

*"To reduce poverty by supporting integrated sustainable development of communities affected by or involved in artisanal and small-scale mining in developing countries."  
CASM Mission Statement, March 2001*

**CASM:**  
***Communities and Artisanal & Small-scale Mining***  
***Annual Report 2005***



*Sri Lanka: sapphire artisanal miners in the Ratnapura area*

Prepared by the CASM Secretariat

September 30, 2005

***About Artisanal and Small-scale Mining and CASM:***

*“ASM has a major role to play in building sustainable communities, lead to economic development, not persistent poverty.”*

*H.E. Oby Ezekwesili, Minister of Solid Minerals, Nigeria.*

*“Support to ASM is giving opportunity to generate income and employment in rural areas, where 70% of Mozambique’s people live.”*

*H.E. Esperanca Laurinda Bais, Minister of Mines, Mozambique.*

*“The Extractive Industries Review ... reminded us that the Bank has a significant and constructive role to play in supporting the efforts of governments and communities to come to terms with the opportunities and constraints posed by that part of the mining community which is still largely ignored or forgotten – the artisanal and small-scale miners.”*

*Kathy Sierra, Vice President Infrastructure, World Bank.*

*"2005 has been the year CASM has made a real difference, leaving a footprint in many countries and with many audiences"*

*Peter van der Veen, Manager, Oil Gas Mining Policy Division, World Bank.*

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*A Coltan ASM site in Northern Mozambique*



## **I. MESSAGE FROM THE CHAIRMAN**

During the past year, CASM has gone through some significant changes. Chief among these has been the emergence of regional CASMs in Africa, Asia and China. This progress has enabled CASM (Global) to develop its role as an advocate for change, working on the strategic areas of influence in the international development agenda.

As the regional CASM networks grow, their role will be to lead on the intricacies of country and community level policy engagement and project specifics and provide the international network with their expertise on local, practical relevance. To be successful, the regional CASMs need to have both political and technical legitimacy in their region of operation. This will take time and diplomacy, but supporting the building of this regional presence will be a priority of CASM for the coming year.



Our vision for the regional CASMs is of multi-stakeholder organizations led by local representatives of governments, private sector and civil society. They will continue to champion our shared conviction that ASM, although undeniably sometimes a contribution to conflict, corruption and poverty, has the potential to play a significant positive part in realizing the development priorities of the countries in which they operate—making sure that this contribution is expressed in governments' national and regional policies and strategies (such as poverty reduction strategies or national sustainable development strategies) and articulated in their plans, programs and projects.

Our corresponding vision for CASM (Global) should be of a lean institution that understands and articulates in international forums the positive contribution ASM can play in achieving development outcomes based on the evidence provided by the practical experiences of the regional partners. CASM global will continue to ensure that the importance of the ASM sector is relevant to international development agendas - for example the Millennium Development Goals (MDGs) - that serve to bind the development community's resources behind shared priorities.

Through the CASM partnership, the regional CASMs and CASM (Global) will continue to identify and address the problems and opportunities facing the sector and monitor what works and what doesn't work in making the ASM sector a better contributor to development processes. CASM (Global) will serve as the facilitator and Regional CASMs as the change agents.

Such a structure will help mobilize more coherent responses from the international development agencies and a better focus on developing countries own priorities, not those of development agencies. It is CASM's role to provide the evidence to justify the inclusion of ASM in these policies, strategies and plans and to help formulate pioneering solutions that will tackle causes not symptoms of problems.

In all of this we should be mindful that the mobilization of the development communities resources is not an end in itself but rather a means toward the goal of profitable, self-sustaining

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ASM communities that unlock mineral wealth to create more sustainable opportunities. This is the shift from the now well-known concepts of the vicious circle to virtuous circle of ASM. The latter is underwritten by the five “r”s: Reinvestment; protection of Rights; awareness of social and environmental Responsibilities; Revenue generation and Regularization of the sector to ensure better management of the sector and its outputs.

To provide oversight and guidance on this new path for CASM, the Strategic Management and Advisory Group (SMAG) has developed over the year. We also convened a conference with a difference in June, hosted by the World Bank in Washington DC. This successful event brought together leading thinkers from a variety of backgrounds to consider the contribution of small-scale mining to the attainment of the Millennium Development Goals. Among the 80-plus invited participants were leading analysts from diverse policy areas of the international development agenda, including those from within the Bank itself.

It was interesting that nearly all these policy analysts prefaced their presentations with the comment that they had not been aware of the real (or potential) influence that the ASM sector has in their field of expertise until they had started to prepare for the conference. The conference concluded that this evidently pervasive lack of awareness needs to be addressed if the sector is going to fulfil its potential developmental impact.

The June conference solicited the help of many experts in some timely critical ‘navel gazing’ for CASM. The main conclusion of this part of the conference was that it reaffirmed that there is a continuing need for a coordinating body that brings together those working in this area with the international development community. In short, if CASM didn’t exist, there would be a need to create it.

This has been recognized by several recent initiatives that have turned to CASM to take the lead in ASM matters. This is a responsibility we should not take lightly.

First, the multi-stakeholder, independent Extractives Industries Review into the World Bank’s engagement with that sector generally called for a strengthening of CASM to help it mobilize more attention to the sector. A conclusion that resulted from the importance of the ASM sector being raised at all the regional consultations undertaken during the extensive global review process.

Second, the multi-national oriented private sector mining business association, ICMM, has been hesitant to include ASM on its own agenda. However, several large-scale companies faced with ASM issues to resolve have turned to CASM as a partner in this endeavor. We welcome Goldfields, AngloGoldAshanti and Rio Tinto as new actively contributing participants in the CASM work program.

Third, members of the Inter-Governmental Forum on Mining, Minerals, Metals and Sustainable Development, led by Canada and South Africa, has also identified ASM as an important future work area. They have, however, deferred to CASM as a partner rather than duplicate efforts.

We have also worked in close collaboration with some other organizations during this year: the Kimberley process and the ILO on its program to eradicate hazardous child labor from mining within 10 years stand out. These partnerships will be a further priority for us in the coming year.

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In summary, this has been a successful year, and I would like to thank the Secretariat and the SMAG in particular for the hard work, dedication and guidance they have provided.

Estelle Levin and Chris Sheldon are welcomed into the Team and Amelia Williams has retired. We thank her for her hard work and wish her well in her new life.

All successful networks thrive on good team spirit among people of varied backgrounds, a spirit that we have in abundance in CASM. A large part of the credit for this must go to the founding fathers and mothers of this still embryonic organization, none more so than Jeffrey Davidson, who has led the Secretariat since the inception of CASM in 2001. Jeffrey has moved on to new pastures recently. We all hope these pastures will be as green and productive as those he leaves behind him at CASM. That they are so productive is largely because of the seeds Jeffrey planted during his days overseeing the germination of CASM.

Finally, all of us at CASM would like to express our deepest sympathy to Dr. Diamantino Azevedo on the loss of his daughter and serious injuries to his wife in a car accident in Luanda only days after we were all together at the CASM Africa meeting in Addis Ababa. At this meeting he informed us with obvious pleasure that he was looking forward to returning from SEAMIC, Dar es Salaam to Luanda. Our thoughts are with Diamantino.

Jon Hobbs  
September 2005

## **II. CASM HISTORY AND BACKGROUND**

At its launch in 2001, the Communities and Small-Scale Mining (CASM) initiative was envisioned as a means of fostering global knowledge sharing, with an emphasis on networking among stakeholders, development of a website and knowledge center, information exchange and learning. Within two years, the website knowledge center was established. CASM also piloted a small grants program to demonstrate how a global project could support local initiatives that could have direct positive impacts on mining communities.

In 2003, stakeholders called on CASM to take on a more active role as “a force toward sustainable communities” and suggested that CASM move from being a “knowledge bank” and passive facilitator of information exchange to an advocate for change.

The Extractive Industries Review (2002-2003) argued for a much more pro-active, constructive and supportive involvement on the part of the World Bank — and by extension other multilateral and bilateral agencies — to assist governments and communities in realizing the positive developmental potential of artisanal and small-scale mining and minimize or eliminate its most problematic characteristics. The international development community had agreed on the eight Millennium Development Goals (MDGs) designed to halve world poverty by 2015. The MDGs resonate strongly in artisanal and small-scale mining communities on such issues as health, environment, gender, education, child labor, and poverty eradication.

It was therefore agreed in 2003 that CASM would continue to gather, develop and disseminate knowledge and promote interchanges of experience and information, but its role would expand beyond these original points of focus. As re-imagined, it would lead the dynamic and directed promotion of constructive engagement and intervention by designing alternative pathways, advocating action, mobilizing new resources, and pioneering new approaches. The objective of this increased activity was to achieve more sustainable outcomes in communities, livelihoods, local and regional economies, governance systems and habitats and make measurable, visible contributions to efforts to reduce poverty in countries with significant levels of artisanal and small-scale mining.

To meet this new strategic challenge, CASM also sought to broaden its alliances in related sectors such as agriculture and forestry. It further committed to engaging more systematically with country partners and addressing problems and issues through collaborative partnerships



*Two of the co-founders of CASM – Ramanie Kunanayagam (Rio Tinto) and Peter Smith (DFID) - with Alcides Sanchez (right, manager of the Bella Rica cooperative) in front of the cooperative building in Ponce Enriquez, Ecuador (2000).*



*“Proto” SMAG group meeting at the 2003 Elmina AGM*

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*Ecuador: building sustainable communities - inauguration of a community and ASM health center at Ponce Enriquez (2002)*

with governments, international and regional organizations, NGOs and others. To that end, CASM established affiliations in Africa, Asia and Latin America.

Donors, governments, mining industry representatives and ASM experts joined forces to create a Strategic Management Advisory Board (SMAG), and CASM's program was redesigned to meet the new focus and challenges.

CASM has held annual general meetings and learning events in the United Kingdom (2001), Peru (2002), Ghana (2003), and Sri Lanka (2004). Its growth, reach and impact have thrived.

In June 2005 CASM held the Millennium Development Goals conference in Washington DC and now, at the 2005 AGM, it continues its development push with the theme “Building Sustainable Communities Through ASM”.



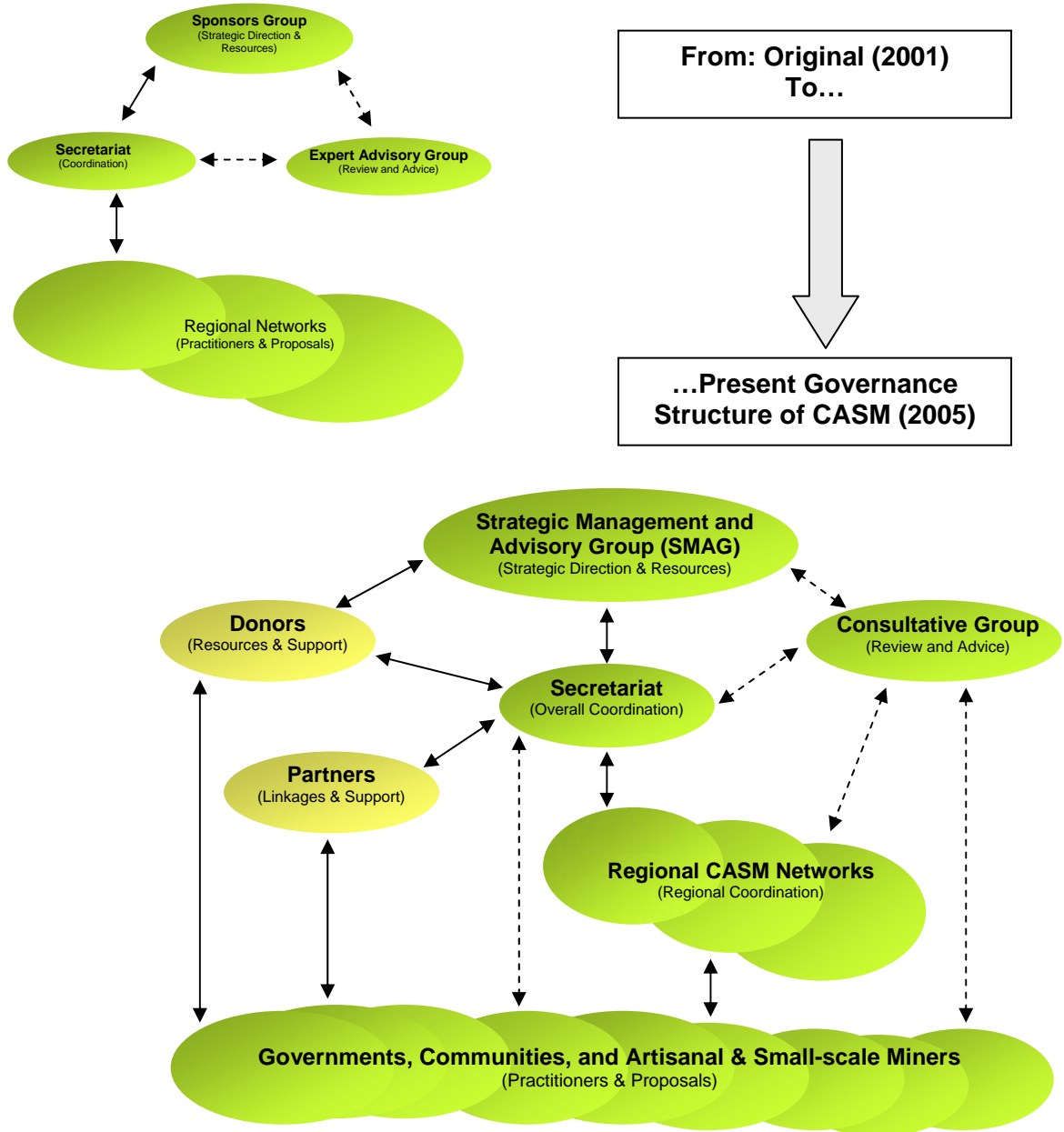
*Ecuador: Building sustainable communities - Ponce Enriquez community members and Bella Rica small-scale miners discussing the findings of the community based environmental monitoring committee (2000)*



