

FEDERAL REPUBLIC OF NIGERIA
MINISTRY OF MINES AND STEEL DEVELOPMENT

MINERAL SECTOR SUPPORT FOR ECONOMIC DIVERSIFICATION
PROJECT (MinDiver)

**Terms of Reference for the engagement of a Consulting Firm for the Design and
Implementation of a Strategy for the Development of Nigeria’s Gemstone and
Jewellery Industry**

1.0 INTRODUCTION

The Federal Government of Nigeria embarked on an economic diversification campaign with the aim of leveraging on the Nation’s vast natural resources to diversify the economy from the oil and gas sector to achieve economic emancipation. In the light of this, a credit from the International Development Association (IDA) has been obtained to fund the Mineral Sector Support for Economic Diversification (MinDiver) Project. The project has the following development objectives:

- a. To improve the attractiveness of the Nigerian Mining sector, as a driver for economic diversification, for long-term private sector investment in the exploration and production of minerals.
- b. To create a globally competitive sector capable of contributing to wealth creation, providing jobs and advancing our social and human security.

The sector’s growth and contributions to GDP have remained less than ideal, accounting for only about 0.33% in 2015. To address this, the Ministry of Mines and Steel Development (MMSD) recently developed a roadmap for mining growth and development with objectives to deepen sector reforms, attract new investors and collaborate with a wide network of partners and stakeholders to rejuvenate the sector and build a prosperous economy propelled by inflows from the solid minerals sector. The overall objective of the MinDiver Project is to link with the Roadmap and enhance the mining sector’s contribution to the economy by strengthening key government

institutions, improving information infrastructure and knowledge, and fostering domestic investment in the sector. The Project consists of the following parts:

Part A. Establishing a Strong Foundation for Mining Sector Development

1. Carrying out of a program of activities designed to strengthen the MMSD's capacity for governance and administration of the mining sector;
2. Carrying out of a program of activities designed to strengthen the Nigerian Geological Survey Agency as well as geological knowledge and information infrastructure for the mining sector,
3. Implementing a program of activities designed to strengthen the Recipient's capacity for management of environmental, health and social impacts in the sector

Part B. Facilitating Downstream Sector Development and Enhancing Competitiveness

1. Strengthening administration of the artisanal and small scale mining sub-sector,
2. Implementing a program of activities designed to leverage the mineral sector for regional development
3. Implementing a program of activities designed to enhance value addition to mineral products (including upstream development of industrial minerals and dimension stones domain) in the mining sector,
4. Implementing a program of activities designed to advance proof-of-concept investments and to attract private sector investments

Part C. Project Management and Coordination

1. Strengthening the capacity of the MMSD for implementation, supervision and management of the Project through the provision of goods, consulting services, non-consulting services, operating costs and training for the purpose.
2. Supporting quality control of Project activities and outputs as well as monitoring and evaluation of Project outputs and results.

The key results of the project will include:

- i. Increased availability of precompetitive geo-science data enhancing mineral transactions;
- ii. Institutional information systems integrated with multi-sector planning tools;
- iii. Incentives created for Artisanal and Small-Scale Mining (ASM) formalization;
- iv. Improved environmental and social compliance by mining industry operators

2.0 BACKGROUND

The MMSD has previously engaged a consultant to conduct a baseline study on the Nigeria gemstone industry. This study confirmed the huge availability and colourful variety of Nigeria gemstones, which are now known in most global gemstone trading centres. The study also recommended a systematic programme for the development of the industry to include gemstone awareness and identification, gemstone and gemmology master training (cutting and polishing) and bead making. The MMSD implemented the recommendations and established a modern lapidary workshop equipped with international training facilities to accommodate a class 20 students. A master training program was also conducted for 15 trainers in hammering, sawing, faceting and polishing. The students were also trained in making beads.

In addition, gold, which has potential use in jewellery making, is found in the schist belts in the north-west and south-west of Nigeria. Artisanal and small scale miners extensively mine the gold. Government of Nigeria has recently established strategic roadmap in the mining sector to create conducive policy environment for sustainable production and controlled marketing system for gold.

Furthermore, Nigeria is the most populous country in Africa with a population of over 160 million people, over half of which are youths with appetite for fashion and modern living. Most of the jewellery used in Nigeria is imported. As such, there is a large potential market for jewellery in Nigeria.

3.0 OBJECTIVES

A sub-component of the MinDiver Project will seek to implement steps to enhance value-addition to mineral products, including gemstones, which will require an activity to

design and implement a strategy for developing Nigeria's gemstone and jewellery industry. The purpose of this activity is to fully develop the jewellery industry in Nigeria using the huge raw materials inputs available in-country. At full realization, the local jewellery industry will substantially meet national insatiable market for quality jewellery products, increase import substitution, create jobs and wealth and increase export value of Nigeria gemstones and jewellery.

The growth of the jewellery industry in Nigeria depends on the establishment of a performing institution and the development of skilled workforce through short courses in all aspects of jewellery making. An objective is therefore to create master jewellery makers in all the states of Nigeria within a period of five years.

4.0 SCOPE OF WORK

Nigerians have a great passion for jewellery, an industry that has existed for several generations. The consulting firm is expected to modernize and build on this tradition by carrying out the following task in collaboration with the MMSD.

