

End Term Evaluation

**Joint Forces to Tackle Child Labour:
From Gold Mines to Electronics
(Anti Child Labour – ACL Project)**

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List of abbreviations

ACL	Anti-Child Labour Project
ASM	Artisanal Small-Scale Mining
ASMO	Artisanal Small-Scale Mining Organisation
CLFZ	Child Labour Free Zone
CRBP	Children's Rights and Business Principles
ECD	Early Childhood Development
ESG	Environmental, Social and Corporate Governance
FGD	Focus Group Discussions
KAP	Knowledge, Attitude and Practices
KII	Key Information Interview
SCL coalition	Stop Child Labour coalition
VSLA	Village Saving and Loan Association

Executive summary

- **The “Joint Forces To Tackle Child Labour” (or Anti Child Labour (ACL)) project was implemented by a consortium of six partners: Fairphone, Fairtrade UK, Hivos/SCL Coalition, Solidaridad, UNICEF, and Philips. Working closely with (local) implementing organizations, the partners aimed to establish a sustainable, traceable gold supply chain that creates a better future for miners and their families and that will prevent and reduce child labour in ASM communities in Busia, Uganda. The project commenced in July 2017 and ended March 2021, after an extension period was given due to the Covid-19 pandemic.**
- **An end term evaluation, conducted by DBMresearch, was commissioned to assess the relevance, effectiveness, efficiency and sustainable impact of the project.** Key findings and reflections were distilled from primary (KAP survey, FGDs and interviews) and secondary (household surveys, project reports and research reports) data sources, culminating in an Evaluation Report and Inspiring Practices publication. This executive summary addresses the key insights and learnings of the overall evaluation.
- **The project set out to eradicate child labour by addressing root causes of child labour at different levels: national, community, mine and supply chain level. A three-tier approach lay at the basis of the partners’ work:** (1) Preventing and reducing child labour: through an area-based approach towards the creation of Child Labour Free Zones, which encourages behavioural change through awareness raising & supporting quality education; (2) Improving working conditions: by encouraging safe and efficient mining practices that lead to sustainable income for miners and their families; and (3) Providing access to investment and creating a clear path to the market: by creating market access for responsibly mined ASM gold in the supply chain.
- **Important to note is the strong impact of Covid-19 on the project’s effectiveness, which should not be underestimated.** During the pandemic, schools in project areas were closed and community members’ income levels dropped considerably. These entirely unforeseen circumstances were reflected in the numbers: at the end of the project less children were reported going to school, there was a higher prevalence of child labour in the project areas (incl. in mine sites), and miners struggled in making ends meet. Still, evidence was found of the project’s progress towards meeting intermediate outcomes put forward by the partners.

Relevance

- **In terms of relevance, the project design was grounded in the experience of partners with child labour and ASM gold, in the input from beneficiaries and in knowledge of the local context. Yet, partners initially struggled with translating this design into practice.** Expectations of some project beneficiaries (based on the design of the project) were not always met, leading to a dismantling of trust of beneficiaries in the project’s objectives and interventions. Throughout the project, partners successfully increased their efforts to regain the trust from community members.

Effectiveness

- **In terms of effectiveness, a key learning of the project involves the need for concerted efforts to integrate interventions and results across different intervention levels.** Interventions at each level were designed to address components of the root causes of child labour in the Busia district, from raising income of miners to counter child labour, to increasing awareness of community members of the benefits of education. More justice would have been given to the root causes

approach if interventions across levels would have been more aligned, for example by viewing miners as having multiple agencies.

- **The lobby and advocacy efforts at national and district governance level proved relevant although largely took place on parallel tracks from the other levels.** The work in Busia was mostly used as a case example of what could be possible at community level, to be used in discussions with national government actors. At district level, the project was able to advance awareness among district officials, leading to increased involvement in the community's approach to tackle child labour.
- **At community level, the partners had several ambitions in which the role of education and of VSLAs played a central part.** In terms of educational objectives, the evaluation found that schools were perceived as offering a more child friendly environment as a result of the project's training support to teachers. Still, negative perceptions about school-going persist and reasons for dropping-out remained unchanged. These conditions will require attention if children are expected to maintain or be motivated to return to school. In terms of the VSLA objectives, the loans do not seem to have been used (yet) to support families in paying for school fees or scholastic materials, although this was identified by the project partners as one of the key barriers in being able to send children to school.
- **In terms of attitudes towards child labour among community members, positive results were achieved among beneficiaries, reflected in a basic level of understanding in relation to the importance of education, to conditions of child labour and to overall children's rights. Yet, further sensitization would be required** as the study showed that households seem to be aware of what is considered "the right answer" but in reality, feel or act differently. This was most visible in the attitude towards education, where a high appreciation of education was recorded, yet working (in mines) was often cited as being more valuable than pursuing a degree.
- **At mine level, the study shows that miners have experienced positive changes in knowledge, attitude and behaviour in relation to responsible mining practices, and to a certain degree child labour.** Specific changes in mining practices were reported. However, these changes could not be verified as limited comparative data was available. Important to note is that partners have emphasised the high prevalence of support services in the Busia area for ASM mines. The fact that miners have been given a stronger focus of attention than their community counterparts by a range of actors could explain the stronger positive bias of miners.
- **Limited evidence could be found to validate the assumption that improved responsible mining practices would lead to higher income and/or the reduction of child labour.** Miners reported lower incomes over the past year due to Covid-19. In addition, the prevalence of child labour was assessed higher at the end of the project compared to the start. And still, the vast majority of miner respondents (85%) argue they have changed their practices towards child labour at mine sites, providing examples of changes in policies and reporting practices of child labour. Overall, the relationship between the support for responsible mining practices at mine sites and its impact on child labour incidences cannot be reinforced.
- **There are no indications that the project interventions have led to higher productivity levels of the mine sites.** The processing unit aimed at increasing productivity was underutilized due to several reasons, incl. the choice of location and a mismatch of expectations. Furthermore, excessive rainfall and Covid-19 further impacted the productivity levels of the mines.

