



## 1. Project Data

<b>Project ID</b> P164242	<b>Project Name</b> Mali Governance of Mining Sector	
<b>Country</b> Mali	<b>Practice Area(Lead)</b> Energy & Extractives	
<b>L/C/TF Number(s)</b> IDA-64470	<b>Closing Date (Original)</b> 30-Jun-2024	<b>Total Project Cost (USD)</b> 18,353,270.02
<b>Bank Approval Date</b> 21-Jun-2019	<b>Closing Date (Actual)</b> 30-Jun-2024	
	<b>IBRD/IDA (USD)</b>	<b>Grants (USD)</b>
Original Commitment	40,000,000.00	0.00
Revised Commitment	21,365,045.08	0.00
Actual	18,353,270.02	0.00

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## 2. Project Objectives and Components

### a. Objectives

According to the International Development Association (IDA) Financing Agreement (p.4) dated July 12, 2019, and the Project Appraisal Document (PAD, p.19) the project development objective (PDO) was “to strengthen the capacity of the mining sector to contribute to Mali’s medium-term growth and sustainable development objectives”.



The performance of the project is assessed based on the first part of the PDO (to strengthen the capacity of the mining sector) since medium-term growth and sustainable development are higher level objectives.

During the implementation the PDO was not revised. However, one of the PDO indicators and its target was dropped and a new indicator with new a target was introduced at the project's first restructuring. Although this would imply a split assessment of the project outcome, it was not conducted, since the efficacy rating of the project's objective is the same before and after the first restructuring. Therefore, even if applied, a split assessment would not have an impact on the overall outcome rating.

**b. Were the project objectives/key associated outcome targets revised during implementation?**

Yes

**Did the Board approve the revised objectives/key associated outcome targets?**

No

**c. Will a split evaluation be undertaken?**

No

**d. Components**

The Governance of Mining Sector Project (PGSM) consisted of five components:

**Component A: Creating conditions for growth and diversification of the mineral sector** (Appraisal: US\$19 million; First restructuring: US\$8.5 million; Second restructuring: US\$6.3 million; Actual Cost: US\$4.42 million): This component was to support building the Government's institutional capacity for sustainable management of the mineral sector. It consisted of three subcomponents: **Subcomponent A1: Improving geological coverage to support mining growth and diversification.** This subcomponent was to improve geological knowledge to promote new gold potential and attract investment into non-gold minerals to diversifying mineral production. The activities involved: detailed geological mapping (ground geophysical survey) and associated capacity building in 20 areas designated as Artisanal Small-scale Mining (ASM) corridors, regional geological mapping (airborne geophysical survey) at 1/200,000 scale covering 16 sheets of high-potential localities and design and implementation of geodata-use protocols for transparency and efficiency of end uses for data. **Subcomponent A2: Updating the policy and regulatory framework in support of mining diversification.** The activities were to cover updating of the mining policies and regulations to encourage exploration investments outside the gold sector; drafting specific environmental, social, health, and safety regulations and preparing a policy and regulatory framework for ASM. **Subcomponent A3: Strengthening institutional arrangements and capacity for efficient management of the mineral sector.** This subcomponent was to support improvement of regulatory management of the sector and provide capacity building support to the senior ministry staff and to the Inter-ministerial Mining Unit on contract negotiations.

**Component B: Strengthening revenue transparency and governance** (Appraisal: US\$3.1 million; Actual Cost: US\$2.5 million): This component was to provide support for improvement of extractive revenue transparency at the national and local levels, and for building the capacity of local governments to manage revenues from extractive industries and other revenues received pursuant to the Agreement of Peace and Reconciliation. **Subcomponent B1: Improving extractive revenue transparency.** The activities (provision of consulting services, outreach activities and studies) under this subcomponent were to support the



Extractive Industries Transparency Initiative (EITI)-Mali secretariat in (a) enhancing the disclosure mechanism for subnational transfers to reinforce revenue reconciliation activities in Mali; (b) developing and implementing a mining sector beneficial ownership road map; and (c) integrating ASM sector data into EITI reports to improve transparency of revenues from artisanal mining. **Subcomponent B2: Promoting social accountability and direct citizen engagement.** This subcomponent was to support the EITI-Mali secretariat to strengthen social accountability and participatory decision making about revenue management. This was to be achieved through: a) funding the technical feasibility study and the implementation of the integration of extractive industry (EI) data into a digital platform encompassing all data on the extractive sector (tax data, public treasures, customs, and so) and (b) supporting the cost of promoting public awareness of extractive revenue data through debates on the governance and transparency of social payments, corporate social responsibility, and other contextual data related to the extractive sector.

