

2005-06 AGM Report

To the Communities and Small-Scale Mining (CASM) Secretariat regarding the
Communities and Small-Scale Mining Regional Network in China (CASM-China)



*Small Iron Ore Concentrating Mill, Miyun, Beijing, China
CASM-China Case Study and County Meeting, October 2-6 2006*

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Forward

Under the auspices of CASM the CASM-China has been created for more than two years, aiming to bring together a wide range of people involved in artisanal and small-scale mining (ASM) in China, within the context of poverty alleviation and sustainable communities. Since its inaugural meeting in Beijing on January 5-7, 2004, the CASM-China has been actively working toward implementing its work plan. This report summarizes CASM-China's activities and works in the last fiscal year from the October 2005 to October 2006, details its achievements made and work plans toward successfully implementing this plan.

Review of work and financial statement

In the last one year CASM-China faced difficult policy environment change. This is because the Chinese central government united eight departments, commissions and bureaus to carry out a large-scale of resource consolidation campaign on the ASM sector over China in the late 2005. This campaign became the main task of all industrial sectors and administrative departments in 2006 in China and required that all ASM be consolidated. This policy change required CASM-China to adjust its previous work plans and manage to raise the level of awareness and knowledge on ASM issues within the Chinese government and stakeholders and work to stimulate and contribute to a balanced policy debate that addresses issues related to regularisation, environmental protection, health and safety and poverty alleviation.

Facing the above policy challenge, CASM-China insists on realizing its proposed goals as follows:

- Share ideas, research plans and research output;
- Develop a wider network of ASM researchers and policy influencers in China; and
- Establish links with the international ASM community.

Review of past works

The focus of CASM-China over last year, however, had been placed to carry out much more case studies on ASM and partnerships. Some works had been done as follows:

a) Carried out four local ASM case studies.

- 1) **Shuozhou case study**, which is in Zhuozhou City, Shanxi Province, on September 2-6, 2006. CASM-China invited two experts from Shanxi University of Finance and Economics to join this field survey and meeting. These two experts are Ma Yuejin, the head of School of Law in the university and Cao Xia, a professor in environmental and resource law. Other participates are Wang Zixin (a PhD candidate from Hebei

Normal University), Li Angda and Yu Xiaodong (both master postgraduate students from CAS). This case study aims to understand local ASM responses to central policy of resource consolidation and their problems and difficulties. A Trusteeship model was identified from Shuozhou case study (see attachment 1).

- 2) **Chenzhou case study**, which was completed under the help of Professor Tongbin Chen's research group in the Institute of Geographic Sciences & Natural Resource Research of CAS. A kind of phytoremediation technology was developed and applied successfully in the mining areas of Chenzhou city, Hunan province (see attachment 2).
- 3) **Guizhou case study**, which was carried out by joint cooperation between CASM-China and the Center of Consultancy and Research in Ministry of Land & Resources in August 2006. Its success lies in the establishment of Duyun ASM Owner Association which helps ASM owners to self-discipline and is valuable of popularization in other ASM concentration areas of China (see attachment 3).
- 4) **Beijing case study**, which was done by CASM-China in October 2006. It relates to such an issue of how to deal with the conflict between the protected area like the Miyun reservoir, the water source of Beijing, the capital of China, and ASM rich area (see attachment 4).

b) Partnerships: CASM-China has continued and managed to seek for any potential partners in the field of small-scale mining research and consultancies in China. Professor Chen's research group had expressed great interest in cooperation with CASM-China in the field of environmental restoration for mining areas. The Centers of Consultancy and Research in MOLAR helps CASM-China do some related works on ASM resource management. Two experts from Shanxi University of Finance and Economics helped CASM-China carry out some legal consultancies for ASM owners. Cao Xia helped to contact the Shanxi Branch of Pacific Economic & Cooperation Commission for hosting the 2007 CASM AGM in Taiyuan in 2007 and the Shanx Branch expressed high interest in doing this. Recently CASM-China contacted with Committee of Environmental and Resources Protection, National People's Congress of China (NPC), the highest legislation agency of China. Professor Xue Huifeng, vice-director of Survey and Research of NPC hoped to cooperate with CASM-China on comparative studies of ASM legislations and policies in world and China. CASM-China also submitted a draft law for ASM to the NPC for comments and suggestions. Since October 2004 Shen Lei and Li Peiji have been being responsible for the drafting of ASM in the second revision of Mineral Resources Law of China. CASM-China has translated this document into English and provided CASM in 2005 for comments. In July 2006, CASM-China and *China Land and Resources News* successfully cooperated to open a column forum on ASM resource consolidation. Lei Shen and Peiji Li from CASM-China wrote two policy papers on their roles of ASM and some issues to be considered during current resource consolidation campaign. On 4-15 January 2006, Shen Lei took Cheng Shengkui, deputy director

of IGSNRR,CAS, to visit two universities (Australian National University and Queensland University) in Australia, introduced the works of CASM-China, and achieved agreements on case studies for CASM- Asia Pacific. In May 2006, CASM-China hosted a workshop with Mr Peter from the Balcksmith Institute and several staffs in the China Mining Association, emphasizing on identifying some best mine sites for mercury pollution reduction and technology transfer to China.

