



“Empowering Ethical Gold Sourcing: LBMA's Artisanal and Small-Scale Mining (ASM) Toolkit”

LBMA, the independent authority for precious metals, has published a ‘toolkit’ to support the integration of Artisanal and Small-Scale Mining (ASM) production into the legitimate supply chain via its 66 accredited gold refiners.

While sharing the same core principles of sustainable and responsible sourcing which underpin the independently audited relationship between large scale mines and LBMA gold refiners, the new ASM toolkit addresses a range of issues specific to the sector, such as the presence of formal regulatory oversight and of pre-refinery aggregators, legal titles and mining licences. The toolkit also takes account of a range of environmental issues including proximity to populated areas, rivers and other bodies of water.

“While 20% of global gold production comes from artisanal and small-scale mining, less than 2% moves directly into the formal good delivery supply chain. Much of the rest comes into the market via illicit supply-chains and unregulated recycling, practices which diminish confidence in the legitimacy and environmental integrity of the metal bought by investors and end-users,” said Ruth Crowell (CEO, LBMA).

LBMA’s ASM Initiative is a response to those who have encouraged Good Delivery List (GDL) Refiners to engage, rather than avoid, the ASM sector. Increasing direct sourcing of ASM material from producer nations, many of them in the developing South, has a range of potential benefits including increased legal recognition of miners, strengthened local economies and improved peace and security in mining areas.

“The aim of this new toolkit, one of the first fruits from the LBMA ‘ASM Taskforce’ which was established last year, is to provide our accredited refiners with the confidence to handle more ASM gold. Hopefully this will begin to

redress the balance between legitimate and unregulated production with its concomitant negative impacts on the environment and on the human rights of the 40 million people worldwide who depend on ASM as either their primary or exclusive source of income,” added Ruth Crowell.

Recognising the different stages of development and organisation of ASM operations, the new LBMA approach follows OECD guidelines and incorporates the progressive implementation of certain goals rather than raising an immediate red flag. For example, in regions where mining with mercury is legal, miners are required to work to reduce dependence on this damaging method of extraction. Furthermore, security, and separately health and safety standards must also be continuously and progressively improved upon under the toolkit.

The new ASM toolkit is available to refiners to implement and use as the basis for engagement with prospective suppliers. It will also play a key role in informing LBMA’s planned outreach to governments and industry stakeholders in Ghana, Peru, The Philippines and Tanzania.

The [ASM Toolkit](#) and a [short guide](#) on how to best utilise it are available via the [Refiners Toolkit](#) page on the LBMA website.

<https://cdn.lbma.org.uk/downloads/ASM-Toolkit-v6.pdf>

