COMMUNITIES AND SMALL SCALE MINING INITIATIVE

A GLOBAL PARTNERSHIP FOR ACTION.

ASM : A Dynamic Development Issue?

CASM: The First Five Years.

CASM: What can it do for you?

CASM: What can you do for it?
What is ASM....?

‘The most primitive type of mining, characterised by groups or individuals exploiting deposits - usually illegally with the simplest equipment’

Legal definition usually based on some criteria - production, depth of workings, capital investment, mineral type, use of machinery or explosives, numbers of workers, size of concession, etc.

Galemsey (Ghana), Panners (Zimbabwe), Nyonga (Tanzania -Tanzanite) Warare (Ethiopia) Diggers (Sierra Leone), Ninjas (Mongolia) Cresseurs or Orpailleurs in many Francophone countries, Garimperios in Southern Lusaphone countries
The Global ASM Perspective

13 - 20 million workforce worldwide

80 - 100 million potentially dependent on AM

Collectively - a truly global social issue with most workers and dependents living below the poverty line

Brazil, China, Colombia, DR Congo, Ethiopia, Ghana, Guinée, India, Indonesia, Pakistan, Philippines, Tanzania and Zimbabwe all have more than 250,000 artisanal miners
How Many AS Miners?

Estimated Numbers of ASM workers

- **>200,000**
- **100 - 200,000**
- **50 - 100,000**
- **<50,000**

Total: 5 - 6 million

- More people engaged in ASM than the LSM sector
- Numbers predicted to triple by 2015

ASM areas linked with past conflict (conservative)
Vulnerable Groups

Child Labour - Many factors have combined to heighten prevalence - including large numbers of war/conflict orphans, remoteness of ASM, HIV/AIDS orphans, deteriorating health, lack of incentives for schooling, lack of formal jobs, lack of law enforcement,

Gender - Women engaged in many aspects of ASM (particularly processing) with low status they are generally compelled to undertake the poorly paid ancillary activities. They face numerous obstacles - land ownership, illiteracy and social taboos
ASM Diversity: Poverty Creating or Reducing?

Rush, Seasonal, Shock-push, Permanent
THE ASM AGENDA

- Inappropriate Technology
- Poor Governance
- Exploitation
- Prostitution
- Disease
- Fair Trade
- Heavy Metals
- Gender Inequity
- Poverty
- Transparency
- Bush Meat
- Lack Access to Services
- Rights Recognised
- Health & Safety
- Violence
- Accidents/Risk
- Corruption
- Education
- Access to Credit
- Conflict
- Environmental Impact
- Poor Hygiene/Sanitation
- HIV: AIDS/Malaria
- Vulnerability
- Alcoholism
“Reducing poverty by improving the environmental, social and economic performance of ASM in developing countries”.
The Authorising Environment

• Millennium Development Goal
  Take child labour....

• World Summit on Sustainable Development
  Demand for commitment to sustainability not only LSM but also ASM

• Extractives Industries Review
  ASM was THE issue for many people

• IGFMMMSD

• Toronto Declaration:
  ICMM recognizes that:...

"ASM ....is important and complex. However, it is beyond the capacity of ICMM to resolve. Governments and international agencies should assume the lead role in addressing them"
CASM’S MISSION

TO REDUCE POVERTY BY SUPPORTING INTEGRATED AND SUSTAINABLE DEVELOPMENT OF COMMUNITIES AFFECTED BY OR INVOLVED IN ARTISANAL AND SMALL SCALE MINING

“ASM has a major role to play in building sustainable communities and economic development”

From Enclave Mining Communities...

- Opportunistic, Self-Serving Systems of Governance
- Social Dysfunction
- Mono-Economies with Little Potential
- The Vicious Circle
- Few Community Institutions

- Degraded Environments
  - Poaching
  - Soil Erosion
  - Deforestation
  - Environmental Health
  - Indoor Air Quality
- Eratic Income
- No Savings
- Substance Abuse
- Prostitution
- HIV AIDS
- Child Labour
- Land Seizure
- Corruption
- Conflict

- Environmental Health
- Conflict
- Social Dysfunction

- From Enclave Mining Communities...
...To Sustainable Communities

- Transparent/Equitable Governance Systems
- Improved capacity to plan and manage community affairs
- Social and cultural well being
- Community organisation and participation
- More equitable distribution of economic opportunity
- Economic vitality and diversification
- Reinvestment of income into local economy
- Pollution prevention and control
- She management systems
- Environmental integrity
- Resource rights

The Virtuous Circle
CASM’s TRACK RECORD
2002-2006

ANNUAL SYMPOSIA

Peru 02  Madagascar 06
Ghana 03
Sri Lanka 04
Brazil 05
5th Annual General Meeting and Learning Event
Building Sustainable Communities through Small-scale Mining