**Component C: Maximizing the local development impact of the mining sector** (Appraisal: US\$12.4 million; First restructuring: US\$7.9 million; Second restructuring: US\$6.6 million; Actual Cost: US\$6.6 million): This component was to contribute to maximization of economic impact of mining and distribution of benefits. **Subcomponent C1: Promoting responsible development of small-scale and artisanal mining.** The key activities were to include building the capacity of the Ministry of Mines and Petroleum to (a) provide technical (geological and mining) advisory services to promote orderly and responsible ASM development; (b) acquire and set up demonstration units to train miners and demonstrate acceptable ASM practices; and (c) conduct ASM environmental monitoring, including regular measuring of water pollution in ASM areas. **Subcomponent C2: Maximizing mining-led local development.** The activities were to assist the government in strengthening select local entities' capacity to manage mining revenues and provision of TA to maximize local development derived from mining activities. Lastly a strategic framework was to be developed to leverage solar power investments plans and to improve local communities' access to clean energy access in mining areas. **Subcomponent C3: Economic empowerment of women and youth in mining.** To address gender gaps in Mali's ASM sector and youth unemployment, this subcomponent was to support economic empowerment of women and youth in artisanal mining by (a) supporting two women miners associations through capacity building and training (b) training mining youth groups in non-mining occupations as alternative livelihoods (such as reclamation, restoration, and conversion of previously mined ASM sites into vegetable farming cooperatives); and (c) supporting the outreach activities of organizations involved in awareness-raising and prevention of resource conflicts at the community level and GBV in mining areas.

**Component D: Contingency emergency response** (US\$0.00): The component allocated US\$0 funding for contingency, but if an emergency was to occur, funding was to be reallocated to the component from other components.

**Component E: Project coordination** (Appraisal: US\$5.5 million; Second restructuring: US\$4.0 million; Actual Cost: US\$4.6 million). This component was to finance activities for strengthening the capacity of the government of Mali (GoM) in project management, fiduciary management, safeguard management, and monitoring and evaluation.

**Revised components:** The first restructuring of the project primarily revised Component A. The activities of geophysical survey planned for the western and southern parts of the country and the detailed geological mapping were dropped mainly due to insecurities and coup d'états. In order to continue with the mapping activities, a substitute mapping approach using satellite remote sensing data was to be performed in two small, selected areas without field verification and security risks on the ground. In line with this change,



instead of large coverage detailed mapping for multiple minerals, new areas of interest were defined to focus on strategic and critical metals that are the foundations for the development of the “green economy” and the development of analytical prospection of lithium and rare earth elements (REE) which are critical for energy transition and are in short supply globally. In line with these changes, the restructuring reduced the total estimated cost of Component A from US\$19 million to US\$8.5 million and also reduced the total estimated cost of Component C from US\$12.40 million to US\$7.90 million. The second restructuring of the project further cancelled US\$5 million of Component A due to the difficulties in implementing the geoscience component, mainly the survey activities.

#### **e. Comments on Project Cost, Financing, Borrower Contribution, and Dates**

**Project cost:** The project cost was originally estimated at US\$40 million. It was reduced to US\$25 million at the first restructuring and then to US\$20 million at the second restructuring. The actual cost at project closing was US\$18.56 million. The difference between the estimated cost and the actual cost was US\$1.44, and this was cancelled and undisbursed (Meeting with the Task Team Leader-TTL, November 17, 2025).

**Financing:** The IDA credit amount estimated at appraisal was €35.7 million (US\$40 million equivalent) and This amount included a Project Preparation Advance (PPA) Facility of US\$1.5 million to support the initial project preparation and management, procurement of office equipment, and safeguards related studies, including the preparation of the Strategic Environmental and Social Assessment (SESA).

**Borrower contribution:** At appraisal, no borrower contribution was foreseen, and none had materialized by the closing date.

**Restructurings:** The project had two Level 2 restructurings.

- **Restructuring No. 1 (May 22, 2023):** The project implementation was negatively impacted by challenging security conditions, coup d’etats, and the political economy of mining sector which resulted in a low disbursement rate of the project (according to the first restructuring paper, there was political sensitivities around geosciences in Mali making related activities to be subject of multiple ad hoc and reluctant reviews sometimes from highest levels. Considering the closing date (June 30, 2024), remaining time for implementation was not sufficient to complete the planned project activities and reach a full disbursement. In this regard, some of the activities under Components A and C were cancelled while new activities which could be completed during the remaining implementation period were added. These included: geological surveys for prospecting work on lithium indices and rare earths in the southern zone of Mali; equipment acquisition for subsoil sampling equipment and geoscientific materials; preliminary studies such as the exploitation of the natural hydrogen potential, impact assessment of mining on the health of local residents and analysis of pollution sources; development of basic rural health care plan linked to mines, establishment of data management systems at the DNGM; and additional training on as Mine-Health, geology, environmental management; regulatory aspects; and technical support to the PDRM Laboratory. Accordingly, the total estimated cost of the project was reduced by US\$15 million (US\$ 10.5 million from Component A and US\$4.5 million from Component C). In addition, to align with the new mapping methodology adopted for sub-component A1, the PDO Indicator 1 (share of high-potential sheets covered by airborne or ground geophysical survey) was replaced by a new PDO formulated as “Share of high-potential areas for green minerals covered by airborne or ground geophysical survey” (target:10%). Along the same line, the intermediate result indicator related to



geological attractiveness for investment (available number of area maps surveyed at a scale of 1:200 000 for mining investment promotion) was replaced by a newly formulated indicator as “available number of area maps surveyed at a scale of 1:100 000 using satellite imagery for mining investment promotion” (target: 110).

