

11 NOVEMBER 2010

CASM ASSESSMENT

Lessons Learned and Key Findings for the World
Bank and CASM Stakeholders

RESOLVE

Background

RESOLVE was asked by the World Bank, on behalf of stakeholders, to 1) prepare an analysis of options for a revitalized CASM program, governance system, and structure and 2) draft a business plan that addresses necessary steps, a timeline and a resource strategy. As a preliminary step, and to inform future planning, RESOLVE has prepared an assessment of lessons learned and key findings. This is not a comprehensive evaluation of CASM. A number of evaluations have already been completed ([link](#)). The purpose of this assessment is to identify conclusions that will inform future planning and decision making. This assessment draws on previous evaluations ([link](#)), interviews conducted by RESOLVE and PACT¹ prior to the June 2010 CASM stakeholder meeting, discussions and outcomes from the June meeting ([link](#)), and subsequent discussions with a number of CASM stakeholders.

Assessment Approach

This assessment is structured and organized in a manner that encourages further dialogue. Each finding is followed by a potential response. These responses will then be considered as CASM and its stakeholders move from analysis to decision-making. We have made our best effort to draft findings and responses that are drawn from your input and previous CASM evaluations. Stakeholders are encouraged to respond using RESOLVE's collaborative web tool ([link](#)). Consider the following questions: is anything important missing; are findings accurately described, can you suggest additional responses?

RESOLVE

RESOLVE is an independent, non-profit organization, based in Washington D.C. (www.resolv.org).

¹ PACT was already conducting some interviews in advance of the stakeholder meeting in June 2010. Due to the short meeting planning timeline and to ensure efficiency, RESOLVE and PACT split the remaining interviews. RESOLVE established a set of questions that we both utilized. PACT provided written notes from their calls that were then used by RESOLVE to a) prepare the meeting agenda and b) prepare the feedback that we shared with stakeholders at the outset of the meeting. That feedback will be available in the late fall 2010.

Findings

The CASM Network

The CASM network is an asset in that many current members or participants² gain significant value from participation and express a strong sense of ownership in the network. Some have suggested that value could be enhanced if members are asked to formally join in some fashion. There is also an interest in promoting direct participation of small scale miners.

***RESPONSE:** Ensure continuation of the network. Explore strategies and seek to identify resources to strengthen and potentially expand the network. Focus on steps that can be taken to increase the number of direct participants from the ASM sector—both generally in CASM and specifically in particular activities. Consider the benefits of including a provision for membership so that members from the ASM sector, and others, are making a specific, conscious decision to join.*

Information and Knowledge Sharing

CASM members benefit from information and knowledge-sharing; particularly through the CASM website, publications, workshops and thematic working groups. At the same time, CASM has faced challenges in keeping information current, such as on its website, and ensuring that CASM tools are circulated to new audiences and new regions.

***RESPONSE:** Strengthen CASM's information and knowledge sharing program. Develop and implement a communications strategy. Bolster administrative capacity and efficiency so that material is current and the program is seen as effectively managed. Create a user friendly way to more systematically include news about member initiatives, activities and programs.*

In-Country, On-the-Ground Impact

The on-the-ground impact of CASM through projects in individual countries is uncertain. While there are reports of CASM providing on-the-ground benefits, these reports tend to be anecdotal. For some, in-country impacts represent a crucial gap that a revitalized CASM needs to fill to remain relevant; for others, the network and information sharing aspects of CASM provide sufficient value. Many believe that benefits would accrue if CASM links more directly to working on-the-ground in the ASM sector so that learning (e.g., proven methodologies, policy

² CASM currently defines members as follows: "CASM Community: This is a loose structure, which basically enables all interested parties or individuals to register their interest with the CASM secretariat, to participate in all ongoing discussions, as well as in the development, use and expansion of the knowledge center. Community members will make up the CASM mailing list, and be invited to participate in annual and regional events, meetings, and programs organized by CASM." We are proposing, later in this document, that CASM further define membership. Therefore, we are not seeking to define the term here we are simply seeking to share a view held by of those active today as members or participants in CASM.

approaches, market incentives, and research findings) can be disseminated and shared directly with those in the ASM sector.