- **At supply chain level, the project was successful in reviewing and revising the ESG criteria towards a more progressive character and exploring the potential of different ASM investment models.** However, the incentives identified for the route-to-market approach did not match the Ugandan context (e.g. pricing and desire for export). Furthermore, an extensive study into possible export models for responsible ASM gold into electronics supply chains laid bare the complexity of the route-to-market approach. Combined with downstream actors' disinclination to offtake ASM gold before sufficient quantities and responsible sourcing can be assured, the partners were challenged in establishing wider offtake and investment in the project.

Efficiency

- **In terms of efficiency, the project could have benefited from a more manageable sized consortium and related to that, clearer agreement on roles and responsibilities of implementing partners.** Although part of the strength of the project can be found in the collaboration of such a diverse group of partners, the size and complexity of the consortium and its governance structure was experienced as hampering an efficient implementation. Furthermore, from a management perspective, the roles and responsibilities had been divided across the Theory of Change intervention levels. While it should have eased the implementation of interventions towards level-specific outcomes, it negatively affected the symbiotic relationship between interventions across the outcome levels

Sustainability and impact

- **Overall, in achieving sustainability and impact, a mixed set of experiences can be noted, ranging from outcomes that require substantial effort to make progress, those outcomes that are underway in being achieved (in progress), and those outcomes that have progressed during the project duration.** At community and mine levels, awareness and attitudes have been positively affected during the project, yet a translation to actions still needs to take place. Improved working conditions have been noted, but productivity levels have not been affected at mine level. The lessons learned from the studies into the export model and investment models for responsible ASM gold are quintessential for future work of the partners. While a route-to-market was not (yet) established, these lessons have been taken on board in a follow-up project.

Reflections and conclusions

- **Finally, five key learnings followed from the study related to different aspects of the project. In relation to the design of future programming,** in order to achieve the symbiotic relationship between intervention levels, it will be important to view **miners as having multiple agencies.** Furthermore, the complexity of a root causes approach might seem to demand a project to address everything at once. However, it is important to consider that '**less might be more**', by focusing strongly on key areas where partners might be most successful, while building on the support from external stakeholders to address factors outside the partners' sphere of influence. In project design and implementation, it will furthermore be important to embrace a **context-specific approach to ASM** and **be very explicit about the project's underpinning assumptions.** Finally, the Covid-19 pandemic has taught us all that working towards **supporting resilience** will be key in allowing beneficiaries to stand strong in the face of future shocks.

Annex 4: Case study 1: Motivational Centres and Integration into School

1. Background & rationale: What was done and why?

The household mapping conducted by EWAD in 2018 showed that 18% (334) of all school-aged (5-17) children were not in school either because they had never been or had dropped out.²⁹ The majority of these children were in the age category 11-15, followed by children between 16 and 18 years old. The most dominant reasons for dropping out of school were:

- lack funding for school fees
- scholastic materials
- long distances to school
- harsh school environments
- pull from the mines to make quick money as opposed to education which is seen as a long process for success.³⁰

Similar reasons have also been recorded as barriers to education in the earlier Baseline report conducted by NASCENT in 2017. In addition to the reasons mentioned above the NASCENT report also added the delegation of duties from parents working in the mines (e.g. taking care of sick relatives), early pregnancy, poor academic performance, ignorance about the value of education by both parents and children, food insecurity.³¹

The creation of the motivational centres was specifically targeted towards children out of school, whether or not they were working. In this way the motivational centres aimed at addressing both the children that were already working as well as those that were at risk of becoming a child labour. The motivational centres have several goals:

- to support children that have dropped out of school to catch up with their age-appropriate level in school
- to help children get used to school again (“shake-off working mentality”)³²

The motivational centres therefore were mostly geared towards addressing those barriers that were linked to lack of appreciation of education (by adults and children), as well as on barriers related to school environment. By providing a midday meal for the children the project also created an additional pull-factor to attend the motivational centres.

