Communities and Artisanal & Small-scale Mining

A Global Partnership for Action
Although complex and challenging, ASM is an important sector in many developing countries with significant untapped potential to alleviate poverty.
Artisanal and small-scale mining (ASM) is a growing phenomenon. Typically a poverty driven activity, it is a feature of an increasing number of developing countries. It is practiced largely by poor, often itinerant, people with little education and scarce employment alternatives. Too often it is associated with conflict, corruption, civil strife and with harsh working and living conditions in high risk degraded environments.

This is not inevitable. ASM could be a major contributor to sustained economic growth. The characteristics of ASM fully reflect the challenges and priorities of international development, yet there is limited experience with the positive contribution the sector can make to development objectives.

The Communities and Small-scale Mining (CASM) Initiative is working to change the ASM sector into a positive resource for community development.

ASM offers many entry points into the priority challenges of the international development agenda: poverty reduction through income generation and employment creation; education and access to basic services; tackling the rising prevalence of HIV/AIDS; gender inequality and reducing hazardous child labor; improving governance and transparency; protecting the integrity of natural systems; as well as conflict mitigation.

The critical challenge for those working on ASM sector issues is to mitigate the negative impacts and enhance the potential positive benefits associated with it.
ASM Workers: Who and How Many?

Estimates of numbers engaged in the ASM sector vary widely. They range between 13 and 20 million men, women, and children from over 50 developing countries—with 100 million more dependent on this sector for their livelihood. It is estimated that there are many more people engaged in ASM than employed by multinational mining companies.

Growth in ASM numbers is expected to continue in line with higher prices for mineral commodities in OECD countries, driven by the burgeoning demand from emerging economies such as China and India.

The range of commodities attracting the attention of artisanal miners is diverse. Although mining in gemstones and gold attracts many poor people into ASM, the demands for industrial minerals and coal are also significant.

Women are estimated to constitute approximately 30% of the ASM sector. They generally derive far fewer benefits from ASM than their male counterparts yet are more affected by negative impacts from ASM. In many countries, women’s voices are virtually absent in political decision-making at national, regional and local levels. Consequently, women’s perspectives, needs, knowledge and proposed solutions are being largely ignored.

The International Labor Organization (ILO) estimates that children account for 7.7% of the total of ASM workers, or 1.0 to 1.5 million under the age of 18 years old evenly split between boys and girls. CASM has partnered with the ILO on this issue as it is almost exclusively an ASM issue, long removed from industrial mining. The ILO International Program for the Elimination of Child Labor (IPEC) is raising awareness of the prevalence of hazardous child labor in ASM. They have classified child labor in mining as one of the “Worst Form of Child Labor.” Eliminating this relatively small number of children from one of the worst forms of child labor is an achievable goal.
CASM and its partners are presently working in many countries to better understand the issues at stake and propose the strategies to address them.
People dependent on ASM for their livelihood are highly vulnerable. Life is difficult for the vast majority of people engaged in the ASM sector, where extreme poverty is a common condition. Not only does mining involve high-risk activities, but miners and their families also are exposed routinely to associated health and safety risks including HIV/AIDS, malaria, tuberculosis, and other diseases; crime; sexual abuse; and regular exposure to harmful chemicals.

In many countries ASM is informal and illegal and the rights of miners are ignored. Even where ASM appears in the formal sector, legal protections may be minimal. Miners are vulnerable to expulsion, intimidation, and human rights violations. They generally lack secure titles, access to finance and suffer exploitation by middlemen. ASM populations are often vulnerable to conflicts over land and mineral rights, revenues, and market access.

Despite these challenges an increasing number of people are entering the ASM sector either enticed by the prospect of getting rich quickly or securing a livelihood. In Africa alone, over five million people are now directly engaged in ASM activities, and that figure is expected to triple in the next decade, as low economic growth persists in many African countries. Environmental degradation, exacerbated by increased population pressures, will serve to further stress already vulnerable mining communities and the resources upon which they depend.

