licenses and their renewals, annual surface rents, etc.). In addition to official payments made to government authorities, ASM miners may also make payments to non-state actors on both an official and an unofficial basis. Such payments might include fees for rights to access/work on site; payments to traditional authorities; payments to landowners; payments to operate unofficially or to avoid legal fines/penalties; payments for unofficial security services; payments to state or non-state armed groups; partnership dividends and signing bonuses, including those related to joint ventures with state-owned enterprises (SOEs); and interest payments to sponsors and financiers. A better understanding of illicit flows in ASM is essential to tackle some of the challenges relate to informality and illegality in the sector.

When gathering payment data, MSGs should consider the actors, transactions and payments that are made at every step of the value chain, as proposed in Annexe B.

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3. Consider the reliability of official data

Official figures on ASM can sometimes be imprecise due to:

- Purposeful under-reporting of production statistics by operators as a means of avoiding high taxation (whether formal or informal);
- Dispersed mine sites that are difficult to access and monitor by government agents;
- The seasonal and migratory nature of ASM activities in some countries;
- Multiple government agencies intervening in the sector who collect taxes or other types of revenues at specific nodes of the production and trade chain, instead of a single revenue collection centre;
- Multiple state and non-state actors who provide different support to ASM (marketing, training, licensing, etc).
- Cross-border smuggling of minerals that are officially reported by exporters in another jurisdiction;
- Multiple actors intervening along the production and trade chain (e.g. small miners, transporters, traders and exporters);
- Low government capacity to record, track and harmonise production and fiscal flows from mine sites to the national level.

When collecting data, MSGs are encouraged to consider the robustness of the qualitative or secondary data and the legitimacy of the data sources. It is, however, possible to propose estimates and add caveats if the figures cannot be guaranteed due to the artisanal nature of the mining activities. Some implementing countries provide wide brackets or ranges on data if the figures collected differ widely. Quality control and peer reviews will be important to ensure the sources cited are robust enough to provide these estimates.

4. Build an engagement plan and consult stakeholders

MSGs may wish to identify and consult stakeholders and organisations in-country that can support with ASM reporting. To achieve this, MSGs could map existing organisations that have an interest in the sector, such as international organisations, research institutes, civil society organisations, refineries, supply chain actors, companies, local and international traders, exporters and initiatives that are concerned with specific minerals. When preparing to consult these organisations, MSGs could develop a list of questions organised by themes, covering issues such as the economic and development impacts of ASM; the environmental and health impacts of ASM; smuggling, security, conflict issues related to ASM; and supply chain issues.

Annexe A provides a list of potential organisations and programmes to consider and ways to engage with them.

MSGs may also wish to engage in interviews or discussions with key informants in relevant national or subnational entities or along the value chain, such as mineral processing plants and trading networks. Such stakeholders may be helpful resources for filling data gaps and verifying or updating official estimates, for instance with regards to exports, employment or environmental impacts. Potential key informants can include representatives from key ministries or national institutions identified under Step 1 (see further guidance in Annexe B and Annexe C).

CASE STUDY

Burkina Faso and Mali **Supplementing primary data with secondary research**

In-country research can inform estimates of the potential gap between official data and actual figures. For instance, in Burkina Faso, according to the National Institute of Statistics and Demography, the country's 500 to 700 ASM sites produce 9.5 tonnes of gold a year. However, analysis of atmospheric mercury emissions and a 2018 research study suggest that ASM gold production amounts to around 20 to 25 tonnes of gold per year. According to the study, authorities in Mali reported around four tonnes of gold produced in the ASM sector per year, while Malian customs estimate that at least 20 tonnes of gold is mined yearly.

Source: OECD (2018), [Gold at the crossroads – Assessment of the supply chains of gold produced in Burkina Faso, Mali and Niger](#).

TOOL**OECD Due Diligence Guidance for Responsible Supply Chains**

The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas provides detailed recommendations to help companies respect human rights and avoid contributing to conflict through their mineral purchasing decisions and practices. It clarifies how companies can identify and better manage risks throughout the entire mineral supply chain, from miners, local exporters and mineral processors to the manufacturing and companies that use these minerals in their products.