2. Implementation: How was it done and who was involved?

The motivational centres were established in two primary schools: Amonikakinei primary school and Tiira primary school. The classes were held in the mornings from 9:00 to 13:00, whereby the children attended got something to eat before they went home. The motivational centres were led by teachers of the primary schools, who were provided with a small remuneration from the project. The teachers also received several trainings on child friendly teaching methods as well as life skills training to help them teach at the motivational centres. The classrooms have been provided to the project free of charge by the schools. The children attending the motivational centres can also use the facilities of the school.

The motivational centres have a capacity of 50 children, which was not exceeded during the programme period. There was no specific selection done of the children that could attend the

²⁹ Project Inception Report, 24-08-2018, p.4

³⁰ EWAD (2018), Household Survey, p. 11 - 14

³¹ NASCENT (2017), Report of a baseline survey on child labour and education in gold mining in Busia District, p.28-29

³² RVO Project Proposal ‘Addressing child labour in ASM gold mines’; Narrative Report 2 Hivos/Stop Child Labour, 19-03-2018

motivational centres. There was enough place for all children interested in joining, especially as the many children did not attend regularly. Children of different ages would sit together in the centres. The promotion of the motivational centres was done through the community mobilizers who identified eligible families and children through the door-to-door household mapping exercise or through community sensitization events, or radio broadcasts.

Although there is no fixed curriculum for the motivational centres, the activities carried out at the centres included: motivational talks, sensitization sessions on the dangers of child labour, the value of education and games. As the teachers were professional teachers at the primary school, they were also equipped to teach basic subjects. However, the focus was mostly on the motivational and life skills sessions.

Most of the children attending the motivational centres were 14 years or older, meaning that they had already passed the primary school age. In 2019 a vocational training component was added to the programme as the motivational centres were struggling to find suitable follow-up for these children.³³ Secondary school was too expensive for these children, and there was a clear need to provide other skills to these children to be able to build up a career outside of gold mining. The additional programme catered for the training of 39 youth (aged 15 – 17) in liquid soap-making and 52 youth in hair braiding. 25 youth from the motivational centres were selected to be enrolled in vocational centres. This selection was done among children that regularly attended the motivational centres and done by a group of motivational centre teachers, community mobilizers and representatives of EWAD.

Was the intervention successful in getting children back into school?

The motivational centres started with around 102 children in total attending the motivation centres in 2018. In March 2019, the total number of children at the motivational centres were 59 (23 girls and 36 boys). In total the motivational centres were successful in getting 40 children mainstreamed back in to primary or secondary school. 25 youth were mainstreamed into other schools (technical colleges, vocational centres).

Table 23: Overview of number of children mainstreamed into school

Number of children	Sikuda (Tiira MC)	Buteba (Amokakinei MC)	Total		
			Girls	Boys	Total
Mainstreamed into primary school	24	14	-	-	38
Mainstreamed into secondary school	2	0	1	1	2
Mainstreamed in other school (vocational centres, technical college)	14	11	9	16	25
Received vocational training (Soap making or Hair-braiding/dressing)	71	20	31	55	86

Source: EWAD (based on office files, attendance sheets and phone communications with mobilisers)

The motivational centres were particularly successful in getting children back into school that were in the primary school age as the motivational centres were located at the primary schools, making the transition relatively easy. Some children would already return to school after 1-2 weeks being in the motivational centres. Also, the teachers that taught at the motivational centres were teachers that were already connected to the primary schools.

³³ The vocational trainings were financed through a special campaign conducted by Fairphone to raise awareness and funding for child labour in gold mines in Uganda.

However, the evaluation team did not find much evidence to support the assumption that catching up on schoolwork or appreciation of schooling, were the crucial factors in getting children back into school. Both community members and teachers mention that sensitization happening at the motivational centres has had some effect in terms of respecting children's rights and an increased appreciation for school. Yet, more appreciation of schooling in general, or catching up in terms of knowledge is not mentioned by any of the students interviewed. When asked about the way in which the motivational centre has supported the students to return to school, one thing that is mentioned several times is learning skills and being able to earn an income. Other support mentioned is provision of food, the provision of scholastic materials, teaching different languages, teaching personal hygiene, going on tours, motivated to go back to school, provision of t-shirts.