ASM communities are often located in “fragile states” and regions where there exists a relatively high degree of political and economic instability. Here, mining populations face not only the internal security risks, but also exploitation from outside sources that can result in regional, national, and international security risks.

ASM exists in many diverse settings and forms and, as such, is a complex sector marked by a shifting set of problems for which a one-size-fits-all approach is clearly not the answer. Whereas in one country a well-organized program of training and institution-building might be constructed, in another, a sudden migration of tens of thousands of people in a mineral rush might instead call for giving priority to immediate health and security concerns. A common understanding of the myriad problems inherent in the ASM sector, in concert with a coordinated strategy to address issues as they arise, is a necessary first step toward improving conditions in ASM communities and reducing threats to this highly vulnerable population.

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ASM and Global Development: A Viable Contribution

ASM has the potential to make a positive contribution to poverty reduction. In most of the affected regions and countries, ASM often represents an important source of income where the poor have few alternatives. ASM can generate domestic revenues and foreign exchange for developing countries, counter rural-urban migration, and maximize the extraction of mineral deposits that are economically unattractive to large mining companies. It also provides much-needed construction materials for infrastructure and has tremendous potential to support rural economic development.

ASM workers extract a wide range of commodities. It is estimated that ASM produces 15 to 20% of the world’s non-fuel minerals. In Africa alone, 20% of the gold, 40% of diamonds, and almost all colored gemstones are mined by ASM activities. It has also been suggested that ASM accounts globally for 12% of the global production of metals, 31% of industrial minerals, 20% of coal, 10% of diamonds and 75% of other gemstones.

ASM AND THE MDGS: MAKING THE CONNECTION
ASM represents a microcosm of the global developmental challenge that all international development institutions and agencies have committed themselves to tackling under the auspices of the MDGs in a sustained, harmonized, and effective effort.

The CASM Strategic Plan relates directly to the Millennium Development Goals (MDGs) agreed at the United Nations Millennium Summit in 2000.

**Goal 1: Eradicate Extreme Hunger and Poverty**
ASM has significant potential for reducing poverty and generating more sustainable livelihood opportunities.

**Goal 2: Achieve Universal Primary Education**
By engaging in ASM activities, children are likely to be denied access to education. From Peru to Tanzania to Papua New Guinea, children do not attend school because of the associated expenses and loss of family income.

**Goal 3: Promote Gender Equity and Empower Women**
In ASM communities, key gender inequities relate to lack of participation in decision-making processes, access to resources (e.g. capital, land, information, education and training), and basic human rights.

**Goal 4: Reduce Child Mortality**
ASM communities suffer from inadequate public services, poor hygiene, deficient housing conditions and degraded environments. Poverty can be extreme and food security compromised. Diseases and malnutrition are common.
Goal 5: Improve Maternal Health
Health and safety measures are regularly absent in ASM activities. Women are predominately engaged in mineral processing, including crushing of silica-bearing rock and the use of mercury during gold mining. The health of women in ASM communities is further at risk because of poor public services and high risks of HIV/AIDS, malaria and other diseases. Their well-being during pregnancy, delivery, and post-partum is often gravely compromised.

Goal 6: Combat HIV/AIDS, Malaria and Other Diseases
ASM often includes an associated active sex trade employing high risk practices. HIV/AIDS in ASM communities can be particularly prevalent. In addition, the potential for malaria is exacerbated by poor water management. Transmission of other diseases, such as cholera, is aggravated by poor sanitation and hygiene. In ASM communities diseases such as HIV/AIDS, malaria, silicosis and tuberculosis are common causes of morbidity and mortality.
Goal 7: Ensure Environmental Sustainability
Environmental Management in ASM is almost totally absent. Siltation of rivers, deforestation, exploitation of bush meat, mercury and cyanide pollution encroachment into protected areas, loss of habitat, are regular features of ASM.

