

# Large-Scale Operations and ASM

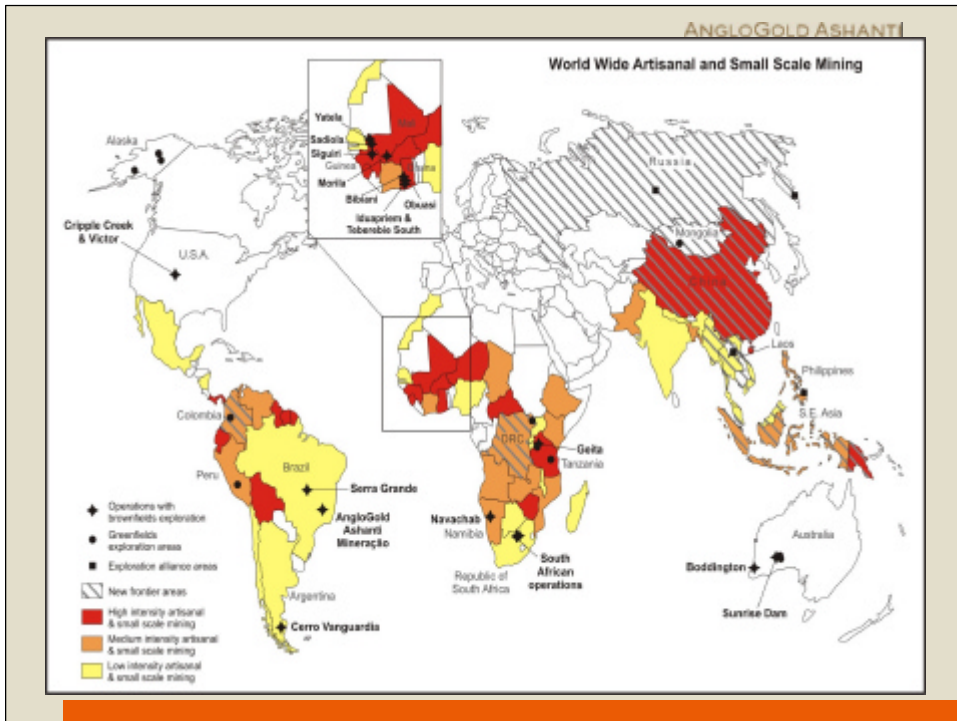
A focus on gold mining



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## Artisanal and Small Scale Mining in the context of African Operations





## Concepts and Perceptions

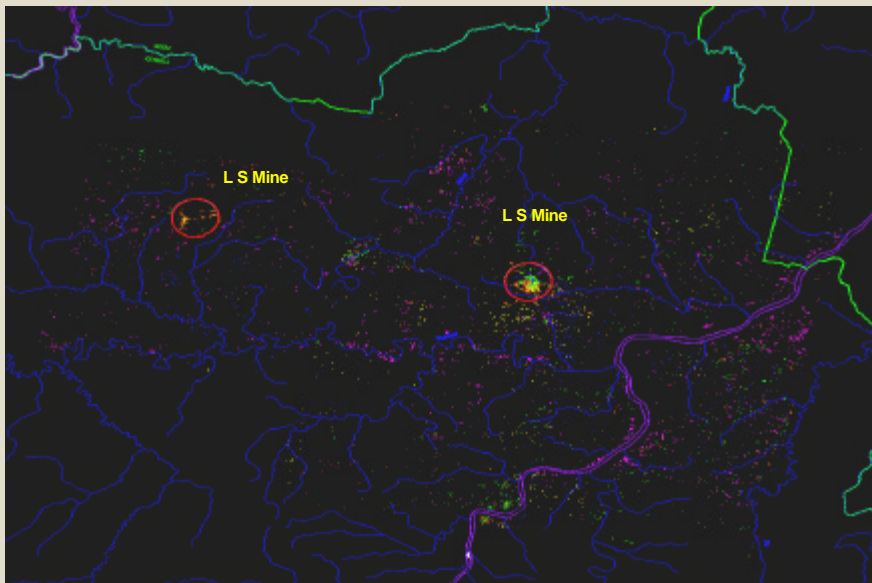
- Ownership and access – villages often predate current borders and structures
- The legal right to exploit a resource
- Respect for government concession areas
- Traditional communities and survivalists / fortune seekers / new arrivals
- Diversities of culture

## Company / Operational Risks

- Safety and health of AGA personnel
- Safety and health of 3<sup>rd</sup> parties
- Production disruption
- Hg usage and environmental degradation
- Increases in: HIV/AIDS, malaria, substance abuse
- Poor relations with host communities
- Increase of local criminal activities

## Satellite Image - West Africa

± 70% of spots are exposure due to artisanal workings



## Large-Scale and Small-Scale



## Examples of AM - Ghana





## Example of Illegal AM “Rush” - Tanzania



## Examples of Legal SM - Tanzania



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## Illustrations of Specific Areas of Concern Unlawful Pit Invasions



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## Influx of ASMs to Areas of Operation



## Unsafe Work Practices



## Some Practical Challenges / Risks

- Identifying community and ASM leadership
- Often no clearly articulated government position on the issue
- Who are the beneficiaries?
- Investigating value adding activities downstream and getting ASM gold to the formal market
- If the sector is assisted - risk of drawing in additional people to the area. Greater draw down on existing infrastructure
- Seek to benefit the people most affected by mining activities (typically original inhabitants of the area)
- How to form a mutually beneficial relationship



## Strategy to Date

- Engagement through DFID (seen as impartial)
- Focus on mutually beneficial relationship
- Participatory workshop
- Voting on top issues
- Focus fell towards benefits of legalisation and organisation
- ASM Trade Fair
- VETA, NMB, ILO, UNIDO + Educational materials





## Rationale

- Process must be multi-stakeholder (problems too great for any individual stakeholder)
- Strategies must be as inclusive as possible
- Included should be local and national government, donor governments, industry and other interested and affected parties
- ASM has the capacity to become a substantial production issue – closely related to our social and moral license to mine

## Operational Goals and Objectives

- No one in operational areas without management's sanction
- Focus on health and safety
- Human Rights concerns
- Improved livelihood options of host communities by supporting and facilitating, legal and responsible ASM
- Safety and health of our employees
- Undisrupted production