The guidance is for use by any company potentially sourcing minerals or metals from conflict-affected and high-risk areas. It is designed to support due diligence by following a five-step framework:

1. Establish strong company management systems;
2. Identify and assess risk in the supply chain;
3. Design and implement a strategy to respond to identified risks;
4. Carry out independent third-party audits of supply chain due diligence;
5. Report annually on supply chain due diligence.

Source: [OECD \(2016\), Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, Third Edition.](#)

**Step 3
Report findings and provide
recommendations**

Depending on the scale of ASM activity and the availability of data, reporting could cover a range of data points, from basic sector information (such as the regions hosting ASM activities, ASM exploration activity, the minerals produced, or the number of ASM miners operating in these areas) to more detailed information (such as production figures and actual or estimated revenues paid to local and national governments). The breadth and depth of disclosures included in EITI reporting can expand over time.

MSGs may encounter challenges and disclosure gaps when they first begin incorporating ASM in their EITI reporting. However, these should not be a deterrent to reporting; rather, they could serve as a benchmark for measuring improved disclosure over time and could help policymakers identify areas to improve ASM oversight. Once the process of ASM reporting has been established, MSGs may wish to agree targets to strengthen disclosures for specific data points in subsequent reporting cycles. The following steps provide guidance on how to integrate ASM data in the EITI process.

1. Present and share findings made during the data collection phase

Once the MSG has identified data sources and collected data on ASM, they could consider including the findings in their EITI reporting. MSGs could include this in a section dedicated to ASM or Requirement 6.3. Alternatively, they may wish to consider relevant linkages between ASM and other areas or disclosures in the EITI Report. Table 1 suggests several options for reporting data under Requirement 6.3.

Table 1. Options for reporting under Requirement 6.3	
<p>Option 1: Provide an overview of the ASM sector</p>	<ul style="list-style-type: none"> • An overview of the ASM sector, drawing on qualitative data where quantitative information is not available; • Links to other available information on the ASM sector; • A description of initiatives or programmes that support ASM development. <p><i>Countries that have reported this information include Cameroon, the Democratic Republic of the Congo, Madagascar, Nigeria and Tanzania.</i></p>
<p>Option 2: Provide an overview of the ASM sector, production and export data</p>	<ul style="list-style-type: none"> • An overview of the ASM sector • Annual ASM production by mineral • Percentage contribution of ASM to total national production <p><i>Countries that have reported this information include Ghana, Honduras, Kyrgyz Republic, Liberia, Mongolia and Papua New Guinea.</i></p>
<p>Option 3: Provide an overview of the ASM sector, production, export and revenue data</p>	<ul style="list-style-type: none"> • An overview of the ASM sector • Annual ASM production by mineral • ASM revenues received by government, as declared by national or subnational levels of government <p><i>Countries that have reported this information include Burundi, Central African Republic, the Democratic Republic of the Congo and Tanzania.</i></p>

The data presented in Option 3 is the most comprehensive and can support information needs, reform and debate on the ASM sector. Including information on ASM revenues received by government is an important step towards quantifying the economic contribution of ASM to the country. EITI reporting could cover the entire mineral supply chain, ranging from artisanal and small-scale miners, local traders or exporters to international traders, mineral re-processors and smelters/refiners, as laid out in the OECD Guidance.

EXAMPLES

EITI reporting on ASM

Various countries include information on the ASM sector in their EITI reporting. For instance, **Papua New Guinea** includes information on small-scale miners in its 2019 EITI Report, while **Kyrgyz Republic** includes a section on artisanal activities, production and employment in its 2017 EITI Report.

Sources: *PNGEITI (2021)*, [2019 EITI Report](#); *Kyrgyz Republic EITI (2019)*, [Report of the Kyrgyz Republic for 2015-2017](#).

According to the **Democratic Republic of the Congo's** 2020 EITI Report, artisanal production of diamonds was about three times greater than industrial production in 2018 and 2019. The country further reported that in 2012, mineral smuggling contributed to an estimated revenue loss of USD 8 million per year for gold alone.

Source: *ITIE-RDC (2021)*, [Rapport Assoupli ITIE-RDC 2018, 2019 et 1er Semestre 2020](#).

