

Communities and Small Scale Mining Initiative (CASM)
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CASM Strategic Advisory Group (SAG) - Minutes of the Meeting

The Communities and Small-Scale Mining (CASM) Strategic Advisory Group (SAG) held its 1st meeting from Monday January 26th to 28th 2004 in Dar es Salaam, Tanzania. The meeting had five objectives (i) to review and refine a strategic vision for CASM prepared by the Secretariat; (ii) to prioritize a work program; (iii) to confirm the need for and role of the SAG; (iv) to define and agree upon membership and the responsibilities of membership; and (v) to select the site of the next Annual General Meeting of CASM. The program was enhanced by a number of invited presentations on ASM and poverty alleviation, biodiversity, and policy development

Eighteen participants attended the meeting (refer Annex A for the list of participants).

CASM SAG Background:

When CASM was first constituted in March 2001, the governance structure included a Sponsor's Group and an Expert Advisory Group. The former included the principle backers of the initiative and served as the ultimate decision-making body of CASM, while the latter was put together from a selected group of technical specialists representing a wide range of experience and expertise in order to provide expert advice and opinions on technical and policy issues and to screen and monitor CASM supported projects related to artisanal and small-scale mining.

During the Annual General Meeting 2003 held in Elimina, Ghana, both the general constituency and the Sponsor's Group re-affirmed the importance of the CASM initiative; the major concern was how to ensure a more effective CASM and to expand its efforts and increase its visibility and its impacts. The World Bank Mining Policy and Reform Division (the home of the CASM Secretariat) had at the start of the meeting laid out a vision for a more pro-active CASM, which would not only be involved in knowledge collection and sharing, but also in new knowledge development and in advocacy work with the various principle stakeholders. The Chair (held by DFID) later proposed the creation of a new advisory group, that unlike the EAG whose mandate is technical, would focus on developing CASM's strategic vision, ensuring alignment with major developmental trends, and monitoring CASM's progress against strategic objectives. People would be invited to join the SAG based on their proven ability to think in broad terms and to take a longer view, bringing to CASM a more diversified experience and greater intellectual weight.

Meeting Agenda:

There were three main goals for CASM SAG meeting:

- To formalize a Strategic Advisory Group (SAG)

- To review CASM's proposed Strategic Vision and Work Program
- To initiate planning for the next Annual General Meeting

The agenda was set by the organizing committee (CASM Chairman and the Secretariat):

CASM SAG Meeting Agenda	
Monday, January 26, 2004	
19h30	Reception Dinner
Tuesday, January 27, 2004	
09h00-09h30	Introductions and Objectives – Jon Hobbs
09h30-10h30	Significance of the ASM sector to the Development/Growth Agenda Poverty Reduction Strategy review process in Tanzania – Beatrice LaBonne
10h30-11h00	Tea
11h30-12h30	What are the key challenges today for CASM – Jeffrey Davidson
12h30-13h00	Open discussion
13h00-14h00	Lunch
14h00-15h00	Modus Operandi of the CASM: SAG
15h30-16h30	Tea
15h30-16h30	Presentation and discussion on Fossey Project – Kevin d'Souza
19h00	Dinner
Wednesday, January 28, 2004	
09h00-10h30	Developing Effective Policy Frameworks for ASM – Ian Barney & Kevin d'Souza
10h30-11h00	Tea
11h00-13h00	Planning for the next CASM annual General Meeting – Jeffrey Davidson and Jon Hobbs
13h00-13h30	Any Other Business and Conclusions – Jon Hobbs
14h00	Closing/Lunch

Tuesday, January 27, 2004

Initial Discussions

After a brief introduction to CASM by its Chairperson, Jon Hobbs, all the participants introduced themselves with their affiliation, in turn, explaining their experience and/or interest in artisanal and small-scale mining. Jon introduced the key objectives of the meeting and he explained the difference between the roles of Expert Advisory Group (EAG) and Strategic Advisory Group (SAG) and what the division of labor would be between the two. He noted that the technical issues related to ASM work would continue to be referred to the EAG. The SAG, on the other hand, would focus on strategic matters and on ensuring that CASM remains plugged into the constantly evolving international sustainable development agenda.

He took note of some of the key issues being raised by NGOs and other stakeholders regarding the role of the extractive industries and their relationship to the sustainable development agenda, and of how the controversies surrounding the sector are being played out in both national and international dialogues such as the Extractive Industries Review (EIR). He mentioned that the EIR would potentially have much of interest to say about artisanal and small-scale mining, and stressed the importance of taking time to re-arrange and re-orient the CASM vision and work program in accordance with evolving international priorities.