This gap may result from the fact that CASM, given its mission and capacity, is not primarily an implementing agency (see below). Additionally, current resources are not sufficient to allow CASM to have significant impact on-the-ground. CASM has not yet defined a program, program description, or set of tools and services that it could provide to stakeholders in this area. As a result, while a clear need for in-country support has been expressed by many stakeholders, it has not yet been determined how CASM would meet this need in an effective and sustained manner. There is also a degree of skepticism as to the capacity to fund such as capacity and get it off-the-ground. Having on-the-ground capacity is “complicated and expensive” and might take away from a focused effort to keep CASM operational. At the same time a number of key stakeholders have expressed a view that without such capacity CASM is not a significant value to them.

***RESPONSE:** Define the specific need that stakeholders,³ governments and donors have for in-country, on-the-ground capacity building and services. Articulate the nature of the services and the capacity and tools necessary for effective delivery, including cross-sector partnerships. Appoint a small working group to define an in-country program concept for CASM. Determine CASM’s niche or role in delivering and/or otherwise supporting some or all of those services. Test the availability of resources. Test the interest/willingness of key ASM countries to participate in such a program. Enhance pragmatic partnerships with groups already working on the ground in different countries/regions with ASM in order to achieve efficiencies and maximize impact.*

Mission

As described above, a tension has grown between those who see the CASM mission as primarily to serve as a global network, with information sharing, on ASM issues; and those who want greater on-the-ground impact on a country and/or project level. Some CASM stakeholders would be satisfied with CASM maintaining its existing mission, with a focus on improving its capacity and delivery of services (e.g. ensuring that findings and practices are shared throughout the ASM sector and with policy makers). However, from the input we received in preparing for the recent stakeholder meeting, and from discussions during that meeting, it is reasonably clear that a mission focused primarily on networking is unlikely to be fundable in the current climate and that key stakeholders question whether they would continue to participate in CASM if it was “simply a network.” This is not to understate the value of the network to many

³ The use of the term “stakeholders” in this context includes all non-governmental and non-donor entities such as small scale miners, NGOs, corporations such as LSM companies and those who use minerals in their projects, researches, entrepreneurs and others.

of its current members—many clearly value the current Network as a “venue and meeting point.”

While mission and priorities should not be solely driven by resources they will certainly depend upon resources. If funding priorities are shifting it is valid for CASM to first determine whether it should and can fulfill a new or expanded role, and then test the availability of resources. The current mission is likely broad enough to encompass in-country program delivery; what is essential is a resolution of whether this focus makes sense for CASM—i.e., a concrete, explicit decision followed by the work necessary to define and implement such a program effectively.

CASM’s mission and program emphasis should have the support of a critical mass of key stakeholders and the potential to secure necessary resources. Initial consultations undertaken in advance of the June stakeholder meeting indicate that resources may be available for a mission focused on achieving measurable, on-the-ground results; particularly if the mission has support from the three key sectors (government, industry, and civil society) but this needs to be tested.⁴ No stakeholders raised the issue of this expanded mission and new program emphasis as an “either/or” proposition. They were not recommending a new focus that came at the expense of the network. Instead, they see the value of a network linked to this broader mission. Therefore it is highly likely that a “winning” approach would be a strengthened network coupled with the development of this new mission or program capacity.

***RESPONSE:** CASM faces a choice. It can clarify the current mission and seek to implement it more effectively. The alternative is to establish an agreement that the current mission allows for a new emphasis on achieving measurable on-the-ground, in-country results on ASM issues; or revise the mission to enable this. Note: While work needs to be done to define the specific nature of any such program, CASM members have expressed interest in and a need for a range of tools and programs including: model policy and legal framework, best practices, training programs, technologies, and more.*

If CASM expands its mission it should also , ensure that network and information-sharing purposes are optimized. Ensure that concrete steps (see above) are taken that foster implementation. Seek opportunities to manage the Network more efficiently to open up more resources for action oriented activities.

⁴ This input was gathered on a confidential basis and tested essentially the following questions: “Is there a need for CASM as it is structured and organized today? Are there additional services or functions that CASM should provide? Do you think there would be resources for CASM as it exists today and/or for a CASM that was able to meet any additional needs?” Those surveyed were not asked for specifics as to potential sources or amounts.

