



## Background

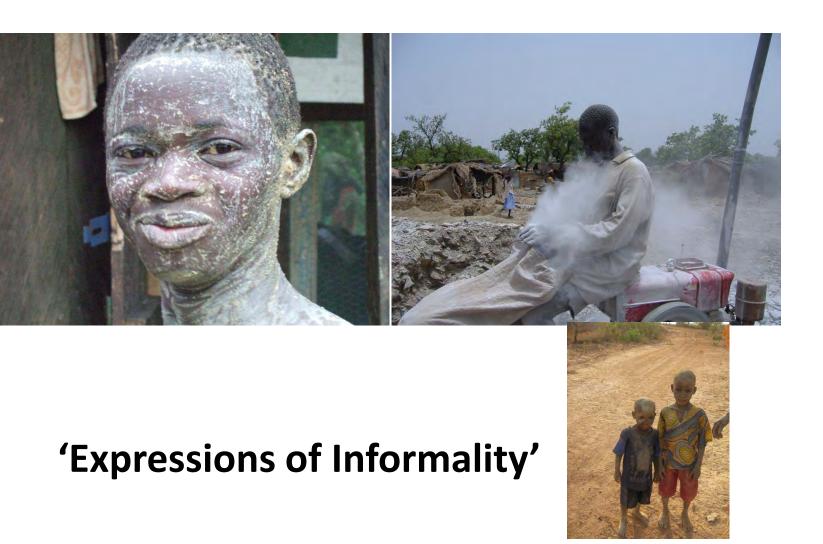
Artisanal and small-scale mining (ASM) in sub-Saharan Africa

- Role in local economic development and poverty alleviation
- Low-tech, labour-intensive activity
- Precious minerals and stones





# Background





## Background

20-40 million people directly in SSA

 6 X more people depend on it for their livelihoods

Contribute to national mineral outputs

Why is the policy 'space' so small?



## Objectives

1. To critically reappraise a 'farm-first' approach to rural development...

2. To cast light on the potential for a more 'integrated' approach, with special emphasis on an expanded role for ASM...

3. To identify ways in which to formalize ASM in...





# Learning from Informality

- Desperate need of innovative solutions
- Informality
- Prevailing economic conditions
- Globalization
- Informality
- Unlicensed ASM has grown
- Seasonally; income-earning
- Changing roles
- Linkages and Inseparable



'Farm focused'

NEPAD, PRSP, MDGs

Tenuous issue: 'Employment'



Ghana's First PRSP, An Agenda for Growth and Prosperity, 2003

'Ghana is predominantly an agricultural economy [and that]...the change of the archaic, nearsubsistence agricultural economy into a progressive, dynamic, entrepreneurial and profitable business will bring about structural change and change to the spatial organization of the rural environment'... (pp. 36-37).



Tanzania's Second PRSP Progress Report, 2003

'...the poor are concentrated in subsistence agriculture...' (p. 6)

Tanzania's Third (PRSP) Progress Report, 2004 '...constraints facing agriculture require expeditious actions with regard to financing mechanisms, investment and provision of support services'...(p. 6).



Mozambique's First PRSP, 2001, Action Plan for the Reduction of Absolute Poverty

'...low productivity in the family agriculture sector...[as a principal cause of poverty in the country, and outlines ambitious plans to expand activities through] 'the support of rural extension programs based on specific crops and technologies, as well as improvement in the financial system'...(pp. 3-4)



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NEPAD, PRSP, MDGs

Tenuous issue: 'Employment'

Employment or involvement?



In much of Sub-Saharan Africa, agriculture is a strong option for spurring growth, overcoming poverty, and enhancing food security. Agricultural productivity growth is vital for stimulating growth in other parts of the economy. But accelerated growth requires a sharp productivity increase in smallholder farming combined with more effective support to the millions coping as subsistence farmers, many of them in remote areas.

World Development Report 2008, Agriculture for Development



### **CSR and Social License to Operate**

Community-level frictions

Ghana, Tanzania, DRC

Alternative livelihoods

'Re-agrarianizing' 'de-agrarianized' areas



Ghana: > 1 million small-scale gold miners

Tanzania: > 1 million small-scale miners

 Mozambique: > 500,000 small-scale gold miners



#### Not very...

Social and Labour Issues in Small-Scale Mining, ILO, 1999

Small-scale mining is bedevilled with too many regulations that are mostly designed to constrain it... There is therefore little incentive for small-scale mines to conform, particularly if the risks of being caught and of sanctions being applied are minimal. If small-scale mining is to be encouraged to operate legally, legislation must be (at least) even-handed in allowing small-scale miners access to suitable land for prospecting and mining activities. It must be "user friendly" as far as the issuing of permits and the granting of licenses are concerned—permits that provide clear security of tenure for a reasonable period so that small-scale mining can become established.



- No policy 'space'
- Regulations difficult to comply with
- Licenses costly
- Delays
- Large-scale mining bias
- Competing local-level actors

Really difficult = ↑ informality



### Recommendations

#### **Formalization Frameworks**

- 1. Proactive 'Demarcation'
- 2. Pressure companies
- 3. Simplify the licensing system
- 4. Cool down with the agric
- 5. Agriculture = food security
- 6. Studying the synergies between the two



### Questions?

1) How to proceed?

2) Bread, stones or both?