Ghana covers ASM related topics throughout its 2017-2018 EITI Report on mining, with information on the regulatory and licensing regime, ASM product marketing and recent developments in the sector. It also highlights areas where the MSG was unable to collect data.

Source: *GHEITI (2019)*, [Final Report for 2018 & 2019: Mining Sector](#).

Honduras's 2019-2020 EITI Report includes milestones for the ASM sector as well as section on the contribution of the ASM sector to the economy. It also reports on the construction of an ASM project and an institutional strategic plan for the inclusion of women in mining activity, which aims to promote equal opportunities through the formalisation and/or creation of micro-enterprises, and entrepreneurship training for women artisanal miners in Honduras.

Source: *EITI Honduras (2021)*, [V Reporte de País: Informe Flexible Periodo 2019-2020](#).

Mongolia's 2020 EITI Report states that due to a lack of official statistical data, small-scale mining is presented separately from the overview of Mongolia's industrial mining sector. It includes a subsection on the legal environment of the ASM sector and provides an overview of the economic contribution of artisanal gold mining by reporting on quantities of gold traded by individuals to the Bank of Mongolia from 2018 to 2020.

Source: *Mongolia EITI (2021)*, [Mongolia Fifteenth EITI Reconciliation Report 2020](#).

2. Formulate recommendations

After the data has been reviewed and reported, the MSG could discuss recommendations for strengthening the data collection process and improving the governance of the sector. MSGs may consider solutions to address data gaps that were identified during the data collection process under Steps 1 and 2. The data points listed under Step 1.3 may be used as a guide to map and summarise potential data gaps.

Once the MSG has discussed and agreed recommendations, members may wish to engage their constituencies and networks to disseminate the information and inform public debate. MSGs may also wish to consider including representatives from the ASM sector on the MSG.

EXAMPLES

Including recommendations on ASM governance

In its 2020 EITI Report on mining, **EITI Ghana** included specific recommendations for the Bank of Ghana and the Ghana Revenue Authority. It recommends that the Bank of Ghana's update its portal to include an estimate of informal sector activity, and that the government fast tracks negotiations with small-scale miners on the mode and quantum of the Income Tax Act, to ensure that small-scale and artisanal miners also contribute to mining revenue.

Source: GHEITI (2019), [Final Report for 2018 & 2019: Mining Sector](#).

In its 2018-2019 EITI Report, **EITI Liberia** builds upon the findings from a scoping study to provide concrete recommendations and measures for ensuring full compliance of the ASM sector with the EITI Principles.

Source: EITI Liberia (2021), [EITI Report FY 2018/2019](#).

Tanzania's 2018-2019 EITI Report includes information on designated ASM mining zones along with estimated number of mines in each zone and the estimated production. The report also highlights information on ASM minerals trading, particularly the establishment of mineral markets to control tanzanite mining and the establishment of precious metal refiners. By 2021, 39 mineral markets and 50 buying centres had been established across the country. Tanzanite production, in part due these reforms, rose from 165 kg in 2017 to 781 kgs in 2018, an increase of 374%. Average monthly revenue from mineral sales rose 313% from TZS 1.71 billion to TZS 7.06 billion after mineral markets were established.

Source: Tanzania EITI (2021), [The 11th TEITI Report](#).

EITI REQUIREMENT 6.3

Coverage of ASM in EITI reporting
Guidance Note

3. Consider how the data can be presented and used

Once information on the ASM sector has been collected, MSGs may wish to consider options for presenting and disseminating the information so that is made easily accessible to citizens and analysts. It may be helpful to represent the data visually, for example by presenting the location of ASM activities on an interactive map to highlight the geographical dimensions of ASM activity. If the country has an online mining cadastre with license areas of large-scale mines, and if the physical locations of ASM activity are recorded by the government, these data points can be layered together to highlight the interface between the two sectors. If there is data on the production or movement of goods, this can also be displayed visually to demonstrate how the formal and informal sectors interact. Other data (e.g. populations, roads, public services, etc.) can also be linked from other databases to provide contextual information and make the visualisation more useable, comprehensive and informative.



