

ASM in MONGOLIA

Issues & Way Forward

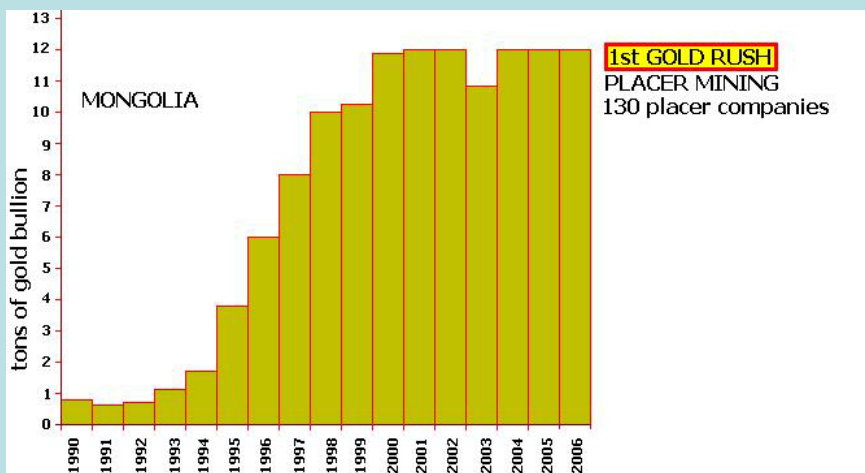


MONGOLIAN BUSINESS DEVELOPMENT AGENCY



with Technical Assistance from
Eco-Minex International Ltd

MONGOLIA'S GOLD RUSH No.1





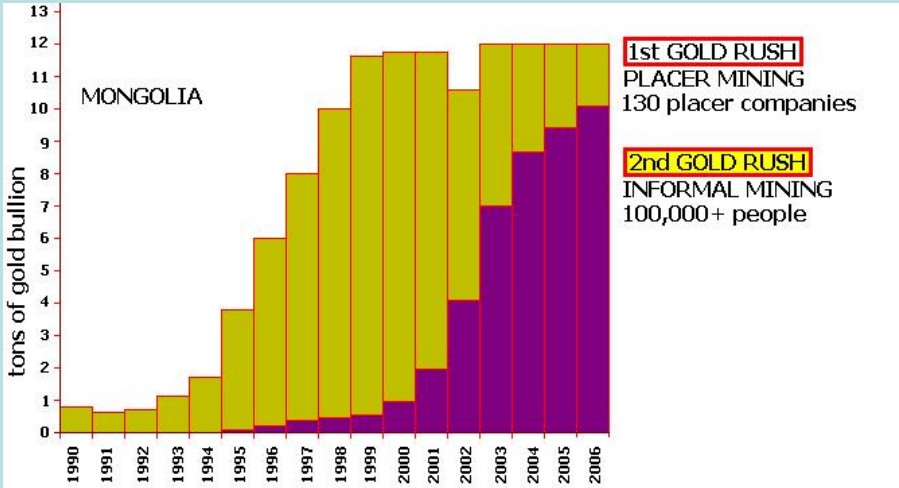
GOLD RUSH No.1



GOLD RUSH No.1



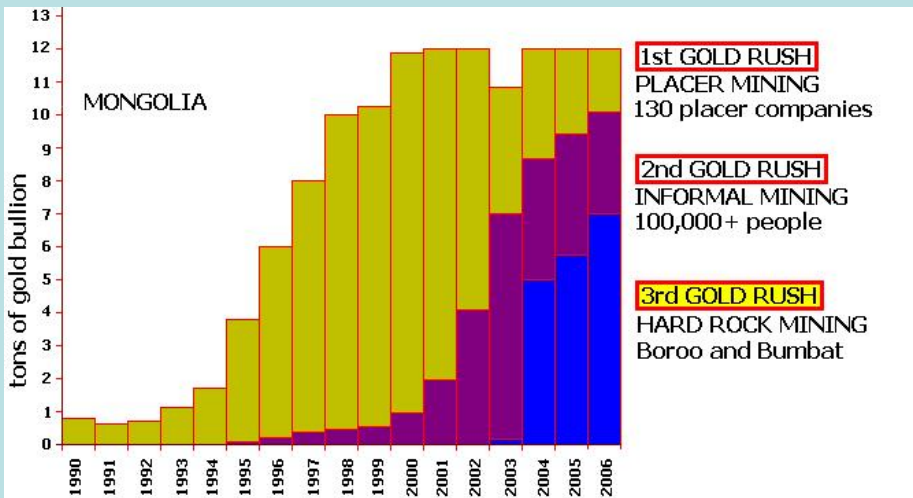
MONGOLIA's GOLD RUSH No.2





GOLD RUSH No.2

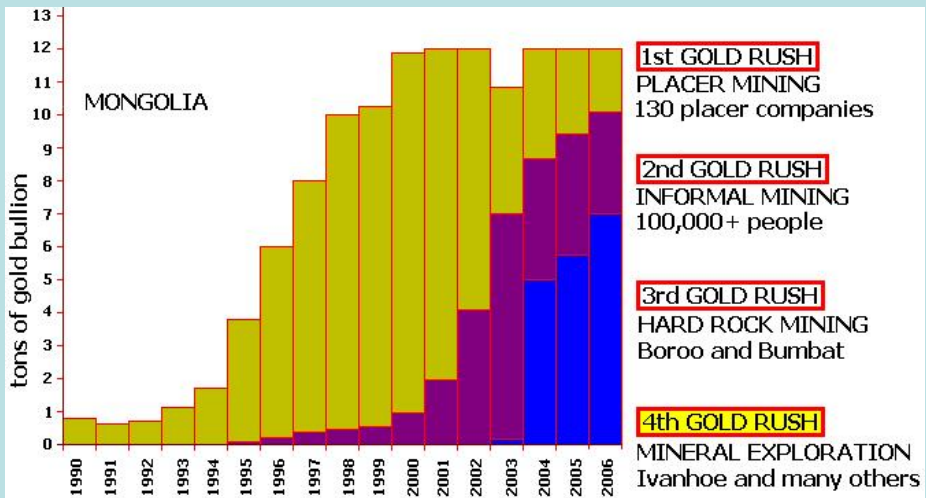
MONGOLIA's GOLD RUSH No.3



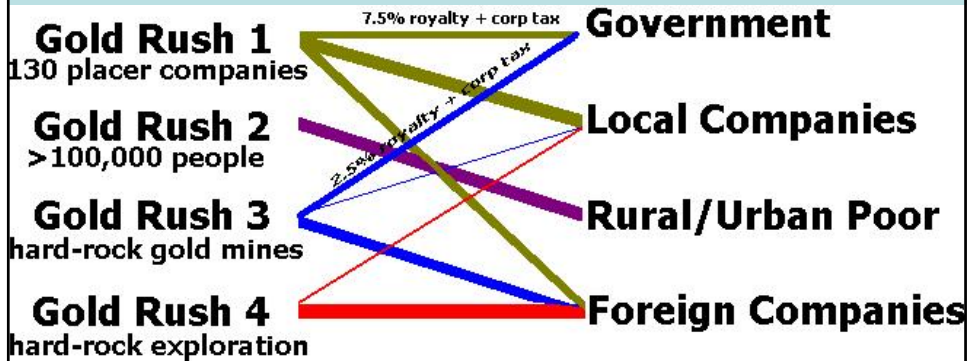
MONGOLIA's GOLD RUSH No.3



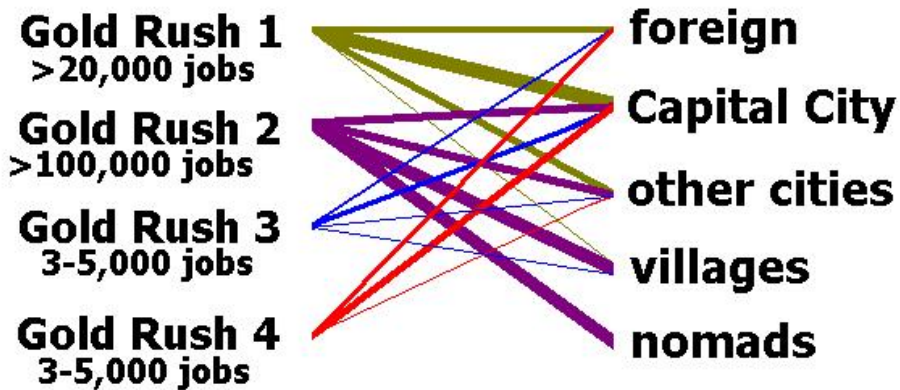
MONGOLIA's GOLD RUSH No.4



FINANCIAL FLOWS



WHERE THE JOBS GO...



ASM – NEGATIVES

- law and order
- threat to formal mining
- deaths and injuries
- human health - mercury
- child labour
- prostitution & alcoholism
- no tax
- overloaded local services
- environmental damage
- smuggling



ASM – POSITIVES

- vital social safety net
- biggest source of new jobs
- 1,000+ undergraduates
- safety net for rural/urban poor
- major driver of rural economy
- major source of exports (gold)
- extra source of exports (fluorspar)
- winter fuel (coal)



GOVERNMENT POSITION

- **until 2003 – largely ignore**
- **2003 – ASM law to Parliament**
- **2004 – ASM law still not approved**
 - **1st : denial/ignore/shock**
 - **2nd: local arrangements**
 - **3rd : legislate to control**
 - **4th : control to restrict/reduce**



NEED FOR BALANCE... recognise the Positives

- major source of jobs - \$\$
- social safety net - \$\$
- driver of rural economy - \$\$
- impetus to export earnings - \$\$
- gateway to higher education - students
\$\$

accept need for Dialogue

- ASM has.....NO VOICE
- Government has...NO FOCUS



ENABLE THE DIALOGUE

create:

- ASM NATIONAL ASSOCIATION..NGO
- ASM

AGENCY.....GOVERNMENT

ASM 'TOOL-BOX'

- ASM monitoring
- mercury safety/minimisation
- mine safety
- mine rescue
- placer technology
- hard-rock technology
- microcredit
- microleasing
- minesite education/training/health