Goal 8: Develop a Global Partnership for Development
Partnerships are needed to address the multi-faceted challenges presented by ASM. CASM has provided a platform for governments, development agencies, academia, NGOs, international institutions, the private sector and ASM themselves to commit to the better management of the ASM sector.
Who is CASM

The Communities and Small-scale Mining (CASM) initiative was launched in 2001, in response to a critical need for integrated, multi-disciplinary solutions to the complex social and environmental challenges facing ASM communities, and improved coordination between those working in this sector.

CASM is a global networking and coordination facility with a stated mission to “to reduce poverty by improving the environmental, social and economic performance of artisanal and small-scale mining in developing countries.” CASM is currently chaired by the UK’s Department for International Development and is housed at the World Bank headquarters in Washington, D.C.

Resourced by a multi-donor trust fund, CASM currently receives its core funding from the UK and the World Bank, supplemented by program support from Japan, amongst others, Canada, France and the US. Several companies, trade associations and charitable funds, such as Tiffany & Co Foundation, also contribute finances to CASM’s work program. CASM funding has leveraged significant additional funding for work in the ASM sector.

CASM can provide support to, and mobilize practical expertise from, its global network of members. Its activities range from ASM initiatives in many countries-working with companies, governments, civil society and, of course, miners themselves-through to engagement in international development policy dialogues. CASM’s engagement in capacity building and community level projects with country partners and miners has helped CASM in its important advocacy role to communicate to international forums and development agencies the potentially positive development influence that ASM can have, based on evidence provided by practical experience.

To ensure CASM is addressing the priorities identified by its developing country partners, CASM has established three regional networks: Asia, China and Africa.

The Strategic Management Advisory Group (SMAG) provides oversight and ensures that CASM’s activities align effectively with the Initiative’s objectives and the global development agenda. It is comprised of members representing the different ASM constituencies.
CASM: Responding to Demand

The 2002 UN World Summit on Sustainable Development recognized the importance of the ASM sector as a key contributor to the economic and social development of many countries. The World Summit’s Plan of Implementation called for enhanced contribution of mining, minerals and metals-including small scale mining-to sustainable development. CASM has been charged with the responsibility of leading the assessment of progress in better managing the ASM sector at the planned review of progress towards this goal in 2010-2011.

In 2004, the multi-stakeholder, independent Extractives Industries Review of the World Bank Group called for a strengthening of CASM to help mobilize more attention to a sector increasingly viewed as an agent for rural development.

In 2005, the Inter-Governmental Forum on Mining, Minerals and Metals and Sustainable Development recognized the importance of the ASM sector to its work program. It requested CASM to lead its work in this area and is now a partner of the initiative.

There is also close collaboration between CASM and a number of international initiatives such as the Kimberley Process on certifying diamonds and the Diamond for Development Initiative, the ILO program to eradicate hazardous child labor from mining within ten years, and UNIDO and the US EPA to improve or replace mercury management in artisanal gold mining and others.

In 2006, several large-scale corporations, members of the International Council on Mining and Minerals (ICMM), and the International Finance Corporation (IFC), faced with ASM issues turned to CASM as a partner in tackling these challenges.
Progress to Date

In its first five years CASM and its members have made progress in a number of ways:

**Governance and formalization**
- Implementation of “integrated policy and practice” models by international institutions and governments. Strategy components generally include policy reform, measures to increase transparency, support for formalization through extension services and other incentives, as in Burkina Faso, Central African Republic, Congo, Ecuador, Guinea, Ghana, Liberia, Madagascar, Mongolia, Mozambique, Nigeria, Peru, Tanzania, Uganda, Sierra Leone, Zambia and others.
- At a community/municipality level, assisting with development of comprehensive approaches to integrate ASM into Community Development plans, including development of infrastructure, management capacity building of local authorities and diversification of economic activities at a local level. Examples can be found from Ecuador, Madagascar, Peru and Zambia.
- Facilitating conflict management between ASM and large-scale mining companies and communities, as in Ghana and Peru.