### III. ORGANIZATION AND GOVERNANCE

The Communities and Small-scale Mining (CASM) organization is a multi-stakeholder, multi-donor funded initiative governed by a Charter that outlines CASM's mission and function. The CASM Secretariat is housed within the World Bank Group and consists of one full time and three part time personnel. The full time person is paid by CASM and the part time staff salaries are funded by the World Bank.

The structure of CASM is presented below.



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CASM's initial core group of sponsors included the UK Department for International Development (DFID), the World Bank Group, the International Labour Organization, various United Nations agencies (UNEP and UNCTAD), and bi-lateral entities from Japan and France.

The current principal donors are the UK Department for International Development and The World Bank Group. DFID has committed £465,000 (approx. US\$815,000) for CASM's work from 2003 to 2006 (approx. \$205,000 per year). The World Bank contributes approximately \$180,000 per year. In addition, CASM receives support for a variety of its initiatives from donors including Natural Resources Canada; consultant trust funds from Austria, Denmark, Netherlands, and Switzerland; the World Bank's Development Grant Facility (DGF); and partners such as the Global Mining Research Alliance. Funds are managed by the World Bank and the CASM Secretariat under the accounting and financial policies and procedures of the World Bank Group and in accordance with the CASM Charter.

The Strategic Management Advisory Group (SMAG), a product of discussions held in Elmina, Ghana (2003), was established in January 2004 to ensure that CASM's objectives align effectively with the global development agenda. The SMAG charts strategic directions for CASM and plays an active role in its activities by providing guidance, peer review and input into programs and decisions. In the interest of transparency, SMAG members provide input into the selection of recipients for financial support to the CASM AGM, the small grant funds and the DGF grants.

The SMAG consists of the following members:

- **Jon Hobbs** (DFID Chair),
- **Peter van der Veen** (World Bank, Vice Chair)
- **Norman Jennings** (International Labour Office)
- **Satoshi Murao** (Japan National Institute of Advanced Science and Technology/CASM Asia)
- **Antonio Pedro** (United Nations Economic Commission on Africa)
- **Paul Henney** (British Geological Survey).
- **Ramanie Kunanayagam** (CASM co-founder, Rio Tinto PLC and International Council on Mining and Metals)
- **Olle Ostensson** (UNCTAD)
- **Bruno Martel Jantin** (Bureau de Recherche Géologique et Minière)
- **Charles Loots** (Private sector)
- **Ben Aryes Aryee** (Government of Ghana/Africa Mining Partnership)
- **Toni Aubynn** (Private sector).
- **Linus Adie** (CASM Africa)

During the coming year, the SMAG will pursue greater diversity in its representatives by adding the voices of more ASM community stakeholders and regions. It is particularly committed to addressing the fact that at present, the SMAG's members include only one woman and no representatives of NGOs or Latin America.

The Secretariat manages CASM's day to day activities, coordinates all programs and initiatives, maintains relationships with supporters and clients, and organizes the Annual General Meeting

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and learning event. As agreed at the June 2005 SMAG meeting, the initial Expert Advisory Group (EAG), which consisted of a restricted number of experts in various disciplines related to ASM, identified and selected by the Sponsors Group/SMAG, has been replaced by a Consultative Group (CG). This will constitute a pool of “CASM-certified” experts—either volunteers or called by CASM – who would provide advice and review services offered to the CASM community member organizations.



*Qiujiawan Small Coal Mine, Chongqing City (Photo Dr. Shen Lei)*

Regional CASMs have been established in Africa, China and the Asia Pacific to provide more direct support to artisanal and small-scale mining activities in these regions. CASM has formed strategic partnerships with a number of initiatives that help further its strategic goal to reduce poverty and build sustainable communities. Worldwide, there are many excellent initiatives in the area of artisanal and small scale mining. Given the limited amount of resources available to address issues in the ASM sector, partnerships allow CASM and its strategic allies to leverage each other’s strengths and capabilities for greater positive impact. Some of the

major partnerships include Diamonds for Development Initiative (DDI), Peace Diamond Alliance (PDA), Dian Fossey Gorilla Fund (Durban Process) and the Australian National University program on Women in ASM in Asia.

### **Thank You!**

CASM would like to thank Jeffrey Davidson, who is leaving after leading the CASM Secretariat since September 2001, and Amelia Williams, who after assisting the Secretariat since its inception, retired at the end of August 2005. Both have been essential to CASM’s development and have earned the appreciation of CASM stakeholders by virtue of their strong commitment and human warmth.



*Jeffrey Davidson exchanging experiences with a group of Sri Lankan small-scale miners at the 2004 Colombo AGM*

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## **Meet some of the SMAG members:**



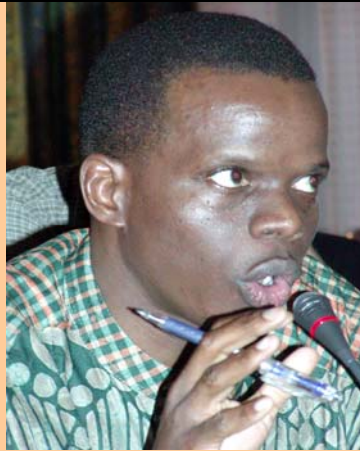
**Jon Hobbs - Chairman**



**Peter van der Veen –  
Co-Chairman**



**Ramanie Kunanayagam**



**Antonio Pedro**



**Satoshi Murao**



**Olle Ostensson**



**Bruno Martel Jantin**



**Charles Loots**



**Meet the CASM Secretariat:**

		
Amelia Williams	Estelle Levin	Veronika Kohler
		
Christopher Sheldon	The CASM Coordinators – Jeffrey Davidson (2001-2005) and Gotthard Walser (2005 - ..)	

## **IV. STRATEGIC LINK BETWEEN CASM AND THE MILLENNIUM DEVELOPMENT GOALS (MDGs)**

The CASM Strategic Plan 2004-2006 (Annex 1) lays out the blueprint for achieving CASM's most ambitious goal to date: to "reduce poverty and build sustainable communities".

The pillars of the plan are three strategic goals:

- Enhanced governance and transparency
- Improved environmental and social sustainability and natural resource management
- Reduction of HIV/AIDS, malaria and other diseases commonly found in mining areas

These, in turn, align with and support the Millennium Development Goals (MDGs) to:

- Eradicate extreme poverty and hunger
- Achieve universal primary education
- Promote gender equality and empower women
- Reduce child mortality
- Improve maternal health
- Combat HIV/AIDS, malaria and other diseases
- Ensure environmental sustainability
- Develop a global partnership for development.



*Nigeria: consultation with women*

The following table summarizes the relationship among the MDGs, CASM strategic goals, ASM issues, and CASM activities.

<b>MDG</b>	<b>CASM Strategic Goal</b>	<b>ASM Issues</b>	<b>CASM Activities (examples)</b>
1. Poverty and hunger	1	ASM has high potential for poverty reduction. Areas include economic diversification of ASM communities, industrial minerals, upstream value added products and improved access to finance and markets.	Guidance notes on community driven development; fair trade initiatives; small grants for alternative income activities.
2. Education	1	Child labor.	Partnership with ILO to eliminate child labor in ASM by 2015.
3. Gender	1, 2, 3	Male dominated sector. Negative impacts on women. Economic opportunity.	Women in ASM in Asia. Proposed guidance note on gender in ASM . Partnership with Women's Mining Network. Gender session at AGM. Small grants scheme projects for women.

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<b>MDG</b>	<b>CASM Strategic Goal</b>	<b>ASM Issues</b>	<b>CASM Activities (examples)</b>
4. Child Mortality	1	Child labor. Health issues.	Partnership with ILO. Health initiatives.
5. Maternal Health	3	Women predominantly engaged in mineral processing with related health hazards (for example, mercury).	Activities under discussion.
6. HIV/AIDS, malaria and other diseases.	2,3	Higher than average rates of HIV/AIDS in ASM communities due to migratory nature of ASM, active sex trade and high risk practices. Higher malaria risk due to standing water. Poor sanitation and other health risks.	Guidance note on ASM and HIV/AIDS. Small grants scheme projects on health.
7. Environment	2	Degradation of natural habitats resulting from siltation, deforestation, mercury usage and other ASM-related processes. Resulting damage to food and water sources.	Knowledge sharing on environmental practices. Small grants on environmental management.
8. Partnership	1		CASM exists as a partnership and is fostering new partnerships.



*Ecuador: incipient transition to formalization through legalization (mining title); improved organization (set-up of a cooperative); improved gold recovery technology (addition of gravity spirals); and better protection of the environment (decantation basins and tailings dams) (2000).*

## **V. HIGHLIGHTS OF CASM ACTIVITIES IN 2004/2005<sup>1,2</sup>**

The following selected highlights illustrate how CASM's activities moved in new strategic directions during 2004/2005 in keeping with the expanded objectives adopted at the 2003 AGM in Ghana. This shift of focus pushed CASM to advance from its original function as a knowledge exchange network and become a more resolute advocate for change in artisanal and small-scale mining. As re-imagined, CASM's mandate took on new dimensions: to be an agent of change at government and community levels and to ensure that its objectives and activities align with and contribute to the broader agenda of the international development community, in particular the Millennium Development Goals. These ideas coincide with the recommendations of the Extractive Industries Review, which argued that the World Bank and other multilateral and bilateral agencies should more actively assist governments and communities in realizing the positive developmental potential of artisanal and small-scale mining.

### **CASM Highlights 2004/2005**

- Development of partnerships: more than 25 organizations are now developing project works together with CASM. In addition to CASM's direct funding, the DGF funding leveraged an estimated \$842,500 for activities in ASM.
- Development of regional networks: Three networks have been established in Africa, Asia and China.
- Crystallization of CASM Strategic Links with MDG: integration and empowerment of diverse initiatives within the MDG-linked strategic development framework of CASM toward its ultimate goal .
- Increased acknowledgement of CASM role as a facilitator of development processes based on ASM.
- Development of a consistent set of knowledge and best practices framework: Seven guidance notes, toolkits and a book are being prepared for publication; four more are in early stages of preparation.
- Relevance of CASM. The strong consensus at a recent conference was that ASM sector development strategies require coordination from a central, overarching entity. If CASM did not already exist, there would be a definite need to create just such an organization.