Going further

Some countries are going beyond the requirements of the EITI Standard to integrate ASM in their EITI reporting and implementation. Where MSGs wish to further advance their disclosures and work on ASM, they could engage broader constituencies to determine where EITI reporting could provide more comprehensive data on the sector.

Gender and ASM

Women account for a significant portion of the global ASM workforce, contributing to both mineral production as well as the provision of services in the sector. In 2003, they were estimated to make up nearly 30% of ASM workers,⁶ a figure that is much higher in some countries. At the same time, women's remuneration is typically a third of what men earn in the sector, while their exposure to health and safety risks, including environmental degradation, is often greater.

While there is increasing interest in the gender dimensions of ASM, significant gaps remain in the available data and research on women's participation in the sector, which are necessary to inform policies and solutions to promote greater equality. Interventions focused on the legalisation of the ASM sector that do not explicitly promote women's economic empowerment can have the unintended consequence of further excluding women from the economic benefits of ASM.⁷ The disaggregation of data on employment in the artisanal mining sector and membership in small mining associations by gender (and other societal factors) could help inform policies and practices that address gender labour gaps in ASM and improve individual, household and community development.

The EITI's guidance on gender-responsive EITI implementation suggests steps for MSGs to promote women's participation in MSGs (Requirement 1.4), cover employment data disaggregated by gender (Requirement 6.3), conduct gender-specific outreach and dissemination activities (Requirement 7.1) and document progress on gender-related activities in EITI implementation (Requirement 7.4).⁸ MSGs may wish to refer to this guidance when developing plans to integrate ASM in their EITI reporting, to ensure that gender dimensions of ASM are taken into account.

6 J.J. Hinton, M.M. Veiga, C. Beinhoff (2003). Women and Artisanal Mining: Gender Roles and the Road Ahead. In G. Hilson (Ed). *The Socio-Economic Impacts of Artisanal and Small-Scale Mining in Developing Countries*. Netherlands: Swets Publishers. Retrieved from <https://api.semanticscholar.org/CorpusID:56000875>.

7 USAID (2020), *Gender issues in the Artisanal and Small-Scale Mining Sector*. Retrieved from <https://land-links.org/issue-brief/gender-issues-in-the-artisanal-and-small-scale-mining-sector/>.

8 EITI (2022), *Gender-responsive EITI implementation*. Retrieved from <https://eiti.org/guidance-notes/gender-responsive-eiti-implementation>.

TOOL**Assessing the gender impacts of artisanal and small-scale mining**

A toolkit by IMPACT, [*Gender Impact Assessments for Projects and Policies Related to Artisanal and Small-Scale Mining*](#), offers 14 strategic tools and seven key steps to support data collection and the assessment of gender impacts in the ASM sector, including for local-level projects and for broader policies and legislation on the sector.

Furthermore, a publication by the Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development (IGF), [*Gendered Impacts of COVID-19 on Artisanal and Small-Scale Mining*](#), aim to help policy-makers and researchers better understand the difficulties that women face in ASM to support better environmental and social performance in the sector. It offers recommendations for developing policy options that can be developed after rapid gender assessments, examples of gender-responsive fiscal policies, and various case studies detailing gender-responsive measures that were taken related to the ASM sectors in Peru, the Philippines and Zimbabwe.

Sources: IMPACT (2020), [*Gender Impact Assessments for Projects and Policies Related to Artisanal and Small-Scale Mining*](#); Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development (2022), [*Gendered Impacts of COVID-19 on Artisanal and Small-Scale Mining*](#).

Promoting public debate

EITI reporting can inform public understanding and debate about the management of the ASM sector, for example on economic, social and environmental impacts. Once MSGs have mapped and collected data on the sector, they could consider outreach activities to ensure that the information is disseminated to stakeholders that were consulted in the data collection process under Step 2. This knowledge sharing can take the form of a dissemination of the final report and/or workshops with targeting relevant stakeholders. In countries with large ASM sectors, the inclusion of ASM representatives in the MSG platform and/or workshops could help ensure ASM disclosures continue to be relevant, improved and used for debate.