- **Restructuring No. 2 (June 26, 2024):** Due to several external and persistent constraints that negatively affected project implementation, including insecurity and the political economy of mining in Mali, some of the activities could not be implemented resulting in a low project disbursement rate. In this context, US\$5 million of project funds were cancelled. With the cancellation, the cost of Component A was further reduced from US\$8.5 million to US\$6.30 million, the cost of Component C from US\$7.90 million to US\$6.6 million and Component E from US\$5.50 million to US\$4 million. As a result, the total cost of the project was reduced from US\$25 million to US\$20 million. The following activities were not implemented: Geographical survey on lithium indices, rare earths in the southern Mali, test for geological mapping of the Diolia sheet, acquisition of drilling equipment, preliminary studies for exploitation of the natural hydrogen potential, drafting procedures for the rehabilitation and closure of mining sites, national regulations on the management of chemicals and civil explosives and accessories, creation of a modern mining cadastre at the DNGM, institutional and regulatory capacities strengthening the management of the ASM gold sector, the creation of a technical ASM unit, and diagnostic study and evaluation of potential and the installation of a pilot gold ASM corridor in the Kobada area.

**Dates:** The project was approved on June 21, 2019, and became effective on October 22, 2019. The mid-term review was conducted in February 2023. The project closed on June 30, 2024 without any extension of the implementation period.

### 3. Relevance of Objectives

#### Rationale

**Country context:** Mali is a low-income country with a non-diversified economy that is vulnerable to commodity price fluctuations and climate change. Mali has historically relied on mining as a driver of economic growth. The mining sector has the potential to make a significant contribution to the sustainable development objectives of the Government of Mali (GoM). Despite its potential, the performance of the sector has been challenged by several factors including: insufficient geoscientific data limiting new investment opportunities, the slow pace of investment in exploration and mining development, inadequate institutional capacity to properly manage the sector and informality and environmental and social risks associated with ASM sector. With its significant potential and its challenges, the mining sector has been a priority area for policy support by the Government. In 2018, the Government updated the mining policy to diversify and integrate mining production into the economy as a factor of sustainable development, as well as to meet the challenges of governance, transparency, and protection of the environment. The new mining policy also aimed to establish an enabling environment for private sector development. In this context of the country, the PDO of the project was well aligned with the priorities and strategies of the GoM. In addition, the PDO was in line with the Mali Strategic Framework for Economic Recovery and Sustainable Development (CREDD). Overall, CREDD aimed to reduce the incidence of poverty from 44.9 percent in 2017 to 40 percent in 2023 and mining was one of the key sectors expected to enable Mali to achieve this objective.



**The World Bank strategy:** The PDO was well aligned with the World Bank Group’s Country Partnership Framework (CPF) of Mali for the period of FY16–FY19. The CPF remained valid until 2021. The Country Engagement Note (CEN) FY 2022 was under preparation until the project’s closure (ICR, p.8). The project’s Objective was in line with the CPF’s Focus Area 1 (Improve Governance) Objective 1.1 (Improve Public Resources Management at Central and Local Levels) as it aimed to develop institutional capacity to manage the sector and to improve sector policies and regulations. This PDO also supported the CPF’s second focus area (Create Economic Opportunities) by promoting gender inclusiveness in the mining sector through gender focused activities. In this regard, the PDO was also consistent with the World Bank Group’s Gender Strategy for FY16–FY23 (World Bank Group Gender Equality, Poverty Reduction, and Inclusive Growth) which targeted improving human endowments, removing constraints for more and better jobs, removing barriers to ownership and control of productive assets, and enhancing women’s voice and agency and engaging men and boys. In addition, since the project aimed to achieve effective government revenue collection, support livelihoods of communities involved in the mining sector and improve local level governance in terms of better allocation of subnational revenues from mining activity, it was well aligned with the CEN’s two focus areas, namely: support a resilient recovery; and strengthen basic service delivery.

