



## Mali Governance of Mining Sector (P164242)

AFRICA | Mali | Energy & Extractives Global Practice |  
IBRD/IDA | Investment Project Financing | FY 2019 | Seq No: 1 | ARCHIVED on 05-Nov-2019 | ISR38546 |

Implementing Agencies: Ministere des Mines et du Pétrole, Republic of Mali

### Key Dates

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Bank Approval Date: 21-Jun-2019

Effectiveness Date: 22-Oct-2019

Planned Mid Term Review Date: --

Actual Mid-Term Review Date:

Original Closing Date: 30-Jun-2024

Revised Closing Date: 30-Jun-2024

### Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The objective is to strengthen the capacity of the mining sector to contribute to Mali's medium-term growth and sustainable development objectives.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

### Components

Name

Component A: Creating conditions for growth and diversification of the mineral sector:(Cost \$19.00 M)

Component B: Strengthening Revenue Transparency and Governance:(Cost \$3.10 M)

Component C: Maximizing the Local Development Impact of Mining:(Cost \$12.40 M)

Component D: Contingency Emergency Response

Component E: Project Coordination:(Cost \$5.50 M)

### Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	--	● Satisfactory
Overall Implementation Progress (IP)	--	● Satisfactory
Overall Risk Rating	--	● High

### Implementation Status and Key Decisions

- Setting up of the steering committee: According to the legal covenants agreed upon during negotiations, the Government of Mali shall, no later than one month of project effectiveness, set up a Steering Committee to be chaired by the Minister of Mines and Petroleum and composed of representatives of key ministries and stakeholders. To date, this committee is not yet effective. During the implementation mission in August 2019, the World Bank team encouraged the Minister of Mines and Petroleum to make diligent arrangements for the setup of this committee as soon as possible.
- Support for artisanal mining and small-scale mining through the review of geo-scientific data and the establishment of a synergy with mining and research companies in order to define target areas for gold panning and small-scale mining: During the implementation



mission in August 2019, the World Bank team suggested that the Ministry of Mines and Petroleum submit the ToRs for this activity and the signature of the multiparty agreement for the pilot phase.

3. Review of Mali's mining taxation and recommendations in relation to models implemented by other African mining countries and international practices: The new Malian Mining Code was approved by the Council of Ministers, but raises concerns from the private sector. For this reason, ToRs will be prepared to focus on implementing legislation and examining points of disagreement on taxation and other provisions of the Code, as well as the specific case of the taxation of gold panning. The World Bank team recommended to hire an international consultant to assist the Ministry of Mines and Petroleum in the drafting of the implementing regulations for the new Mining Code.
4. Feasibility study for the establishment of an incubation center to help Malian national operators succeed in mining entrepreneurship: ToRs of this incubation center has been prepared and submitted to the World Bank team.
5. Strategic Environmental Assessment (SEA) of the mining sector and Environmental and Social Management Framework (ESMF) of the project: Because of the specificity of the project, not only should the ToRs of this work be approved by the World Bank, but also that a working session be held between the World Bank and the Ministry to agree on the directions to be given to the ESMF. In addition, ToRs of the work needs to be approved before recruitment of consultants. The World Bank team recommended that the recruitment process be accelerated and finalized by October 31, 2019.
6. Study on the establishment of a mine to power synergy to assess the energy needs of mining companies and the local community and propose a plan for the operationalization of the "Power of the Mine" concept: The World Bank team recommended that the ToRs be submitted to IDA by October 31, 2019.
7. Study on the traceability of income from the mining sector and support for the EITI validation process: ToRs are being prepared for traceability study, with a focus on auditing the revenues of extractive industries in decentralised localities, assessing their impact on local development, and making appropriate recommendations. On the EITI validation side, PPA will be used in part to hire a consultant to finalise the 2017 and 2018 EITI reports.
8. Establishment of the Project Implementation Unit (PIU): The ToRs of the fiduciary (procurement and financial management) and technical (extractive industries coordinator and specialist) teams were reviewed and approved by IDA. The recruitment advice was published as required. The recruitment advice was published as required. Based on the chronograms submitted by PAAR Unit, the recruitment process will be completed before before October 31, 2019.
9. Arrangement of the project headquarters: It was decided to give priority to renting an office rather than renovating the premises initially identified. The World Bank team recommended that the process be accelerated and that the lease agreement be signed.
10. Acquisition of operating vehicles and office equipment for the PIU: The World Bank team recommended the preparation of files relating to the acquisition of office equipment and furniture.
11. Multi-stakeholder partnership: During the implementation mission in August 2019, the parties agreed to sign the multipartite memorandum of understanding on the pilot project on the organization of gold panning in the Lolou mine and the local development of the surrounding communities. The World Bank team recommended that the Ministry proceed with the implementation of activities related to this agreement as part of the PPA. To this end, the ToRs on mining and electricity synergy and the ToRs on the organization of gold panning must be submitted to the Bank for approval.