**Development of Partnerships.** The number of CASM partnerships blossomed considerably during 2004/2005. As shown in Table 1, more than 25 organizations are developing project work in collaboration with CASM. This level of activity affirms the clear link between CASM strategy and (i) the agenda of other international initiatives, such as the Kimberley Process and the Diamonds for Development Initiative, and (ii) the Millennium Development Goals. The circle of partner organizations is becoming broader and now –encompasses, in addition to CASM's traditional, mostly multi-lateral partners, new allies such as NGOs, international initiatives, governments and private sector companies.

<sup>1</sup> This annual report presents the activities and results of CASM covering the Fiscal Year 2005 (FY05) of the World Bank financial cycle, from July 1, 2004 to June 30, 2005.

<sup>2</sup> Please refer to Annex 2 for a more detailed description of CASM activities during the period 2004/2005.



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Indeed, an important catalyst has been the possibility to access and use resources from the World Bank Development Grant Facility (DGF) in addition to the DFID and World Bank core funding, to promote and support new partnerships (see Table 1 and page 41). At the same time, organizations as diverse as the DDI group and the US Environmental Protection Agency increasingly approach CASM as a facilitator for the development of new initiatives.

This development confirms that the shift of focus toward a more active role in development and advocacy initiated after the 2003 AGM is bearing fruit. Another important effect has been CASM's growing capability to leverage external funding or in-kind resources to achieve a greater number of objectives through learning events, knowledge development, community projects and networking.

**Table 1 List of Partnerships<sup>3</sup> and Activity Themes**

<b>Topic</b>	<b>Organization</b>	<b>Examples of activities</b>
Child labor	- ILO	Workshops, topical web page
Conflict Diamonds	- De Beers - Global Witness (GW) - The Kimberley Process - The Rappaport Group - Partnership Africa Canada (PAC) - Peace Diamond Alliance	DDI  DDI; DGF W. Africa DGF W. Africa
Conservation	- Conservation International - Dian Fossey Gorilla Fund	Small Grant Madagascar DGF E DRC
Fair Trade	- Alliance for Responsible Mining - Earthworks - International Colored Gemstones Association - Government of Nigeria - Integrated Diamond Management & Policy Program - The Rappaport Group - Tiffany	Fair trade and certification standards initiative
Formalization	- Bureau de Recherché Géologique et Minière	Knowledge development
Gender	- Australian National University	Knowledge development; networking
Health and mercury	- Blacksmith - John Hopkins University - Natural Resources Canada - UNIDO - US EPA	Hg Mozambique HIV/AIDS in Hg ASM areas Support to Hg initiatives GEF Hg project Global Hg Initiative
Large-scale Small-scale relationships	- Minerals Commission of Ghana	DGF Ghana
Networking	- African Women Mining Association - African Mining Partnership - SEAMIC - Coordinating Committee for Geosciences Programs in East and Southeast Asia	Networking Africa  Networking Asia

**Development of regional networks.** The increase of regional networks is also characteristic of CASM's development since 2003. The first network, CASM China, was established in early 2004, as a direct consequence of discussions held at the Elmina AGM. The next year saw the establishment of two additional networks, CASM Asia and CASM Africa, based on preliminary discussions held at the Colombo AGM. The groundwork was laid to establish CASM Latin America; however, the selected regional partner initiative, MPRI, closed its operations, so a new partner must be identified in order to proceed.

It is now very clear for the CASM community that these networks will play a critical role in the future development and in the management of CASM initiatives. However, as in all changing and growing institutions, there is now a need to more precisely define “the rules of the game” and a code of conduct in order to integrate diversity successfully in the regional approaches toward the sector and take into account existing topical networks. The need for this is clearly shown by recent, apparently “conflicting” initiatives. Example include the question of how the activities of the African Women in Mining Association network can be integrated into CASM Africa and the recent Asia and Pacific network initiative into CASM Asia. A key session on the issue of regional network development was part of the fifth AGM in Brazil.

**Crystallization of MDG links with CASM strategy.** Following discussions held at the 2003 Elmina AGM, CASM defined its Strategic Plan, which establishes an integrated approach that responds to the needs of miners, communities and governments affected by artisanal and small-scale mining and contributes to higher level policy objectives. The CASM Strategic Plan relates directly to the MDG and builds on insights and recommendations arising from recent major international and regional initiatives on artisanal and small-scale mining. Some of the critical areas of concern for which adequate responses have yet to be mainstreamed include the empowerment of women; environmental and human health issues, including such diseases as HIV/AIDS and malaria; transparency and governance; the conceptualization of small-scale mining as a non-farm income generating activity; and its effective integration into the rural economy and the development of sustainable communities. However, the implications of this strategy have not yet fully crystallized or translated into a coherent action plan or to consistent responsiveness at the different CASM actions levels, including ASM communities on the ground, governments and the international/donor community.

However, participants at a recent conference<sup>4</sup>, reached a broad consensus that CASM's challenge lies in identifying and clearly articulating appropriate issues and programs in the context of local and national development strategies and donor interests and developing relevant, practical proposals that address those interests. Promising avenues for achieving this include integrating SM into the MDGs; implementing other poverty reduction strategies, such as PRSPs; and/or incorporating ASM development programs into national and international development strategies focused on institution-building and development in fragile states. A well-defined, concerted public awareness effort that takes into account the broader risks/benefits of the sector and integrates ASM into MDG/poverty reduction



*Small China Clay Mine, Hebei Province, China (Photo: Dr. Shen Lei)*

or institution-building/fragile state strategies could substantially improve the perception of ASM within the policy and donor communities and, equally important, at the level of the ASM communities themselves. There are to date, however, a limited number of solid examples that can be used to demonstrate ASM's potential to benefit local communities and individuals. The results of this conference will allow CASM to refine its Strategic Plan.

**Role of CASM as a Facilitator.** A growing number of institutions have approached CASM to facilitate development of processes related to ASM; this demonstrates the increased recognition of its relevance to resolving ASM issues. Some examples include the Kimberley Process and the related Diamonds for Development Initiative (DDI); the US Environmental Protection Agency and its initiative on Global Partnership for Mercury Management in Artisanal and Small-Scale Gold Mining; various NGOs and private companies in relation to the launch of a Fair Trade and Certification in Minerals initiative; the governments of Nigeria and Mozambique as they seek to define and monitor ASM policies, strategies and action plans; and others. See Annex 2 for further details.

**Development of a consistent knowledge and best practices framework.** Seven guidance notes, toolkits and a book are being prepared for publication; four more are at the early preparation or planning stage. Titles include:

- Profiling ASM in Africa: a Toolkit;
- Technical Assistance and Donor Support Mapping Project;
- Artisanal and Small-scale Mining: Guidance Notes Framework for Governments;
- The Millennium Development Goals and Small-Scale Mining: A Conference for Forging Partnerships for Action–Proceedings;
- Guidance Note for Governments on Law and Regulations for ASM;
- The Application of Community Driven Development Approaches to ASM Community Development;
- The Best of CASM Resource Guidebook;
- Guidance Notes on Gender Mainstreaming (in preparation);
- Guidance Notes on HIV/AIDS and ASM (planned);
- Guidance Notes on Relationships between Large and Small-scale Mining (planned);
- Guidance notes on ASM and rush situations (planned).

**Relevance of CASM.** There is, within the CASM community, an overwhelming consensus that CASM, or a similar organization, is essential to improving the status of the ASM sector<sup>5</sup>. Without an overarching, international entity to coordinate efforts directed at this multi-faceted sector, it is unlikely that diverse advocates for ASM can attain the coordinated focus necessary to attract the interest of the multilateral and other large donor organizations that will be required to achieve significant results. CASM can be a vehicle to help donors achieve their development objectives by drawing attention to ASM and how it applies to poverty and development issues. Regional CASM offices are also important elements of the ASM advocacy strategy, as they provide a key and coherent set of local platforms for establishing critical in-country/community partnerships and assisting with on-the-ground implementation.

## **VI. FINANCIAL REPORT**

The financial report covers the period July 1, 2004 to June 30, 2005.

CASM commenced the year with \$291,370 of core funding and \$67,500 of designated funding carried forward from 2004. Direct sources of funding for the year were \$768,837 and consisted of the third tranche of financial support from DFID of \$292,299 and \$198,405 from the World Bank Oil, Gas, Mining and Chemicals Department as core funding, as well as designated DGF funding of \$275,000 for DGF grants and NRCan support or \$3,133 for the CASM AGM. Total direct sources of funds available for the year were \$1,127,707.

Total uses of funds for the year totalled \$696,985. Designated funding of \$345,633 was fully utilized during the year for the DGF grants, knowledge products and AGM. Core funding of \$351,352 was utilized for learning, networking and knowledge products, business development and administration. The majority (>82 percent) of administrative costs were funded by the World Bank.

The balance of funds carried forward to FY06 is \$429,722. All of this amount is from core funds.

CASM funding has leveraged significant other funding for the ASM sector. For the DGF alone it is estimated that the \$275,000 in DGF funds leveraged a further estimated \$842,500 in funding for ASM activities.

A Statement on Sources and Uses of Funds for FY05 is shown below. The financial statement is unaudited and was prepared on a cash accounting basis.

<b><i>FY 2005 Sources and Uses of Funds</i></b>			
<b>Sources of Funds</b>			
	<b>Item</b>	<b>Scope</b>	<b>\$US</b>
<b>FY 2004</b>	Balance Carried Forward	Global	358870
<b>CORE</b>	DFID (3 <sup>rd</sup> tranche of 3)		292299
	Departmental Bank Budget (a)	Global	198405
<b>DESIGNATED</b>	Natural Resources Canada		3133
	Development Grant Facility (1 <sup>st</sup> tranche of 3)		275000
	<b>Sub-total new sources</b>		<b>768837</b>
	<b>Sources Total</b>		<b>1127707</b>

<b>Uses of Funds</b>			
	<b>Item</b>		<b>\$US</b>
<b>LEARNING EVENTS</b>	2004 Zimbabwe (balance from FY04)	Regional	2000
	2004 Zambia	Regional	5162
	2004 Sri Lanka AGM	Global	83983
	2005 Washington MDG Conference	Global	19586



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<b>FY 2005 Sources and Uses of Funds</b>			
<b>Sources of Funds</b>			
	<b>Item</b>	<b>Scope</b>	<b>\$US</b>
	2005 Philippines Regional Workshop	Regional	9312
	<b>Sub-total learning</b>		<b>120043</b>
<b>NETWORKING</b>	CASM China	Regional	3000
	CASM Africa	Regional	0
	CASM Asia	Regional	42500
	<b>Sub-total networking</b>		<b>45500</b>
<b>PARTNERSHIP</b>	Regional Learning and Women in ASM in Asia	Regional	65000
	Formalization and Fair Traded Diamonds in Sierra Leone	Regional	47500
	Ghana Minerals Commission (ASM and Large Scale Mining)	Regional	35000
	Durban Process (Dian Fossey Gorilla Fund) in DRC	Regional	20000
	<b>Sub-total partnerships</b>		<b>167500</b>
<b>KNOWLEDGE DEVELOPMENT</b>	Profiling Toolkit Africa	Regional	6000
	Mapping Project	Global	60500
	CASM Book	Global	6160
	Good Guidance Note Framework	Global	20150
	Good Guidance Note - Legal Codes	Global	65000
	<b>Sub-total knowledge development</b>		<b>157810</b>
<b>ADMINISTRATION and BUSINESS DEVELOPMENT</b>	Website Hosting and Management		15548
	Administrative Support	Global	840
	WB administrative overhead		169619
	Knowledge Internship Program		20125
	<b>Sub-total administration &amp; BDev</b>		<b>206132</b>
	<b>Uses Total</b>		<b>696985</b>
<b>ADJUSTMENTS</b>	Swiss TF		-1000
<b>Balance Forward to FY 2006</b>			
		Core	429722
		Designated	0

Notes

(a) Includes direct staff time and travel. Does not include indirect costs (office space, telecommunications, IT) of \$14,000.

## **VII. FUTURE DIRECTION OF CASM**

CASM is continuing to implement the 2004 to 2006 strategic plan and expand its role from that of a knowledge facilitator and networker to a force for meeting the challenges of poverty reduction in ASM communities.