Based upon the input to date we recommend a full exploration of a CASM mission that includes in-country capacity but with a concentrated effort for fix current problems. It's important for credibility for CASM to be seen as delivering value today and this sets the context for adding additional services on a strong base.

A fundamental first step to any expanded mission or program is for CASM to test resource availability to ensure that such an approach is viable.

Context & Opportunity Analysis

After reviewing the previous research, prior to the June meeting, and completing pre-meeting interviews, stakeholder participants were able to efficiently identify a set of potential CASM programmatic responses appropriate to the ASM challenge. While these responses represent a solid basis for planning many hold a view that it would also be useful to clarify our analysis of the ASM context as we develop and implement CASM mission, goals, structure and programs.

***RESPONSE:** Initiate a focused conversation and analysis on the current ASM context—i.e. the state of ASM today and the opportunities for CASM to make a difference. This will be a 5-10 page issue paper that outlines the needs, challenges and opportunities in the ASM sector. This will be prepared alongside our programmatic and structural options and the two will inform each other. We will put together an advisory group of one or two individuals each from the following sectors: Multilaterals, bilaterals, academics, civil society and industry.*

Accountability & Measuring Impact

With regard to network services and information sharing, many hold strong views that CASM is a resource. However, CASM lacks the monitoring and evaluation systems or management follow-through to allow it to report on progress. Therefore, success in this area is reported anecdotally. For example, a number of stakeholders are seeking better analysis of the impact of CASM network support and information sharing resources. Where CASM is active on in-country projects, such as those supported by the Bank and other donors, the CASM connection, contribution and impact is not clear. As well, the influence of CASM with regard to country level reforms, through policy and projects, is anecdotal. A number of stakeholders emphasized the fact that ultimately, policy impacts are essential to make improvements that extend beyond a specific site, project, or program.

***RESPONSE:** Clarify objectives for all CASM programs, establish accountability mechanisms, and ensure that reporting systems allow for transparent information-sharing with regard to progress, follow-through, and challenges or shortcomings.*

CASM Capacity & Resources

Current CASM capacity has been termed “sub-critical” considering the scope of the challenge and stakeholder expectations. CASM has limited staff capacity. It is not always clear to others

whether priorities have been established with regard to focus on particular programs, countries, issues, or regions. Given the scope of the ASM challenge and limits on available resources, it is important for CASM to prioritize and make choices, and communicate those choices.

***RESPONSE:** Develop and implement a planning process that supports prioritization and seeks input from donors and key stakeholders. Establish and articulate priorities, and where possible bolster capacity and secure additional resources. Establish cross-sector partnerships to extend reach where practicable and where strategic synergies are possible. While international and cross-regional partnerships are important, there should also be a focus on partnership with local NGOs, universities and experts who work in the ASM sector and/or have local capacity. Evaluate roles, including World Bank and other organizations, and especially partnership and joint funding opportunities. The interim steering committee, see below, will establish new priorities, evaluate necessary resources, and test the availability of resources. It will also seek input from stakeholders and keep them updated as progress.*

Governance & Management

In the current governance system and charter (link: http://www.artisanalmining.org/index.cfm?page=page_disp&pid=1998 and http://www.artisanalmining.org/index.cfm?page=page_disp&pid=1999), the CASM Strategic Management Advisory Group (SMAG) guides and advises the secretariat. The Secretariat coordinates with donors, a consultative group and partners. The SMAG is diverse with regard to participants but lacks participation on the part of the ASM sector and key ASM countries. Additionally, the nature of the SMAG, particularly in terms of authority and accountability, has created a sense that the needs, challenges and issues are known but CASM has been unable to respond. This is exacerbated by a staffing structure without an accountable, full-time manager. It is not unusual, particularly when faced with complex issues requiring urgent and strategic action, for those participating in informal governance systems to feel frustrated by a lack of results and a sense that issues are discussed but never resolved. To be clear, within this context, stakeholders view CASM programs as useful and see CASM staff as doing very good work, especially considering time and resource constraints.