## Risks

### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	● High	--	● High
Macroeconomic	● Substantial	--	● Substantial
Sector Strategies and Policies	● Moderate	--	● Moderate
Technical Design of Project or Program	● Moderate	--	● Moderate
Institutional Capacity for Implementation and Sustainability	● High	--	● High
Fiduciary	● High	--	● High
Environment and Social	● Moderate	--	● Moderate
Stakeholders	● High	--	● High
Other	● High	--	● High

Overall ● High -- ● High

## Results

### PDO Indicators by Objectives / Outcomes

Create the conditions for growth and diversification of the mineral sector				
<b>► Share of high-potential sheets covered by airborne or ground geophysical survey (Percentage, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	25.00	--	25.00	40.00
Date	13-Feb-2019	--	12-Sep-2019	16-Sep-2024
Comments:	Extent of knowledge of mineral potential hosted by greenstone belts			
<b>► Mining policy and regulatory framework attractiveness for sustainable investments (Fraser Institute Index) (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	50.40	--	50.40	60.00
Date	11-Mar-2019	--	12-Sep-2019	14-Sep-2022
Comments:	This indicator measures the adequacy of the regulatory framework for sustainable investment in exploration and mining development			
<b>► Satisfactory institutional effectiveness rating (Yes/No, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	11-Mar-2019	--	12-Sep-2019	14-Sep-2022
Comments:	Independent annual assessment of the overall effectiveness of the Ministry of Mines and Petroleum based on evaluation of progress toward reaching the outcomes of the Results Framework and on results of customer satisfaction survey.			
<b>► Resource Governance Index (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	53.00	--	53.00	75.00
Date	14-Feb-2019	--	12-Sep-2019	16-Sep-2024
Comments:	This index is published annually by the Natural Resource Governance Institute. It measures the quality of resource governance in 81 countries. It is the product of 89 country assessments (eight countries were assessed in two sectors), compiled by 150 researchers, using almost 10,000 supporting documents to answer 149 questions.			
<b>► Proportion of women in mining supported by the project (Percentage, Custom)</b>				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	30.00
Date	13-Feb-2019	--	12-Sep-2019	16-Sep-2024
Comments:	Extent of support for women empowerment in the mining sector			
<b>►Number of artisanal mining cooperatives established and supported by the project (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	200.00
Date	11-Mar-2019	--	12-Sep-2019	30-Jun-2022
Comments:	Extent of project support for formalization of ASM			

### Intermediate Results Indicators by Components

Component A: Creating the Conditions for Growth and Diversification of the Mineral Sector				
<b>►Geological attractiveness for investment (available number of area maps surveyed at scale of 1:200 000 for mining investment promotion) (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	80.00	--	80.00	130.00
Date	13-Feb-2019	--	12-Sep-2019	16-Sep-2024
Comments:	Access to geological information for investors interested in exploration			
<b>►Regulatory capacity (average processing time of mining title application) (Days, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	180.00	--	180.00	30.00
Date	13-Feb-2019	--	12-Sep-2019	16-Sep-2024
Comments:	This indicator measures government's efficiency in providing access to mineral resources			
<b>►Average number of annual health, safety, environmental and social compliance inspections for each active mining operation (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	--	1.00	4.00
Date	29-Jun-2018	--	12-Sep-2019	31-Dec-2021
Comments:	This indicator measures the government's capacity to monitor mining operations			



► Establishment and operationalization of Inter-Ministerial Mine Coordination Unit (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	29-Jun-2018	--	12-Sep-2019	16-Sep-2024
Comments:	This indicators measures the government's capacity to formulate policies and negotiate mining agreements			

Component B: Strengthening Revenue Transparency and Governance				
► Number of mining localities with completed strategic development plans that integrate mining EI revenues (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	6.00
Date	29-Jun-2018	--	12-Sep-2019	31-Dec-2021
► Establishment of an online platform for EI revenue data integration and monitoring at local and central levels (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	12-Jun-2019	--	12-Sep-2019	31-Dec-2021
► Representation of women in community-based management committees (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10.00	--	10.00	30.00
Date	23-Jan-2019	--	12-Sep-2019	31-Dec-2021
Comments:	This indicator measures the extent of women's voice and accountability in extractive revenue management			
► Annual publication of compliant EITI reports incorporating ASM revenue and disaggregated local revenue (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	14-Feb-2019	--	12-Sep-2019	16-Sep-2024
Comments:	Indicator of transparency of mining revenues received at local and central levels			
► Consultation and debates on the governance and transparency diligently documented and publicly disclosed (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	5.00



Date	28-May-2019	--	12-Sep-2019	28-Jun-2024
Comments:	Consultation and debates related to the governance and transparency of social payments, corporate social responsibility, and other contextual data related to the extractive sector need to be well documented and publicly disclosed with full access to citizens.			
	►Feedback received from public consultations and debates have been incorporated in the upcoming Mali EITI report, as well as the mining sector beneficial ownership road map (Yes/No, Custom)			
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	28-May-2019	--	12-Sep-2019	28-Jun-2024
Comments:	Feedback received from public consultations and debates will be incorporated in the next Mali EITI report, as well as the mining sector beneficial ownership road map to be developed and implemented under the scope of this proposed project.			

