



International
Labour
Organization



Ministry of Foreign Affairs of the
Netherlands

ACCEL Africa Project

*Accelerating Action for the Elimination of Child Labour
in Supply Chains in Africa*

TERMS OF REFERENCE

*Recruitment of a non-profit organization for the implementation of
the CRAFT CODE and due diligence processes in the Artisanal Small-
scale Gold Mining (ASGM) sector in
Nigeria, Mali and Côte d'Ivoire*

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► 1. Introduction

ILO ACCEL Africa Project

Accelerating Action for the Elimination of Child Labour in Supply Chains in Africa (ACCEL Africa) is a Dutch-funded regional project with particular focus on specific supply chains implemented by the ILO from 2019 to 2022. The Project aims to address the root causes of child labour and has the overarching goal to accelerate the elimination of child labour in Africa through targeted actions in selected supply chains in Côte d'Ivoire (cocoa and gold mining), Egypt (cotton), Malawi (coffee and tea), Mali (cotton and gold mining), Nigeria (cocoa and gold mining) and Uganda (coffee and tea). To achieve this goal, the Project has identified four inter-related components: three outcomes and one cross-cutting knowledge component. The proposed three Outcomes are the following:

- Outcome 1: Policy, legal and institutional frameworks are improved and enforced to address child labour in global supply chains
- Outcome 2: Innovative and evidence-based solutions that address the root causes of child labour in supply chains are institutionalized
- Outcome 3: Strengthening partnership and knowledge sharing among global supply chain actors working in Africa

In particular, under Outcome 1 the project seeks to develop and implement prioritized actions on child labour in each of the selected supply chains in consultation with ILO constituents and key stakeholders, including strengthening capacity on improved compliance and due diligence mechanisms (Outcome 2).

In this framework, the focus of this assignment will be on the implementation of interventions aimed at promoting formalization and improved working and living conditions of different actors in the Artisanal and Small-scale Gold Mining (ASGM) supply chain in Côte d'Ivoire, Mali and Nigeria through the Code of Risk mitigation for Artisanal and small-scale miners engaging in Formal Trade (CRAFT Code) and other due diligence processes, with a specific focus on child labour elimination.

► 2. Background

Artisanal Small-scale Gold Mining (ASGM) and Child Labour in Nigeria, Mali and Côte d'Ivoire

The artisanal small-scale mining (ASM) sector provides livelihoods to more than 40 million people living in rural and typically poor areas in lower-income countries across the developing world (World Bank, 2019). It includes a diverse array of minerals, metals, and mined materials such as tin, tungsten, and tantalum (3T), ore minerals and their derivatives, cobalt used in batteries, copper, rare earths, and other critical metals. Both poor and middle-class communities are attracted to the ASM sector because of the relatively higher and 'fast' earnings it offers compared to agriculture or other available livelihoods, enhancing the income of a large number of indirect beneficiaries such as nearby producers and service providers as the majority of ASM revenues are spent locally.¹

Despite its relevance for the livelihoods of million people, the sector is based on inefficient, low-tech and labour-intensive mineral processing and extraction techniques, being characterized by a high level of informality, poor occupational safety and health (OSH) as well as significant ecological and health costs and decent work deficits such as the presence of child labour and forced labour. Along with that, the sector is exposed to complex trading arrangements and often unequal power relations between different supply chain actors, harbouring a personnel that at all levels of operations (both technical and managerial) lacks adequate skills, access to social protection and grievance mechanisms, as well as access to formal markets, adequate

¹ de Haan, Jorden, Dales, Kirsten, and McQuilken, James. 2020. *Mapping Artisanal and Small-Scale Mining to the Sustainable Development Goals*. Newark DE: University of Delaware (Minerals, Materials and Society program in partnership with Pact).

funding and investment capital - all features perpetuating a vicious cycle of poverty and reflected in the ASM sector in Nigeria, Mali and Côte d'Ivoire.

