

# A joint call to the industry: include artisanal and small-scale mining in your supply chains

October 7th, 2020

- The **greatest opportunity** for the **gold and jewellery industry** to generate positive economic, social and environmental impact is to support artisanal and small-scale miners.
- Recycling and closed loop measures have significant environmental benefits, but given the millions of people who depend on artisanal and small-scale mining, **companies that choose 100% recycled gold are disengaging from urgent needs.**
- We encourage the industry to have a **sourcing strategy** that includes **recycled and responsible metals from artisanal and small-scale mining.**



**#EngagewithASM**

All the organizations and companies that have signed this statement **jointly urge the gold and jewellery industry to include artisanal and small-scale mining (ASM) in their sourcing policies and practices.** Recently, international media has been buzzing with the news of a large jewelry brand that made a commitment to source 100% recycled gold on a long-term basis. Whilst this commitment is undoubtedly driven by good intentions, it inadvertently excludes artisanal and small-scale miners from their sourcing strategy. Via this statement, **we urge companies to positively engage with ASM** and offer a helping hand to this sector that needs to be seen, valued and progressively improved.

## Artisanal and small scale mining: a challenging sector

The artisanal and small-scale mining sector employs approximately **42 million people**; **more than 150 million people worldwide depend on mining to make a living.**

Buying exclusively recycled gold excludes this sector, which employs many people who already face vulnerable situations. The challenges faced by miners include the barriers to formalization: **it is estimated that 70 to 80% of artisanal and small-scale miners worldwide work informally**<sup>2</sup>. This is different from being 'illegal'. Informal means that the law does not cover their activities or that there is no practical route to legality, such as due to distance. Furthermore, artisanal and small-scale gold mining is often unfairly associated with impacts such as unsafe working conditions, child labor, gender inequality, unfair labor practices, organized crime and environmental destruction. However, it can also be associated with rural employment, cash for farmers, side income for women, and a traditional economic activity for millions of families.

ASM employs  
**42 million people**<sup>1</sup>

Buying gold from this sector is a way to support ASM's development and helps improve the working and living conditions of many people in mining communities. For example, **one kilogram of gold can provide employment for 50 female and male miners for one year** (a worker can produce 7 kilograms a year in industrial mining)<sup>3</sup>.

Excluding these rural miners from supply chains means looking the other way, when we should face and address the existing and actual challenges in our mineral supply chains.

**We don't want to turn our backs on artisanal and small-scale miners** that need market support and incentives to become more responsible, since historically there has been a lack of access and resources to "do it the right way." We are dealing with a traditional economic sector in rural territories worldwide which many people depend on to make their living; **if they are**

<sup>1</sup> <https://delvedatabase.org/>

<sup>2</sup> <https://www.iisd.org/library/global-trends-artisanal-and-small-scale-mining-asm-review-key-numbers-and-issues>

<sup>3</sup> [https://s24.q4cdn.com/382246808/files/doc\\_downloads/newmont\\_archive/Newmont\\_2018\\_Beyond\\_the\\_Mine\\_%E2%80%93\\_Full\\_Report.pdf](https://s24.q4cdn.com/382246808/files/doc_downloads/newmont_archive/Newmont_2018_Beyond_the_Mine_%E2%80%93_Full_Report.pdf)

**offered a helping hand, they can improve little by little.** If they are ignored, they will continue mining but improving practices and impacts will become a more complex task. The high demand (and even more in the past months) means that artisanal mining will continue and recycled gold is not sufficient.

The **greatest opportunity** for the gold and jewellery industry to **generate positive economic, social and environmental impact** is to support artisanal and small-scale miners that are committed to reducing or eliminating mercury-use, joining the formal sector, and conforming to other responsible practices.



## Recycled gold is not the only choice

Recycling and closed loop measures have significant environmental benefits, but given the millions of people who depend on artisanal and small-scale mining, **companies that choose 100% recycled gold are disengaging from urgent needs in their supply chain.**

Although using recycled gold may actually be a better option than buying from unknown sources, it also has its disadvantages. **Mining won't stop only because demand for recycled gold rises.** We don't know the origin of recycled gold. But we know that **newly mined gold can become recycled gold just a few weeks after its extraction**, so what we purchase as recycled gold today could have been extracted under

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irresponsible conditions just recently.