**Previous sector experience:** The Bank previously supported Mali in revising its mining code and further development and strengthening of the institutional and governance framework for mining. The Bank had also supported Mali’s commitment to comply with EITI standards. In 2015, the Legal and Technical Negotiation Support Project (P149445) and the First Post-Compliance: EITI Implementation Project (P143834) helped inform the country needs, the mining sector authorities’ appetite for reforms, and the climate for partnerships with the private sector. Building on previous experience, the PDO involved two parts and was pitched at two different levels. First part of the PDO (to strengthen the capacity of the mining sector) was at output level, whereas the second part (to contribute to the medium-term growth and sustainable development objectives) was at higher lever (result of which could only be assessed at medium or long term). The PGSM project complemented the Mali Deployment of State Resources for Better Service Delivery Project (P164561) which focused on tackling institutional reforms, involved empowerment of the local government to better manage available resources for local development. While the Deployment of State Resources project was to focus on enhancing the administrative capacity of local governments to foster better planning and use of overall resources, the PGSM was to complement those activities with a specific focus on extractive revenues. In this context the first part of the PDO was consistent with the country context and the previous sector experience of the WB.

Overall, the PDO was well aligned with the priorities and the strategies of the GoM and the WB. The project was built on the previous sector experience on improving legal and institutional framework. On the other hand, the objective of contributing to the medium-term growth and sustainable development objectives through capacity building only was fairly challenging and difficult to assess. Based on this assessment the relevance of objectives is rated as Substantial.

## **Rating**

Substantial

## **4. Achievement of Objectives (Efficacy)**



## OBJECTIVE 1

### Objective

To strengthen the capacity of the mining sector (to contribute to Mali's medium-term growth and sustainable development objectives)

### Rationale

**Theory of Change:** The project **inputs** were to be used to finance the project activities consisting of the following: development of detailed geological mapping, regional geological mapping, design and implementation of geodata-use protocols, acquisition of subsoil sampling equipment and geoscientific materials for the DNGM; purchases of logistical equipment; strengthening the capacities of the ENI Geology laboratory; updating mining policies and regulations and drafting specific regulations, reviewing organizational structures, provision of capacity building for ministry staff, provision of consultancy, outreach activities and studies on sector governance to EITI-Mali Secretariat, provision of technical assistance (TA) to miners, for orderly and responsible ASM development, acquiring and setting up demonstration units to train miners conducting ASM environmental monitoring, provision of TA to local authorities, provision of TA to two women miner's associations on non-mining occupations and provision of training mining youth groups in non-mining occupations as alternative livelihoods. These activities were expected to lead to **outputs** of improved geological coverage to support mining growth and diversification, updated and improved regulatory and policy framework, developed road map for mining sector beneficial ownership, enhanced disclosure mechanism for sub-national transfers, a unit dedicated to ASM within the Ministry of Mines established and ASM sector data integrated in EITI reports. In addition, with specific focus on women empowerment the activities would result in participation of women in ASM value chain and taking part in decision making in mining revenue management. It was expected that these outputs would result in outcomes of increased efficiency in management of mining sector, improved extractive revenue transparency at the national and local levels, and capacity of local governments to manage revenues from extractives. It was expected that these outcomes would contribute to the medium-term economic growth and sustainable development objectives at the impact level. Accordingly, in the longer term, this was expected to support reduced poverty and shared prosperity.

The PDO formulation was broad. The direct contribution of capacity building to mid-term growth and sustainable development objectives is hard to assess and not easily measurable. On the other hand, the casual links among activities, outputs and outcomes were direct and achieved results would be attributable to the activities implemented. The theory of change was mostly reflected in the results framework. However, the results framework lacked indicators to capture the following: institutional reforms, particularly the creation of a unit dedicated to ASM within the Ministry of Mines, the establishment of pilot gold panning centers for the training of formalized mining cooperations, and the provision of equipment and materials.

### Outputs:

- Outputs in relation to creating conditions for growth and diversification of the mining sector:
  - By project closing a total of 81 area maps were surveyed at scale of 1:100 000 using satellite imagery against the target of 110 maps (indicator introduced at the first restructuring of the project). This indicator was to assess the geological attractiveness for investment. Target was not achieved.