Reporting on the ASM sector can also enhance awareness of decision makers on ASM activity and the issues related to ASM operations, and support an evidence-based debate on the costs and benefits of the sector. Some countries have used EITI data in order to engage with the parliament and policymakers on such issues. Local engagement activities are also vital to promote public debate and participation among community members. MSGs could work with the OECD to identify ways to engage with communities in ASM sites.

MSGs can also advocate for other organisations to collect and share data on the ASM sector. For instance, the OECD could collect and disseminate contextual, secondary and qualitative data and advocate for the inclusion of information about country of origins and payments made. MSGs may also encourage the formation of small-scale mining associations and federations which could, in turn, support data collection from individual small-scale miners and cooperatives.

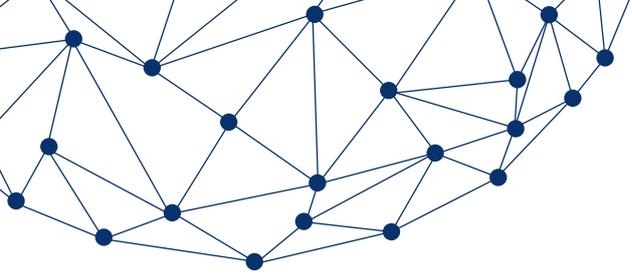
CASE STUDY

Myanmar Using the EITI as a platform for dialogue on ASM

ASM is an important part of Myanmar's mining sector. It employs hundreds of thousands of people, accounting for most government-issued mining licenses and representing the bulk of gold and tin production.

Myanmar EITI (MEITI) has taken steps to capture data on the formal and informal ASM activities. However, due to the large number of small-scale producers, it has proved challenging to establish a materiality threshold to determine which companies should report information. While coverage of ASM data increased in MEITI's reporting of the 2016-2017 fiscal year, significant revenue flows are still not captured. MEITI also used the EITI's multi-stakeholder platform to spur dialogue and develop capacity on ASM issues, and convened several workshops and trainings for government officials, civil society and the private sector.

Sources: *Natural Resource Governance Institute (2019)*, [Unpacking Decentralization: Improving How States and Regions in Myanmar Issue Artisanal and Small-Scale Mining Permits](#); *OECD (2020)*, [Promoting coherence between standards on responsible mineral supply chains](#).



Further resources

- Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development (2017), *Managing artisanal and small-scale mining*. Retrieved from <https://www.igfmining.org/our-work/artisanal-and-small-scale-mining/>.
- OECD (2016), *Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, Third Edition*. Retrieved from <https://www.oecd.org/corporate/mne/mining.htm>.
- UN Trade Statistics, “UN Comtrade database”. Retrieved from <https://comtrade.un.org/>.
- USAID (2020), *Gender Issues in the Artisanal and Small-Scale Mining Sector*. Retrieved from <https://land-links.org/issue-brief/gender-issues-in-the-artisanal-and-small-scale-mining-sector/>.
- World Bank, “Delve Database”. Retrieved from <https://delvedatabase.org/>.
- World Gold Council, “Artisanal and Small-scale Gold Mining”. Retrieved from <https://www.gold.org/esg/artisanal-and-small-scale-gold-mining>.

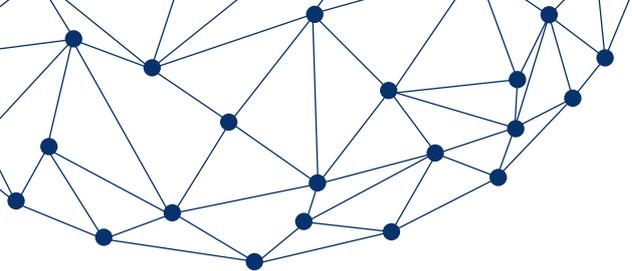
A comprehensive list of further resources and organisations relevant to ASM governance is available on artisanalmining.org.