In general, there seems to have been some discrepancy between what was expected from the motivational schools by the children attending it and their parents and what was the intention of the motivational centres. Community members and teachers mention the gap between the expectations of the children attending the motivational centres and what the motivational centres were set-up to do. The motivational centres were considered by some children and parents as taking too much time, with too little perspective, leading to some children becoming disappointed and returning back to gold mining. In addition, there was a large expectation that the motivational centres would compensate families in paying school fees and/or scholastic materials. Even though it was repeatedly communicated that this was not part of the project structure, these expectations remained and created frustration/disappointment with some families.

The Covid-19 pandemic further complicated the well-functioning of the centres, forcing them to close and giving the students the opportunity to go back to their work in the gold mines.

3. Reflections: What have we learned from this experience?

In general, the motivational centres seem to have been successful in getting a total number of 65 children back in to (primary/secondary/vocational) school. However, given the fact that there were at least 334 children out of school in the area at the start of the project, the motivational centres were only partially successful in reaching out to these children. The available capacity at the motivational centres could have been able to benefit many more children (based on a total capacity of 100 children who would in theory stay 3 -6 months before enrolling in to school).

A number of factors affected the access and perception of the motivational centres by stakeholders greatly. First of all, the financial pull-factor of the mines. Although the majority of community members seem to be very aware of the risks of child labour as well as the legislation with regard to child labour, working in the mines instead of attending school is not always considered as an attractive or realistic option for some families and children. Returns to education can take a long time, and financial gains from the mines are immediate. This is an extremely difficult starting point for the project, which was further complicated by the fact that the project had a very short timeframe, further shortened by the Covid-19 crisis which forced the motivational centres to close.

One of the aspects that is considered most successful of the motivational centres is the vocational training component. The 2017 Baseline Report already showed from discussions with older children aged 15-17 that that they would "only leave child labour if vocational skills were provided because this would enable them to be self-employed and this was deemed to be better than going back to class" (p.19). This was reiterated by the motivational centre students in their summary of what they appreciated most: learning a skill and being able to get an income provided them with a concrete alternative to working in the mines.

The fact that most of the children out of school have in fact passed the primary school age, emphasizes the importance of looking at barriers towards attending secondary school. The fact that these schools require considerable financial means in combination with the fact that the quality of public secondary schools is considered to be quite low, form important barriers for families and children to enrol in secondary schools. The motivational centres were not designed to address these specific barriers even though community members and children seemed to expect this.

4. Discussion, learning and impact: How can we apply this in the future?

Although the motivational centres contributed to getting 65 children (back) into school, the capacity of the motivational centres was underutilized. This indicates that for community members and children it may have been unclear what the value of attending the motivational centres would be. Of those that did attend the centres, some came with the wrong expectations, leading to frustrations about what the centres had to offer. Three specific recommendations can be extracted from the lessons learned.

- a) **It might be more effective to set up specific interventions for older children that provide a concrete alternative to working in the mines.** The motivational centres had to accommodate children from many different age groups with different needs. Teaching vocational skills such as liquid soap making and hair-braiding proved successful and highly appreciated by the students.
- b) **Better alignment to needs and obstacles for younger children to attend school.** There is quite a number of younger children that the motivational centres failed to reach out to (in total there were 57 children between the ages 0-10, and 151 in the age category 11-15, not attending school according to the EWAD household mapping in 2018). For these children other factors may have played a role in not attending the motivational centres. This requires further investigation upon the start of a new programme in the same or similar area, to make sure that the interventions match the needs of the children in these age categories.
- c) **It needs to be very clear from the start what can be expected from the motivational centres and what not.** If children attend the motivational centres with the wrong expectations, they will become frustrated. In addition, they might influence the other students at the motivational centre, which will have a negative effect on the motivational spirit that the centre has set out to achieve.

Annex 5: Case study 2: The effect of technical assistance on ESG criteria for mining cooperatives in combatting child labour

1. Background & rationale: What was done and why?

The partners worked under the assumption that if ASM miners have the capacity to generate a sustainable income with improved working conditions from safe and efficient mining practices, together with activities at community, national and supply chain level, the child labour in ASM communities would be reduced. With this assumption in the back of their minds, the project partners designed the project by building on their vast experience working in the ASM gold sector. From their experiences, an investment-led approach was introduced to support mine sites to improve Social, Environmental and corporate Governance (ESG) performance by ASM mines over time. The approach set out, among other things, to pave the (responsible) way to increasing access-to-finance and a route-to-market for mine sites. The partners supported miners in procuring equipment and offered technical assistance (TA), which should improve their ESG scores.

The evaluators understand from interviews with consortium partners that it was (implicitly) expected that through this approach: (1) miners would improve their mining practices in favour of eradicating child labour at mine sites (through ESG continuous improvement plan) and (2) miners would (have the potential to) improve their income from ASM gold mining. This increased income would (indirectly) positively affect the reduction of child labour cases among mining households as financial barriers were most often mentioned during the baseline study as reasons for children to work/not go to school.

In this case study, we seek to unravel how the project approached the ESG technical assistance, to what extent these interventions carry the potential to address child labour, and what can be learned from the approach taken.