For 2005 to 2006, CASM's main lines of action are projected to be:

- **Developing and implementing a strategy for CASM to become a stronger advocate for the development agenda of ASM** to the donor community and the public at large. The hope is that raising the awareness and profile of ASM as a development issue will generate increased support to the sector to address the challenges and capture the opportunities of ASM.
- **Strengthening the existing Regional CASM networks (Africa, Asia and China) and supporting the development of new ones**, in particular in Latin America. An important objective would be to promote improved government ASM policies and the development of actions on the ground through the networks.
- **Further investigating and promoting the integration of ASM into community and rural development**, including good practices regarding Community Driven Development (CDD) tools adapted to ASM districts.
- **Adding new partnerships**, in particular within the area of fair trade and access to finance, as well as continue established partnerships and programs.
- **Continuing CASM knowledge development and sharing programs** through regional learning events and publication of good practice and guidance notes.

### Work Program and Budget 2005-2006

The following table summarizes the CASM work program and budget. Total income is estimated at USD840,000 (of which USD764,000 is confirmed) and expenses at USD1,090,000 (of which about USD720,000 is already committed), leaving a projected negative balance of USD250,000 for which funding is being sought. Should further funding not be received the work program will be adjusted accordingly.

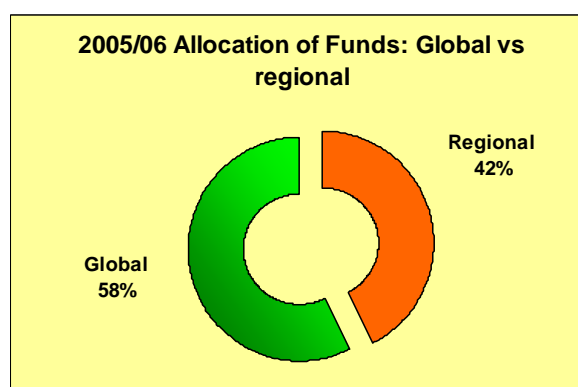
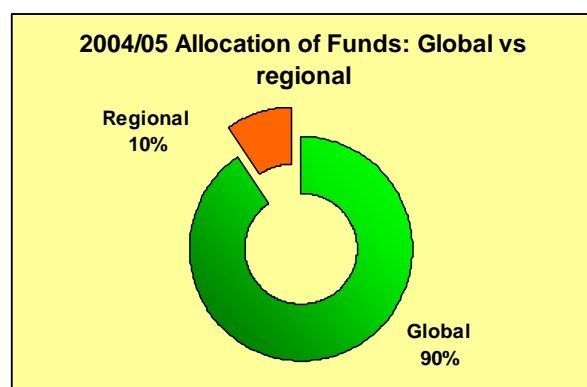
## CASM Annual Report 2005

CASM Work Plan 2005-2006			
Product	Timing	Budget Income/ (Expenditure)	Comments
<i>Knowledge Sharing and Learning</i>			
Website Development	March 2006	(30,000)	Additional topical pages and improved access to databases
CASM AGM	September 2005	(120,000)	Brazil, Salvador de Bahia
Regional Learning Event	May 2006	(55,000)	Africa, Asia, Latin America
	<i>Sub-total</i>	<i>-205,000</i>	
<i>Knowledge Development</i>			
Guidance Notes on:			
ASM and HIV/AIDS	May 2006	(30,000)	
ASM and Large Scale Mining	May 2006	(40,000)	
Gender Mainstreaming	May 2006	(30,000)	
Printing of:			
Guidance Notes on Government and Legal Framework	December 2005	(5,000)	
CASM Brochures	March 2006	(2,500)	
Toolkit	December 2006	(2,500)	
CASM Book (incl. editing)	February 2006	(15,000)	
	<i>Sub-total</i>	<i>-125,000</i>	
<i>Networking</i>			
Regional CASMs	Full Year	(55,000)	
Women's Mining Network	March 2006	(25,000)	
	<i>Sub-total</i>	<i>- 80,000</i>	
<i>Partnerships</i>			
NRCan Mercury	September 2005	25,000	Hg Learning Event
Tiffany & Co. Foundation	March 2006	75,000	Fair Trade
Fair Trade & Certification Standards for ASM Communities		(75,000)	Fair Trade
Trade and Finance (with World Bank Institute)		(50,000)	ASM Financing Africa
Small Grants	September 2005	(75,000)	Regional Initiatives
Global Dialogue	March 2006	(50,000)	
DGF Grants	December 2005	310,000 Rec'd (310,000) Exp.	
Peace Diamond Alliance	Ongoing		DGF funding
Durban Process	Ongoing		DGF funding
ILO	Ongoing	(10,000)	

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CASM Work Plan 2005-2006			
Product	Timing	Budget Income/ (Expenditure)	Comments
Development Diamond Initiative	October 2005		DGF funding
Global Mercury Partnership	June 2006	(25,000)	NRCan +DGF funding
	<i>Sub-total</i>	<i>- 185,000</i>	
<i>Administration and Business</i>			
<i>Development</i>			
Sponsorship Development	March 2006	(45,000)	
Admin. Staffing Transition	December 2005	(20,000)	
Measuring Performance of CASM against MDGs	June 2006	(15,000)	
	<i>Sub-total</i>	<i>-80,000</i>	
DFID TF balance from 2004/2005	July 2007	430,000	
<b>TOTAL</b>		<b>-250,000</b>	<b>Funding Required</b>

**Evolution of funds allocation between global and regional initiatives.** As the following two charts illustrate, an increased proportion of funds would be allocated to regional initiatives, in keeping with the trend toward CASM's strengthening the regional focus of its work program.



**ANNEX 1**

**CASM STRATEGIC PLAN 2004-2006**

**INTRODUCTION**

The Communities and Small-Scale Mining (CASM) initiative was launched in March 2001 in response to an urgent plea, persistently made at every international meeting on small-scale mining, for improved coordination between the various institutions working in this sector and for better integrated, multi-disciplinary solutions to the complex social and environmental challenges facing small-scale mining communities. CASM is currently striving to create a knowledge-based community and strong network of miners, communities, government officials, development agencies and non-profit organizations. CASM also supports and promotes the development of projects and approaches by individuals, communities and institutions that will directly or indirectly contribute to the reduction of poverty and the advancement of strong, resilient communities in regions where small-scale mining represents an important activity. In order to better address the complex challenges facing the sector, CASM is now seeking to strengthen its current role as a knowledge developer/sharer and network builder and to become a more active promoter and advocate of “good practice” and better conceived approaches for meeting the poverty challenge and building the basis for more sustainable communities and economies (Figure One).

**CASM’S VISION FOR ARTISANAL AND SMALL-SCALE MINING**

CASM is determined to make concrete advances toward achieving its vision for the artisanal and small-scale mining sector. CASM envisions this sub-sector of the mining industry as one that:

- Advances integrated rural and regional social and economic development;
- Functions within an equitable and effective legal framework;
- Establishes positive, productive relationships with local communities, as well as with large scale mining companies and government agencies;
- Utilizes environmentally responsible techniques;
- Complies with international standards related to labor regulations and occupational health and safety;
- Provides an acceptable income through increasingly productive mining and processing practices;
- Allows for long-term efficient resource extraction;
- Has access to fair markets and sources of credit; and
- Enhances local infrastructure and services.

**CASM STRATEGIC PLAN – ADVANCING THE VISION**

CASM has recently defined a strategic approach for itself that responds to the needs of miners, communities and governments affected by artisanal and small-scale mining and contributes to higher level policy objectives. The CASM Strategic Plan speaks directly to the Millennium Development Goals and builds on insights and recommendations arising from recent major international and regional initiatives on artisanal and small-scale mining<sup>6</sup>. Some of the critical areas of concern for which adequate responses have yet to be identified and mainstreamed include: the empowerment of women; environmental and human health issues, including HIV/AIDS; transparency and governance; and the re-conceptualization of small-scale mining as a non-farm income generating activity and its effective integration into the rural economy.

The CASM Strategic Plan is based on a set of three strategic goals, each of which reflects one or a number of the Millennium Development Goals (MDG) and which collectively serve the primary CASM goal of reducing poverty and promoting sustainable livelihood development in artisanal and small-scale mining communities (Table 1). Activities for each CASM goal have been established with clearly



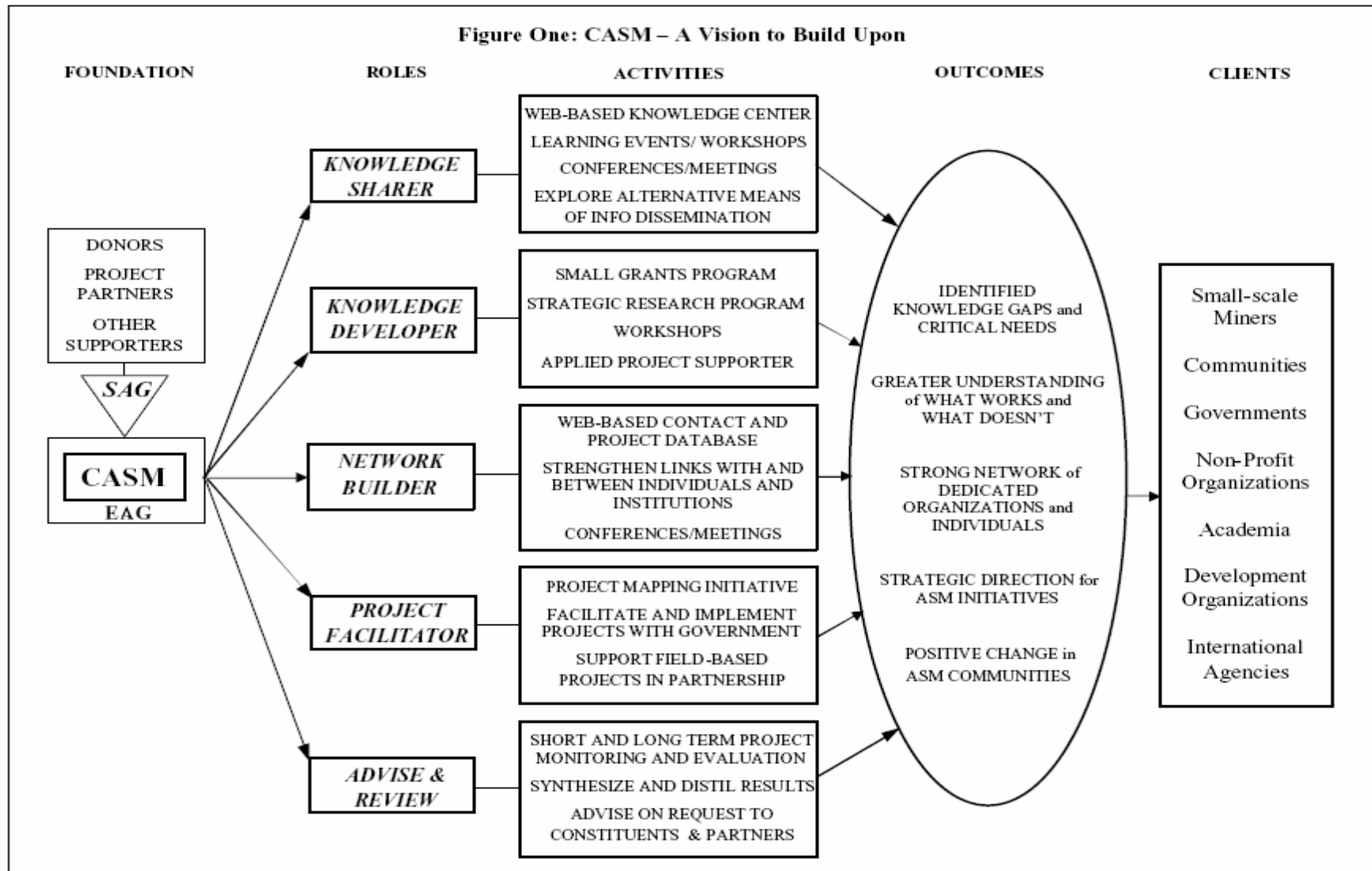
## **CASM Annual Report 2005**

defined targets (milestones) and a corresponding implementation schedule. Relevant qualitative and quantitative indicators to measure progress toward the realization of CASM's strategic goals and developmental impacts have also been identified.