The CASM Secretariat, represented by Jeffrey Davidson, presented a retrospective on CASM's achievements to date, including a short review of the history of CASM. He referred to the Annual Reports of 2003 (presented in Elmina in September 2003) and 2002 (presented in Ica, Peru in September 2002) which all in attendance had received. He also laid out the elements of a proposed strategic vision for CASM and a work program for 2004 based on the key elements and direction of the vision. Some time was spent discussing shortcomings, as well as opportunities presented by the original work vision, and how organizational and program delivery and effectiveness could be improved in the future. The group was informed of the formation of a CASM-China group, whose first meeting was held in January 2004 (meeting report circulated).

Other activities that has been going on in SSM:

The group recognized a number of other important recent parallel initiatives that were addressing or had addressed critical and significant elements of an ASM strategic agenda, including

- The UNCTAD initiative to launch an African Mining Network, held in Addis Ababa (2003), at which a strong plea for an Africa based CASM initiative was made.
- The UNESCO/IDRC initiative, held in Lima (June 2002), to draft a vision for ASM in Latin America and establish the outline and direction of a ten-year work plan to achieve that vision.
- The outcomes of the UNDP/UNECA sustainable livelihoods initiative, wrapped up at a meeting in Yaounde (November 2002).

Presentations:

Beatrice Labonne, a Natural Resources and Sustainable Development Consultant, reviewed an interesting effort to relate the Extractive Industries to Poverty Reduction Strategies in Tanzania. Tanzania, still among the poorest group of countries, relies heavily on extractive industries that have thus far proven to be inefficient in transferring the revenues it generates into poverty reduction and improvements in social, economic, and political indicators. The authors of the paper had argued that the World Bank had failed to make a concrete connection between its own policy guidelines and technical advice, and the content of country poverty reduction strategies, noting with alacrity the inability to ensure the allocation of financial resources from extractive industries towards priority sectors or pro-poor growth. In the case of Tanzania, the PRSP does not mention extractive industries at all, even

though the country has recently seen a major increase in gold production and natural gas exploration (Stites, Elizabeth, April 30, 2003). Almost without exception, the PRSPs under review neglected to acknowledge the linkages between extractive industries and declines in indicators measuring good governance and social welfare. The question Beatrice posed is how do we ensure that our own efforts to promote a rationalized ASM practice effectively contribute to poverty reduction, not poverty growth, and the development of sustainable livelihoods in mining areas.

A lively discussion ensued, with agreement emerging around the need to work with governments to ensure that ASM is appropriately addressed within a country's poverty reduction strategy framework. In particular, it was suggested that CASM and its stakeholders

- Make the case for pro-poor growth when it comes to ASM, which may require a shift in the analytical paradigm, including the use of more robust data (collect group statistics not household), a focus on intra-economy linkages, and the targeting of vulnerable groups for both protection and new opportunity.
- Identify the best ways for ensuring the formation of social capital in mining areas, whether through NGOs, the private sector and/or government, as a means of ultimately empowering communities and entrepreneurial groups within communities.
- Help the global community distinguish ASM from large-scale mining, to raise its visibility and highlight its potential for contributing in a positive way to rural development, economic renewal and poverty reduction through actual demonstration and examples of good practice and experience.

Wednesday January 28, 2004

Presentations (cont)

Ian Barney, School of Social Sciences and International Development, University of Wales Swansea and Kevin D'Souza, Principal Mining Engineer, Wardell Armstrong, presented an update on the state of the DFID financed project on "Developing Effective Policy Frameworks for ASM." Kevin D'Souza also made a special presentation on the results of his visit and scoping study of the impact of ASM on endangered wildlife in the protected zone of the Kahuzi National Forest, DRC.

Return to CASM Discussions

The 2004 Annual General Meeting and Learning Event

The group discussed both locational and thematic issues. The 2004 AGM was scheduled to be held in Asia; an appropriate site had to be selected. Three possible locations were nominated, the Philippines, India and Sri Lanka. The implications of each location regarding ease of organization, logistics, and program focus were

evaluated. The group reached a consensus around holding the AGM and Learning Event in Sri Lanka with a theme related to the development of a mineral industry from bottom to top using small-scale gemstone mining, processing, jewelry fabrication and export sales, as an example. There was a general disposition to shift focus from gold to other mineral commodities. The weakness of the Sri Lanka proposal was that there was no apparent or known partner to work with in terms of organization, logistics and conference program, although DFID had financed a project on ASM in Sri Lanka a few years earlier. The Secretariat would aim for early October 2004 to hold the meeting.