Extractive Industries
Transparency Initiative

Rådhusgata 26
0151 Oslo
Norway

+47 222 00 800
secretariat@eiti.org
eiti.org



Annexe A: Questions for engagement on ASM topics with organisations

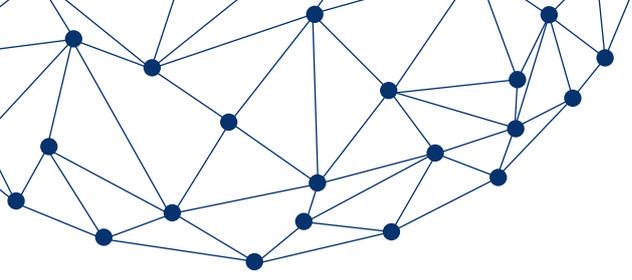
Themes	Potential organisations to consult	Questions for engagement
Economic and development impacts of ASM	<ul style="list-style-type: none"> • IMF • Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development (IGF) • International Labour Organization • Kimberley Process • OECD • UNICEF • UNDP • World Bank • World Gold Council • Central banks • Relevant academic and research organisations active on ASM (e.g. IMPACT, IPIS) <p><i>See also supply chain programmes below.</i></p>	<ol style="list-style-type: none"> 1. Does your organisation conduct activity related to ASM in-country? 2. If yes, have any of these activities involved, whether at the national or local/site level, data on ASM, e.g. production, location, employment, economic significance, child labour, gender considerations, etc.? (See Annexe C for more guidance on potential data points) 3. If yes, could your organisation share this data with the EITI to support EITI reporting and efforts to enhance transparency of the extractive sector?
Environmental and health impacts of ASM	<ul style="list-style-type: none"> • Council of the Global Environment Facility (GEF) • Minamata Convention on Mercury • Pact • planetGOLD • WHO 	<p>See questions 1 and 3 above. Annexe C provides more guidance on potential data points to request in question 2.</p>

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Coverage of ASM in EITI reporting
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Themes	Potential organisations to consult	Questions for engagement
Smuggling, security and conflict issues related to ASM	<ul style="list-style-type: none">• Global Initiative Against Transitional Organised Crime (GI-TOC)• International Organization for Migration (IOM)• Interpol• UN Group of Experts• Exporters of ASM minerals• Industrial mines operating in-country• International/UN military forces (e.g. MONUSCO, MINUSMA, G5 Sahel etc.)• Neighbouring countries' customs and border police forces <p><i>See also supply chain programmes below.</i></p>	<p>See questions 1 and 3 above. Annexe C provides more guidance on potential data points to request in question 2.</p>
Data on regions, provinces or ASM sites	<ul style="list-style-type: none">• Exporters of ASM minerals• Industrial mines operating in-country <p><i>See also supply chain programmes below.</i></p>	<p>Has your company conducted research or produced data on ASM production in the regions where you operate?</p> <p>If yes, could your organisation share this data with the EITI to support EITI reporting and efforts to enhance transparency of the extractive sector?</p>

Themes	Potential organisations to consult	Questions for engagement
<p>Supply chains of specific minerals (e.g. production, exports, governance and conflict risks, impacts on human rights, etc.)</p>	<p>Tantalum, tin and tungsten (3Ts):</p> <ul style="list-style-type: none"> • ITSCI/BSP (central Africa only) • London Metal Exchange (e.g. red flag assessment) • Regional Initiative against the Illegal Exploitation of Natural Resources (for ICGLR countries only) • Responsible Minerals Initiative <p>Cobalt and copper:</p> <ul style="list-style-type: none"> • Cobalt Institute • Responsible Minerals Initiative • London Metal Exchange (e.g. red flag assessment) <p>Nickel:</p> <ul style="list-style-type: none"> • International Nickel Study Group (INSG) • Nickel Institute <p>Gold:</p> <ul style="list-style-type: none"> • Alliance for Responsible Mining (e.g. CRAFT code) • Artisanal Gold Council • Independent Precious Metals Authority (LBMA) • Responsible Jewellery Council (RJC) <p>Diamonds:</p> <ul style="list-style-type: none"> • Kimberley Process • Responsible Jewellery Council (RJC) <p>Mica:</p> <ul style="list-style-type: none"> • Responsible Mica Initiative 	<p>Has your organisation conducted, or received from its partners or members, any research or data on ASM production in our country?</p> <p>If yes, could your organisation share this data with the EITI to support EITI reporting and efforts to enhance transparency of the extractive sector?</p>