- The average processing time of mining title applications reached 130 days (down from 180 at baseline), not achieving the target of 30 days.
- With the TA and capacity building provided within the scope of the project, average number of annual health safety, environmental and social compliance inspections reached 10 while exceeding the target of 4 inspections. The project also supported establishment and operationalization of Inter-Ministerial Mine Coordination Unit which would formulate policies and negotiate mining agreements.
- **Outputs in relation to revenue transparency and its governance:**
  - Strategic development plans that integrate mining extractive industry (EI) revenues for 11 mining localities were developed, exceeding the target of 6.. To increase transparency and accountability, the project supported the development of an online platform for EI revenue data integration and monitoring at local and central levels. During the implementation, 39 consultations and debates (documented and publicly disclosed) were conducted on governance and transparency against the target of 5 consultation meetings. Feedback from these consultations and debates were incorporated in the upcoming Mali EITI reports and mining sector beneficial ownership road map.
  - The target for ‘Annual Publication of EITI Reports Incorporating ASM revenue and Disaggregated Local Revenues’ was partially achieved. The 2016 EITI Report and subsequent reports recommended the Government to carry out an ASM scoping study to integrate the ASM sector into the EITI reporting scope. The ICR (p.9) states that the EITI reports from 2019 to 2022 included subnational transfers for the local business tax (patente) for three regions (Kayes, Sikaso, and Koulikoro) and disaggregated for 24 localities. The other two local revenue streams (taxe de voirie’ and ‘cotisation à la chambre des mines’) which are much less significant were reported at aggregated level. Two EITI reports (2020, 2021) did not include revenue data.
- **Outputs in relation to local development impact on mining:**
  - As a result of the project’s formalization initiatives, the number of registered and active ASM cooperatives, SMEs or associations increased from 100 to 402 while achieving the target of 400.
  - Two mining companies signed on to multi-stakeholder initiatives for power and mining integration. The target of three companies was not achieved.
  - The project supported the improvement of living conditions of local populations and promoted inclusion of women and young people in decision-making. In this context, over 6,400 women received support through the associations to establish and operate value-added industries, exceeding the target of 500. In addition, over 3,500 women were supported through the project to participate in alternative livelihood activities, exceeding the target of 300. By project closing, the rate of representation of women in community-based management committees was 30%. The target of 30% was achieved.

**Additional project outputs reported in the ICR but not covered in the RF, and hence without targets:**

- The project provided training on the 2019 EITI Standard which enhanced the capacities of mining sector stakeholders to increase transparency and accountability. The project enabled Mali to produce seven EITI reports that were overdue to avoid suspension by the EITI Board (ICR, p.15).



- The project carried out a study on the traceability of mining revenues. The study identified potential leakage points in the mining revenue collection chain and proposed measures to combat corruption.
- The project provided training to 30 agents from DNGM to use specialized software in mapping and geological analysis and established two laboratories.
- The project financed Mali's first Strategic SESA of the mining sector to assess the sector's environmental, social, health and safety impacts. It also diagnosed the political, institutional and legislative framework relating to environmental governance and the mining sector. The report identified gaps in the sector's policy and environmental regulatory frameworks. Accordingly, SESA provided twenty-eight recommendations and seventeen recommendations out of these were selected for implementation by the Malines authorities.
- The project supported development of two draft decrees to strengthen environmental management. These were: a decree on the import, export, transit, transport, manufacture, storage, sale, use, and management of chemical products; and a decree on the regulation of the import, export, transit, transport, manufacture, storage, sale, use and management of civil and incidental explosive substances in mining in the Republic of Mali.
- The project supported acquisition of topological, geophysical equipment, laboratory material and equipment, specific equipment for environmental monitoring for relevant institutions including DNGM and ENI.
- The project financed micro-projects formulated by 40 beneficiary women cooperatives; total cost was around US\$533,333. More than half of this amount was invested in the procurement of materials and equipment for the extraction, cutting, polishing and setting of precious and fine stones. The equipment enabled beneficiaries to access income-generating activities and improve their living conditions.

#### **Outcomes:**

- The Fraser Institute Index (representing mining policy and regulatory framework attractiveness for sustainable investments) was 39.13% at project closing, not achieving the target of 60%. IEG was informed by the project team (Nov 17, 2025) that the value had reached 57.42% in 2022, but after political shifts that halted the mining policy reform talks, the index fell to 30.04% in 2022 and rose to 39.13% in 2024.
- An independent assessment of the overall effectiveness of the Ministry of Mines and Petroleum was conducted in line with the CPF's aim to improve governance structures, achieving the target of satisfactory institutional effectiveness (yes/no). Independent firms confirmed that the Ministry of Mines and Petroleum has "satisfactory institutional effectiveness rating". Achievement of this target is an indication of effective governance within the Ministry of Mines and Petroleum for managing resources and implementing policies that benefit the mining sector and the broader economy.
- By June 2024, according to the reports prepared by independent consultants, Mali scored 65 in resource governance index. While this was an improvement from the baseline score of 53, the target of 75 was not achieved. Overall, positive trends were noted in line with the PGSM support. This index is published by the Resource Governance Institute every four years. It measures the quality of resource governance in 81 countries (ICR, p.23). The ICR states that the reason for not achieving this target was due to the government policy changes which resulted in increasing its control in the sector over the last two years.
- The proportion of women in mining supported by the project was 32%, exceeding the target of 30%.
- The PGSM supported the establishment of 402 artisanal mining cooperatives through capacity building and TA, exceeding the target of establishing 200 cooperatives.



- The share of high-potential areas for green minerals covered by airborne or ground geophysical surveys (new indicator introduced at the project’s first restructuring) did not change. No progress could be reported regarding this indicator against the target of 10%.

