

# Progress report: Artisanal and Small-scale Mining over the last 10 years



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Pact

# Objectives

- To give a sense of where progress has been made in the field of ASM over in the last 10 years
- To highlight examples of what has worked and what has not in the areas of sustainable social, environmental, and economic development, governance, and knowledge sharing
- To point towards directions for future effort and collaboration



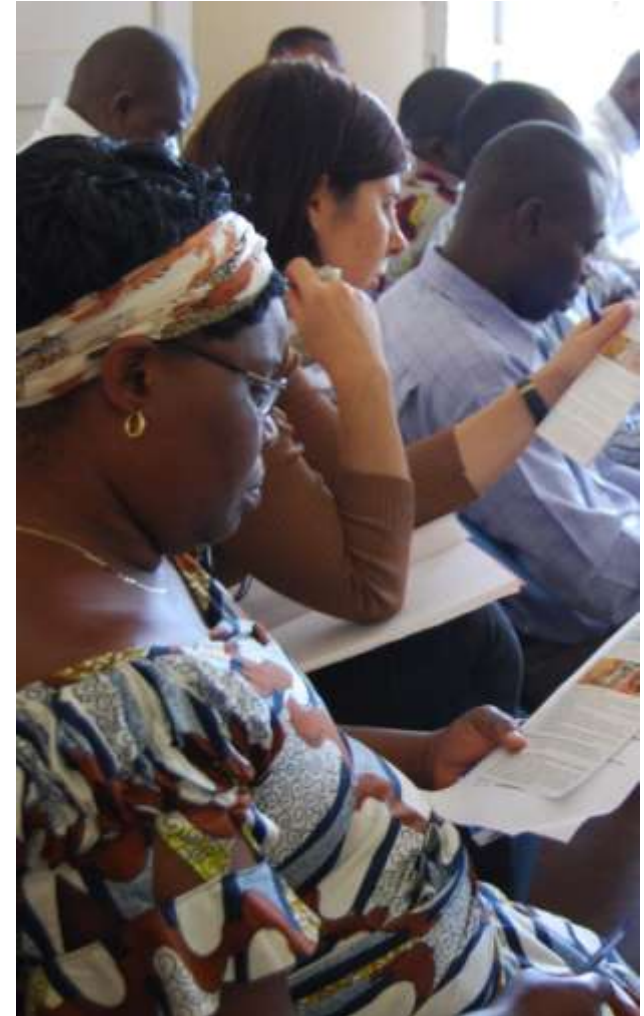
# ASM 10 years ago

- 13 million artisanal miners worldwide
- Widespread perception of ASM as a social, environmental and economic ill
- Little understood topic, limited knowledge sharing, few comprehensive solutions attempted
- Business passing the responsibility to government (Toronto Declaration)
- Lobby groups campaigning against World Bank engagement with mining, including ASM



# Positive news from the last 10 years

- Greater number & diversity of stakeholders engaging in ASM
  - CASM and knowledge sharing
  - Business engaging : ICMM
- Innovative business models
  - ARM/Fair Trade
- Environmental improvements
  - Global Mercury Project
- Social progress
  - ILO Child Labor
- Progress in governance & policy
  - Formalization and legal reforms attempted in multiple countries
  - Policy dialogue at G8, Africa Mining Partnership, JPOI, WB Extractive Industries Review, World Economic Forum, etc.



# Example: Economic development

- ARM, started Ecuador 2004, aims to be first Fairtrade ASM gold label
- What worked?
  - Multi-stakeholder process for designing standards
  - Linking miner's well-being to market demand
  - Viewing ASM as an opportunity rather than a problem
- What could improve?
  - Scaling-up (to other regions)
  - Demonstrating viability (without subsidization)



# Example: Environmental protection

- Global Mercury Project (UNIDO)
  - a global effort to reduce ASM reliance on mercury
- What worked?
  - A multi-pronged approach using technology, training, and working with governments and local organizations
- What could improve?
  - More focus on replication



# Example: Reduced social problems

- Example: ILO & Child Labor – a 2/3 reduction in child labor in Latin America and the Caribbean from 2002-2006
- What worked?
  - multi-stakeholder effort (with ICMM, local stakeholders, youth groups, etc.)
  - Setting ambitious goals to catalyze support (end child labor in SSM by 2015)
- What could improve?
  - Extend to more difficult environments/regions