2. Implementation: How was it done and who was involved?

The project followed a certain logic. First, by identifying the most suitable mine sites to work with and benchmarking their ESG performance. This assessment put down a benchmark of mine sites in line with ESG criteria. Only sites meeting at least the basic level of the criteria were selected for this project, as they were perceived as best equipped to benefit from the partners' support. Table 24 provides an overview of the selected mine sites.

Table 24: Overview of selected ASMOs as beneficiaries of ACL project

	Busia United	TISMA	Tiira Landlord
Location	Around the town of Tiira	Around the town of Tiira	Around the town of Tiira
Former engagement with project partners	Supported by Fairtrade in the past	Supported by Fairtrade in the past	None

Each target site was profiled and scored, with the intention to use the ESG model throughout the project as a monitoring tool for tracking incremental improvements of mine sites in a consistent fashion, and to help local implementing partners to identify training needs to appropriately develop the capacity and performance of target mine sites. By identifying the needs of ASMO's partners were able to offer

training and technical assistance in order to strengthen their capacity to step up their performance towards more desirable responsible ASM practices.

Roles and responsibilities

The consortium partners that were involved in the relevant mine level activities, involved Solidaridad and Fairtrade. While partners had multiple responsibilities, those relevant to the case study are specifically described here. Solidaridad was in principle responsible for conducting the scoping and assessment of mine sites against the ESG criteria and offering the training to support mine sites in alignment with the ESG standards. In its turn, Fairtrade worked through the newly established implementing partner, The Impact Facility which was responsible for reviewing and adapting the ESG criteria towards responsible ASM gold. In practice, Fairtrade and The Impact Facility jumped in to support the work of Solidaridad towards mine site assessments, as they had more technical knowledge and expertise on working on certification assessments. Budgets were reallocated to make this happen.³⁴

Approach to the technical assistance for ASMOs and miners

In this section, we turn to a description of how TA support was provided and its relevance to addressing child labour. Then, we reflect on the progress on ESG performance made by ASMOs following the technical support that was provided, and whether their performance (might have) affected child labour incidences.

Trainings provided to ASMOs and miners

The trainings that were provided to miners focused particularly on the operational side of mining: mining laws, business plans, record management and responsible mining in relation to production and processing techniques and practices. Table 13 provides an overview of the trainings that were provided by the project partners during the project period. Only one specific training was provided on the topic of Child Rights and Business Principles, in which miners and officials in the local government were targeted. The training focused on creating awareness about the principles as well as supporting miners to come up with an action plan in line with these principles. Mine leaders received a Child Rights and Mining toolkit, which could be used to assess their mines on how their mining activity affects children.

During the FGDs and Key Informant Interviews (KIIs) no mention was made in reference to these specific tools, and only indirect reference was made towards training on improving mining policies – which, after probing, included child labour policies.

ASMO performance and child labour

The work by the partners focused heavily on improving the production and efficiency of mine sites towards more responsible practices to enhance their access-to-finance and route-to-market chances. The expectation and/or assumption was that these improvements would positively affect the number of child labour incidences in the ASM communities.

While FGD respondents with community members and KIIs with ASMO leaders and teachers share that they experience a reduced number of child labourers in the community (“up to 50-80% reduced children working in the mines”), the Household Survey by EWAD and the evaluation survey report shows very different signs – as presented in the evaluation report in Table 11 – where an increase of 285% is reported of child labourers in compared to the baseline. While the implications of the Covid-19 pandemic are given as contributing factors, the surge in numbers does indicate that the embeddedness of policies and practices at mine sites are not necessarily resilient in times of hardships.

³⁴ From interview with consortium partners

It is important to note that the number of incidences account for *all* mine sites that respondents are mining and are not only limited to the three project mine sites.

The evaluation survey, however, did show positive signs of raised awareness and strong positive attitudes of miners (versus non-miners) in relation to tackling child labour. The strong support and understanding can be attributed to the engagement of project partners throughout the project, as well potentially to the engagement with other partners on the ground supporting the same (responsible) causes.

Scoring of ASMOs on the Impact Escalator scale was challenging due to changing variables in the assessment model and the reporting formats throughout the project. As the project worked under the premises of a holistic approach with ASMOs, it is suggested that for a scoring on child labour, the relevant criteria contributing to combatting child labour should be taken into account, as suggested in Table 25. While input for the 2018 and 2019 ESG monitoring data was not available at the time of writing, it is suggested to explore changes in progress on the different ESG criteria mentioned in the table for participating ASMOs. The criteria mentioned in the table have been selected on the basis of their relevance, according to partners, to effectively (either directly or indirectly) influence the occurrence of child labour at mine sites. For monitoring purposes, such indicators should be identified early on and/or developed in order to allow for more thorough analysis to take place.