The project contributed to building capacities in the relevant local and central institutions. The project’s support for local governance improvement, ASM formalization and institutional support contributed to EITI implementation as well. However, there were significant shortcomings in achievement of two key outcome indicators (resource governance index and fraiser institute index) and no progress against the newly introduced PDO indicator on share of high potential areas for green mineral surveyed. In addition, there is insufficient evidence for contribution of strengthened capacities to the achievement of the higher-level objective of medium-term growth and sustainable development objectives. Based on this assessment the efficacy of the objective is rated Modest.

**Rating**  
Modest

## OVERALL EFFICACY

### Rationale

In addition to low achievement with respect to key PDO indicators, there is also insufficient evidence for contribution of strengthened capacities to the achievement of the higher-level objective of medium-term growth and sustainable development objectives.

**Overall Efficacy Rating**  
Modest

**Primary Reason**  
Insufficient evidence

## 5. Efficiency

**Economic and financial analysis:** An economic and financial analysis was not conducted at appraisal since the project activities were composed of TA and acquisition of some laboratory materials and equipment which were difficult to quantify. However, at appraisal a qualitative review of sector outlook indicated a positive potential return from investment in sector reforms. As a result of project activities, increase in annual sector growth and increase in revenues from growth of large-scale mining production, formalized small-scale mining operations and increase in household income from small-scale mining activities were expected. At the time of appraisal, Mali had 13 operating mines, four projects under construction, five projects in advanced feasibility, 10 projects in development phase, and about 100 projects in exploration. It was expected that the sector reforms could accelerate the transformation rate from a mine prospect to a mining operation. In 2023, there were more than fourteen mining companies in exploration phase and sixteen in production. As of 2023, gold production in Mali still represented 95.6 percent of extractive production with a production value of US\$3.21 billion. In 2019,



the national treasury received US\$568 million in revenues versus US\$992 million in 2023 revenues from the extractive sector representing an improvement from the condition at appraisal.

**Administrative and operational efficiency:** During the implementation, there were challenges with mobilizing international firms specializing in geoscience because of the prevailing insecurity in the country; the sanctions imposed after two coup d'etats; the political sensitivities around geosciences in the country and lastly COVID-19 impacted the project negatively and resulted in implementation delays. In addition, the project's multi-dimensional design added complexity to implementation and created challenges (see sections on Lessons and Quality at Entry). Also, the project faced some challenges in relation to procurement of services due to double approval processes and delays in preparation of terms references (TORs). On the implementation agency side, the splitting of the ministry for mines and petroleum into two ministries resulted in capacity loss and affected implementation progress. On the WB side, there were challenges with supervision of the project primarily due to the turnover of task team leaders which affected continuity and consistent follow-up on technical issues. The ICR (p.16) reports that there was a significant period of the project's implementation during which there was no World Bank TTL based in Bamako. Despite these challenges, the project team took action to address implementation problems and took decision to restructure the project and cancel funds which were not to be used under the above-mentioned circumstances.

## Efficiency Rating

Substantial

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable

\* Refers to percent of total project cost for which ERR/FRR was calculated.

## 6. Outcome

The relevance of objectives is rated as Substantial. Efficacy is rated Modest due to low achievement with respect to PDO indicators and insufficient evidence and efficiency is rated Substantial. Based on these sub-ratings, the outcome is rated Moderately Unsatisfactory.

### a. Outcome Rating

Moderately Unsatisfactory



## 7. Risk to Development Outcome

**Political and governance risk:** This risk is high. It includes risk of political reversal toward economic and political liberalization, political capture of EI revenues, civil disturbance, and general instability. Given that nearly all of these factors have now materialized, the sustainability of the achieved results is at risk.

**Government ownership/commitment risk:** During the implementation of the project, there have been some changes which could be considered as reversal from economic liberalization, mining sector reform, and improvement of investment climate (ICR, ps. 10-11). These changes include: 1) Declaration of a moratorium on the issuance of new mining licenses in November 2022 (partially lifted on March 15, 2025). During this period, the Government conducted an audit of the license awarding processes. However, the results of the completed audit have neither been made public nor discussed with key sector stakeholders. Mali's EITI Reports (2019–2023) highlight significant concerns regarding the completeness and reliability of license information in the mining cadastre. There is no evidence that the Government has taken steps to implement recommendations for updating the cadastre data. 2) Adoption of a new Mining Code in 2023. The new code allows the Government to take a free 10 percent stake in mining projects with an option to buy an additional 20 percent within the first two years of commercial production. A further 5 percent stake can be ceded to locals, increasing the state and private Malian interests in new projects, 3) In November 2022, a new state-owned mining company was established to take active role in developing new mines and strengthen the government's revenue collection from the mining sector. These developments could hamper the investment climate and affect future growth.