***RESPONSE:** Reform or redesign CASM governance to establish a governing body with clear authority and involving all key stakeholder groups, including those from the ASM sector and ASM countries. Build on multi-sector SMAG model but go beyond the current advisory role to real oversight and embed authority; seek to achieve mutual, cross-sector accountability. Design an approach to staffing and capacity that can deliver results, and secure necessary funding.*

Administrative Housing

For many stakeholders, the World Bank is seen as a valuable host for CASM. For these stakeholders, the Bank conveys an important message of credibility and status to other actors in civil society, government, industry and the ASM community. If CASM strengthens its in-country service delivery and capacity, the Bank role will continue to be essential. At the same time the Bank has limitations as a host for CASM. For example, the Bank, as a large institution, can be inefficient and slow to process decisions and allocate resources; there are competing Bank priorities and programmatic limitations; and there are potential resources that others could secure but the Bank cannot. There may also be other CASM partners positioned to efficiently manage and deliver specific programs and services.

***RESPONSE:** Explore areas where World Bank has greatest capacity and strength, and analyze housing, administrative, and service delivery models that allow for greater flexibility and efficiency, capture all available resources, and take full advantage of the capacity and strengths of others. Analyze the future program components of CASM to determine the type and nature of organizations best suited to support delivery. Analyze potential resource providers and their needs in order to determine the best mix of financial structures to maximize resource potential while working to achieve transparency and efficiency rather than complexity.*

Donor Credibility

While many current donors see the value of CASM's network and information-sharing capacity, there is some frustration with a) CASM's lack of systems to measure performance and impact, and b) the fact that some basic functions such as updating the web site and communications lag at times. Donors tend to expect fund recipients (or grantees) to be able to measure progress against the objectives established in their proposals; otherwise, it can create difficulty for the donors. While core donors are committed to CASM and the need that it fills, some are frustrated by gaps in this area.

***RESPONSE:** In the long term, ensure that a restructured CASM has the capacity to monitor performance and respond to challenges. In the short term, implement a program during the transition phase to deliver, where possible, in key problem areas such as the web site.*

Donor Diversification

CASM is highly dependent on a small group of funders, mostly from development agencies and the Bank itself. At the same time the profile of ASM issues has increased—with impacts and opportunities expanding in terms of constituencies and potential funding. It is essential to understand the thinking of current core donors and to explore potential new avenues of funding. While agency funding is likely to continue to be a source of core funds for the program, it will be important to explore donor diversification including funding from corporations, private foundations and potential funding from government agencies, other than aid agencies.

***RESPONSE:** Convene a current donors group during the transition to ensure effective communication and to test potential donor responses to program development. Map potential new donors, by sector, and identify potential lead donors in each sector—start with any maps that exist so as not to reinvent the wheel. Begin a dialogue with potential new donors to test program concepts. For example, explore potential donor interest in in-country capacity and test the ability to build effective partnerships between donor countries, local governments, interested companies and other stakeholders. Also explore the potential for efficient partnerships with key organizations working on-the-ground that have the capacity to be a resource locally and may be in a position to help support the export of current, successful tools and programs into other regions.*

Re-Assessing the CASM Constituency

As with donors it is likely that the CASM constituency has expanded beyond those interests currently active in CASM. The ASM sector is now seen as a priority by many large-scale mining companies and mining associations such as the International Council on Mining and Metals (ICMM) and the Mining Association of Canada (MAC). The issue of so-called “conflict-metals” has brought the issue of the informal mining sector to the retail sector, whether in jewelry, IT and high-tech, or auto and aerospace industries. Those active in project finance in the mining sector also see the need to promote reforms in the ASM sector and capture the benefit of research, programs and tools like those developed by CASM and/or CASM partners. Those looking to promote sustainable development and community health see the importance of strategies that integrate ASM rather than ignore it. CASM’s strategic approach (i.e., response to the core, underlying challenges of sustainable development and the nature and structure of the ASM sector) should be emphasized, whereas strategies designed to tackle a specific issue or problem sometimes fail to gain traction because they treat the symptom rather than the cause. If CASM is able to articulate a credible approach and build a capacity to address underlying causes, it could serve as a resource to those seeking to address specific issues related to the ASM sector.