In particular, in **Nigeria**, the exploitation of minerals by artisanal methods has occurred for over 2,400 years, from basic clays to base metals and gold. Currently, the ASM accounts for over 90% of solid minerals production and covers a variety of mineral commodities which include but are not limited to gold, gemstones barites, gypsum, cassiterite, copper, zircon, limestone, kaolin, and tantalite. In 2006 various reforms were promulgated bringing to the creation of the Department of ASM which is responsible for the direct supervision of artisanal and small-scale mining in Nigeria. The Department through appropriate policy formulation, implementation and monitoring, organizes, supports, regulates and promotes artisanal and small-scale mining to generate wealth in a way that is environmental friendly, health and safety conscious and conducive to rural livelihood and community well-being. Specifically, the reforms aimed at establishing an enabling environment to both promote foreign direct investments in mining and integrate small-scale and artisanal activities into the formal economy; building institutional capacity to effectively enforce laws and regulations, administer mining titles, monitor sector development, and make geological information available to potential investors; building capacity in the country to identify and address environmental as well as social impacts from artisanal mining. Along with that, in June 2018 the government focused, among the others, on promoting mainstreaming of women in mining and efforts in eradication of child labor in the mine's sites as well as providing infrastructures in mining host communities through the renovation of classroom blocks, provision of classroom furniture for pupils, building of toilet facilities, sinking of boreholes and provision of mining tools to women cooperatives. Despite the revised regulatory framework, the ASM and specifically the ASGM sector in Nigeria, continues to be exposed to issues of double taxations by the state and local government; constant movement of ASM operators; inadequate funding; lack of adequate alternative employment opportunities in the rural areas; environmental degradation and contamination; forced labour and child labour hotspots; violence and insecurity challenges.

Mali ranks 3rd gold producer in Africa, with an estimated production of 70.8T of gold in 2019 (MMP) from the formal sector. The production from the artisanal mining is randomly estimated at 6T/year (INSTAT). The mining industry has been a pillar of the national economy for about two decades, representing 5% of GDP, around 61% of the net export value, more than 270 billion FCFA of direct contribution to the public treasury, and 16% of state revenue. It concerns three regions in the country (Kayes, Koulikoro and Sikasso) and occupies an important place in the national socio-economic balance despite the problems posed by its unorganized practice and many related challenges due to generalized poverty on one hand and the surge of the world gold price on the other hand. In particular, its informal practice today causes problems such as: the destruction of the environment; the emergence of illicit activities on sites (prostitution and drug trafficking); conflicting cohabitation with the industrial/formal mining companies; the illegal use of certain equipment (mechanical excavators, dump trucks); risks of human rights violations (child labour, dropping out of school, rape, etc.); risks of financial and fiscal crimes and offenses (money laundering, capital flight, tax evasion, corruption, etc.); interference from traditional, political and administrative authorities; interference of public and private armed forces (financing of armed conflicts); lack of reliable statistics; uncontrolled influx of foreigners to the mining sites; lack of integration of the artisanal mining activity with other primary activities (agriculture, breeding, fishing, etc.); a complex supply chain with a number of different actors also involving neighbouring countries. The microcosm of artisanal mining sites is in fact made up of men and women who often come far from their original environments, sometimes even far from the usually inhabited areas, and often accompanied by children, creating ghostly villages or residential areas without amenities. Beyond the hundreds of thousands of people working directly in the mining, processing and trading of gold, many others make their living by carrying out related activities at the mining sites, such as running restaurants, by being blacksmiths, butchers, fuel sellers, or by providing transport services for people and equipment.

In order to foster a more sustainable ASGM sector able to significantly contribute to the national socio-economic development, the Chamber of Mines has developed a Road Map which aims to: i) promote the organization and formalization of the sector (through for example cooperatives); ii) train and provide suitable working equipment for the artisanal miners; iii) create an appropriate framework for the operation of artisanal miners by delimitating gold mining corridors; iv) support the development and financing of business plans for gold miners.

Côte d'Ivoire is rich in the diversity of its mineral substances: gold, iron, nickel, bauxite, manganese, diamond. The mining sector is growing steadily and it is estimated that by 2025 it will represent 5% of GDP and create 25,000 direct jobs.² In this context and thanks to the numerous reforms initiated in 2014, gold production tripled over 10 years, in particular increasing from 18.6 tonnes in 2014 to 32.57 tonnes in 2019.³ Eight (8) large gold mines are in production (Tongon, Agbaou, Ity, Dapleu, Persus mining, Yaouré, Bonikro and Hiré) and three (3) others are under construction. In addition to the exploitation and industrial production of gold, there is an artisanal gold sector which in many cases operates outside the rules laid down by the 2014 mining code.⁴ The long period of political instability and the high price of gold in the international market, fostered the strong growth of artisanal and small-scale mining over the period 1999-2011. Research by Hilson and Maconachie in 2017⁵ found that around 100,000 people are employed in artisanal and small-scale mines with around 600,000 dependents. In particular, the government estimates that there are 500,000 artisanal gold miners in Côte d'Ivoire in 24 of the 31 regions.⁶ The gold mining activity, which in many cases is carried out outside the rules laid down by the mining code, causes a massive influx of miners and traders from neighbouring Mali, Guinea, and Burkina Faso. Socially, artisanal mining is affected by reprehensible practices such as dangerous child labour and the trafficking of young girls for the purpose of sexual exploitation or forced labour. The phenomenon contributes to irregular immigration, prostitution, trafficking of drugs on the sites of exploitation and generates serious attacks on social cohesion which result in violent and deadly community clashes. Illegal mining also results in the destruction of land, environmental degradation and the use of dangerous products such as mercury, acid, etc. The legal framework put in place in the 2014 mining code prohibits illegal work in industrial and artisanal mines. Also, to meet the challenges presented by illicit gold mining, the government has developed and implemented the National Program for the Rationalization of Artisanal Mining since 2014. The objective is to clean up, organize and to supervise the gold mining activity and to create a context conducive to the development of artisanal and semi-industrial mining.

