Appendix 1: Country- and Site-specific Parameters for determining Transition Periods: MADAGASCAR

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1. INTRODUCTION

The objective of this appendix is to identify and explain the transition period for implementing the CRAFT Code criteria in mica ASM in the Malagasy context. This document is relevant for any value chain actor, from upstream to downstream, any local or international stakeholder engaged in improving practices at ASM mica mines. This appendix forms an integral part of and is not to be dissociated from the MICA CRAFT Code.

Mica mining at ASM level differs from other commodities insofar that in the main ASM producer countries such as India and Madagascar, it is done at a significantly lower development level, relying on most basic techniques, in remote locations, mostly as a seasonal activity and by widely analphabetic communities.

Because of these particular characteristics, and although the CRAFT Code was developed as a market entry standard, the Responsible Mica initiative (RMI) assessed that the entry level of some of the requirements of the CRAFT Code was still too demanding for the vast majority of mica miners. Attempts to apply the CRAFT Core Version would have created a barrier against, rather than facilitating formal engagement with downstream supply chain actors.

RMI therefore decided to create a branched Version of the CRAFT Code – the Mica CRAFT – with amended conformance criteria as described at continuation. This branching is done following the below considerations:

• The Mica CRAFT builds upon version 2.1 of the CRAFT Code. It modifies the CRAFT Code only where necessary. Wherever possible the original and internationally widely accepted wording is followed.

• The Mica CRAFT maintains consistently the wording of all requirements and conformance criteria as per CRAFT Code 2.1 but introduces additional progressive entry criteria where necessary for the ASM mica sector. All Mica CRAFT entry criteria are based on good faith and commitment from the ASM and only valid during a **transition period of limited duration**, after which the original CRAFT Code criteria apply.

To ensure that transition periods are consistently granted as needed but only as necessary the Code Maintainer RMI, in dialogue with national private and public sector stakeholders, will establish country-specific and site-specific parameters aligned with

national and international laws for determining the duration of the acceptable transition period for ASM mica producers.

2. JUSTIFICATION FOR THE USE OF TRANSITION PERIODS

Transition periods play a crucial role in the effective implementation of progressive ESG standards. These periods provide essential time, resources, and adaptability for stakeholders moving toward more sustainable practices.

The transition period that can be considered acceptable may vary from country to country and from site to site within a given country. In countries with a least developed ASM mica sector it needs to be longer, while in countries with a well-developed ASM mica sector it may be shorter or even waived.

The development of the Mica CRAFT, including the setting of the transition period for Madagascar was the result of an extensive, multi-stakeholder consultation.

RMI worked closely with Madagascar's mining communities, exporters, Madagascar's national and regional authority representatives, responsible mining experts, and international experts to ensure that the standard was both practical and impactful. The process included the creation of a dedicated Steering Committee composed of these actors, and a public consultation which was launched by RMI to gather feedback from all possible stakeholders. Field consultations were conducted in Madagascar with artisanal miners and mica exporters to align the Mica CRAFT with on-the-ground realities and to consider the specificities of artisanal mica mining, ensuring it would be a tool offering meaningful and progressive change.

3. CRITERIA FOR ESTABLISHING THE TRANSITION PERIOD IN MADAGSCAR

The following factors have been considered in setting the transition period in section for Madagascar:

Socio-economic Factors

- **Precarity of Miners**: The limited human development, challenging economic circumstances, difficulties in accessing basic services and low education levels prevalent among mining communities create significant barriers to rapidly forming well-organized mining associations. Lack of literacy is a significant issue

amongst miners[1].The baseline conducted by RMI in 2023 identified that 66% of the miners surveyed were unable to read or write. Out of the surveyed young people, 87% struggled with reading and writing deficiency.

Illiteracy and other fundamental socioeconomic constraints impede the establishment of effective management structures, as communities often lack the necessary administrative skills, financial literacy, and organizational knowledge required for proper governance.