Program highlights include the following:

- *Small Grants Program:* Revised to target a localized region or community, with selection criteria based on contribution to CASM Strategic Goals (Annex II). This will enable closer project monitoring and feedback, provide a practicable means to share lessons learned and encourage integrated community development by addressing multiple issues within the same area.
- *Strategic Research Program:* Responsive to critical knowledge gaps identified through recent efforts and initiatives, while directly supporting achievement of CASM Strategic Goals.
- *Mapping Initiative:* Implemented to identify what is and has been undertaken by governments, NGOs, international agencies and donor organizations in the sector, with the intent of: benefiting from lessons derived from these projects and promoting knowledge sharing; reducing redundancy among projects; generating a mechanism for peer review; identifying knowledge gaps and critical needs; and strengthening the network between existing CASM members and encouraging participation from other individuals and institutions.
- *Web-Based Knowledge Center:* Expanded to include web-based resources related to best practices as well as gender, child labor, biodiversity and fair trading issues.
- *Gender Mainstreaming:* Initiated to promote the inclusion of women and their empowerment in the artisanal and small-scale mining sector by creating special resource and guidance materials that reflect women's concerns and constraints by supporting emergent women's networks and women's participation in CASM activities and by identifying gender specific issues along with practical solutions.
- *Partnership Building:* Encourages partnerships to foster the development of a broader-based and more effective global work alliance by inviting and assisting other organizations and institutions to become constructively involved. By strengthening partnership capacity at both global and national levels, helps all stakeholders to be better able to respond to key challenges, to design and implement appropriate and effective policies, and to mount action oriented programs that benefit directly targeted communities and achieve strategic objectives.
- *Technical Assistance:* Based on the more effective use of CASM's extensive knowledge resources, including that of the Expert Advisory Group, to make available appropriate technical experience and expertise in order to provide guidance to stakeholders on policy and technology, and to improve policy and project execution on the part of government and non-government organizations through independent review and feedback of ASM initiatives.

The evaluation of CASM's own performance will be conducted in part by the CASM Strategic Management and Advisory Group (SMAG) via a bi-annual review of progress indicators and an annual review of overall performance against objectives. This will include a specific assessment of how effective CASM activities have been in realizing Strategic Goals as well as the MDG.



**Table One: CASM Strategic Goals, Activities, Targets and Indicators**

CASM Strategic Goal <sup>1</sup>	Activities <sup>2</sup>	Targets	Process Indicators [Data collection strategy]	Developmental Impact Indicators [Data collection strategy]
<b>HIGHER LEVEL STRATEGIC GOAL: REDUCING POVERTY &amp; BUILDING SUSTAINABLE COMMUNITIES</b>				
<i>Millennium Development Goals: 1 to 8</i>	<ul style="list-style-type: none"> <li>Learning events, conferences and workshops – working for multi-sector participation (e.g Philippines 2005)</li> </ul>	<ul style="list-style-type: none"> <li>At least 10% of alternative sector participants in AGMs and Learning Events</li> </ul>	<ul style="list-style-type: none"> <li>Proportion of social scientists, rural development and health specialists participating in CASM AGMs and Learning Events [Survey of Registrants].</li> <li>Number of alternative sector project or event participants who commence work in ASM communities [Follow-up Survey]</li> </ul>	<ul style="list-style-type: none"> <li>Proportion of target community respondents who participated in projects or events who indicate that the small grants have had a positive or very positive impact on the community. [Follow-up Survey]</li> </ul>
	<ul style="list-style-type: none"> <li>Project: Integration of ASM within Poverty Reduction Strategies</li> </ul>	<ul style="list-style-type: none"> <li>ASM well-represented in at least five PRSPs by December 2006</li> </ul>	<ul style="list-style-type: none"> <li>Proportion of governments who have incorporated ASM into PRSPs</li> </ul>	<ul style="list-style-type: none"> <li>Number of countries identifying actions or a strategy to enhance the contribution of ASM to poverty alleviation in PRSPs [Review of PRSPs]</li> </ul>
	<ul style="list-style-type: none"> <li>Small Grants Program</li> </ul>	<ul style="list-style-type: none"> <li>Each CASM Strategic Goal is addressed by the target community in every round of small grants in 2004, 2005, and 2006.</li> </ul>	<ul style="list-style-type: none"> <li>Number of proposal submissions received per round of grants.</li> <li>Number of Small Grants awarded per target community.</li> </ul>	<ul style="list-style-type: none"> <li>Proportion of target community respondents who have increased income <i>and</i> employ more environmentally responsible techniques [Follow-up Survey]</li> <li>Proportion of beneficiaries who indicate they are satisfied or very satisfied with project outcomes [Survey]</li> </ul>
<i>Strategic Goals 1, 2, and 3 and the corresponding activities contribute to Reducing Poverty and Building Sustainable Communities</i>				
<b>Goal 1: Enhanced Governance and</b>	<ul style="list-style-type: none"> <li>Partnership Project: Legal frameworks and formalization processes for ASM</li> </ul>			<ul style="list-style-type: none"> <li>Proportion of target community respondents who indicate that work in a more secure environment [Follow-</li> </ul>

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CASM Strategic Goal <sup>1</sup>	Activities <sup>2</sup>	Targets	Process Indicators [Data collection strategy]	Developmental Impact Indicators [Data collection strategy]
<b>Transparency</b>  <i>Millennium Development Goal: 1, 2, 3, 4 and 8</i>	<ul style="list-style-type: none"> <li>Project: Fair Marketing Strategies for ASM produced minerals</li> <li>Regional Networking: CASM-China</li> <li>Regional Networking: Support women's regional networks and associations</li> </ul>	<ul style="list-style-type: none"> <li>At least one representative from each level of government attends inaugural meeting and commits to participating in CASM-China.</li> <li>CASM supports regional women's network and association activities in 2003, 2004, 2005 and 2006.</li> </ul>	<ul style="list-style-type: none"> <li>Number of representatives from each level of government CASM-China members</li> <li>Proportion of CASM-China members from non-traditional sectors</li> <li>Amount of funding allocated to AFWIMN and/or other regional women's networks/associations per annum.</li> </ul>	<ul style="list-style-type: none"> <li>up Survey]</li> <li>○</li> <li>○ Number of countries recognizing gender-dimension of ASM in PRSPs [Review of PRSPs]</li> <li>○ Number of governments who have initiated measures to mitigate gender barriers to the effective participation of women in ASM [Follow up Survey]</li> </ul>
<b>Goal 2: Improved Environmental Sustainability and Natural Resource Management</b>  <i>Millennium Development Goals: 3, 6 and 7</i>	<ul style="list-style-type: none"> <li>CASM Learning Events and Workshops</li> <li>Best Practices Manual (technology issue)</li> <li>Field Testing of Manual in various WB and non-WB ASM projects (such as. Mozambique)</li> <li>Technical Assistance to government, community, NGOs on as requested basis. (for example, Governments of Nigeria and Mozambique)</li> <li>Partnership Project:</li> </ul>	<ul style="list-style-type: none"> <li>Undertake at least one regional learning event in 2004, 2005 and 2006</li> <li>At least 200 downloads of Best Practices manual by June 2005.</li> <li>Assistance on at least two projects</li> </ul>	<ul style="list-style-type: none"> <li>Number of participants in regional learning events [Sex disaggregated survey]</li> <li>Proportion of participants surveyed who felt that the workshop met or exceeded their needs and expectations [Sex disaggregated survey]</li> <li>Number of guideline downloads from website</li> <li>Number of beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>○ Proportion of target community respondents who indicate they have changed practices since participation in the project or event or receipt of guidance materials [Follow-up survey]</li> <li>○ Proportion of target community respondents who indicate that they have modified their practices resulting in: improved working conditions; increased income; decreased environmental impacts; enhanced communication skills or improved health [Follow-up Survey]</li> </ul>



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CASM Strategic Goal <sup>1</sup>	Activities <sup>2</sup>	Targets	Process Indicators [Data collection strategy]	Developmental Impact Indicators [Data collection strategy]
	<ul style="list-style-type: none"> <li>Protecting Endangered Species – Cohabitation Scenarios for Endangered Wildlife and Artisanal Miners in Africa</li> <li>Partnership Project: Experiment in Regional Collaboration to Minimize Downstream Impacts of ASM on the Water Quality of mining communities of the Guyana Shield</li> <li>ASM Mapping Initiative</li> </ul>	<ul style="list-style-type: none"> <li>At least 10, 15 and 20 projects are identified through the initiative by 2004, 2005 and 2005, respectively</li> </ul>	<ul style="list-style-type: none"> <li>Number of development, governmental, non-governmental and/or academic organizations who participate/provide input into mapping project</li> </ul>	
<b>Goal 3: Reduction of HIV/AIDS, malaria and other diseases in mining areas</b>  <i>Millennium Development Goals: 3, 5 and 6</i>	<ul style="list-style-type: none"> <li>Project: Guidelines for HIV/AIDS Interventions in ASM Communities</li> <li>Field Testing of Guidelines in various WB and non-WB ASM projects (such as. Mozambique, Nigeria)</li> </ul>	<ul style="list-style-type: none"> <li>At least 100 downloads of HIV/AIDS guidelines June 2005</li> </ul>	<ul style="list-style-type: none"> <li>Number of guideline downloads</li> <li>Number of communities or organizations who have commenced interventions using guidelines [Follow-up Survey]</li> </ul>	<ul style="list-style-type: none"> <li>Proportion of miners and sex trade workers using condoms in guideline target communities [Survey by health-based organization]</li> </ul>

1. Corresponding Millennium Development Goal shown in italics.

2. The revised Small Grant Program will support all CASM Strategic Goals

3. ASM refers to artisanal and small-scale mining

**Annex I: CASM Roles and Activities**

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**KNOWLEDGE SHARER**

1. **Web-Based Learning Center:** CASM will continue to enhance the website, particularly with respect to expanding the project database and posting useful reports and documents. A special resource webpage on women in ASM will also be developed.
  2. **Learning Events:** CASM will plan and execute Annual General Meetings in conjunction with local partners and mount regional learning events, beginning with Southern Africa in 2004. CASM representatives will participate more actively in related conferences and meetings.
  3. **Information Dissemination Projects:** CASM will support dissemination of educational materials that address community health and wellbeing and responsible mining practices. Currently, CASM is supporting an information program in Suriname and Guyana.
- 

**KNOWLEDGE DEVELOPER**

4. **Small Grants Program:** The revised small grants program will target a specific region or community with selection of projects based on relevance to CASM Strategic Goals. A localized program would: support more efficient and appropriate advertising of the program; enable project monitoring and feedback; provide a means to strengthen networks within the target region; and encourage integrated sustainable community development by addressing multiple issues within the same area.
  5. **Strategic Research Program:** CASM will support research that serves to advance the broader needs of the ASM sector. Projects relate to profiling ASM activities, best practices, the incorporation of ASM within poverty reduction strategies, and HIV/AIDS in ASM communities.
  6. **Workshops:** CASM will support workshops that enable training, applied learning, and co-development of context appropriate approaches. CASM has already supported a workshop on women in ASM in Papua New Guinea and intends to expand its capacity to support knowledge development through workshops.
- 

**NETWORK BUILDER**

7. **Web-Based Contact and Project Database:** CASM will continue to expand its contact and project database in order to bridge those working in various aspects of the sector and sharing of lessons from project experience.
  8. **Strengthen Linkages:** CASM will strengthen linkages between individuals and institutions through specific initiatives, such as the ASM mapping project (described below), women's resource center webpage, which seeks to link women in ASM communities with specific organizations, and the establishment of CASM-China (formed in 2004).
- 

**PROJECT FACILITATOR**

9. **Project Mapping Initiative:** CASM will initiate a major project to map what is and has been undertaken by governments, NGOs, international agencies and donor organizations in the ASM sector. This project will identify strengths of various organizations and approaches, support sharing of lessons learned and provide a mechanism for peer review.
- 

**PEER REVIEWER**

10. **Technical Support:** Using the extensive knowledge present in the CASM network, including that of the Expert Advisory Group, CASM members can provide technical expertise and act as peer reviewers by undertaking project monitoring and evaluation on a short, medium or long-term basis. Improving the execution of projects by support the efforts of communities, organizations and governments is an area in which CASM intends to make a significant impact. (For example advisory mission at request of Government of Ghana).
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## ANNEX 2

### CASM ACTIVITIES DURING 2004/2005: A PROGRESS REPORT

Since the 2003 AGM, CASM has been engaged in activities designed to strengthen its original role as a knowledge developer/sharer and network builder and to become a more active promoter and advocate of “good practice” and better conceived approaches for meeting the poverty challenge and building the basis for more sustainable communities. Also, an increasingly important role for CASM is to raise awareness of the relevance of the artisanal and small-scale mining sector to development processes and to generate interest among the international community in the sector’s potential to contribute to the achievement of the Millennium Development Goals.