## 8. Assessment of Bank Performance

### a. Quality-at-Entry

The project was strategically relevant to the priorities and policies of the GoM. The mining sector with its significant potential for economic growth has been a priority area for policy support by the Government. The country's revised mining policy of 2018 and CREDD define mining as a key sector for Mali in achieving its objectives of reducing poverty and sustainable development. The PDO was also in line with the Bank's strategies. As part of the approach, the project benefited from the Project Advance in the amount of US\$1.5 million which helped the initial project preparation and management, procurement of office equipment, and safeguards related studies, including the preparation of the SESA. On the other hand, the project did not establish an FCV country-specific approach and also did not involve mitigation measures adapted to Mali's political climate and difficult security context. The ICR (p.19) mentions that a clearer recognition of the security and political instability present since 2012 might have helped to address potential implementation risks and helped mitigate delays experienced during project execution. The project was a multi-dimensional project but had a single implementing agency. Collaboration with other relevant ministries such as Ministry of Economy and Finance was not foreseen. The ICR reports this negatively impacted decision making and participation in reform efforts. Poverty, gender and social development constituted a significant aspect of the project. In this respect, activities covered supporting greater participation by women in the management of mining resources and community development, establishment of local cooperatives particularly and formalization of artisanal and small-scale mining. At appraisal, risk assessment identified several categories of risks, each with varying levels of severity. Political and governance, institutional capacity and sustainability, fiduciary, security and stakeholder risks



were identified as High. Mitigation measures mostly concentrated on fiduciary and institutional capacity.

### **Quality-at-Entry Rating** Moderately Satisfactory

#### **b. Quality of supervision**

The World Bank encountered some challenges in fulfilling its supervisory role during implementation, primarily due to the turnover of TTLs (two TTLs from different global practices) which affected continuity and consistent follow-up on technical issues. A significant portion of the project was implemented without a World Bank TTL based in Bamako. Despite these obstacles, the Bank continued to address implementation challenges, providing timely guidance through frequent support missions. The project team in Bamako demonstrated a great capacity to adapt to political uncertainties, including the split of the Ministry of Mines and Petroleum into two entities (ICR, p.20). The Bank conducted 9 supervision missions over the duration of the project, and these were documented in the aide memoires, project letters and implementation status and results reports (ISRs). The ISRs have helped identify challenges and obstacles that could negatively impact the progress. Following the mid-term review conducted in February 2023, the project team took swift actions to restructure the project and cancel funds which were not to be used during the project implementation timeline. Safeguards and fiduciary aspects were adequately and consistently supervised, with the project team transparently addressing all emerging issues.

### **Quality of Supervision Rating** Satisfactory

### **Overall Bank Performance Rating** Moderately Satisfactory

## **9. M&E Design, Implementation, & Utilization**

### **a. M&E Design**

PDO involved two parts. First part of the PDO (to strengthen the capacity of the mining sector) was at output level, whereas the second part (to contribute to the medium-term growth and sustainable development objectives) was at a higher level/impact level. While some of the PDO indicators were relevant, the RF lacked indicators to appropriately measure the latter part of the PDO formulation, resulting in a low rating of Efficacy due to insufficient evidence. Two of the PDO indicators were standardized indicators (Mining policy and regulatory framework attractiveness for sustainable investments' (Fraser Institute Index) and Resource Governance Index' by the Natural Resources Governance Institute). These indicators required monitoring and evaluation by the relevant authorities or designated bodies; hence, the use of these two standardized indicators for the PDO was overly ambitious in the context of political instabilities and COVID-19. The results framework could have benefitted from additional indicators which would capture the project's contribution to institutional reforms, particularly the creation of a unit dedicated



to ASM within the Ministry of Mines, the establishment of pilot gold panning centers for the training of formalized mining cooperations, and the provision of equipment and materials. The project was to incorporate the Geo-enabling Method for Monitoring and Supervision (GEMS) developed by the World Bank FCV Group to establish a remote supervision system for operations and improve the capacity of clients to conduct accountable and well-structured M&E. The PCU was to be accountable for integrating GEMS into the project, as part of its responsibility for the overall project implementation management functions, including M&E and safeguards. T

## **b. M&E Implementation**

At the outset of the project, field data was collected using the GEMS which enabled timely sharing of information with the World Bank. This approach supported the project team in monitoring implementation progress, with data gathered by volunteer focal points at the community level. Toward the end of 2023, however, data collection shifted to the Kobo Toolbox platform, with the information subsequently exported to Excel for further processing and analysis. These data streams informed the PGSM's progress reports, including the results framework, progress assessments, and the indicator tracking table. Monitoring the two standardized PDO indicators mentioned above was problematic from time to time. During the period of coup d'état, to monitor the progress of resource governance index, the WB team hired external consultants (with the agreement of the Natural Resources Governance Institute) since the evaluators of the institute could not travel to Mali (Meeting with the TTL, November 17, 2025).