**Environmental, technical and socio-economic development**
- Developing and recommending models for mutually beneficial partnerships between large-scale mining and ASM, as in the Democratic Republic of Congo, Ghana and Tanzania.
- Developing value-added and economic diversification opportunities, as in Ecuador, Madagascar, Peru and other countries.
- Promoting comprehensive action plans to counter the environmental impacts of ASM, including threats to biodiversity, through development of efficient, appropriate technologies and training, awareness campaigns, technology fairs and linkages with fair market access and financing mechanisms, as for example in the Democratic Republic of Congo, Ghana, Madagascar, Peru and Tanzania.
- Promoting the environmental management and restitution of ASM site, as in Ecuador and Madagascar.
- Addressing the impacts of mercury misuse in gold mining and ways to mitigate it as in Ecuador, Cambodia, Guinea, Indonesia, Mozambique, Peru, the Philippines and Senegal.

These accomplishments affirm that the knowledge, capacity and will exist to respond proactively to the needs of miners and their communities, overcome the hurdles to positive change and support integrated rural development.
• Addressing local, national and international efforts to address conflict diamonds, such as in Sierra Leone and in CASM support to the Diamonds for Development Initiative (DDI).

Network building and partnership development
• Recognizing the extent and nature of dangerous child labor and a commitment to rid ASM of this unacceptable activity. CASM officially signed the ILO Declaration at its 2005 Annual Conference in Brazil and encouraged countries involved in CASM to sign up.
• Recognizing the need to improve or replace the use of mercury in gold mining, through partnership with UNIDO, the US EPA and NGOs.
• Supporting the efforts to go beyond statistics in solving the conflict diamonds issues through partnership with NGOs (e.g. Partnership Africa Canada and Global Witness), private companies (e.g. De Beers) and governments through the DDI.

Knowledge development and sharing
• Publishing a “baseline profiling toolkit” to promote systematic and comprehensive assessment and monitoring of ASM and its interconnection with other livelihoods.
• Developing information and training materials on appropriate technologies, occupational health and safety, environmental management, mine reclamation, and financial management, e.g. “Environmental Management for Small-scale Mining”.
• Learning events: international, such as the Annual CASM Conferences (London 2001, Peru 2002, Ghana 2003, Sri Lanka 2004, Brazil 2005, Madagascar 2006, Mongolia 2007); regional, such as the Zambia and the Zimbabwe CASM Learning Events (2004), the Asia-Pacific Workshop on Community, State and Private Sector Relationships, the Philippines (2005); or thematic, such as the Millennium Development Goals and ASM (2005), Fair Trade and Certification (2005), Global Partnership for Mercury Management in ASM (2005), Madison Dialogue Ethical Jewelry Summit (2007), Kinshasa Donor Coordination Meeting (2007), or Large-scale and Artisanal Mining and Infrastructure Workshop (2007).
• Maintaining a CASM website including a knowledge center with ASM news and a document and contact database.
ASM is much more than mining...it is about reducing poverty and improving the livelihoods and well-being of millions of men, women, and children who contribute significantly to the economic growth of their communities and countries, often at considerable risk to their own health and even their lives on a daily basis.
As CASM gains strength, it is embarking on a renewed global campaign to disseminate the valuable lessons learned.

CASM is emerging as a growing center of knowledge, expertise, and source of practical experience, an articulate advocate for the millions of ASM workers around the world and for the developing countries committed to maximizing the advantages that mineral wealth can bring to their programs to reduce poverty.
Join Us

CASM is a network of practical expertise available to assist you in learning more about artisanal and small scale mining and affected communities.

CASM is likewise interested in learning more about policies, plans and programs being adopted to address the opportunities offered and threats posed by ASM activity.

Please visit the CASM website at www.artisanalmining.org for more information or contact Gotthard Walser (gwalser@worldbank.org), Christopher Sheldon (csheldon@worldbank.org) or Veronika Kohler (vkohler@worldbank.org)

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