The response from stakeholders—from national and international partnership initiatives (ILO, UNIDO, USEPA, NRCan, Diamond Development Initiative, Piece Diamond Alliance) to regional networking (CASM Africa, CASM Asia Pacific, CASM China) and on-the-ground projects development—has been very positive. The volume of activities has significantly increased, as has direct and indirect fundraising to support these activities.

#### **Knowledge Sharing**

Knowledge sharing is one of CASM’s important original responsibilities. It fulfills this activity through two main instruments: (i) organization or sponsorship of learning events and (ii) development of a web-based learning center.

**Learning Events.** During FY 05, CASM sponsored or co-sponsored eight conferences and workshops, including the fourth AGM and Learning Event in Sri Lanka and three regional (two in Africa and one in Asia) and four topical learning events.

#### *Annual General Meetings*

*Colombo, Sri Lanka, 2004.* The 2004 fourth AGM and Learning Event was held in Sri Lanka from October 12 to 16 with 130 participants from 38 different countries. The conference was the most international of AGMs to date and drew participants from Latin America, Africa, Asia and the Pacific, North America and Europe. In line with its main theme, *Gemstones: from mines to market*, the conference focused on the challenges of creating value added processing and manufacturing activities based on ASM production and of structuring fair and equitable marketing and trading relationships. Additional workshops focused on the nuts and bolts of promoting value addition; on challenges of gender mainstreaming and eliminating child labor (organized with the ILO) and on conflict management and resolution techniques. After the conference, participants were

given the opportunity to learn more about Sri Lanka's gem mining industry by visiting the gem mining area around the city of Ratnapura.



*Sri Lanka: participants in the Fourth CASM AGM discuss with Gemstone artisanal small-scale miners in the Ratnapura area.*

CASM's Fourth AGM raised the importance of ASM as a vehicle for poverty reduction and as a stepping stone for sustainable rural livelihoods. Participants gave CASM a mandate to move forward with a focus on achieving the MDGs, in particular regarding the elimination of child labor as a global action item. Child labor in ASM is a barrier to poverty reduction, now and in the future; its global elimination is achievable and should be a priority for CASM. Also highlighted was the importance

of promoting the equity of men and women in ASM communities.

Participants stressed the importance of balancing the needs of miners, industry and the environment, and also expressed concern about ASM in conflict communities, areas and regions.



*Sri Lanka: a gemstone artisanal mining site close to Ratnapura.*

CASM was encouraged to continue to push the importance of mainstreaming ASM in mining policy. To this end, CASM should support governments in implementing mining policies that take into consideration their impact on the environment and the livelihoods of local communities, and to help ensure that governments have policies and schemes that reflect the realities and experience on the ground. Mining policies should move toward formalizing ASM while trying to reduce incentives for illegal miners. This will require

governments to provide an enabling, supportive environment for ASM. While ASM can raise serious environmental and social concerns, these impacts can be mitigated and ASM's potential for providing livelihoods in rural areas should be emphasized.

The AGM provided an opportunity for African delegates to organize themselves in line with CASM's objectives and they have committed themselves to conducting wider

networking under the umbrella of the Africa Mining Partnership (AMP). CASM was encouraged to further develop partnerships with other stakeholders: building sustainable livelihoods requires multi-stakeholder cooperation for tackling difficult topics like child labor.

*Salvador de Bahia, Brazil, 2005.* CASM's Fifth Annual General Meeting was held in Salvador de Bahia, Brazil, from September 18th to 24th. The theme of the AGM was "Building Sustainable Communities". Technical sessions provided lessons from the Brazilian experiences in ASM development and examined topics related to the MDG and their relevance for the sector to contribute to sustainable communities. These include: (i) ASM in Brazil: past, present, & future; (ii) child labor and ASM; (iii) relationship building between large and small scale miners; (iv) building community capacity for social and economic sustainability through community-driven development; (v) economic diversification for regional and community development based on ASM; (vi) managing natural resources for sustainability in ASM communities; and (vii) sharing ASM experiences across continents. In addition, learning modules examined such topics as: (i) tools for communications in ASM; (ii) infectious diseases and ASM; (iii) fair trade and certification; (iv) simple lessons in exploration for ASM; and (v) government best practice in formalizing ASM, including a session focusing on the feasibility of environmental licensing. The AGM was followed by field trips to factories and mines in the Jacobina area, within the State of Bahia, with visits to industrial mineral, emerald and gold mining, processing and trading sites.

#### *Regional Learning Events*

*Zimbabwe CASM Learning Event - Small-Scale Mining is Here to Stay.* A jointly sponsored workshop of the Gold Mining and Minerals Development Trust (GMMDT) and Communities and Small-Scale Mining (CASM) was held at the Mine Entra Exhibition in Bulawayo, Zimbabwe, from July 21 – 23, 2004. Over 130 participants attended the workshop; presenters came from Zimbabwe, Zambia and Tanzania while the audience was drawn from diverse fields, including ASMs, government ministries, NGOs, and other stakeholders. The papers presented covered various topics, including ASM characteristics, financial opportunities and challenges, health and safety, gender in mining, environmental degradation, experiences from Tanzania and Zambia, and challenges for sustainable development in ASM. The first day of the workshop featured a field visit to a gold custom milling center in the Hope Fountain Area in Bulawayo, where participants were taken through the whole process of ore crushing and liberation of gold. Of particular importance was local resistance to technology in favor of traditional myths, which tend to disadvantage the miners. The remaining two days of the workshop saw a series of presentations. Overall, the workshop was well received and made a positive contribution to policy making. It is hoped that the relevant ministries will take stock of issues raised and recommendations made so as to improve the ASM sector in their respective countries. *Funding:* Government of Zimbabwe and CASM.



*Zambia CASM Learning Event.* This workshop was organized and held in partnership with the European Union project on diversification of Zambia's mining sector (MSDP) from October 8 to 10, 2004, in Lusaka. This CASM learning event was attended by 52 participants who included mostly small- and medium-scale gemstone miners from Zambia, Tanzania, and Zimbabwe, representatives from Government, academia and bi-laterals as well as CASM members from Ghana, Madagascar, Mozambique, Namibia and the Secretariat. The main goal of the event was to provide a forum where Zambia and nearby countries, mainly from the SADC region, could learn more about their common experiences, and share these experiences internationally. Main topics for presentations and discussion included finance, marketing, ASM and communities and legislation, focusing particularly on gemstones. *Funding:* MSDP/EU, Government of Zambia and CASM.



*Opening of the 2004 CASM Learning Event with the president of the Zambia Women in Mining Association, Namakau; the Vice Minister of Mines; and the Director of the EU-funded MSDP project, - Reidar Hoffner.*

*Asia-Pacific Workshop on Community, State and Private Sector Relationships on ASM.* The Philippine Sustainable Development Network (PSDN), with support from the Resource Management in Asia-Pacific Program at The Australian National University, organized a Learning Event on behalf of the CASM network. The workshop was held in Manila from June 7 to 12, 2005. This event provided a forum for participants from the host country and other countries of the Asia-Pacific region to share their knowledge of and experience with some of the key achievements and ongoing issues surrounding artisanal and small-scale mining in the region. Discussions were outcome oriented and focused on three key themes: (i) ASM as part of local sustainable livelihood strategies; (ii) government policies for enabling ASM: what is and is not working; and (iii) opportunities for constructive action: who can be doing what? The roles, perspectives, and relationships among different stakeholder groups were highlighted. *Funding:* ANU resources supplemented by CASM under the first round of DGF funds allocation.

### *Topical Events*

*Artisanal and Small-Scale Mining and the Millennium Development Goals.* This brown bag lunch, organized by DFID in London on April 6, 2005, explored the relevance for artisanal and small-scale mining in achieving the Millennium Development Goals. *Funding:* DFID.

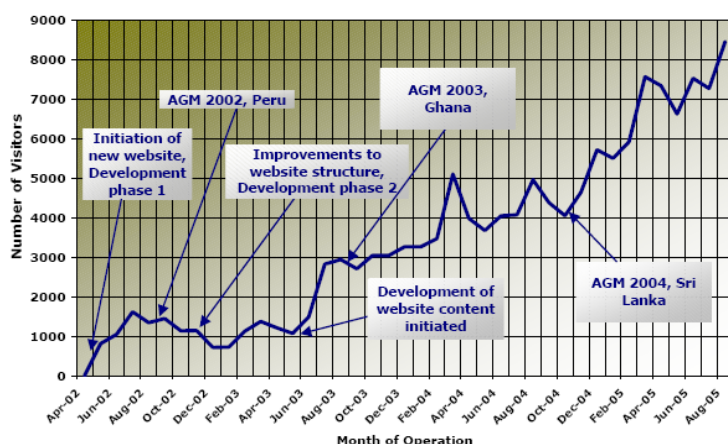
*Fair Trade and Certification in Minerals: an Open Event for Shared Learning and Partnerships.* Representatives from government, industry, NGOs, and multilateral

organizations convened in Washington DC on June 15, 2005, preceding CASM's conference on "Millennium Development Goals and Small-Scale Mining" (see below) to discuss how fair trade principles could be applied to the artisanal and small-scale mining sector, including precious metals, minerals, colored stones, and diamonds. The workshop provided a beginning point for conversations that would continue at the Fifth AGM and at a conference to be organized at the end of 2005 or beginning of 2006. The workshop was co-hosted by the Integrated Diamond Management and Policy Program (IDMP), CASM, Management Systems International (MSI), and Fair Trade in Gems and Jewellery. *Funding:* IDMP, FTGJ and CASM.

*Global Partnership for Mercury Management in Artisanal and Small-Scale Gold Mining.* On June 15, 2005 in Washington DC, the CASM Secretariat co-hosted, with the US Environmental Protection Agency, a meeting on mercury issues in artisanal gold mining and refining. *Funding:* US EPA, UNIDO/GEF and CASM (Completer)

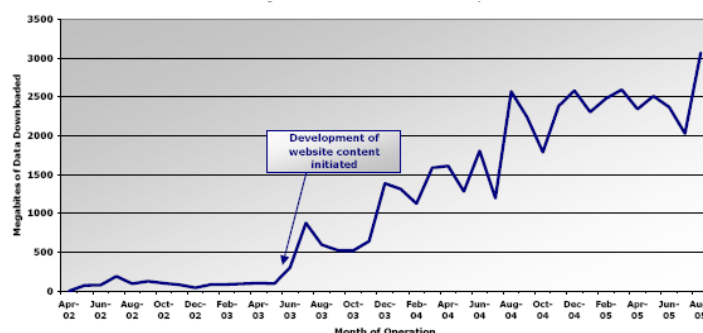
*The Millennium Development Goals and Small-Scale Mining: A Conference for Forging Partnerships for Action.* The conference was convened June 16-17, 2005 in Washington DC to discuss how to raise awareness of the relevance of the artisanal and small-scale mining sector to development processes and to generate interest in the sector's potential to contribute to the achievement of a wide array of development goals. The program focused on ways to integrate ASM issues more effectively into the wider development agenda by raising the profile of the sector and utilizing mutually beneficial alignment of ASM issues with other donor priorities, including the Millennium Development Goals (MDGs), capacity building for fragile states, and conflict mitigation. The conference also focused on the overall institutional capacity of Communities and Small-Scale Mining (CASM) and on defining the appropriate role for such an organization in developing and promoting ASM-related activities. The conference was successful in drawing together a diverse set of interested parties, including development planners, policymakers, donors, members of the business community, and research scholars. Over the course of the conference, more than 80 attendees participated in formal presentations, break-out sessions, and informal conversations. *Funding:* CASM and the WB Mining Policy Division.

**Development of a Web-based Knowledge and Learning Center.** The interactive contact database has continued to grow from 142 (September 2003) to 306 (September 2004) to 467 (September 2005), with members representing small-scale miners, researchers, government employees, industry people, and consultants. The clearing of the backlog of bibliographic material, including annotation of entries already logged, has been completed. The document database now includes 381 entries. The data collected as part of the CASM Mapping Project have also been entered into the project database, which now includes over 400 ASM projects, both delivered and those currently under implementation, for a period covering 15 years.



