

MSD OVERVIEW



WHAT IS THE MINING SECTOR DIAGNOSTIC?

The Mining Sector Diagnostic (MSD) is a tool that helps governments interested in fostering a more vibrant mining sector that contributes to sustainable and inclusive growth. It is a diagnostic tool

that identifies relative strengths and weaknesses in a country's mining sector management and performance. With its results, an MSD facilitates an informed policy dialogue among stakeholders and the development of targeted reforms to improve sector performance.

Audience and Beneficiaries

The Mining Sector Diagnostic (MSD) offers a useful starting point for dialogue between national and sub-national governments and the World Bank and other development partners.

As a comprehensive assessment of a country's mining sector, it is also useful for anyone interested in building a thriving and vibrant mining sector that contributes to sustainable, inclusive growth, including the following:

- Development partners
- Mining companies and other firms in the mining value chain
- Mining-affected communities and civil society organizations
- Regional organizations

- Sector monitoring organizations
- Academics, think tanks and research groups

Product

The MSD is based on verifiable data collected from a variety of sources and considers the views of three groups of stakeholders—government, industry, and civil society. The MSD yields the following outputs:

- A description of a country's mining sector including the current and potential economic contribution of the mining sector, institutional responsibilities and legal framework.
- A comprehensive assessment in terms of the overall management of the mining sector as well as its performance along the entire extractive industries value chain. The MSD identifies strengths and weaknesses in each

area as well as any gaps between the legal framework governing the sector and its implementation in practice. It also examines the functioning and institutional capacity of key ministries/agencies.

- An analysis of stakeholder priorities which are those areas that key stakeholder groups (government, industry, and civil society) consider to be of particular importance for sector performance.
- A list of potential areas for improvement that forms the basis for further policy dialogue and targeted interventions.

Process

Data for the MSD is collected from two sources:

- Primary data (related mainly to the legal and regulatory framework) are collected through desk research; and
- Interview data and stakeholder priorities are collected through in-country meetings.

All data collection is done through structured questionnaires.

Once data are formally reviewed for accuracy and consistency, draft reports are produced, shared with client governments and then made publicly available.

Target Countries

The MSD is a helpful tool, suitable for any country with an active mining sector, whether nascent or mature. The MSD is applicable in countries in

which responsibility for the mining sector rests with sub-national governments and it has also been used in FCV (fragility, conflict, and violence) countries.

As of early 2021, the World Bank has conducted MSDs for Afghanistan, Argentina, Colombia, Serbia, Indonesia, Liberia, Papua New Guinea, Peru, and the Philippines. MSDs are ongoing or planned in Egypt, Kazakhstan, the Kyrgyz Republic, Mozambique, and Myanmar.

Leadership, Funding and Implementation

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