

TERMS OF REFERENCE

DEVELOPMENT AND COORDINATION OF INCENTIVES FRAMEWORK FOR GOLD TRADERS AND MINERS IN COTE D'IVOIRE

About Solidaridad

Solidaridad is an international solution-oriented civil society organization working through eight regional expertise centres in 41 countries. With a 50-year proven track record working in different commodity value chains and an active network of more than 1.5 million farmers, miners, and workers across the globe, Solidaridad is a frontrunner in the development of socially responsible, ecologically sound and profitable supply chains.

Solidaridad is implementing various payment-for-impact models, including incentives-based approaches, in its programming. Our experience is that incentives-based models can offer a more equitable approach to development when compared to conventional market dynamics or standard grants-based development projects. An incentives-based approach is designed from the perspective of the small producer and what would motivate him or her to improve. These incentives (provided prior to the requested change) and rewards (provided after the requested change) could include:

- Purchase price premiums;
- Discounts on inputs such as bio-based fertilizers and more heat-resistant crop varieties;
- Discounts on services, such as training, pruning, and soil sampling for carbon content;
- Community benefits, such as a water pump, school supplies or a soccer/football pitch;
- Rewards points that can be redeemed for cash or benefits in the context of a project.

In the context of this project, Solidaridad will be testing approaches to incentivize legal gold trade in artisanal mining communities in Cote d'Ivoire that are aligned with the OECD Due Diligence Guidance.

Background

Solidaridad and Canadian partner IMPACT are implementing a two-year project to work with small-scale gold traders and miners in Cote d'Ivoire to understand their motivations for selling into a formal, legal market for gold. The project will test innovative approaches to ensuring that minerals flow from artisanal mining communities meet the requirements of the [OECD Due Diligence Guidance](#) and the [CRAFT code](#) for responsible minerals. The project is funded by the European Partnership for Responsible Minerals (EPRM).

One of the issues at play is misaligned incentives. Many practices required by sustainability standards such as the OECD Guidelines require more upfront investment and take longer to yield a profit compared to traditional practices. There is little motivation for miners to sacrifice so much upfront — potentially losing income or jeopardizing their financial health — all for gains that won't materialize for several years. In order to encourage widespread behavior change, there need to be incentives that make these sustainable alternatives appealing to artisanal miners.

There are no “one-size-fits-all” tools for behavior change. In order to encourage and speed-up adoption of more sustainable practices, it is crucial to deeply understand the challenges faced by a specific target group (farmers or miners) in a specific context, their perceptions of the barriers they face and what motivates them to change.

In 2021 Solidaridad partnered with The Decision Lab, an applied research firm specialized in behavioral science, to develop a methodology to systematize the identification, mix and adoption of incentives for any population in any location worldwide. This methodology was piloted with cocoa and livestock farmers in the Amazon and more recently with sugarcane farmers in South America. These terms of reference will cover the work to expand that to Cote d'Ivoire.

This methodology is a step-by-step process for identifying each region’s unique “incentive formula”:

- Step 1: Analyze internal stakeholder interview responses, plus complete literature review

The aim of this first step is to identify an initial list of barriers, drivers and incentives and develop initial hypotheses to be tested in Step 2 and 3. The method includes a review of behavioural literature and reading responses gathered from semi-structured internal stakeholder interviews (already conducted by Solidaridad staff) to develop a list of existing barriers and drivers, plus potential incentives.

- Step 2: Qualitative data collection and analysis; Phase I

The aim of this second step is to validate and expand upon this initial list of barriers, drivers and incentives. It consists in carrying-out open-ended interviews with a small sample of beneficiaries to explore and extract detailed perceptions of drivers and barriers to adopting better practices, as well as suitable incentives for specific profiles.

- Step 3: Quantitative data collection and analysis; Phase 2

The step 3 aims at discovering the preferred mix of incentives for performing specific behaviours, as well as perceived difficulty and importance of behaviours. Qualitative results from steps I and II are used to develop a quantitative cross-sectional survey, to be applied to a larger sample of beneficiaries.

- Step 4: Building the incentive framework

The aim of the final step is to build an empirically grounded framework that quantifies incentives which motivate the target group to adopt sustainable practices. The framework should include the identification of desired behaviours, incentives or rewards for each of these behaviours and rules for beneficiaries to get access to those incentives and rewards (for example; timeframe for adoption, conditions of verification, etc).