## **c. M&E Utilization**

The M&E findings were regularly reviewed by the project team, and the findings of the M&E were used to adjust resource allocation, inform decision making and modify project implementation. The M&E framework enabled the project team to make adjustments to the implementation plan, restructure the project and cancel funds which were not to be used, in line with the progress of activities.

### **M&E Quality Rating**

Modest

## **10. Other Issues**

### **a. Safeguards**

The project was classified as Category B - Partial Assessment at appraisal. No investments with physical footprints were expected, but the project involved TA activities which could eventually lead to mining development. Therefore, as a precautionary measure, the project included the preparation of a SESA (please see Section 4 - Efficacy) in its preparatory stage to inform the design of activities and incorporate social and environmental mitigation measures. In this context, OP 4.01 Environmental Assessment was not implemented.

Under the project, a grievance redress mechanism (GRM) was in place, including eight communal complaint management committees, eight communal appeals committees and sixteen focal points. Since



the beginning of the project, twelve complaints were registered, of which one was processed and eleven were deemed inadmissible (complaints against mining companies with no connection to the project). Data from the GRM were properly documented and tracked throughout the project. Finally, no social issues were identified during implementation.

**b. Fiduciary Compliance**

**Procurement:** During the implementation, double validation of the procurement procedures of the WB (both through WB’s STEP and Mali’s Office for Public Procurements-DGMP system) slowed down the approval process. In addition, preparation of TORs by the relevant authorities of the beneficiary and receiving validation could not be completed efficiently and delays were experienced. The ICR (p. 18) reports that the procurement timelines could take as long as 704 days from the approval of the activities to the contract award. The timeline from the clearance of ToR to the contract award date could take 128 to 515 days. Also, insecurity conditions in the country and the restrictions imposed by COVID-19 delayed and, in some cases, impeded availability of high-quality experts to take part in project activities.

**Financial Management (FM):** The overall FM performance was satisfactory. The PIU had effective accounting and financial management systems. The interim financial reports were produced timely. The PIU took most of the recommendations by the Bank’s missions and external and internal financial audits. The final external audit report was received by the Bank and has unqualified opinion (Meeting with the TTL, November 17, 2025).

**c. Unintended impacts (Positive or Negative)**

None.

**d. Other**

None.

**11. Ratings**

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Moderately Unsatisfactory	Moderately Unsatisfactory	
Bank Performance	Moderately Satisfactory	Moderately Satisfactory	
Quality of M&E	Substantial	Modest	the RF lacked indicators to appropriately measure the latter part of the PDO formulation,



resulting in a low rating of Efficacy due to insufficient evidence.

Quality of ICR --- Substantial

## 12. Lessons

The following lessons are from the ICR with some adaptation of language:

- **A comprehensive political analysis conducted at appraisal, identifying key stakeholders with decision making authority, can help achievement of the project objectives that are dependent on the implementation and strict enforcement of reforms.** In the case of the PSGM project, the Ministry of Mines oversaw the project’s technical aspects and did not collaborate with the Ministry of Economy and Finance (MEF) which negatively impacted decision-making and participation in reform efforts. Also, applying strategies to address potential risks such as policy reversals, delays in implementation, and challenges posed by the existing governance framework may help overcoming such challenges during the implementation.
- **Utilizing a combination of the World Bank instruments, in sectors where fundamental reforms are needed, can help achieve project objectives.** During the implementation, the GoM introduced policy changes which can negatively impact sustainability of achieved results. Connecting this project with a Development Policy Financing (DPF) operation could have alleviated specific bottlenecks at the Ministry of Economy and Finance (MEF) and ensure consistent policy implementation.
- **Adopting a phased approach in implementing multi-dimensional mining projects can help prioritize key aspects of the sector and avoid implementation challenges.** The PGSM addressed several challenges in the mining sector in Mali. This created complexity in implementation, and decision making. Sequencing its support towards the key dimensions of mining sector governance in Mali such as starting with high-visibility and impactful activities namely support to the artisanal and small-scale sector in the context of rural livelihoods ahead of regulatory reforms and geoscience activities, could have increased the achievements and the impact of the project.

## 13. Assessment Recommended?

No

## 14. Comments on Quality of ICR

The ICR provides a detailed overview of the project. It is candid in explaining the issues encountered at different phases of implementation. The report covers a wide range of issues and follows most of the guidelines. The report is mostly internally consistent. The ICR has a few shortcomings. The parsing of the PDO statement in the ICR does not help to demonstrate the casual relationship between the project’s interventions



and achieved outcomes and rather complicates the assessment. The ICR's Risk to Development Outcome section is rather brief. It could be enriched by providing further input on risk factors.

**a. Quality of ICR Rating**  
Substantial