Table 25: ASMOs' ESG progress in relation to the eradication of child labour

Relevant ESG criteria		Busia United		Tiira		TAMLA	
2018 version	2019 version	2018 Score	2019 Score	2018 Score	2019 Score	2018 Score	2019 Score
Policy and procedures (formalization) The Organization's workers are provided training and information about The Organization's policies and procedures.	Risk mitigation and management (2.2) The Organization's workers are provided training and information about the Organization's policies and procedures (2.2.2.)	I	I	t.b.d.			
Internal controls (formalization) The Organization keeps a record of all workers, with details of name, date of birth, national id number, name of the Organization to which they are employed, the specific location of work, next of kin.	Internal controls (2.3) The Organization maintains a registry of all workers and records of visitors accessing the site (2.3.1.)	I	I				
Freedom of labour (responsible production) Internal controls 2018 Minimum contracted employment age must not be less than 15, or existing national law for the mining sector if this age were older.	Eradication of child labour (4.2) Minimum contracted employment age must not be less than 15 years unless existing national law for the sector of employment specifies this to be higher (4.2.1.)	B	B				
Freedom of labour (responsible production) Work performed by persons under 18 years of age must not jeopardize schooling or the social,	Eradication of child labour (4.2) Persons under 18 years of age must not be employed or contracted for any hazardous labour, which, by its nature or the circumstances under which it is carried out is likely to	B	B				

moral or physical development of the adolescent	jeopardize their health, safety, morals or educational development (4.2.2.)						
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B = Basic; I = intermediate; A = Advanced

The assumption was that improvement of the mine’s ESG criteria performance would translate into improved opportunities for income generation due to new market linkages that would be established by project partners. However, as these linkages have not been made during the course of the project, no evidence can be provided to support that relationship.

3. Reflections & learnings

The case study shows how important it is to make underlying assumptions not only explicit, but also adapt project approaches to address those assumptions. In the case of the ACL project, this means dealing with the assumptions that the overall improvement at mine site level would directly and indirectly impact the income levels of miners, which, in turn, would influence the occurrence of child labour in the communities. The evaluation does not show any evidence of this having happened (yet). Furthermore, the Covid-19 pandemic is likely to have had an important influence on any positive results in this area as well.

As no route-to-market was established during the course of the project to stimulate new off-take opportunities for “impact gold”, the evaluation cannot show evidence that the ESG technical support has impacted income levels, and therefore cannot confirm that the interventions have (indirectly) addressed one of the root causes identified contributing to the occurrence of child labour (i.e. socio-economic conditions in ASM communities).

However, the knowledge and attitudes of miners seem aligned with the project’s ambitions towards raising awareness on the need to address child labour in gold mines. This was affirmed by the survey results and provides the partners with a solid basis to build on for future programming. A holistic approach is required when discussing responsible mining practices, as prioritizing one ESG issue (i.e. child labour) over the other (i.e. environmental harm) might not be desirable. Yet, as one project partner highlighted, a choice can (and according to some, *should*) be made by drawing a line for some issues to be unacceptable no matter what – such as child labour. If this were to be decided upon as a revised criteria, more prioritized and dedicated support would be needed for ASMOs to adhere to this condition.

Overall learnings can be summarised as follows:

- Trainings on responsible mining practices, including child labour, could have been broadened to also discuss and address barriers faced by miners that transcend the mine sites. Linking up with community-level (and other) interventions would have been beneficial. Miners were now perceived as separate beneficiaries from community members. The intervention in which certain ASMO members were encouraged to act as community mobilizers is a possible way of bridging such an artificial divide. Furthermore, the experiences that miners have in addressing child labour could be brought into community awareness-raising sessions as examples. Actively engaging project beneficiaries at mine level during such community-level interventions allows for more integration of project interventions.
- The project would have benefited from closer monitoring of ESG progress towards child labour. While the Impact Escalator as a tool seems promising, the monitoring of the mine sites along the ESG criteria was experienced as complex and challenging for some partners. Sufficient capacity support is required to collect the required data at the requested intervals

from the mine sites. Furthermore, the fact that the ESG assessment tool seeks to capture many aspects at once, allows for a unique birds-eye-view of the ASMO mine sites. However, to keep the assessment manageable, it also means that little room is left for data that would provide more in-depth understanding of the results of the assessment. The *how* and *why* questions remain unanswered. This seems to be particularly the case with the child labour progress criteria, which at the moment do not allow for a deeper understanding of the bottlenecks experienced by mines in achieving progress. Indicators that identify the relationship between relevant ESG criteria and their effect on child labour should be developed early on and monitored consistently throughout project interventions (e.g. improved internal controls to register workers has positively affected the number of child labour cases at the mine sites, or workers have received training on child labour from management, influencing the number of child labour cases identified).

