

Outline •Why CASM in China? •Key Achievements •Local Meetings •Issues and Challenges •The Way Forward

•Why CASM in China?

- •China has ~ 6 million small-scale miners, about half of the world's total CASM cannot be a global organization without considering China;
- The International ASM community has heard little from China;
- After the 2003 CASM AGM, AJ Gunson, Philip Andrews-Speed and Shen Lei proposed the formation of the CASM-China Regional Network;
- Thanks to CASM for its generous financial support.

CASM-China Regional Network

Key Achievements

a) January 5-7, 2004, CASM-China successfully hosted its inaugural meeting in Beijing. 43 participants from 24 agencies met together and discussed how CASM-China could be effective



and what goals could be achieved in China's complex and often sensitive ASM sector.

- b) Formalization The China Mining Association (CMA) has agreed to host CASM-China, allowing it to be a legal organization.
- c) Leadership Shen Lei has been appointed as a vicedirector of the CMA and the Secretary of the Small-Scale Mining Committee of the CMA.
- d) Website Registration The <u>www.casmchina.org</u> has been registered for a period of two years.
- e) Web-based Knowledge Centre The CASM-China Knowledge Centre now includes information on global ASM projects, conferences, and news items. It has 11 main headings as follows:

Home Project Progress Conference Info Regional Data Archives
Photo Galleries International Focus ASM Law ASM Journal ASM Forum

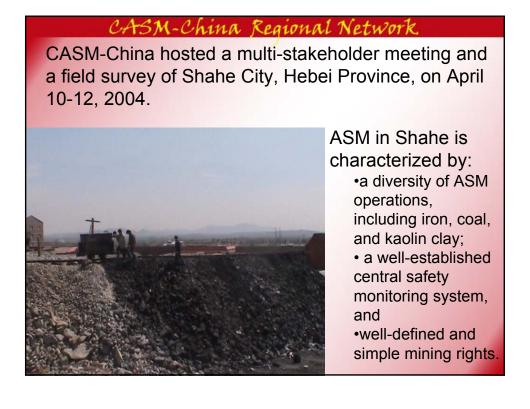
f) CASM-China has also linked with the website of CASM.





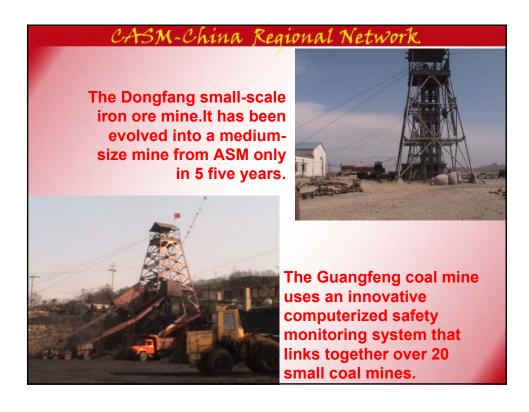
- g) A Chinese ASM journal will be available electronically on the website, including all articles published since 1996.
- h) Online Small-Scale Mining Forum An open electronic forum is now available to allow people to discuss ASM policy, legislation, health and safety, technology transfer, environmental protection and poverty-reduction.
- i) Projects CASM-China has organized two projects to date. One, on the success of small coal mining reform, is a cooperation between the College of Economics and Business Administration, the University of Chongqing, the Chongqing Bureau of Land and Resources and the University of Dundee. The second, on ASM policy and law, has won a grant the National Sciences Fund of China.



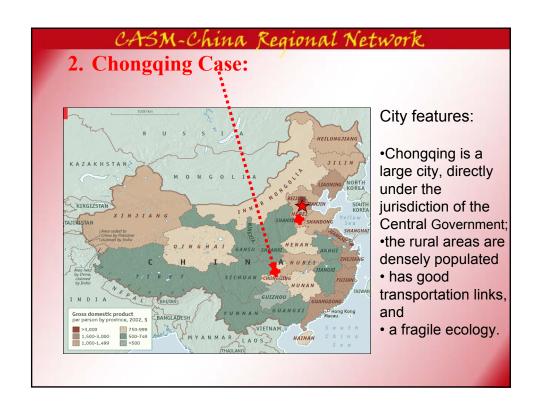




Mr. Li Yuanzhi, the director of Bureau of Land and Mineral Administration of Shahe City, gave a detailed introduction to ASM in Shahe and brought the survey group to look closely at five ASM mine sites







•CASM-China hosted its second local meeting and field survey of Chongqing Municipality, on September 22-24, 2004.



10 representatives, including mine owners, managers and leaders from the Chongqing Municipality discussed ASM issues with the CASM-China (Lei Shen, Mingke Fu, Peiji Li and Zongyi Yuan)



mine leaders including mining permit officials.





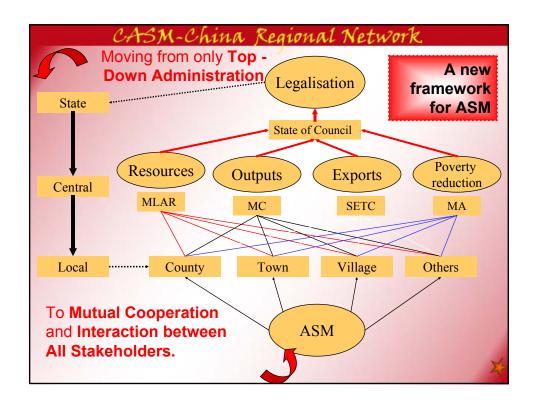
•Issues and Challenges:

- Lack of legal status for ASM in the mineral law system of China;
- Lack of resources and reserves available to ASM;
- Lack of effective health and safety management and regulations;
- ASM is often controlled by local governments
- the mines lack authority to make decisions or take new initiatives;
- Little access to finance, and
- Undue recognition from the public.

CASM-China Regional Network

•Main challenges:

- •China is currently revising its Mineral Resources Law Fu Mengke, of the CMA, is responsible for the revision to the Mineral Law and the Land Law. Fu Mengke and Shen Lei are working to ensure ASM is specifically included in the revised laws;
- ASM needs to be included when making comprehensive regional resource planning, assigning special areas for ASM miners;
- Appropriate health and safety mechanisms must be implemented to raise the position of miners and peasants to the level of urban workers;
- •Local governments need more authority over their mines.
- Alternative sources of capital, such as private investment, must be made available to ASM, and
- •ASM must contribute to reducing rural poverty and improving miners' incomes.



·Way forward

- •CASM-China is working toward developing additional projects with both Chinese and international partners, including:
 - Drafting a practical national policy for SSM;
 - Studying different nations ASM law and policy to determine Best Practices;
 - Carrying out baseline studies on China's ASM; and
 - •Building Indicators to appraise some successful ASM.
- •Expanding the CASM-China Network CASM-China is working toward increasing both the depth and width of the network in China;
- Involving in some key events of 'CASM-Asia';
- •CASM-China hopes to host the 2007 CASM-AGM in Beijing.

Conclusion

CASM-China continues to make substantial progress toward meeting its goals as outlined in its 2004 Work Plan by formalizing under the China Mining Association and building and developing its Knowledge Centre. CASM-China successfully held its inaugural meeting in January and has since held two local stakeholder meetings. CASM-China is actively pursuing partnerships and projects towards achieving poverty reduction and sustainability in ASM. It is also actively influencing the government's legalization and strengthening public confidence about ASM of China.