In all three countries, despite the ratification of **ILO Conventions No.138** on *Minimum Age* and **No. 182** on the *Worst Forms of Child Labour*, **children** are observed to be actively involved in various aspects of artisanal mining being mostly employed by their families to help their parents/guardians but also by various economic operators. The majority of children tend to work in the mine pits digging with picks, diggers, and shovels, undertaking underground extraction by pulling out dugout materials (both valuable and non-valuable) from the surface using ropes attached to buckets. They are also involved in putting the gold bearing materials into bags (50kg) and lifting the bags into vehicles for transportation to processing sites. Other activities that children are involved in are crushing and milling (often by operating milling machines without any form of protection), washing of gold bearing material in streams using pans, jigs, sluice boxes and other fabricated methods. Girls in mine sites are particularly involved in digging and shovelling, washing gold and transportation of dug out materials to processing sites, fetching water, preparation and selling of food, and other consumables.

Among the physical risks and constraints to which children are exposed on traditional small-scale mining operations, there are falls, lung diseases and silicosis due to fine dust and the exposure and handling of toxic substances and dangerous tools and equipment, the risk of deafness by the permanent noise of the pestle or hammer, fatigue and intense efforts to crush and grind the ore, the risk of injury from stone chips in the eyes, long working hours each day of the week and little or no time to rest, including long trek in transporting heavy materials in head pans to the washing areas which are often far from the mine pits.

Formalization of the ASM sector and the CRAFT Code

The formalization of the artisanal and small-scale mining sector can generate multiple positive impacts. It can primarily reduce informal labour and shed light on the sector's contribution to the national GDP by increasing

² Groupement Professionnel des Miniers de Côte d'Ivoire (GPMCI, 2019).

³ GPMCI, Contribution of Mining Sector to Ivorian Economy, 2019.

⁴ The 2014 Mining Code (RCI, Law No. 2014-138 of March 24, 2014 on the Mining Code) defines **industrial mining** as those activities that consist in extracting and concentrating mineral substances and in recovering market products from them by modern and highly mechanized methods and procedures; while **artisanal mining** is defined as those activities that consist of extracting and concentrating mineral substances and recovering market products using manual and traditional methods and processes. Normally artisanal mining uses labour-intensive, low-capital-intensive technology.

⁵ Hilson, Gavin and Maconachie, R (2017) *Formalizing Artisanal and Small-Scale Mining: Insights, Contestations and Clarifications* Area, 49 (4). pp. 443-451.

⁶ Ministère de l'Industrie et des Mines, www.industrie.gouv.ci

government revenues through the collection of license fees and taxes; it can support the diversification of traditional agricultural-based economies and promote positive sectoral linkages; it can create livelihoods opportunities and empowerment for historically-marginalized groups; it can promote the development of small and medium enterprises (SMEs), cooperatives and other types of organizational structures that facilitate production and representation; it can reduce the use and trade of mercury facilitating the adoption of more sustainable mining practices and more safe and secure working environments; it can help in eliminating the worst forms of child labour and forced labour within the sector; it can foster responsible sourcing for a more responsible production and consumption.

In this context, the CRAFT Code is a unique tool that can contribute to enhance formalization of the ASM sector by promoting its sustainable social, environmental, and economic development through the implementation of due diligence practices in the framework of both international regulations and national laws. In particular, it is designed to help both upstream and downstream players in the value chain to assess critical social and environmental risks, with a specific focus on empowering artisanal miners to improve their practices in order to create better working environments as well as access to global markets and better trading conditions.

► 2. Objective of the Assignment

The main objective of the assignment is to promote a process of formalization in the ASGM sector in Nigeria, Mali and Côte d'Ivoire through the implementation of the CRAFT Code due diligence process with a specific focus on child labour risks, by targeting both national and local-level stakeholders in each country (i.e. governments, workers' and employers' organizations, miners' associations and professional mining groups, mining cooperatives, mining communities/artisanal miners, and civil society organizations) and by engaging downstream supply chain actors.