1. Review and update where necessary, the baseline study of the gemstone industry, and the jewellery market in Nigeria:
 - i) Conduct baseline study on jewellery making in Nigeria;
 - ii) Design a strategy for the development of jewellery making in the country.
2. Design and train Master Trainers and provide training manuals in the following fields of jewellery making:
 - a) Jewellery and Object Design including visual, technical and material research together with design and making skills:
 - Foundation – basic sketching, illustrations, concept and technical drawings in 2/3D;
 - Basic metallurgy;
 - Gemmology;
 - Creation of innovative jewellery designs styles and traditional jewellery designs;

- Computer aided designs.
- b) Jewellery Manufacturing:
 - Basic manufacturing skills and exercises (sawing, smithing, alloying, soldering, filing, drilling and basic stone setting).
 - Advanced techniques (enamelling, wax carving, lock and movement making, casting and electroplating surface treatments e.g. engraving and polishing.)
 - c) Jewellery Stone Setting:
 - Techniques in jewellery stone setting (bezel, collet, prong, flush/gypsy, tube etc.).
 - d) Wire jewellery making – production of necklaces, earrings, bracelets.
 - e) Costume jewellery making, creative design and technical interpretation, with emphasis on African traditional designs.
3. Gems and Jewellery market research (target market characteristics, sample testing, stakeholder discussions, media and event review), pricing strategy and cost analysis (labour, overheads, materials, tooling, equipment and outsourcing).
 4. Recommend appropriate machines, tools and equipment for setting up a modern jewellery workshop. (MinDiver will purchase these machines, equipment, tools, etc. in other transactions).
 5. Assist in the installation and programming of equipment and machines purchased for the workshop.
 6. Assist in the selection of instructor candidates for the jewellery making and training courses.
 7. Conduct training in the management of a jewellery-making workshop.
 8. Study tour to demonstrate latest technology used in industrial units and to increase awareness may be considered.

5.0 CONSULTANT QUALIFICATION

The Consulting firm's team shall include all the necessary expertise required to complete the work as specified within the terms of reference for the assignment and must provide

demonstrable evidence of practical ability and knowledge of jewellery making. Individual consultants working in the team (maximum of 4) must have a degree or equivalent in jewellery design, jewellery making or gemmology and senior consultants/trainers must have a diploma/certificate in jewellery manufacturing/design with a minimum of ten (10) years' experience. Membership of GIA or its equivalent will be an added advantage.

A member of the team must also be proficient in manual and computer aided designs and a member of the team should have a degree in business studies.

A Project Manager should be identified within the team complement. This senior position will involve responsibility for the day-to-day management in carrying out the terms of reference and in the conduct of all negotiations and joint planning with the MMSD and other Government agencies. Good interpersonal skills will be essential, including the ability to work with the staff of MMSD and other stakeholders

A demonstrable track record of successful project management, team work, and project delivery is essential.

6.0 REMUNERATION AND PAYMENT TERMS

Remuneration of the consultancy team is commensurate with those offered by international bodies for similar assignments. The assignment will be based in Abuja. However, the consultant team will also be reimbursed for operational expenses such as travel, accommodation, and telephone incurred while carrying out this assignment and in line with World Bank guidelines and procedures. Before reimbursement can be made, the consultant firm will need to submit a statement of expenses supported by valid documentation.

The team is expected to work with a National counterpart with adequate experience and knowledge of the assignment.

The successful consultant firm would be paid a lump sum amount in accordance with an agreed schedule of deliverables, on the agreed rate of professional fee and reimbursable expenses, subject to satisfactory performance and timely receipt of deliverables.

7.0 DURATION OF SERVICE

The service of the Consultant is required for a period of twelve (12) months on an intermittent basis.

8.0 DELIVERABLES

The consultancy firm will produce the following reports:

- a. An **Inception Report** to outline the work plan of the consultant, define its tasks and the planned implementation periods and schedules, identify target submission dates on each task. Particular attention will be given towards the planned coordination within other teams and preparation of a detailed schedule. The initial results of the literature review will be included in the Inception Report. The inception report will be submitted within one month of the commencement of the assignment and once approved and issued in its final form, will serve as the consultancy's baseline for the management and monitoring of the tasks;
- b. **Monthly progress reports** on engagements and findings. The Consultant shall prepare consolidated Monthly Progress Reports covering progress towards achieving the objectives in this ToR as well as identified areas of weaknesses and strategies for improvement. The reports shall provide a brief but comprehensive end-of-month progress assessment and details of impediment to the works and proposals for overcoming them. These reports shall be submitted within the first week of the succeeding month. The report will be assessed and appraised by the Project Coordinator and the World Bank Task Team Leader for technical clearance, non-objection and last payment.
- c. A **Draft Final Report**, within the first week of the last month of the assignment;
- d. Organize a **Stakeholder's Workshop** for the presentation of the draft reports.
- e. **Final Report** bound in three (3) copies and an electronic copy in CD, within the last week of the assignment.

Note:

All Reports Shall Be in English and Presented in Hard and Soft Copies. The Project Coordinator will review all reports.

THE CONSULTANCY FIRM WILL SIGN A CONFIDENTIALITY and NO-DISCLOSURE AGREEMENT WITH THE PIU (Project Coordinator overseen by the World Bank). Noncompliance will be subject to legal penalties not inferior to the Full Cost of the Contract