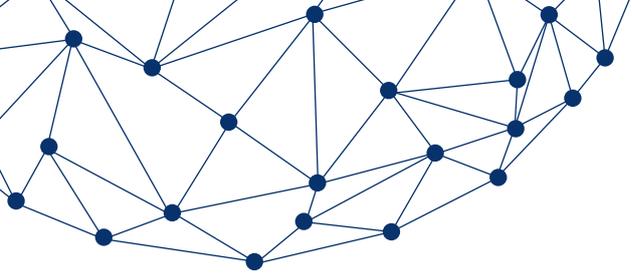


Annexe B: Collecting data on ASM payments

Data on official payments in the ASM can be collected via agencies and at different points of the ASM supply chain. Below is a list of potential agencies that MSGs may wish to engage with to collect data.

Supply chain step	Official payments that may be made to the state	Receiving agencies	Destination of revenues
Mine level	<ul style="list-style-type: none"> • Exploration/prospection license • Exploitation/mining license • Business operation license or regular fees • Cooperative/association establishment license or regular fees • Royalties on production • Transport taxes • Local/district/regional taxes • Infrastructure and services (e.g. water supply, electricity connection, etc.) • Taxes on equipment (e.g. VAT, imports) and consumables (e.g. fuel) • Environmental licenses, inspections and fines • Fines for other breaches (e.g. health and safety) • Services of public security • Employment taxes, social security 	<ul style="list-style-type: none"> • Mines ministry and agencies including mines inspectors • State-owned enterprises or mineral purchasing counters • Environment ministry and agencies including environmental inspectors • Registration authorities (for licenses, cooperatives, etc.) • State service providers (e.g. water agency, electricity agency, road services, etc.) • State security providers (e.g. police) • Specific tax collection services (e.g. social security, impots, customs, etc.) • District/local authorities <p><i>Note: these agencies may collect at national and/or district and/or local levels</i></p>	<ul style="list-style-type: none"> • Central budget • Provincial/district/local administration • Mines ministry and agencies budgets • Environment ministry and agencies budgets • Specific state service providers' budgets

Supply chain step	Official payments that may be made to the state	Receiving agencies	Destination of revenues
Processing level	<ul style="list-style-type: none"> • Business operation license or regular fees • Royalties on production • Transport taxes • Infrastructure and services charges (e.g. water supply, electricity connection) • Taxes on equipment (e.g. VAT, imports) and consumables (e.g. chemicals, fuel) • Environmental licenses, inspections and fines • State laboratory or mineral analysis fees • Services of public security • Employment taxes, social security 	<ul style="list-style-type: none"> • Mines ministry and agencies including mines inspectors • State-owned enterprises or mineral purchasing counters • Environment ministry and agencies including environmental inspectors • Registration authorities (for licenses, cooperatives, etc.) • State service providers (e.g. water agency, electricity agency, road services, etc.) • State security providers (e.g. police) • Specific tax collection services (e.g. social security, impots, customs, etc.) 	<ul style="list-style-type: none"> • Central budget • Provincial/district/local administration • Mines ministry and agencies budgets • Environment ministry and agencies budgets • Specific state service providers' budgets
Export level	<ul style="list-style-type: none"> • Business operation license or regular fees • Royalties on production • Transport taxes • Infrastructure and services charges (e.g. water supply, electricity connection) • Taxes on equipment (e.g. VAT, imports) and consumables • Environmental licenses, inspections and fines • Services of public security • Employment taxes, social security • Export taxes and fees for specific documents • Fees for services such as traceability 	<ul style="list-style-type: none"> • District/local authorities <p><i>Note: these agencies may collect at national and/or district and/or local levels</i></p>	