September 18-24, 2005 in Salvador, Bahia, Brazil

CASM

4th Annual General Meeting & Learning Event
Communities & Small Scale Mining (CASM)

ASM
Creating Sustainability From Mine to Market

12th-14th October 2006
at Taj Samudra Hotel
Colombo-Sri Lanka
CASM’s TRACK RECORD
2002-2006

ANNUAL SYMPOSIA
Peru 02  Madagascar 06
Ghana 03
Sri Lanka 04
Brazil 05

LEARNING EVENTS
ASM and the MDGs
(Washington DC 2005)
Women and ASM
(Papua New Guinea 2004)
Peace Diamond Alliance
(Sierra Leone)
TRADITIONAL LEARNING EVENTS
CASM’s TRACK RECORD 2002-2006

ANNUAL SYMPOSIA
Peru 02              Madagascar 06
Ghana 03              
Sri Lanka 04          
Brazil 05             

TECHNOLOGY FAIRS
Tanzania              Peru
Ghana                  Brazil
Sri Lanka              

LEARNING EVENTS
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CASM’s TRACK RECORD 2002-2006

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<td>(Papua New Guinea 2004)</td>
<td>• The CASM Book.</td>
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SMALL GRANTS
Communities and Artisanal & Small-scale Mining
A Global Partnership for Action

Toolkit
for Implementing Small-scale Mining Baseline Surveys in Africa

Sustainable Minerals Operations in the Developing World
Edited by J. R. Marker, M. G. Petterson, E. Alston, M. C. S. National

Minerals out of mining
Mainstreaming Mineral Wealth in Growth and Poverty Reduction Strategies
Economic Commission for Africa
Economic Commission for Africa
Technical assistance and Gathering Information

THE PARIS DECLARATION

CASM SHIFTING FOCUS

Strategic Engagement for Development Effectiveness
CASM’s OBJECTIVES
2006-2008

KNOWLEDGE SHARING
LS/SS Conflict Management
Fair Trade Standards
Revenue Transparency
Hazardous Child Labour
Conducive Policy Environment
Legalisation - virtually all of orpailleurs, sponsors and traders are illegal - as the existing Congolese legislation forbids artisanal mining on large scale industrial concessions. Neither the existing 2002 Code Minier nor the 2003 Code de Conduite de l'Exploitant Artisanal are appropriate or sympatheic to the realities of the orpailleage sector (e.g. no security of tenure) with no real incentives to legalise

Policy - lack of an enabling or appropriate and clear policy to help formalise, empower and assist the orpailleage sector - need to align orpailleage issues with the MDGs and mainstream ASM in to national development strategies including the Congolese PRSP
A Better Deal for Miners

**Debt-bondage** - most *Orpailleurs* are debt-bonded to Négociants - current situation is exploitative and provides no options for *orpailleurs* or communities. There are many predatory Négociants and petite Comptoirs who pre-finance the *orpailleurs*. There is no repatriation of mineral profits to the communities.

**Mineral Markets** - *Orpailleurs* do not have access to equitable markets - exploitative markets - *orpailleurs* sell their products as quickly as they can and usually get low prices when debt-bonded. Informality and illegality (smuggling) increase the risk that the orpailleurs will be exploited by intermediaries or traders. Acceptance that trade with Uganda will continue and is currently the only really export route - perhaps >10t/month from Concession 40 alone.
CASM’s OBJECTIVES 2006-2008

KNOWLEDGE SHARING
- LS/SS Conflict management
- Fair Trade standards
- Revenue transparency
- Hazardous child labour

REGIONAL EFFECTIVENESS
- Support Embryonic Regional Cadre
- SEA of National Mineral sector policies
- Help Administer Small Grants
• Full livelihoods assessment and baseline survey of ASM communities in the vicinity of LSM (Damang)
• Collaboration between LSM, local NGOs and ‘galamsey’ to develop a mutually beneficial co-existence
• Development of demand led sustainable alternative livelihood programme (SEED)
• Preparatory work undertaken for an alternative ASM site
• Non-mining educational workshops and vocational training
• Formation of ASM ‘good practice’ training workshops
• Also working in collaboration with EU mercury abatement project and Minerals Commission
Tanzania

- Full livelihoods assessment and baseline survey of ASM communities in the vicinity of LSM (Geita)
- Development of co-existence strategies between ASM communities and LSM
- Formation and empowerment of local miners committee
- Multi-stakeholder workshops to ensure community ownership
- ‘Best Practice’ training of local miner owners & MADINI staff - H&S, environment, legislation, mining, processing, business skills, etc
- Development of ASM Fair for ASM local communities - education, promotion, dissemination of good practice
• Scoping of feasibility of constructive and beneficial partnerships between ASM and LSM
• Development of tangible incentives to formalise the ASM sector in full co-operation with LSM
• Identification of the feasibility of advocating ASM ‘good practice’
• Assessment of the socio-economic parameters of ASM operations
• Assessment of the gold marketing system and trade dynamics
CASM’s OBJECTIVES 2006-2008