- In the end, the evaluation has to question whether the mine-level holistic approach and the underlying assumption of a 'trickle down' effect of general ESG standards on child labour can hold. It was the project's expectation that the ASMOs would be engaged in addressing child labour in their operations and, once their income increased, they would also indirectly affect incidences of child labour among their members and the community. However, it is important to remind ourselves that miners are community members as well. While improving income would be a step in the right direction, it does not address the other pervasive root causes of child labour, such as those associated with community perceptions and access to quality education. As long as no structures are in place to treat these barriers at community level, the expectations of ASMOs to challenge child labour on their own is too big of an expectation.

Annex 6: Case study 3: Exploring the potential of investment schemes for ASM miners to contribute responsibly sourced gold to the global gold supply chain

1. Background & rationale: What was done and why?

One of the objectives of the ACL project was to improve the chances for access-to-finance and route-to-market for ASM gold mining in the Busia district of Eastern Uganda. From the partners' experience, they realized that "with certification, the burden is completely with the ASM"³⁵. To move towards responsible gold production and processing, or for mines to become certified, it demands a high standard and requires a lot of time and investment. "The reality is that companies usually only involve the ASM directly when they are already fully certified. The result is that, worldwide, we now only have 10 or 15 mines that are actually certified."³⁶

In response to this reality, during the project, the partners developed the progressive ESG improvement criteria as a tool that would allow companies to already become involved at a basic threshold level, to offer pre-finance, while allowing mining to gradually improve." (Partner interview) In theory, this would allow the partners to hit two birds with one stone: on the one hand ensuring responsible gold supply is financed (ensure access-to-finance), while on the other hand, because of this growing supply, the partners could engage off-takers more easily to establish a sustainable demand for responsibly sourced gold (establish route-to-market).

As part of the progressive improvement model, the partners were able to identify what operational and management needs were present among the selected mines in order for them to improve along the ESG impact escalator. By determining the mining needs, it allowed the partners to introduce an investment model that would facilitate the procurement of the necessary operational equipment that the mines required to improve their ESG standards. There are two key components to this investment scheme: (1) finding a format that allows miners to eventually own the equipment themselves, and (2) embedding certain conditions towards responsible mining in the investment agreement that miners need to meet in order to claim the funds.

"The equipment was seen as an incentive towards improved best practices and the agreements with miners had these conditions in place to ensure their improvement. In principle, this was a great idea. It looked like a give and take. However, the application was not as smooth..."³⁷

In this case, we explore the format and conditions of the investment scheme that was tried and tested in the course of the ACL project. We will describe the different schemes that were introduced and address the considerations that contributed to the changes in investment approaches of the partners. The case will also describe how the challenging realities of responsible mining influenced certain decisions made over investment priorities, and how this affected the outcomes of the interventions.

³⁵ Interview consortium partner, Nov 2020

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2. Implementation: How was it done and who was involved?

After the initial assessments and benchmarks were set for the three mine sites by Solidaridad with support from The Impact Facility, the equipment needs were identified. The partners expected two types of equipment needs to be observed: (1) a processing and (2) a production equipment need. The production needs related to investments to get more rock out of the ground to start with (e.g. water pumps, jack hammers and drills). By contrast, the processing equipment is focused on what you do with the rock afterwards: how can you take the rock and crush it down more efficiently, reducing the amount of chemicals while still effectively liberating the gold.

The Impact Facility considered that with the limited budget it had available, it would provide the mines with shared access to a processing plant which will help to improve recovery from all the mines. This consists of a generator, centrifugal separator, a shaking table and a small pump to wash ore through the plant. This pump is not suitable for dewatering the mines. The plant helps improve the amount of gold that can be recovered from the ore and will allow a transition away from mercury use. The processing unit was placed at TLMA on account of its central location between the mining groups, which was perceived as generating the greatest demand on the system. An external partner was hired to overlook and coordinate the unit.

Over the course of the project, through a learning curve, the project explored and discussed three investment models associated with the procurement of mining equipment: (1) the first investment model explored was on a 'loan basis', (2) the second adapted model was geared towards a 'lease-to-ownership basis', and (3) the last model that was provided to the miners was on a 'pay-per-use basis' (used for the processing unit). The Table 26 provides an overview of the characteristics of each of the investment model that was tested.

Table 26: Investment models for ASM equipment procurement explored in ACL project

	Loan agreement	Lease-to-ownership agreement	Pay-per-use agreement
Investment model	Loan model	Lease model	Service model
Ownership	n/a	After mine has completed full number of repayments, mine shall be transferred full ownership of equipment.	The Impact Facility owns the equipment.
Repair costs	n/a	Mine is expected to cover costs of minor repairs.	The Impact Facility covers all costs of (reasonable) repairs.
Payment	n/a		
Grace periods	n/a	2 months every year upon legitimate reason	None
Purchase price	n/a	Calculated on basis of speed to which payments are made.	Small fee after 3 years

The Impact Facility, acting as the investment body, drafted a Memorandum of Understanding with each of the three ASMOs in 2018, stipulating the terms of agreement. This MoU explained that The Impact Facility would provide equipment in stages depending on its ability to finance equipment and the ASMO's ability to demonstrate improvements and make payments for the equipment.

