

Artisanal and Small Scale Mining Development Lessons of the Past Decade

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Strategy for Support of ASM

- Isolated approach does not achieve sustainable results (example individual companies dealing with small-scale miners on an ad-hoc basis).
- ASM issues cannot be solved by mining sector solutions alone.
- Realization that a comprehensive approach is needed to address the multifaceted challenges of ASM.
- The Holistic Approach has been the basis of stakeholder partnerships to address ASM and has been more effective than sector-specific individual approaches.
- A strong case has been made about the link between MDs and the sustainable development of ASM, and this offer promising opportunities to widen the scope of interventions and bring new partners.

Lessons from formalization initiatives

- Formalization works when traditional structures and norms are taken into account in re-organizing the sector.
- Formalization does not work if the government does not have adequate capacity to support the sector and enforce regulations.
- Formalization can work best when artisanal miners can be contained in one site and actively supported.
- Availability of sites suitable to ASM makes it easier to form a cluster and organize miners, but artisanal miners must be convinced that prospective sites hold economic promise.
- Cooperatives have had mixed results. They work well for getting access to finance or equipment, but as well not for organizing production.

Lessons from technical assistance initiatives

- TA should not be restricted to safety and environment. Adoption of technology is more influenced by efficiency of production and the possibility of earning higher incomes.
- TA should not be one-off intervention. It should be planned over the long term and appropriately funded or self-sustaining.
- TA should be adapted to local situations. The Objective should be to adapt technology to the miners, not the other way around.
- A decentralized TA delivery must be established to ensure equal access to training and extension services to those who need it.
- Central processing units or TA centers need to be professionally managed and self-sustaining.
- Difficulties in estimating demand for services can lead to capacity under-utilization or excessive demand which defeat the purpose of ASM TA centers.
- Equipment schemes have been beset by problems of equipment quality or miners' ability and willingness to make lease payments.

Lessons from ASM/LSM Conflict Resolution initiatives

- ASM/LSM relations are influenced by commodity prices and the economic circumstances of the host country.
- Marginal deposits become attractive to both ASM and LSM sectors in times of high commodity prices, and encroachment is likely during difficult economic circumstances.
- LSM Companies with strong CSR policies are better able to manage relationships with ASM.
- But cohabitation options are limited by legal issues (mineral rights) and concerns over liabilities.
- Efforts to employ artisans or purchase their production have limited effectiveness if they are not part of a comprehensive solution.
- Short term appeasement can backfire and forceful removal can worsen tensions.
- Risks of conflicts can be reduced when LSM companies work in partnership with governments, civil society, and donors to implement comprehensive solutions over the long term: setting aside ASM sites, registering miners, providing TA, supporting alternative livelihoods.

Lessons from Alternative Livelihood initiatives

- Only a portion of ASM can be made sustainable. Therefore any strategy to address ASM issues must have an alternative livelihood program.
- A macro approach integrating ASM to non-mining sectors is needed for a credible alternative livelihood program.
- A culture change must take place before miners begin accepting alternatives that offer less gratification, but more stable and sustainable incomes.
- Where companies make efforts towards local procurement, significant business opportunities were created to offer alternatives to mining.
- Other alternatives arose from government-supported infrastructure development programs that are highly labor intensive.
- Agriculture development options face some of the challenges confronting rural farmers and requires a comprehensive approach.
- SME development also faces the same challenges of private sector development in emerging markets.