*CASM Website – Number of Visitors per Month*

relevance and updating of the provided information, the number of people exploring and downloading information from the site continues to grow steadily.



*CASM Website - Volume of Data Downloaded by Users*

**Website Features.** The Secretariat continued, with the support of external consultant A.J. Gunson, to maintain and regularly update the CASM website. A series of pages is being introduced on topics such as on child labor (with ILO), gender, fair trade, Hg use and more. Whether due to the increased volume of CASM activities and partnerships, or improved

However, it is the feeling of the Secretariat that access to the large amount of information contained in the people, documents and projects databases is not fully user friendly, and a restructuring of the site is planned for 2006.

**E-Letter.** The monthly electronic newsletter disseminates to CASM site users summaries and links to current news stories about artisanal and small-scale mining drawn from the international and national presses.

## Knowledge Development

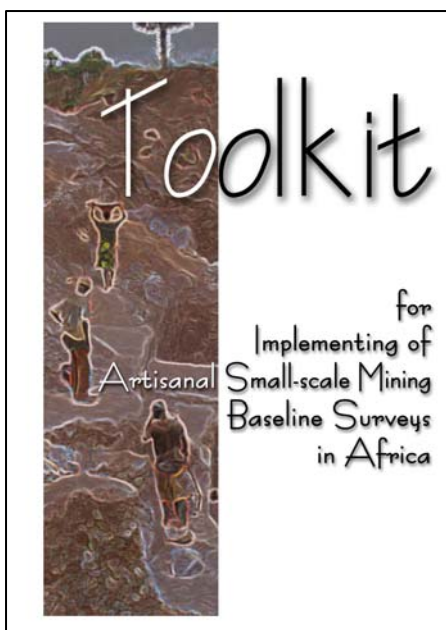
CASM is supporting the preparation and publication of studies, best practices and guidance notes. At this moment, the following products are in the pipeline:

Title	Author	Status	Estimated publication date
Profiling ASM in Africa	Noetstaller et al.	Under editing	12/2005
Technical Assistance and Donor Support Mapping Project	Entec (Switzerland)	Database completed; report under editing; draft presented at 5 <sup>th</sup> AGM	10/2005
Artisanal and Small-scale Mining: Guidance Notes Framework for Governments	Projekt Consult (Germany)	Draft completed, presented at 5 <sup>th</sup> AGM	12/2005

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Title	Author	Status	Estimated publication date
Guidance Note for Governments on Law and Regulations for ASM	BRGM (France)	Under preparation; draft discussed at 5 <sup>th</sup> AGM	12/2005
The Millennium Development Goals and Small-Scale Mining: A Conference for Forging Partnerships for Action – Proceedings	FESS (USA)	Draft completed, to be presented at 5 <sup>th</sup> AGM	10/2005
The Application of CDD Approaches to ASM Community Development.	ESSD and CASM Secretariat (WB)	Under preparation	12/2005
The Best of CASM Resource Guidebook.	J. Hinton (Canada)	Final draft, presented at 5 <sup>th</sup> AGM	12/2005
Guidance Notes on Gender Mainstreaming	Kuntala and Hinton	Preliminary draft	6/2006
Guidance Notes on HIV/AIDS and ASM		Contracting process	9/2006
Guidance Notes on Relationships between Large and Small-scale Mining		Contracting process	6/2006

*Profiling ASM in Africa.* A key requirement for the development of consistent and relevant ASM policies, as well as for the design of development programs, is the availability of comprehensive baseline information. Since the end of 2003, CASM has been sponsoring a set of major studies for the development of a toolkit on “Profiling ASM Activities in Africa and the Implementation of baseline Surveys”. The pilot testing of the draft toolkit, completed in March 2004, began in October 2004. This program included the training of a local research team, adaptation of survey instruments and techniques, field collection of data in pilot sites, data analysis and drafting of a baseline study using the toolkit approach. The toolkit has now been refined, reflecting lessons learned during the pilot study, and is being edited for publication. *Funding:* during this fiscal year, funding has been provided by CASM and the Government of Nigeria with additional support from the Government of the Netherlands.



*Technical Assistance and Donor Support Mapping Project.* Over 400 references to technical assistance projects have been identified and input into the Project Database on

the CASM website. Based on the information gathered, an evaluation of trends and lessons learned has been completed. *Funding:* CASM.

*Artisanal and Small-scale Mining: A Guidance Notes Framework for Governments.* The aim of this desktop study is to draft a scoping and framework document that will establish the scope of work of a longer term effort to develop a set of comprehensive guidance notes for governments to address a range of critical ASM issues. The document would identify topics and issues for which guidance would be useful based on an understanding of past experiences, and to lay out the most important issues and key questions to be addressed in each topic area. *Funding:* CASM.

*Guidance Notes for Governments on Law and Regulations for ASM.* CASM made a DGF grant to the Economics, Intelligence and Sustainable Development Unit of the Mineral Resources Division of BRGM. The grant funded development of a comprehensive policy and technical assistance guidelines designed to support government efforts to foster the organization and formalization of artisanal and small-scale mining, improve its social, environmental and economic performance and contribute to sustainable community, local and national economic development. The BRGM initiated work on collecting, reviewing and evaluating the ways in which different governments treat artisanal and small scale mining within their laws and regulations. The aim of this project is to develop a set of good guidance notes to assist governments in drafting appropriate enabling frameworks. *Funding:* BRGM resources and funds have been supplemented by CASM under the first round of DGF funds allocation.

*The Application of Community Driven Development Approaches to ASM Community Development.* This is a collaborative effort with the World Bank CDD group to establish the relevance and develop a concept for the application of CDD approach to ASM community development work. Applications will be field tested initially in Bank projects. A Concept Note is under preparation. *Funding:* CASM and the WB Environmental and Social Sustainable Development Vice Presidency.

*The Best of CASM Resource Guidebook.* A draft book, CASM: Sharing Knowledge and Building Futures in Artisanal and Small Scale Mining, has been completed. It compiles the best ideas and practices described during the CASM AGMs (2002-2004) and selected Learning Events in formats that make the information accessible and useful to a variety of potential users and beneficiaries, from governments to miners' associations to civil society organizations. The draft book was presented at the fifth AGM for review and, after comments are incorporated, will be published. *Funding:* CASM.

## **Network Building and Partnership Development**

### *CASM regional networks*

*CASM China.* This embryonic group has formalized itself under the umbrella of the China Mining Association and is providing advice to the government on the revision of the mining law with regard to artisanal mining. In addition, it is preparing a national



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policy paper on artisanal mining; has set up a website and knowledge center; and has started to hold workshops on occupational health and safety and livelihood issues with small-scale miners' associations around the country. *Funding:* CASM.

*CASM Asia.* Created in 2005 in partnership with the Coordinating Committee for Geoscience Programs and East Asia and the Pacific (CCOP). The inaugural meeting of CASM Asia was held in Thailand in July 2005. A major aim will be to collect and share the accumulated wisdom and experience - what we have learned about what works and doesn't work in Asian contexts. To this end one of the first products will be a database system of ASM information by country. *Funding:* Government of Japan, CCOP and CASM/DGF

*CASM Africa.* Created in 2005 CASM Africa is responding to the needs and opportunities for the ASM sector in Africa where it is recognised that ASM has a role in poverty reduction. CASM Africa has an active secretariat with broad participation across the continent of Africa. *Funding:* DFID and CASM.

*Other Regional Networks.* The Secretariat has received proposals in the last few months to provide assistance to set up knowledge networks in Asia/Pacific (except China), and Africa and to consolidate an existing network in Latin America.

### *Supporting Partnership Approaches*



*Child artisanal miner,  
Zimbabwe (Toolkit)*

*Child Labor in Mining.* CASM has entered into a partnership with the International Labour Office (ILO), Geneva, on efforts to eliminate child labor in ASM. CASM facilitated a workshop on child labor with the ILO at the last CASM AGM in Sri Lanka, co-sponsored with the ILO and other organizations the World Day Against Child Labor (2005 focus on mining) on June 12, 2005, and co-hosted a workshop at the Fifth CASM AGM in Salvador de Bahia in September 2005. *Funding:* ILO and CASM.

*The Kimberley Diamond Certification Process.* CASM was invited by the Kimberley Secretariat to attend its annual meeting in October 2004 in Ottawa and to participate in a special session on "Diamonds for Development". CASM and a number of international NGOs discussed the potential to normalize alluvial diamond mining situations in conflict countries, whereby production activities would become a basis for community development instead of fueling civil war and country elites. *Funding:* Government of Canada and CASM.

*The Global Dialogue on Mining.* The Global Dialogue, an initiative from Canada and the Republic of South Africa, was recently ratified by signature of twenty five countries. Artisanal and small-scale mining is one of the four key themes to be addressed by the Dialogue. CASM was invited in February to take the lead in organizing program support

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for developing member government capacity to understand and deal constructively with the challenges of artisanal mining and sustainable development *Funding:* Government of Canada and CASM.

*WB Development Grant Facility.* One of the key operating elements of CASM's strategic plan is to expand the impact of its efforts by encouraging and supporting work undertaken in partnership with other organizations, institutions, governments and stakeholder groups. To this end, the Secretariat applied for and was approved in June 2004 for a grant of, in principle, three years by the Development Grants Facility (DGF) of the World Bank, which is to be used to support the development of global partnership programs operating from within or outside the Bank. CASM received a commitment for US \$275,000 for FY05 to support work executed by CASM partners (for a more detailed description, see table below):

<b>CASM DGF Agreements - 2005</b>		
<b>Organization</b>	<b>Amount USD</b>	<b>Activity (Description below)</b>
Australian National University	65,000	Assist with research documenting the gender aspects and issues of ASM in the Asia-Pacific region. The grant also included assistance to ANU in organizing an ASM learning event
Bureau de Recherches Géologiques et Minières (BRGM, France)	65,000	Develop a set of good guidance notes to assist governments in the drafting appropriate enabling frameworks for ASM, focusing initially on formalization (see description under Knowledge Development above)
Peace Diamond Alliance (Sierra Leone)	47,500	Ensure the Sierra Leonean diamond industry contributes positively to peace and prosperity through increased local benefit sharing and improved governance and transparency within the ASM sector
CCOP	42,500	Building up the CASM Asia network <sup>7</sup>
Dian Fossey Gorilla Fund	20,000	Balance habitat preservation with livelihood needs of local populations, especially with reference to their involvement in artisanal mining activities, within protected areas in Eastern DRC
Minerals Commission of Ghana	35,000	Development of consultative and participatory processes to facilitate the relationships between large-scale and small-scale mining.
Diamonds for Development Initiative (DDI)	30,000	Build up an international alliance of civil society, government and private sector parties to work on creating new frameworks for community based and benefiting diamond mining, initially in West and Central Africa <sup>8</sup>

After the FY05 successful disbursement and implementation of CASM/DGF activities, meeting the DGF leverage ratio of 15 percent (DGF) vs. 85 percent (partner organizations), CASM received confirmation for another \$310,000 in FY06. A call for expressions of interest has been posted on the CASM website and circulated through

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CASM and other networks for the use of the second round of DGF funding. The deadline for presenting proposals was September 30, 2005. About nineteen proposals were received. If successful again, a third allocation of USD340,000 is pending for FY07.

*Resource Management in Asia-Pacific Program.* The Australian National University is the premier research institute on ASM in the Asia-Pacific rim. CASM made a grant under the DGF to the 'Resource Management in Asia-Pacific Program' team, to assist with research work on documenting the gender aspects and issues of ASM in the Asia-Pacific region. The grant also included assistance to ANU in organizing the ASM learning event held in June for stakeholders in the Asia-Pacific region (see above). *Funding:* ANU, and CASM/DGF.

*Peace Diamond Alliance (Sierra Leone).* The PDA is an alliance of stakeholders from local mining cooperatives, community-based organizations, traditional and national government, international NGOs, and industry based in Sierra Leone. It has received substantial funding from USAID's Africa Bureau as part of an effort to ensure that the Sierra Leonean diamond industry contributes positively to peace and prosperity through increased local benefit sharing and improved governance and transparency within the sector. CASM provided a grant, under the DGF, to help build the organizational and administrative capacity of the Executive Committee of the PDA through on site training and south-south interchange. *Funding:* USAID and CASM/DGF.