# Example: Improved governance

- Barrick Gold's ASM Initiative is helping ASM co-operatives organize and gain legal rights and land ownership
- What worked?
  - Responding positively to social pressure
  - Identifying and working with local leaders
- What could improve?
  - Expanding this kind of effort elsewhere



# Example: Knowledge sharing

- CASM's purpose:
  - Raise awareness, build cross-sectoral partnerships, and share knowledge
- Over 30 partner agencies in over 25 countries
- Excellent track record in information and knowledge-sharing through annual meetings, website, publications, workshops, and thematic working groups
- Impact on the ground is less clear as:
  - CASM is not primarily an implementing agency
  - Due to lack of reporting and M&E systems, successes are anecdotal rather than explicit
- Donors, governments and others who identify, prepare and implement ASM projects are informed by CASM's work, as are counterparts in the countries



# Lessons learned in the last 10 years

- Efforts driven by needs on the ground and involving the voices and perspectives of the miner themselves have a greater chance of success
  - Coordination with existing / parallel initiatives and other stakeholders is imperative
  - There is no 'silver bullet'; finding sustainable solutions requires creativity and commitment from a variety of actors
  - ASM is not just as a 'mining issue'; it is about resource rights, equity, nationality, security, economics, development and the environment
  - Perceived problems can be seen as opportunities
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# However the challenges continue

- Now perhaps 20m artisanal miners worldwide – a 50% increase in 10 years. The sector is growing faster than our response
  - Much of the good news is from Latin America whereas the situation in Africa, particularly, shows only patchy progress
  - Governance frameworks have been strengthened in many countries; however, access to, and tenure of, resources continues to be generally weak for ASM
  - ASM is increasingly quoted in national poverty reduction and rural development strategies but little improvement is seen due to the challenges of implementation and changing external dynamics and pressures
  - Gender is increasingly recognized as an important issue but the number of women in ASM continues to grow and their situation is still precarious
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**Looking forward to the next 10 years**

# Looking forward to the next 10 years

- Demand and high prices for minerals are driving more people into ASM and making alternatives less attractive
  - It is essential that we find ways to link the big markets more explicitly to the mines. Initiatives for standards and certification of ASM “fair trade” minerals are one method of achieving this, but they need to be scaled up substantially.
    - Example: China’s gold demand likely to double in the coming years
  - Increasing pressure on viable resources to meet market demand may lead to increased possibility of conflicts between LSM and ASM. More effort is needed to mitigate:
    - Example: The work of CASM, IFC and ICMM (“Working Together”) needs to be implemented and expanded. This is a tool for LSM and so a sister program needs to be developed for the ASM community.
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# Looking forward to the next 10 years

- Interventions continue to be ad-hoc and under-resourced. We must concentrate on:
    - Getting to scale
    - Cohesive messages and collective action
    - Holistic projects with a much more aggressive plan to engage donors and actors in other sectors, especially on the complex issues of vulnerable groups and livelihoods
    - Accurately collect baseline data on ASM's scale and importance, and contribute the information to a global database, rather than using 'guesstimates' – we need sound data and science; Using agreed indicators (e.g. CASM's Performance Indicators/MDGs) to credibly report impact
  - CASM is the natural home for this coordination. Expanded formal government and industry participation in CASM and increased commitments from donors are essential. Current annual budget of US\$1 million is inadequate
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# Looking forward to the next 10 years

- Artisanal mining has a legitimate role to play in the mining sector. With technical assistance, safety standards and environmental protection, it can be an efficient way to exploit sub-industrial resources. However, this requires legalization and formalization, which in most cases requires increased government capacity.
  - There is a recognition that artisanal miners are often not ‘the poorest of the poor’ and that mechanisms that enable them to capture more of the value of their product (e.g. through savings and financial services) are essential if ASM is to be a driver of poverty alleviation
  - Taxation and transparency mechanisms which explicitly increase revenues from ASM and which link them directly to local development must be a priority (e.g. integrating ASM into EITI)
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**Thank you**

# ASM around the world

