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2024

The role of artisanal and small-scale mining in poverty alleviation and rural development

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Artisanal & Small-Scale Mining: Overview

1

Historical Context (South Africa)

- Historical existence –existed for years
- Overlooked: LSM Dominance
- Informal (largely)

2

Global Context

- ASM has a significant role in the world economy
- 20% gold supply, 80% gemstones

3

Sub-Sahara Context

- Significant player countries – Ghana, Tanzania & DRC
- Vital source of income (gold, diamonds, etc.)
- Environmental challenges

ASM | ASM Policy

Objectives of the ASM Policy

- To create a basis for the formulation of a dedicated Artisanal and Small-Scale Mining (ASM) legal framework.
- To promote optimal and orderly exploitation of mineral resources for the benefit of all South Africans.
- To develop mechanisms to legalise artisanal and small-scale mining operations and bring them within the mainstream economy.
- To promote health, safety and sound environmental management practices.
- To facilitate entry and meaningful participation by Historically Disadvantaged South Africans (HDSA).
- To contribute towards job creation, economic growth and poverty alleviation.

ASM | ASM Policy

Challenges

- Cooperatives (zones mining areas) – Identification & Mapping
- Restricted to Surface mining – Safety vs Illegal mining
- Formalisation – simplifying processes
- Permit duration – investment
- Collaborations – ASM & LSM (DMPR)

ASM | Typical challenges

Geology and Law

- Lack of appropriate ore bodies and access to information
- Regulations and policies
- Difficulties of legalizing mines
- Governance and reporting

Marketing

- Access to the market only via intermediaries
- Market barriers
- Market regulations

Technology

- Use of labour-intensive technology
- High losses of values and time
- Lacking transparency of the hardware market

Human resources

- Unskilled labour force
- Lack of cultural understanding
- Bad social image of mining
- Subsistence economy
- Health & Safety related
- Social Engagement

Finance

- Lack of capital
- High tax and royalty burden
- Limited access to investors and equity

ASM | Opportunities

- Substitute mercury use (gold)
- Access to resource mapping & technologies
- Use of technologies to improve productivity
- Water recycling and solar-powered equipment
- Health and Safety
- Beneficiation of local raw material



ASM | Opportunities

- Access: Tribal land dynamics
- Access: Gender Equity
- productivity
- Water recycling and solar-powered equipment
- Health and Safety
- Beneficiation of local raw materials
- Incubation (cooperatives)



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ASM & Opportunities

- Development of emerging miner support strategy, to include:
- Technology and service development program,
- Minerals processing skills transfer program (ore dressing),
- Environmental management and remediation.
- Development of commodity strategies (various)
- Collation of information related to ASM at the national level (E.g. database).
- Enabling & tracking secondary economies of the ASM.
- D&O opportunities (empowering locals)

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