Annexe C: ASM data that could be reported under EITI Requirement 6.3

Category	Data points	Data sources
Institutional governance	<ul style="list-style-type: none"> Ministries, agencies and units regulating ASM Structure and relationships between involved ministries, agencies and units Roles, responsibilities and mandates of oversight bodies Institutional resources (e.g. geographic reach, offices, etc.) and capacities (e.g. staff, budget, etc.) Mineral governance framework and plans for formalisation of the ASM sector 	<ul style="list-style-type: none"> Mining regulations and codes Institutional statutes of establishment/incorporation Action plans Budgets Audits
Licensing process	<ul style="list-style-type: none"> Process for allocating, renewing, transferring and cancelling ASM rights and licenses Legal status of ASM (i.e. degree to which the licensing process is effective and respected) Terms and conditions of ASM operations 	<ul style="list-style-type: none"> Mining regulations and codes ASM licensing authority Cooperatives/associations
Domestic production and exports	<ul style="list-style-type: none"> Production by mineral ASM production in absolute terms and as a percentage of total production Export volumes in absolute terms and as a percentage of total export volumes 	<ul style="list-style-type: none"> Mining ministry field agents' reports Mining associations' reports, accounts Processing units/exporters' reports, accounts Official mineral export statistics Ministry of Trade and Commerce Ministry of Finance (national accounts) National institute of statistics Data reports on prices Data reports on fraud

Category	Data points	Data sources
Fiscal regime	<ul style="list-style-type: none"> • Laws governing the fiscal aspects of ASM • Rates for tax payments and fees • Roles and responsibilities of government agencies engaged in collecting and administering the fiscal regime for mining, including ASM 	<ul style="list-style-type: none"> • Mining regulations and codes, tax codes, cooperative codes or statutes, or other legislation related to public financial management • Statutes of government agencies • National/international ASM experts • Academic studies and NGO reports
Government revenues generated by ASM	<ul style="list-style-type: none"> • Actual figures from ASM taxes, royalties, bonuses, fees, or other payments • Estimate of potential income from royalties based on the calculated level of production • ASM revenues in absolute terms and as a percentage of total revenues from mining • ASM export earnings in absolute terms and as a percentage of total revenues from mining 	<ul style="list-style-type: none"> • Official tax statistics and receipts • ASM licensing process statistics • Official mineral export statistics • Ministry of Trade and Commerce • Ministry of Finance (national accounts) • National institute of statistics • Central bank (especially if country buys its own gold)
ASM revenues or funds for specific programmes or regions	<ul style="list-style-type: none"> • ASM revenues for social programmes in ASM areas • ASM revenues for management of ASM sector • ASM revenues supplemented/ matched by donors • Mechanisms for ensuring accountability and efficiency 	<ul style="list-style-type: none"> • Mining ministry field agents' reports • Local authorities' reports • NGO reports • Donor reports

EITI REQUIREMENT 6.3

Coverage of ASM in EITI reporting

Guidance Note

Other economic and development impacts of ASM

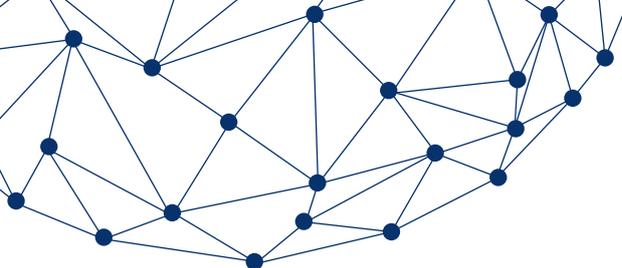
- Number of ASM sites and their locations
- Number of miners, disaggregated by gender
- ASM context and contribution to livelihoods
- Organisational and productive capacities of artisanal and small-scale miners (i.e. if ASM activities are formal or informal)
- Number of children involved in ASM, and quantitative or qualitative considerations related to child labour and mining
- Labour, safety and working conditions
- Impacts of ASM activities on women and qualitative gender considerations

Environmental and health impacts of ASM

- Estimates of mercury use in ASM gold production
- Strategies for the reduction of ASM mercury use including reduction targets
- Estimates on the impacts of ASM activities on deforestation
- Health and prevention information
- Health and safety incidents and records related to ASM activities (e.g. accidents and collapses, water contamination, etc.)

Security and conflict risks

- Minerals' seizure, smuggling and fraud Incidents
 - Estimates of smuggling and fraud activities (e.g. volumes, losses, etc.)
 - Human rights risks and incidents on ASM sites
 - Transportation routes and/or export points
 - Intelligence as to non-state armed groups' involvement on ASM sites, transportation routes and/or export points.
-



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.

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](#).