*Diamond Development Initiative.* The DDI is an outgrowth of discussions begun in Ottawa in October 2004 at the Kimberley Process annual meeting. A first round of discussions was held in London in January 2005, at which CASM moderated the session on the "development" potential of artisanal diamond mining. The dialog was organized to explore possibilities for forming an international alliance of civil society, government and private sector parties to work on promoting new approaches for more equitable community based and diamond mining and marketing, initially in West and Central Africa. CASM was invited to sit on the Coordination Committee with Global Witness, Partnership Africa-Canada, and DeBeers, which met at the CASM MDG Conference in June 2005. CASM will co-sponsor, under the DGF, a workshop to be organized in Ghana in October 2005. *Funding:* GW, PAC, DB and CASM.

*Dian Fossey Gorilla Fund.* The Secretariat, under the DGF, is supporting the Dian Fossey Gorilla Fund work on reaching a regional stakeholder consensus on how to balance habitat preservation with livelihood needs of local populations, especially with reference to their involvement in artisanal mining activities within protected areas in the DRC. *Funding:* Government of DRC, DFGF and CASM/DGF.

*Minerals Commission of Ghana.* A grant under the DGF has been awarded to the Minerals Commission of Ghana to develop consultative and participatory processes for mediating conflicts between small-scale miners and a large scale mining operator in the Wassa West district around Prestea. *Funding:* Minerals Commission of Ghana, and CASM/DGF.

## **Project Facilitator**

*Small Grants.* CASM has re-initiated its Small Grants Program, which funds small initiatives undertaken by local people in developing countries. These initiatives are designed to contribute to poverty reduction and sustainable development in communities affected by or involved in artisanal and small-scale mining. The program awards small grants, up to the equivalent of USD 7,500, to community leaders, organizers, miners'



*Peru: a 2002 CASM Small Grant supported the preparation of an Environmental Management Plan for this Santa Filomena ASM community cyanidation plant under construction (2002), inaugurated in 2003.*

groups, NGOs, and others whose proposed projects will foster communication, information sharing, and good working relationships between miners and communities; between small miners and big miners; and among various stakeholders involved in one way or another in the production process, such as mineworkers, small mine owners, minerals traders, minerals transporters, creditors, land owners and government.

The renewed activity has raised considerable enthusiasm from stakeholders and generated about 48 proposals submitted in time (August 15, 2005) for the first round. Following a study of the proposals by the CASM Secretariat, a short list of potential winners will be proposed to SMAG for final qualification and award.

## **Advise and Review**

*Advisory Services.* CASM has been invited to provide assistance in monitoring and evaluating the small-scale mining component of the Sustainable Management of Mineral Resources Projects in Nigeria and Mozambique. These activities will be initiated in the next few months. Additionally, work has commenced on the development of good guidance notes for government in the legal area. *Funding:* Governments of Nigeria and of Mozambique, and CASM.

## **CASM Development**

*Strategic Management and Advisory Group.* The SMAG has convened four times during FY05: in July (ITC HQ at Rugby, UK); October 2004 (Fourth AGM at Colombo,



*CASM Secretary at an ASM community meeting in N Mozambique (2004)*

Sri Lanka); by teleconference in February 2005; and in June 2005 in conjunction with the “Millennium Development Goals and Small-Scale Mining” conference (see below). SMAG members have also been involved in activities such as participation in regional network development (Africa and Asia), review of CASM products, and contribution to selection processes related to the use of CASM funds (prioritization of participants in the AGM, Small Grant and DGF programs). This increased involvement has contributed to broadening CASM exposure and improving its relevance and transparency.

New members have been appointed in order to replace retiring members Beatrice Labonne (previously with UNEP) and Paul Fortin (previously with Goldfield) and to further diversify representation. New members include Ben Aryee (African Mining Partnership), U. Linus Adie (CASM Africa), Tony Aubynn (Goldfields) and Charles Loots (AngloGold Ashanti).

During the coming year, the SMAG will pursue greater diversity in its representatives by adding the voices of more ASM community stakeholders and regions. It is particularly committed to addressing the fact that at present, the SMAG’s members include only one woman and no representatives of NGOs or Latin America.

*The Millennium Development Goals and Small-Scale Mining: A Conference for Forging Partnerships for Action.* The conference was convened June 16-17, 2005 in Washington DC, USA (see above). As a result of the June conference, the following actions will be implemented during the coming months:

- Preparation of a business plan more clearly linked to the development agenda, including the MDGs.
- Design and implementation of a more systematic program to develop CASM exposure and awareness building at the donor level.



*Nigeria: washing gold*

**ANNEX 3**

**BRIEF REPORTS FROM REGIONAL CASM**

- **CASM China**
- **CASM Asia**
- **CASM Africa**



## **2005 AGM Report by CASM-China**

### ***Key achievements:***

- 1) Hosted CASM-China's inaugural meeting in early January 2004;
- 2) Finished the formalization of CASM-China under the China Mining Association (CMA) since February 2004;
- 3) Finished website registration and creation. The URL [www.casmchina.org](http://www.casmchina.org) has been running for two years, since October 2004;
- 4) Established a Web-based Knowledge Center, including information on global ASM projects, conferences, and news items, ASM papers, CASM newsletters, and a new electronic journal of ASM in China;
- 5) Created an Online Small-Scale Mining Forum to discuss ASM policy, legislation, health and safety, technology transfer, environmental protection and poverty-reduction. To date, 120 readers have registered as members of the forum;
- 6) Conducted three local ASM meetings: the first a multi-stakeholder meeting in Shahe City, Hebei Province, on April 9-11, 2004; the second in Chongqing Municipality, on September 22-24, 2004; and third in Lingbao City, Henan province on August 2-6, 2005;
- 7) Sent three representatives to the CASM 2004 annual meeting in Sri Lanka to report on CASM-China's activities;
- 8) Presented ASM seminars in China and the Philippines. On October 8, 2004, the Ministry of Land and Resources held a senior forum in Beijing to discuss the problems and challenges created by the revision of the Land Law and Mineral Resources Law. Shen Lei was invited to give a presentation at the seminar to introduce some experiences from international ASM legislation and hints for China. On June 12-18, 2005, CASM-China commissioned a representative, Mrs. Huang Ganlin, to participate in the PSDN meeting in the Philippines. She will submit a short report to CASM-China;
- 9) Assumed responsibility for drafting the ASM Law. Since October 2004, Shen Lei and Li Peiji have been being responsible for drafting the ASM section within the second revision of Mineral Resources Law of China;
- 10) Wrote a national policy paper based on its study of ASM in China; also wrote several policy articles about the role of ASM in achieving sustainable development;
- 11) Expanded the CASM-China Network to increase the breadth and width of CASM's regional network in China.

### ***Review of short term challenges***

- Formalization
- Institutional and hierarchical boundaries
- Champions
- Budget

### ***Work Plan for the coming year***

- 1) Attending the 2005 AGM in Salvador, Brazil;

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- 2) Continue to complete the national policy report and ASM law draft; solicit public comments about ASM laws and incorporate them into further revisions; write a comprehensive analysis article on ASM policy and legal advances;
- 3) Carry out at least two case studies in the west and east of China;
- 4) Translate a booklet from ILO and other news of CASM from English into Chinese;
- 5) Publish all journal articles from 1996 to 2003 on the CASM-China website;
- 6) Hold workshops on ASM on November 1-4, 2005 as part of the Hangzhou international conference;
- 7) Hold annual meeting in late 2005 during the new session of CASM;
- 8) Make a short visit to the Australian National University;
- 9) Implement web upgrades monthly.

### ***Strategic planning and alliances***

- 1) Actively applying to host the CASM AGM in 2007 and encouraging the MLAR and CMA to apply for this meeting. CASM-China has suggested that the Lingbao City government host it, and the Bureau of Geology and Mineral Resources in Lingbao and Henan Mining Association have expressed great interest in doing so;
- 2) Participating in the works of CASM-Asia and even CASM Asian Pacific network, per conversations with Dr Kuntala Lahiri-Dutt;
- 3) Advising the central government to pass the new ASM law drafted by CASM-China; and
- 4) Applying for funding of further research projects by China and international communities.

**Prepared by Shen Lei  
September 5, 2005**

## **Review of CASM-Asia Project, May-August, 2005**

**Satoshi Murao**

*Geological Survey of Japan, AIST*

### **Contract**

Using the DGF, the contract for CASM-Asia was concluded between CCOP and the World Bank in May, 2005. CCOP will contribute to the Project mainly in kind and the Geological Survey of Japan, AIST both in kind and in cash.

### **Short term challenges**

The following key tasks were achieved before August 31, 2005.

Nomination of coordinators: the Director of CCOP issued a letter to each Member Country and asked them to nominate a National Coordinator. Murao nominated a Cooperator from India and Mongolia (the Cooperator from India is responsible for India and Sri Lanka). Lao PDR selected a representative to join the inaugural meeting but we still do not know whether he is fully responsible for the Project. [QUERY: is the correct title above coordinator or cooperator?]

Inaugural meeting: This was held on July 25 and 26, 2005 in meeting rooms provided free of charge by the Department of Mineral Resources (Thailand), which also provided the assistance of some helpers selected from among young officials of the Department. In the meeting, country papers were presented and the database construction was started. National Coordinators were interviewed to extract issues in each country.

Database design: a database was designed to facilitate discussion and cooperation among stakeholders. The contents will be uploaded on the CASM-Asia's website and regularly revised. Data are being collected by National Coordinators and Cooperators.

GOPP (Goal Oriented Project Planning) will be conducted on November 30th and December 1. The facilitator was already selected and CCOP will conclude a contract with him in October.

### **Work plan for the coming year**

In the next year the following activities are planned.

Database construction will be continued. Since each National Coordinator and Cooperator can handle only his/her country, information is archived in each one's CD. The information on these individual country CDs will be merged into one CD next year.

CASM-Asia website is under construction and will be a part of the CCOP website. New information gathered in this Project will be uploaded to the website alongside previous information such as project reports, brochures and pamphlets.

A follow-up meeting of GOPP is planned to help people to confirm the direction of the project and to avoid wasting time and resources.

A workshop on risk communication is necessary to let stakeholders learn how to build trust in one other, since relationships among stakeholders can be damaged by the strong element of distrust that can exist among people in Asia-Pacific.

A field survey is necessary for some countries to understand key issues, as data are so scarce in the Asia-Pacific.

### **Strategic planning and alliance**

Since we need more cooperators from agencies outside of geology, National Coordinators and Cooperators are expected to develop new working relationships. If any organization from a developed country joins CASM-Asia, it should bring its own resources. Also, the staff should be good at project management/administration and be receptive to collaboration and teamwork. In order to expand the regional coverage, CASM-Asia should identify and cooperate with international/governmental agencies in the Pacific.

## **CASM Africa**

*Based on presentation given at CASM 2005 AGM, Salvador Brazil.*

CASM Africa was formed in 2005 and has an active involvement across the continent of Africa.

### Challenges for Africa

- Lack of livelihood opportunities in rural communities
- Youth restiveness due to prevalence of high unemployment
- Breakdown of traditional community values
- Rush situations and breakdown of facilities
- Lack of rural infrastructures
- Poor understanding of ASM
- Lack of finance channels
- Deficient legal framework

### Strengths of Africa

- High African traditional values
- Presence of traditional authority (non formal)
- Tolerance (champions of survival)
- Hard work and willingness to learn

### Opportunities for CASM Africa

- Partnership with African Mining Partnership (AMP)
- Partnership with CASM (Global) and other networks and Institutions

### Activities of CASM Africa

- Promote projects that can help the ASM communities in meeting the MDGs
- Profiling (understanding the ASM in Africa) ASM and needs of the communities
- Advocating inclusion of ASM in government rural development programs (e.g. PRSPs)
- Raising awareness and tailor training of the ASM and communities on economic diversification and entrepreneurial approaches

### Constraints

- Lack of adequate funding
- Lack of awareness of the communities and governments on the sustainability of the ASM communities

### Outcomes

- A well informed and responsible ASM communities adequately empowered to own and manage pro-poor projects for sustainable development