***RESPONSE:** Map stakeholders, issues and the potential for in-country pilots. As CASM develops its new strategic and business plan, test key aspects with these sectors to explore the opportunity for integrated activities and joint programs; as well as exploring a broader variety of potential funding sources. Ensure that the governance system is able to adapt to integrate new stakeholder groups. The net result would be a map of country or regional challenges, ideas for pilot programs and identification of partners with a direct interest in specific areas/programs.*

Prioritization

There are approximately 50 countries with ASM and a myriad of issues of significance (e.g., mercury/cyanide used as processing chemicals, conflict zones, child labor, formalization, economic alternatives, LSM and ASM conflicts, etc.). On the solutions side there are a number of programs underway or in-development from which CASM could select a focus (e.g. entrepreneurship to build responsible ASM models, public policy and legal frameworks to advance responsible ASM, technology to address processing chemicals, access to microfinance or other forms of investment and others). Moving to a results-focused, in-country program will require geographic/political and issue choices; otherwise, an expansion of the CASM mission will simply lead to new frustrations. While priorities should not be set by funding, programs cannot be delivered unless funding is available—so priorities should be established to test the availability of funds. Some are skeptical as to whether CASM can pivot and fund an expanded program. This needs to be tested quickly.

***RESPONSE:** While it may not be possible to establish final priorities in the short term, any new CASM structure, as well as the strategic and annual planning processes, should have a clear mechanism for country and issue prioritization and a high degree of transparency.*

With regard to prioritization, the need to move quickly, the need to establish credibility with donors on current program commitments, and the challenge of a new mission prioritization could lead to a scenario such as the following: CASM moves to a transition phase, with a transition SMAG that focuses on 1) meeting current commitments, 2) a pilot phase with a focuses in country trial program in two countries, and 3) quick decision-making as to an interim secretariat function. Resources would be secured based upon the CASM reform agenda, with dedicated funds for the pilot phase from interested donors. This would allow a testing of the new mission/program and a more measured timeframe for full implementation of a new mission/program.

Current Commitments during the Transition

CASM faces the challenge of exploring and planning for new capacity and programs while needing to build confidence, in the short term, that it is able to manage the basic functions it is already undertaking. To do otherwise could leave CASM vulnerable to losing relevance with current donors and stakeholders. CASM does not have to respond to every current challenge, but it should identify a core set of essential service delivery commitments that it can make and meet in the short term. This could include updating and improving the website, overall communications with stakeholders, and availability of CASM reports and documents. It could also include clarifying plans for any upcoming CASM meeting so that expectations were clear. It is worth noting that the value of regular communication and reporting increase during period of transition or uncertainty.

***RESPONSE:** Develop and implement an immediate action plan to update and maintain the CASM website, reports and documents. Develop and circulate a communications plan for the transition period and begin to provide regular updates. Clarify intentions and planning with regard to upcoming meetings. Where efficient, and where gaps exist in internal CASM capacity, look to partners and external service providers to provide supporting services during this interim period. This can be achieved through the appointment of a working group with clear mandates, informal staff secondment, and/or outsourcing of some services.*

Interim Decision-Making

CASM is about to enter a period of rapid decision-making on key organizational and strategic issues without an effective decision-making structure. In one sense, the World Bank currently has the fiduciary responsibility regarding use of funds for CASM. The Bank has the Strategic Management Advisory Group (SMAG) as the primary decision maker for CASM. Many, including those on the SMAG, are unclear about the role of the SMAG and are not sure that it is providing the necessary oversight. Some hold the view that the SMAG has been underutilized and is therefore a missed opportunity for CASM, given the expertise of the SMAG members. This may be due to the advisory nature of the SMAG and uncertainty as to its actual authority. It is critical at this juncture for decision making to be effective, with strong participation of key stakeholders. Therefore, some form of credible interim decision making structure should be considered—whether this is a revitalized SMAG with a new mandate or another working group such as an interim steering committee. Given the expressed interest of stakeholders for decisions to be taken quickly and effectively, it will be essential to clarify decision making methods and authority and to ensure effective communication around decisions. This includes input mechanisms as well as strong reporting protocols so that all stakeholders are aware that when decisions have been taken and are aware of the reasons for those decisions.

***RESPONSE:** Revitalize the SMAG as an interim governing body or appoint a new SMAG or similar interim body. Establish clear consultation responsibilities and decision-making authority. Develop a communications protocol so that decisions are communicated and explained to stakeholders. This temporary structure should have a defined, limited life. It should be replaced with a membership based governing committee—assuming there are members in some form. The objective if the interim group would be to set in motion actions leading to a more formal governance structure. There are likely to be limits on the specific decision(s) that the interim group can take.*