► 3. Scope of Work

The scope of work will comprise the following tasks:

- Understand and assess the national ASGM context and the risks present in the mining communities;
- Document current due diligence practices, if any, carried out by actors involved in the gold supply chain in each country;
- Develop training modules for mining communities (including miners, local authorities, local civil society organizations, etc.) to build local capacity on risk management and international standards as per the CRAFT Code aiming to improve the working conditions and formalize the ASGM sector with a particular focus on child labour in each country;
- Support the ILO ACCEL Project in identifying a national institution (e.g. Ministry of Mining, Chamber of Mining, National Training Institute, National University) the project can partner with in order to institutionalize the ToT programme in each country;
- In close collaboration with the identified institutions, develop training modules for a ToT programme and organize ToT to have a pool of national trainers in each country;
- Support the pilot training programmes led by ToT participants in collaboration with ILO ACCEL Africa project country teams and the identified partner institution in each country;
- Mobilize private sector actors involved in the gold supply chain that could be interested in taking part in the partnership by supporting the training programme in each country;
- Provide lessons learned and recommendations for future activities with gold supply chain actors to accelerate the action against child labour in each country.

▶ 4. Target Areas

The assignment will be conducted in the following target areas in each country:

- **Nigeria:** Niger State (Shiroro LGA- Galadima Kogo district, Egwa/Gwada District and Suleja LGA-Kuchiko) and Osun state (Ibala).
- **Mali:** Yanfolila and Bougouni circles in Sikasso region, Kéniéba circle in Kayes region and Kangaba circle in Koulikoro region.
- **Côte d'Ivoire:** TBC

▶ 4. Expected Outputs

The selected non-profit organization will be expected to deliver the following outputs:

- An **inception report** on ASGM related risks and current due diligence practices complementing the information already gathered by the ACCEL Project on ASGM and child labour in the three target countries;
- Based on the documentation/studies shared by the ACCEL Project and the complementary information gathered by the non-profit organization, develop and pilot **training modules, including a ToT programme** both in English and French on due diligence processes as carried out in the CRAFT Code to enhance the improvement of working conditions and formalization of the ASGM sector in the three target countries with a specific focus on child labour, by tailoring the content of the training modules to the context and needs of each country as well as the profile of both national and local-level stakeholders;
- A **final report** that will include an assessment of the actions carried out, lessons learned, and recommendations for future activities with gold supply chain actors to accelerate the action against child labour in each country.

▶ 5. Timeframe and management arrangements

Depending on the availability of the non-profit organization, and in agreement with the project, the earliest start date for this contract is January 2022. The selected organization will report to Ms Silvia Possenti, Supply Chain and Enterprises Officer (ILO-RO Africa, ACCEL Project) and the ACCEL Africa national teams based in Abidjan, Bamako and Abuja.

▶ 6. Scoring and Selection Criteria

Applicants for this call for proposals may be national or regional/international non-profit organizations that meet the following criteria:

- Experience in value chain analysis and market systems development;
- Knowledge of the ASGM sector in West Africa;
- Knowledge and experience on the CRAFT Code and due diligence processes in the ASM sector;
- Experience working on Fundamental Principles and Rights at Work issues, including the elimination of Child Labour;
- Ability and experience working with national and local-level actors, mainly the social partners;
- Experience working with the ILO and/or other United Nations agencies.

Other desired competencies:

- Excellent written, communication and presentation competencies;
- Strong social, organizational and knowledge management skills;
- Ability to produce high quality reports;

The evaluation of the proposals submitted in this call will be done in a two-step process.

The technical proposals will be evaluated at first according to the grid below:

Criteria	Score	Maximum score
Scope and quality of the response to the call for proposals		20
Technical compliance with the terms of reference		40
Qualification and experience of proposed team members		40
Total		100

Proposals with a technical score of at least 70 points (70%) will be selected for the second stage of the evaluation, which will consist of a comparison of the financial proposal that accompanies them.

7. Instructions to the Bidders

Proposals will be sent only by email to: possenti@ilo.org not later than 28 October 2021, midnight Abidjan time. Offers sent after the date and time indicated will not be considered. Please email: "***Recruitment of a non-profit organization for the implementation of the CRAFT CODE and due diligence processes in the Artisanal Small-scale Gold Mining (ASGM) sector in Nigeria, Mali and Côte d'Ivoire***"

N.B. The Curriculum Vitae of the expert(s) who will conduct the assignment will need to be attached to the technical and financial proposals.