- c) **Finished website new registration and maintenance:** The IP address www.casmchina.org has been running for two years since October 2004 was re-registered until the end of 2008.
- d) **Established a Web-based Knowledge Centre:** The center now includes information on global ASM projects, conferences, and news items. ASM papers, including legal documents, have been uploaded to the website and more will be added as the website develops. CASM newsletters are translated into Chinese and shared on the website. A new electronic journal of ASM in China was created in the website and all documents in 2004 had been uploaded into the website.
- e) **CASM Annual General Meeting:** Sending three representatives to the CASM 2004 annual meeting in Sri Lanka to report on CASM-China's activities; In 2005 Shen Lei planned to attend CASM AGM in Brazil but unfortunately cancelled as of visa delay afterwards. In 2006 Shen Lei has already booked tickets for travel to Antsirabe of Madagascar and will give a presentation to CASM about the recent works of CASM-China.
- f) **Expanding the CASM-China Network:** CASM-China has been working toward increasing both the depth and width of its network in China.
- g) **Documenting:** In 2005, CASM-China organized some experts to translate an ILO Safety and Health handbook by Manfred Walle and Norman Jennings into Chinese. As of wrong coordination, this translation was not published and thus unuseful. In addition, CASM-China have worked out several journal articles as follows:
 - *Lei Shen, Aaron James Gunson. 2006. The role of artisanal and small-scale mining in China's economy. **Journal of Cleaner Production**, 14, 427-435.*
 - *Shen Lei and Liu Xiaojie. July 3, 2006. Resource Consolidation could not be simply considered as closing up small-scale mines. **China Land and Resources News**.*
 - *Fu Minke. July 3, 2006. Resource Consolidation: avoiding depriving legal rights and benefits of small-scale mines by administration compulsion. **China Land and Resources News**.*

Table 1: CASM-China Works until the end of October 2006

Activity	Details
Balance last year	By the end of August 2005 Balance
Jan-06	Transferred by A J Gunson
	Bank Transfer Fee
Feb-06	Transferred by A J Gunson
	Bank Transfer Fee
	Two nights accomodation of AJ in Shanghai in November 2005
Subtotal	Since the second half 2005
Tickets to Brazil	Returning tickets to Brazil (RMB6,000)
Documenting	Translate and make available key Chinese and international ASM legal and policy documents
	Translating ILO handbook(not useful)
Case Studies at Local CASM-China Meeting	· Co-host a visiting meetings of Peter from Blacksmith for Hg pollution reduction
	· Shuozhou field survey(Shanxi Province)
	· Chenzhou Non-ferrous Metal case study(Hunan Province)
	· Duyun Zinc case study(Guizhou Province)
	· Beijing Iron Ore case study
Expand Network Nationally and locally	Meeting participants are to reach out to their counterparts in ASM areas unrepresented at the meeting and rural meeting participants to reach out in their communities to inform and involve other ASM stake-holders
ASM Law Draft	Listen to some comments to the ASM law
Partnerships	• Approach the China Land Daily for cooperation studying the policy and legal issues of ASM and resource consolidation
	• Approach CNPC for cooperation on a pilot ASM legal project
CASM-China Website maintenance	Two year's space registration and service

Review of short term challenges

As determined in the inaugural meeting, the roles of CASM-China should be played in the following aspects:

- Actively engaging and cooperating with Chinese agencies to develop new ASM policies and laws;
- Promoting a balanced view of the role of ASM in China and promoting the potential of ASM to contribute to rural poverty alleviation while mitigating harmful impacts;
- Creating a knowledge center to provide information on ASM both internationally and domestically, as well as a forum for sharing ideas, research plans and research output;
- Developing a wide network of ASM researchers and policy influencers in China and with the international ASM community to facilitate communication between experts.

Various barriers, however, lay between CASM-China and its goals, including:

- Formalization
- Institutional and Hierarchical Boundaries
- Champions
- Budget

CASM-China has effectively overcome or is in the process of overcoming these barriers through the following actions:

- 1) Formalization – CASM-China was given to the leadership under the Chinese Mining Association (CMA). The importance of this formalization is hard to overstate. An informal organization in China is not viable, as all organizations must be formally registered. All people in China, especially at lower levels, were extremely reluctant to cooperate with any organization that was not formally recognized with the Chinese government. Even if CASM-China attempted to register formally as an NGO, however this would have probably taken a long period, and would not have the institutional weight that is possible with the CMA.
- 2) Institutional and Hierarchical Boundaries – One of CASM-China's most important roles is to bring together people from a wide range of agencies, backgrounds, and levels of government to discuss small-scale mining issues. Generally speaking, China has no lack of well-qualified, talented experts in most fields. However, China is often challenged to break through its own bureaucratic barriers between different agencies to allow these experts to communicate with each other. As has been demonstrated internationally, successful approaches to the challenges posed by ASM require a multidisciplinary approach.