ROLE OF VERIFICATION

The Consultant will evaluate the ease of verification of the incentivized behaviour changes that we test in this project (how to verify in a cost-efficient manner if the conditions agreed at the time of granting the incentives have been fulfilled by the trader/miner and if the desired outcomes have been achieved)?

The Consultant will then make recommendations to the project team so they can take effective steps for verification.

Purpose

The purpose of this assignment is twofold: 1) Design an incentives framework for traders and miners in Cote d' Ivoire using the methodology designed by Solidaridad; 2) Coordinate the testing of this incentives framework as part of the EPRM project

Key research questions:

- What motivates traders and artisanal miners to change behaviors?
- What are the barriers for adoption of behaviours required by the OECD guidelines and CRAFT code?
- How to encourage and effectively support behavioural change of traders and miners in the context of gold mining in Cote d' Ivoire?
- What is the right mix of incentives and rewards to get traders and miners to adopt targeted behaviours?
- How can completion of the behaviors be verified so that incentives can be delivered?

Activities and Deliverables

The consultant should follow the incentives framework methodology developed by Solidaridad with support from The Decision Lab.

Activities

Phase 1: development of incentives framework for traders and miners in Cote d' Ivoire

1. Literature review on small-scale mining and behaviour change
2. Analysis of responses by internal stakeholders regarding barriers, drivers and incentives (questionnaire to be completed by Solidaridad, not Consultant, in December 2023)
3. Analysis of qualitative data from traders and miners (questionnaire to be applied by Consultant to a small sample of traders and miners)
4. Development and application of quantitative survey to be applied to traders and miners (Step 3 of methodology)
5. Analysis of answers to quantitative survey
6. Development of incentives framework

Phase 2: coordination of pilot

Approach and detailed activities will be defined according to the results of Phase 1 and other activities implemented by the project team locally.

Deliverables

The deliverables include:

1. Complete incentives framework for traders in Cote d' Ivoire;
2. Complete incentives framework for artisanal miners in Cote d' Ivoire;
3. Recommendations for project team regarding verification of activities; and
4. Final report summarizing findings, frameworks and recommendations.

All deliverables must be in English.

Timeline

This assignment is planned to take place between January 15 and March 15, 2024. The final report should be delivered by March 15, 2024.

Budget

Solidaridad seeks consultants' best offer for this work, taking into account a top-quality deliverable.

Payment schedule: 30% after submission of inception report, 70% after submission of final report

Application Requirements

The consultant shall have proven experience in behaviour science research and track record working with small producers, preferably artisanal miners. Fluency in English and in French is required.

Applications must include:

- CVs of consultant and time commitments for the assignment;
- A summary proposal of the approach followed by the applying consultant, outlining process and accompanying budget and timeline;
- A capacity statement of maximum 5 pages, with a comprehensive overview of previous experience as pertinent to the scope of the present assignment and/or links to recent reports or research authored by the researcher(s) and/or writer(s);
- Information on legal form and ownership structure of the applying entity; and
- Declaration of honour (see Annex 1)

For more information about the content of the work and requirements, please contact:

Violaine.laurens@solidaridadnetwork.org

All applications must be submitted by January 15, 2024 to the email

jennifer.horning@solidaridadnetwork.org

Offers will be rejected if any illegal or corrupt practices have taken place in connection with the contract award or execution

Annex 1

Declaration of honour

The undersigned [insert the name of the person signing this form]¹, representing [insert the name of the entity] declares that:

- the information provided in the offer and any attachments is true;
- the entity is not in one of the following situations:
 - it is bankrupt, subject to insolvency or winding up procedures, its assets are being administered by a liquidator or by a court, it is in an arrangement with creditors, its business activities are suspended or it is in any analogous situation arising from a similar procedure provided for under national legislation or regulations;
 - it has been established by a final judgement or a final administrative decision that it is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the law of the country in which it is established, with those of the country in which the authorizing officer is located or those of the country of the performance of the contract;
 - it has been established by a final judgement or a final administrative decision that it (or its employees) is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the entity belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence;
 - it has been established by a final judgement that it is guilty of the following:
 - fraud
 - corruption

Name of the entity	
Full name	
Function	
Date	
Signature	

¹ This person should be an authorized signatory according to the Chamber of Commerce Commercial Register extract