Cultural and Social Factors

- **Local Dynamics**: Local cultural factors significantly shape mining communities. Deeply embedded habits, customs, traditions, and social norms determine how quickly mining communities can adapt to new practices or regulations. Shifts toward sustainability, formalization, or new technologies must contend with established ways of life that have often existed for generations. The pace of meaningful transformation is fundamentally governed by these cultural realities, requiring that any intervention or reform acknowledge and work within these existing social frameworks rather than attempting to override them. The alignment of desired changes under the standard with existing social systems requires a moderate and gradual implementation pace.

Operational Factors

- **Seasonality of Mining Operations**: Mining operations follow seasonal rhythms that disrupt continuity in best practices. The cyclical nature of mining activities—which pause and restart with changing seasons—creates a "reset effect" where implemented improvements in procedures, safety measures, and environmental protections are interrupted during inactive periods. This seasonal disruption means mining associations must reinitiate training, re-establish protocols, and rebuild momentum for responsible practices at the start of each new operational cycle. This constant need to restart hampers linear sustained progress, as knowledge and compliance with standards erode during downtime, creating a recurring challenge where associations essentially rebuild their operational culture annually rather than only building upon previous years' advancements.

[1] The data collection took place from September 26, 2023 to October 1, 2023, and from December 2 to 3, for a total of 9 collection days. The survey was conducted over a sample of 2,195 people across eight mining sites (Befasy, Bedaro, Ampatimena, Mafelefo, Isonjo, Tatabe, Sakavalagna, Ankaroka, located in 2 regions of southern Madagascar, Anosy and Androy), through 209 individual questionnaires and eight focus groups (1 per site).

- **Isolation of Mining Sites**: Geographic isolation presents challenges for mining communities, as essential support stakeholders may face significant barriers to regular access. This remoteness often results in extended waiting periods before communities receive vital visits or training opportunities. Additionally, the limited availability of resources in these distant locations can substantially impede the effective execution of improvement measures.

Environmental and Security Factors

- **Climatic Context**: Environmental catastrophes, particularly the impacts of the lean season caused by drought or cyclones, can profoundly impact mining communities, creating significant barriers to the advancement of initiatives. In the aftermath of such events, community resources and attention necessarily shift toward survival and fundamental reconstruction efforts, temporarily suspending progress on planned improvements while recovery takes precedence.
- **Security Context**: Areas experiencing tensions between communities or affected by criminal organizations (such as the dahalo) pose security challenges for operational activities and the effective implementation of any remediation measures such as identified by the community. These environments create unpredictable safety concerns that can compromise the pace at which improvement measures are being implemented.

Demographic and Legal Factors

- **Migration Context**: Migration of miners is frequent. In addition to having the potential to create additional social and environmental pressures, transient workforce undermines organizational stability, as mining associations face ongoing membership fluctuations when established members depart. This frequent turnover may force mining associations to regularly reorganize their leadership structures, reassign responsibilities, and rebuild institutional knowledge—creating a perpetual cycle of restructuring that weakens governance capacity and hampers the development of consistent, long-term operational policies and practices.
- **Legal Environment**: Mining communities face a lengthy administrative journey to secure operational permits, with progress partly influenced by whether they receive support from exporters, collectors or the Responsible Mica Initiative (RMI) who can help with the application process. While these external actors can

smoothen the process, ultimate authority rests with national government officials. All of the below steps need to be fulfilled:

- Framing zone application
- Artisanal mining authorization/permit (AMEA[2]) application
- Formalisation of artisanal miners into legal mining associations
- Transformation of the AMEA authorization into a PREA[3] permit
- Compliance with environmental requirements: development of engagement plans and environmental authorization application

4. DURATION OF THE TRANSITION PERIOD FOR MADAGASCAR

After careful consultation with the above-mentioned local actors and based on the knowledge that RMI's interventions have yielded from the engagement with mining communities, **RMI has set the transition period for the effective implementation of the Mica CRAFT Code in Madagascar for a maximum duration of three (3) years**.

5. REVIEW AND COMPLETION OF THE TRANSITION PERIOD

As part of the effective implementation of the MICA CRAFT Code, RMI, the Code Maintainer along with the MICA CRAFT Steering Committee will regularly monitor the evolving need for the transition period mentioned in section 4.

[2] Autorisation minière d'exploitation Artisanale
[3] Permis Réservé aux Exploitants Artisanaux