

# "Revitalizing Artisanal Gold Mining: Global Efforts and Challenges"

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## There seems to be a renewed energy around artisanal and small-scale gold mining (ASGM).

Following the recommendations of a feasibility study undertaken in 2022, the London Bullion Market Association launched an initiative to increase ASGM material as a share of members' sourcing. In 2024, a group of central banks with domestic ASGM buying programmes convened by the World Gold Council signed the London Principles, with the central banks of Colombia, Ecuador, Mongolia and the Philippines as inaugural signatories. National multi-stakeholder groups of the Extractive Industries Transparency Initiative (EITI) have also begun using a Guidance Note co-developed with the OECD to include ASGM in their reporting (e.g. in Ghana, the DRC and Burkina Faso).

**Unfortunately, this energy has not yet translated into tangible results.** ASGM continues to suffer from informality, lack of access to finance, inadequate infrastructure - resulting in health and safety issues, insecurity, and environmental harms for both miners and communities. Existing efforts to address ASGM issues have traditionally consisted of ad hoc formalisation projects, closed-pipe offtake agreements and ecosystem restoration, which have not been effective nor scalable to date.

Governments and companies can do more to ensure that legitimate ASGM can access the market. Yet, in order to be effective, they need to **enhance their scrutiny on the sourcing practices of local buyers, traders, aggregators and exporters**, who often provide direct pre-financing to ASGM miners or transportation and equipment, and a quick avenue for the gold to the market.



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When it comes to due diligence on these upstream actors, **companies are expected to implement the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals.**

It includes an appendix on suggested measures to create economic and development opportunities for ASGM, and is accompanied by an FAQ document on sourcing ASGM responsibly. The Guidance is the basis for due diligence regulations in producing (DRC, Colombia), processing (UAE) and importing (EU, Switzerland, US) countries, and is consistent with the recommendations of the Financial Action Task Force.