**KNOWLEDGE SHARING**
- LS/SS Conflict management
- Fair Trade standards
- Revenue transparency
- Hazardous child labour

**PARTNERSHIPS**
- Companies
- NGOs
- EITI
- ILO
- ARM
- DDI
- Academia
- Kimberley
- DFGF
- AMP

**REGIONAL EFFECTIVENESS**
- Funding and support regional cadre
- SEA of Mineral Sector Policies
- Small Grants
Extractive Industries Transparency Initiative

28th July 2006
Gaborone, Botswana
CASM’s OBJECTIVES 2006-2008

KNOWLEDGE DEVELOPMENT AND SHARING
- LS/SS Conflict management
- Fair Trade standards
- Revenue transparency
- Hazardous child labour

BUILD NETWORKS AND PARTNERSHIPS
- Companies
- NGOs
- Academia
- EITI
- Kimberley
- ILO
- DFGF
- ARM
- AMP

REGIONAL EFFECTIVENESS
- Funding and support regional cadre
- SEA of Mineral sector policies
- Small grants

ADVOCACY
- IGF and Governments
- Donor community
- UN agencies (CSD)
- Private Foundations
Reporting ASM progress

*Johannesburg Plan of Implementation* recommendations for Mining Sector 2010-2011

DFID
WHAT’S IN IT FOR YOU?
Mining Sector Diversity:
The Mining Continuum

Large Scale Mining
Medium Scale Mining
Small Scale Mining
Artisanal Mining
WHAT’S IN IT FOR CASM?
6th Annual CASM Conference

“ASM – From Threat to Opportunity”

November 11th -15th 2006
Antsirabe, Madagascar
Historic conflict between ASM and Large Scale Mining (LSM) often characterised by tension, mistrust and occasionally conflict - Ghana, Guinée, DRC, Tanzania, Mali, etc.

- ASM sector often viewed as ‘trespassers’ on LSM concessions.
- ASM view the granting of LSM concessions as depriving them of their ‘traditional’ land and rightful livelihoods.
- Issue of land tenure - the legal differences between land and mineral ownership rights often unknown.
- LSM have often used the artisanal miners as unpaid ‘geologists’ - barefoot prospectors.
- ASM have often illegally congregated around virgin exploration sites and newly developed LSM sites.
Building Relationships

- Force, terrorisation, intimidation and building expensive systems of security ✗
- Diplomacy and building constructive relationships works better ✓
- The relationship between LSM & ASM is undergoing a largely positive evolution ✓
- How does the LSM initially engage and gain the trust of the ASM sector?
- There is often a lack of a coherent and single voice to represent the ASM sector
- Is there a need for an independent third party to intervene and mediate - forming a tripartite relationship?
- Is the LSM sector the only realistic, long term and sufficiently resourced partner available to assist the ASM sector?
Each mine has its own historical, social, cultural and geographical characteristics and peculiarities that preclude the use of a one-size fits all prescription to overcome the challenges of ASM.
NEED TO CLARIFY ROLES?
Large Scale Mining’s Role

• ‘One industry’ - global public views the mining sector as a whole with little differentiation between ASM and LSM

• Some media and some dubious NGOs seem compelled to spread unfounded or misinformed propaganda about the mining sector - how can we educate the media and NGOs?

• What is the responsible role of the LSM sector? Altruistic and philanthropic organisations vs Corporate Social responsibility (CSR)

• LSM should not be seen as the alternative rural social service or a regional charity?

• LSM need a ‘social license’ to operate - economic, social, cultural and environmental support

• Numerous companies have attempted to form partnerships with the ASM sector
ASM’s Role

- Often misrepresented - viewed as ‘trespassers’ or a social nuisance by LSM, local authorities & national Governments

- ASM communities often incited and conflicts inflamed by unscrupulous NGOs or the media

- How do we gain the trust and co-operation of the ASM communities?

- What is the role of the ASM miners and communities?

- How do we empower and give voice to the ASM sector and allow them to engage with the LSM on an equal basis?

- What rights and obligations should the ASM sector have and how do we ensure they respect the rule of law?

- What incentives for formalisation and co-operation can be provided?
Government’s Role

- What is the role of traditional leaders, local and State Government?

- How can the accountability of Government for mineral derived revenues be increased? (EITI)

- How do we encourage Governments to help LSM and ASM co-exist?

- How do we encourage ASM associations or co-operatives to form collaborative partnerships with the LSM sector for mutual benefit and also advocate ASM association membership of the national Chamber of Mines?

- How do we convince Governments that the future development of these two sectors is not mutually exclusive?