3. Reflections: What have we learned from this experience?

A tension existed between the project ambition and the realities on the ground surfaces: as the partners set out to promote *responsible* mining, this entailed giving preference to procuring the processing equipment, rather than production equipment. This is because processing equipment would support miners to move away from using cyanide and mercury, two extremely hazardous toxins often also affecting children working at the mines. However, there was a difference between what the needs assessment of the mine sites identified in order to move up the ESG impact ladder (i.e. processing equipment), and what the miners themselves would prefer in support of their operations (i.e. production equipment). Only after the processing unit was procured, did discussions with miners bring to light that miners actually preferred access mostly to production equipment.

This created a mismatch of expectations and brought along 2 challenges: (1) the erosion of trust because the miners felt that the partners did not deliver what they wanted; and (2) a reduced appetite for using the processing unit. The interventions that followed, in support of the investment model of the equipment, were therefore challenged from the start. Any investment scheme that was introduced (be it a loan, lease or service model) to miners to take on the equipment proved ineffective. The miners were not willing to commit their time or financial and human resources into the unit.

Realizing the underutilization of the unit, partners engaged in numerous efforts to encourage the associations to participate: they organized different trials with the unit, they walked leadership through all the benefits, and they changed the cost structure of the equipment. But, in the end, the partners conclude: “we never reached a point where the equipment was used by a large number of miners on a regular basis.”³⁸ Even after the partners were able to prove that the processing unit would enhance the amount of gold recovered from ore by over 20%, the miners were still not using the unit.

“The manner in which the processing unit was brought to us, was coming from the top. The technology that was needed more, was in the production phase, not the processing phase. As the equipment we received is used in the final stage of processing, it was underutilized. If we could have boosted the production first, and then we would have had the processing unit, then it would have been utilized more.”³⁹

Different reasons were provided for the underutilization. Several arguments are brought forward by the endline evaluation:

- The key argument put forward is the fact that **expectations** were not met: the desire of the partners to support responsible ASM gold sourcing seemed to have overruled the immediate needs of the miners. This led to distrust and a level of disgruntlement among the miners⁴⁰, affecting their willingness to use the plant.
- Besides unfavourable attitudes and perspectives, **operational characteristics** might have contributed to the lack of utilisation as well. “The unit requires high throughput for the processing unit actually to benefit the miners. If they can’t meet that bulk, there is no incentive for the miners to travel the 1K to the processing center.”⁴¹ As production levels were at a low

³⁸ Interview consortium partner, Fairtrade

³⁹ FGD respondent, ASMO member

⁴⁰ Taking into account recent other contextual factors that had broken down trust among the miners with external stakeholders through engagement with investors.

⁴¹ Interview implementing partner, Nov 2020

at the time of the introduction of the unit due to heavy rain falls and later Covid-19, this influenced the need for the processing unit as well.

- The **operational set up** was also perceived as being influential in the effectiveness of the processing equipment. The location external to a producing mine site was perceived as less tempting for miners to access easily. Also, the partners appointed a manager to coordinate the processors locally. However, he was brought in from outside of the communities and was met with scepticism, and a sense of “The Impact Facility site is not our side”. Yet, the centralised processing unit was intended to be embedded in the communities. However, practically speaking, the unit was not owned by the community, as “miners wanted to have it in their name”. This brought in a whole new discussion for the partners in relation to setting determinants for preferred ownership and management structures.

4. Discussion, learning and impact: How can we apply this in the future?

- **Sequence of investment needs to be reconsidered:** in hindsight, partners concur that it might have been better to have prioritized in production equipment first as miners are “sceptical” or even “reluctant to buy into new ways of working”. Considering how to get the balance right to create good will with the mine sites and meeting their expectations while giving access to equipment that allows them to meet responsible considerations is key.
- **Ensuring community acceptance, trust and ownership over the investment model:** making sure that the operational set-up of the investment model is truly embedded in the needs and expectations of the users and surrounding communities. Due to negative experiences in the past, it is possible that willing participants will hold off out of fear or distrust. Ensuring that the right factors are in place to build that trust and engagement requires careful attention and time.
- **Finding consensus on the type of organization in support of unit is required:** on the one hand, a partner states that it is needed to set up one overarching well-functioning organization to create bulk and strong membership, while another partner says that there would be a preference to work directly with individuals (i.e. owners or investors). The reasoning for this is that partners have experienced that it seems to be easier for members of a cooperative to take a step back and not take responsibility. The preferred approach on how to engage with miners needs to be established before follow-up interventions are organized.