### Component C: Maximizing the Local Development Impact of Mining

►Number of registered and active ASM cooperatives, SMEs or associations as a result of the project formalization initiatives (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	100.00	--	100.00	400.00
Date	29-Jun-2018	--	12-Sep-2019	31-Dec-2021

►Number of women supported through associations to establish and operate value-added industries (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	500.00
Date	12-Jun-2019	--	12-Sep-2019	31-Dec-2021

Comments: Extent of project support of economic empowerment of women

►Number of mining companies signing on to multi-stakeholder initiatives for power and mining integration (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	3.00
Date	12-Jun-2018	--	12-Sep-2019	16-Sep-2024

Comments: Extent of operationalization of the Power of the Mine Initiative to improve energy access in rural areas

►Number of women supported to participate in alternative livelihood activities (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	300.00
Date	12-Jun-2018	--	12-Sep-2019	16-Sep-2024



Comments: Extent of project support of economic empowerment of women

## Data on Financial Performance

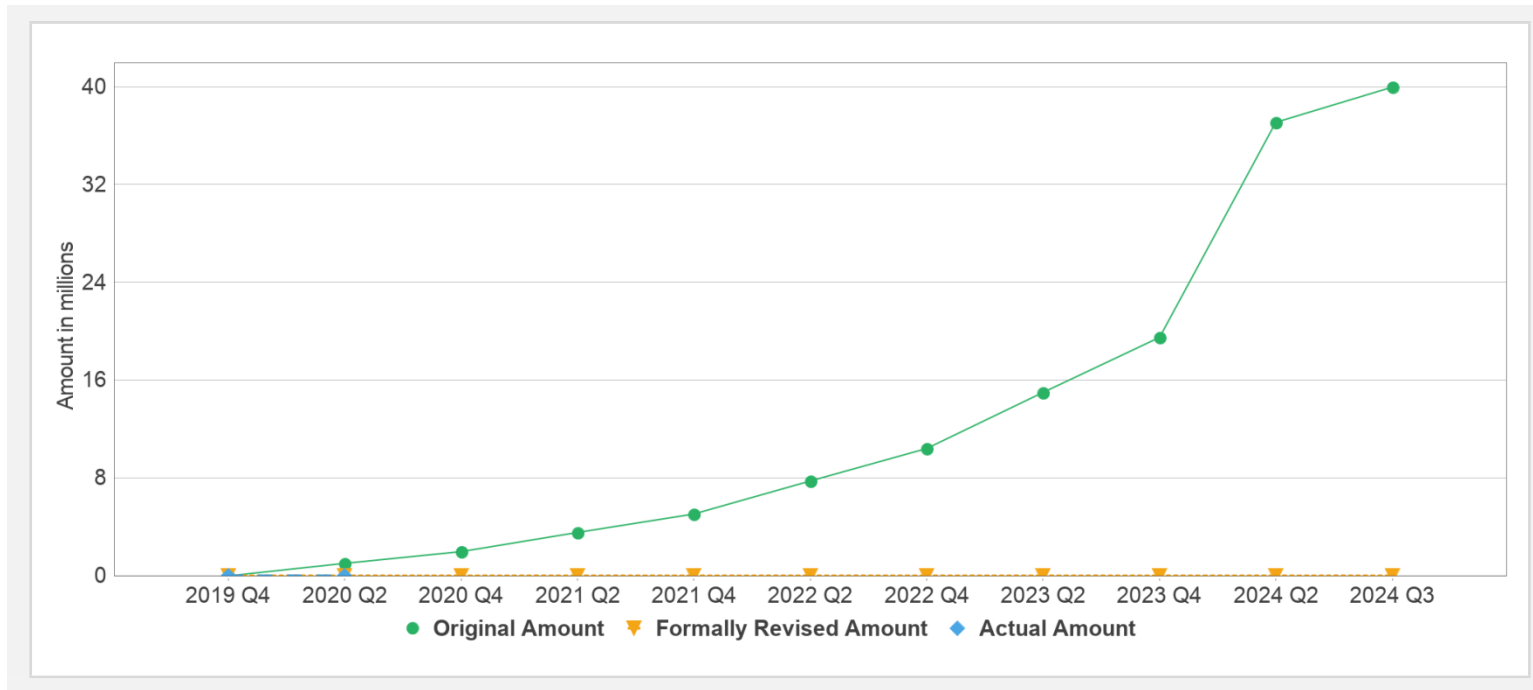
### Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P164242	IDA-64470	Effective	USD	40.00	40.00	0.00	0.00	39.65	0%

### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P164242	IDA-64470	Effective	21-Jun-2019	12-Jul-2019	22-Oct-2019	30-Jun-2024	30-Jun-2024

### Cumulative Disbursements





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## Restructuring History

There has been no restructuring to date.

## Related Project(s)

There are no related projects.

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