Since ASM safety and casualties happened from time to time, it causes the central government to want to control, not encourage, ASM in China and puts off any

favourable policy and legal initiatives. Therefore, CASM-China has often worked to surpass boundaries between levels of government in China, by inviting participants from a variety of levels to its inaugural meeting, by hosting local meetings in rural areas, and by encouraging all participants to share their opinions on ASM. Thus CASM-China has worked to effectively engage local communities and the miners themselves.

- 3) Champions – In order to carry any weight in policy discussions, CASM-China needs to have the support of senior members of the Chinese government. Senior members who attending the inaugural meeting and continuing to actively support CASM-China include:

Fu Mingke, previous Director General of Department of Ministry Exploitation in Ministry of Geology and Mineral Resources (now renamed the Ministry of Land and Resources), now of the China Mining Association

Li Peiji, Small-Scale Mines Committee, China Mining Association

He Xianjie, Senior Consultancy Center, Ministry of Land and Mineral Resources

Liu Yikang, Deputy Secretary-General, China Mining Association

Shen Lei was appointed Director of the Small-Scale Mines Committee in the CMA, and has since also been appointed General Secretary of the China Society of Natural Resources. CASM-China has also actively sought for supports from and cooperation with Professor Xue Huifeng, vice-director of the NPC.

CASM-China is managing to expand itself by inviting a larger number of representatives of international organizations to act as champions of CASM-China within their own organizations. Mr. Shen Lei held a short interim with Dr Kuntala Lahiri-Dutt at the Research School of Pacific and Asian Studies in the Australian National University in January 2006, carrying out some case studies on ASM in China. CASM-China also held a workshop about ASM at the International Conference on Circular Economy and Regional Sustainable Development (see the website at www.2005cersd.org.cn) and A J Gunson were formally invited to participate and give his presentation in this workshop. Still, some international graduate students, like Mrs Huang Ganlin in the United States and Miss Zhao Xinju in France, were still asked to involve in the network of CASM-China.

Future general meeting of CASM-China will provide a larger opportunity for the international community to be involved and will be scheduled to allow better international attendance.

- 4) Budget – Thanks to the initial grant of US\$15,000 and the last US\$ 4,500 provided by CASM, CASM-China was able to host its inaugural meeting and cover the costs of implementing the work plan developed in the 2004/5 and parts of 2005/6 contracts. Moreover, CASM-China has received substantial in-kind

contributions both from within China and internationally, including the transportation costs of Philip Andrew-Speed and AJ Gunson to the inaugural meeting and their time working on CASM-China related activities, as well as the facilities and substantial time spent by Shen Lei, his students and other Chinese experts and officials. These in-kind contributions may already exceed CASM's all investment.

In addition, CASM-China has made proposals for further research funds from both Chinese and international sources. A project investigating best practices in local government small-scale coal mining policies has already been approved and funded by the University of Dundee.

Having largely overcome these four barriers, CASM-China has concentrated on achieving its work plan, as documented in the past reports, with the aim of removing roadblocks to implementing a national ASM policy.

Work plan for the coming year

In the coming year from now on, CASM-China will place its works on the following aspects, changing its meeting-oriented goals into practical cases studies towards small-scale mining and community development.

- 1) Attending the 2006 AGM in Antsirabe, Madagascar;
- 2) Continuing to complete the national policy report and ASM law draft; listen to some public comments on ASM laws and make further revisions; writing a comprehensive analysis article on ASM policy and legal advance and submitting to the NPC;
- 3) Carrying out a set of case studies in the west and east of China;
- 4) Translating news of CASM from English into Chinese;
- 5) Documenting some articles onto the website of CASM-China;
- 6) Writing and editing a book on ASM legal and policy in Chinese with the NPC;
- 7) Web upgrade monthly.

Strategic planning and alliances

CASM-China is actively pursuing the following strategic actions and alliances:

- 1) Actively applying for financial and work supports from the NPC and possibly co-author a book related ASM in China soon;
- 2) Participating in the works of CASM Asian Pacific network, in which I discussed with Dr Kuntala Lahiri-Dutt;
- 3) Advising the central government to pass the new ASM law drafted by CASM-China, and
- 4) Applying for further research projects from China and international communities.

Summary

CASM-China continues to make substantial progress toward meeting its goals as outlined above by formalizing under the CMA, building and developing its Knowledge Centre at its previous stage, and carrying out more case studies and seek for more partners at recent stage. In the last one year CASM-China successfully undertook four case studies in Shuozhou (the north China), Chenzhou (the central China), Guizhou (the west China) and Miyun (a particular area of the capital of China). CASM-China has been and is actively pursuing partnerships and projects towards achieving poverty reduction and sustainability in ASM, and is actively influencing China's ASM legislation and policy, by ways of being responsible for the ASM law draft and public comments. Some workshops about ASM either in China or outside had and will be held. Lots of achievements are well presented in its reports and publications.