The workings of the Strategic Advisory Group

Over the course of the meeting the following issues were resolved:

- *Governance role of the SAG.* Concern was expressed that the SAG should be more than an advisory group. The existing management structure has proved to be insufficient in terms of providing timely and useful input and support to the Secretariat. A major recommendation of the group was that the SAG should have a management function as well to be able to ensure and provide support for operational performance against strategic objectives. The Sponsor Group representatives agreed to change the Strategic Advisory Group to a Strategic Management and Advisory Group (SMAG).
- *Confirmation of interest and membership on the SMAG.* The initial SMAG would be comprised of 12 individuals, with the possibility of adding more in the future. All would represent different stakeholder perspectives, and bring diverse experience and expertise to the group. Each would be capable of finding funding in whole or in part for their participation in the SMAG. The initial SMAG was largely constituted from individuals attending the meeting.

List of initial SMAG Participants:

No.	Name	Organizational Affiliation	Country of Residence
1.	Jon Hobbs	UK DFID	United Kingdom
2.	Ramanie Kunanayagam	Rio Tinto/ICMM	United Kingdom
3.	Norman Jennings	ILO	Switzerland
4.	Paul Fortin	Gold Fields	South Africa
5.	Satoshi Murao	AIST - GSJ	Japan
6.	Antonio Pedro	UN ECA	Ethiopia
7.	Olle Ostensson	UNCTAD	Switzerland
8.	Beatrice LaBonne	Independent consultant	Brazil
9.	Peter Van Der Veen	World Bank	USA
10.	Eugene Shannon	African Development Bank	Tunisia
11.	To be invited	ICEM	Belgium

12.	Open	Bilateral Agency	
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Consensus on the general role of SMAG. SMAG would function as advisor, monitor and visionary and would play an important role in charting the course for CASM, and in creating conditions that would facilitate progress towards the achievement of strategic objectives. On an ongoing basis, SMAG would provide critical insights and guidance on how CASM could better accomplish its primary mission to reduce poverty by supporting integrated sustainable development of communities affected by or involved in artisanal and small-scale mining in developing countries.

Definition and confirmation of specific responsibilities of SMAG members:

- Attend biannual meetings;
- Provide input concerning the relevance and efficacy of current CASM activities;
- Advise in the development of a 5-year strategic plan for CASM; and
- Review annual progress reports, including performance measurement criteria and target objectives.

Comments and Recommendations for CASM Secretariat

The group acknowledged the efforts of the Secretariat and the positive results achieved to date, in particular the success of the Annual General Meetings and Learning Event. The group highlighted the value of the following characteristics

- Formal and informal knowledge sharing
- Generation, as well as stimulation of new insights and knowledge
- Program focus on the difficult and more controversial and complicated issues.

The group felt that there is a clear need and demand to extend the “learning” experience and undertake more events year round. Agreement was reached that the next AGM would be held in Sri Lanka in early October 2004.

The group endorsed the role and mission of the CASM initiative, recognizing that CASM had made substantial headway in:

- Knowledge development
- Meeting organization
- Information dissemination through website and meetings
- Research facilitation
- Identifying and working with all the different stakeholders.
- Creating a global network
- Offering a global perspective, while maintaining a local focus

Nonetheless, CASM had as yet to realize an even more constructive potential to become a vehicle for greater transparency, better governance and economic viability and for the promotion of more sustainable community and regional economic development

The group recommended that the Secretariat set up a work program that would focus on the following key thematic areas, and issues of concern::

- Mainstreaming ASM into country poverty reduction strategies
- Building relationships between small and large-scale miners

- Advocacy role with governments
- Raising the profile of ASM internationally as a legitimate development concern
- Dissemination of Good Practices in ASM
- Diversification of ASM work into non-metals
- Supporting the development of regional networks (e.g. China) and consolidation of existing regional networks (e.g. Latin America).

The group committed itself to review and improve CASM's proposed strategic vision and work program. It felt that CASM's achievements over the next years needed to be measured as well against international development goals and objectives and an effort made to position ASM within the international development cooperation agenda.

The group discussed the idea of CASM having a logo and drafting an information note that would clearly explain its role and functions to various parties and interested stakeholder groups, and charged the Secretariat to undertake to produce a draft. There was interest in having CASM engaged in a technical cooperation project such that the value adding potential of effective use of the CASM knowledge network for extracting lessons and improving project performance could be demonstrated to donor agencies and beneficiary countries.

The Secretariat informed the group that CASM was on track to be approved for a Development Grants Facility from the World Bank. This would allow CASM to become a supporting partner in the effort to build a global partnership around ASM and would be used to engage with other organizations who are executing work related to the CASM mission and strategic objectives. Norman Jennings of the ILO suggested that CASM consider co-sponsoring and hosting an evaluation meeting of the ILO's Elimination of Child Labour in Small-scale mining program, which Secretariat agreed in principle to do.

The Chairman of CASM thanked the participants for their efforts and contribution to the SMAG meeting and thanked the CASM Secretariat for organizing the meeting and making it a success before officially closing the meeting.