This is why we also urge the industry to include solid **due diligence systems** to allow companies to verify that material is actually recycled, and not mined materials disguised as scrap.

The question is: **how can we contribute to a greater collective awareness and social responsibility demanded by jewelry customers?** Why not commit to a combined approach: reuse and recycle while investing in communities and people

who strive to improve within complex and historically stigmatized contexts?

**By choosing responsible gold from ASM, the market contributes to create jobs and develop local economies.** This is feasible because the purchase price is guaranteed to small organizations and additional incentives that mining organizations receive



## An inclusive and fully committed jewelry industry

Sustainability is not only about decreasing environmental impact, it also includes an economic and social component.

Consumers are also becoming more aware of social and environmental issues, caring about the origin of products and choosing those that generate a positive impact. The global situation we are currently facing **leads to a change in collective awareness and shows us that a single action can impact other people positively or negatively, regardless of geographical distances.**

We invite the jewelry industry to pay attention to the situation faced by the

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artisanal and small-scale mining sector. **We encourage you to question the origin of your products and choose to work with those that contribute to improving the quality of life of others,** that work hard every day to provide the market with what it demands.

Considering all these reasons, we reiterate our call to raise awareness and support the efforts being made by artisanal and small-scale miners and to work together to include their ethical gold in global supply chains.



## Organizations signing the statement

**Get in touch with us to find out how to engage with artisanal and small-scale mining.**

### Civil society organizations

Alliance for Responsible Mining - <https://responsiblemines.org> - [arm@responsiblemines.org](mailto:arm@responsiblemines.org)

Solidaridad - <https://solidaridadnetwork.org> -

Artisanal Gold Council - <https://artisanalgold.org> - [info@artisanalgold.org](mailto:info@artisanalgold.org)

Responsible Jewellery Council - <https://responsiblejewellery.com> - [communications@responsiblejewellery.com](mailto:communications@responsiblejewellery.com)

Instituto Redes de Desarrollo Social-RED SOCIAL - <https://redsocial.pe> - [olindaredsocial.pe](mailto:olindaredsocial.pe)

Levin Sources - <https://levinsources.com> - [hello@levinsources.com](mailto:hello@levinsources.com)

Cumbre del Sajama - <https://cumbredelsajama.com> - [cumbredelsajama@gmail.com](mailto:cumbredelsajama@gmail.com)

Pact - <https://pactworld.org> -

Fundación Atabaque - <https://atabaque.org> - [comunicacion@atabaque.org](mailto:comunicacion@atabaque.org)

Resolve - <https://resolve.ngo> - [info@resolv.org](mailto:info@resolv.org)

GDIAM - <https://gdiam.org> -

LBMA - <https://lbma.org.uk> -

Pure Earth - <https://pureearth.org> - [jen@pureearth.org](mailto:jen@pureearth.org)

IMPACT - <https://impacttransform.org>

Natural Resources Defense Council - <https://nrdc.org> -

ABR - <https://abrgrupoconsultor.pe> -

Association of Women in Mining in Africa (AWIMA) - <https://awimaafrica.org> -

Chambers Federation - [www.chambersfederation.com](http://www.chambersfederation.com) - [adele@chambersfederat.com](mailto:adele@chambersfederat.com)

Global Communities - <https://www.globalcommunities.org/> -

Impact facility - <https://impactfacility.com/> -

Mercury Free Mining - <https://www.mercuryfreemining.org/>

Christina T Miller - <https://christinatmiller.com> - [christina@christinatmiller.com](mailto:christina@christinatmiller.com)

V&V Sustainability Consulting - [www.vvcollective.com](http://www.vvcollective.com)

FICT-ESPOL - <http://www.fict.espol.edu.ec/>

### Small-scale mining organizations

Iquira mining organization (Huila, Colombia)

Sky Group Minerals SAS (Caldas, Colombia)

CECOMIP mining organization (Central De Cooperativas Minero Metalúrgicas De Puno) (Puno, Peru)

Cruz Pata Chaquiminas mining organization (Puno, Peru)

Oro Puno mining organization (Puno, Peru)

Fortaleza mining organization (Nariño, Colombia)

MACDESA mining organization (Arequipa, Peru)

Tauro Fátima Artisanal Mining Association (Madre de Dios, Peru)

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