

# THE GOLDEN VEIN

**A Guide to Responsible  
Artisanal and Small-Scale Gold Mining**

ARM Series on Responsible ASM. Number 1.





*Peruvian gold miners prepare offerings to the PACHAMAMA or Mother Earth*



This book proposes a vision and principles for Responsible Artisanal and Small-Scale Mining – ASM. It has been collectively authored during 2006 and 2007 by members of the RESPOMIN network of Latin America with financial assistance from the Iberoamerican Program for Science and Technology for Development (CYTED). The publication in English is possible thanks to a grant from the Dutch Foundation Stichting DOEN ([www.doen.nl](http://www.doen.nl)).

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*Quimbaletes From Perú*



## **Life is more precious than gold!**

The first people on this earth were nomads who travelled the world and colonised it. They established villages and over time as their lives became more settled they began to cultivate the land and engage in other productive activities. In the course of their travels through different lands these men and women discovered minerals that they used initially in very basic ways, perhaps for ceremonial purposes only, but eventually other uses were found that led to more widespread exploitation of mineral resources. Mining and metal-working operations serving the needs of the local community grew to become a large-scale industry supplying the world beyond the local community.

Nowadays the extraction of mineral resources has become a global industry that has brought considerable benefits, including employment, to poor and isolated areas where there is no other form of industrial activity. There are many people like ourselves who earn a living from artisanal and small-scale mining, usually with the help of their entire family. The sector is a major source of jobs and development opportunities. As we know, many of our towns were originally small settlements associated with artisanal and small-scale mining operations.

Artisanal mining is an activity that is more than just a source of employment, it is the basis of a whole way of life; we, as artisanal miners, have a duty to our families and communities to ensure that what we are doing is sustainable in the longer term and does not destroy our environment. The way we operate at present poses many problems; we need to learn how to use clean, non-polluting technologies that will not only preserve our environment but also help us recover increased quantities of metals. We know that we lose a lot of gold through the use of inefficient technologies.

It can be extremely difficult learning how to come to terms with sudden change and the results are not always as immediately apparent or as rapidly achieved as we might wish. But change is unavoidable and worthwhile too, because we will all benefit.



The task of reconciling the exploitation of mineral resources with our responsibility for our families, community and the environment requires a long-term commitment on our part if we are to achieve the goal of sustainable development and protection of the environment.

This is what motivates all artisanal and small-scale miners, men and women alike, to press for better working conditions and above all improved health and safety. We are determined to cut the number of accidents and reduce the impact of occupational disease and ensure that our workplaces and our communities provide our fellow miners, our families, our wives and our children with a secure quality of life and an environment free from major risks and able to coexist with our productive activities.

It is very important for us to legalise our activity so that we can take ownership of our mines. As we all know, mineral deposits are not renewable; ownership of our own mine provides us with the security to invest, so that we are able to increase production, move elsewhere once the original reserves are exhausted and build stronger organisations. We can also join up with other organisations to exchange experiences and develop strategic alliances, providing one another with mutual support that will strengthen the organisational progress of our artisanal mining sector and our communities.

As legalised artisanal miners we have *rights* and we have *responsibilities*.

We owe a duty to our country and to the society as a whole to respect the environment in which we work and to care for it, by not polluting water courses used by others as well as ourselves, by protecting the forests that are our lungs, and by ensuring the safe disposal of the waste that our towns generate. In fulfilling this responsibility we are contributing to a better quality of life and setting an example to our own children and to future generations.

This book is intended to assist miners and organisations who are already keen to act responsibly but it is also aimed at others who are still unconvinced that working their mines in conditions of legality, security and respect will bring them guaranteed benefits as well as improving their quality of life.

Let us ensure that our artisanal mining is sustainable so that it can contribute to the development of our people and the growth of our COUNTRY.



*Manuel Reinoso Rivas  
President, AMASUC (Association of Artisanal Miner Producers of Central and Southern Peru).*



## INTRODUCTION

This guide for Responsible Artisanal and Small-Scale Mining/Miners (ASM) is a work of collective authorship produced by the RESPOMIN network and coordinated by the Alliance for Responsible Mining (ARM) in Latin America. Our members include ASM miners, NGOs, academics, community leaders, government officials, traders in precious metals and jewellers who have been working together since 2003 to develop a new vision for responsible ASM.

Although the description of aims and principles set out in this book relates mainly to gold mining, much of the content will be applicable to any form of ASM. We are convinced that a vibrant, responsible and legal artisanal and small-scale mining sector is a vital asset for developing countries; in spite of environmental, labour and informality issues it generates a considerable number of jobs and provides a focus for economic development around local mining operations. We believe that ASM can act as a driving force for sustainable development in mining regions and localities if our governments are prepared to include it in their overall strategies for achieving the Millennium Development Goals and addressing the issue of poverty reduction.

When we refer to Artisanal and Small-Scale Mining (ASM) we are describing the activities engaged in by artisanal and small-scale miners exploiting mineral deposits that are geologically suited to the most basic forms of extraction. These artisanal miners include men and women working on individual basis as well as those working in family groups, in partnership or as members of cooperatives or other associations that may take a variety of forms depending on the technological and organisational factors that have played a part in their development.

Many deposits - in beaches, flood plains and outcrops of underground seams - require nothing more than simple geological investigations before they can be mined, without conventional exploration and prospection, and the extraction and direct processing of the ore can be carried out locally and simultaneously, using basic techniques that require little capital investment. These are common social, economic, technical and productive features of ASM all over the world.

Even the very poorest individual can start earning a livelihood from the very first day, without any special knowledge and with minimal capital invested. This is what distinguishes ASM from any other form of economic activity and makes it so appealing to the millions who turn up trying to gain entry to the bottom level of the economic pyramid wherever there is access to mineral resources. The majority of new recruits to ASM arrive with little or nothing to their name. Once they have found gold they start to organise themselves in groups and invest in more sophisticated and productive technology. A dedicated and determined artisanal miner can make the transition from artisanal mining to small-scale mining within a few years. But this requires vision, commitment and access to training and legal rights.

This type of mining, because it requires only modest investment accompanied by basic technologies and knowledge, offers a fantastic opportunity to the poor. ASM has the potential to be a major contributor to job creation and poverty reduction.

Nevertheless if ASM is marginalised through lack of support for the efforts of ASM communities and organisations to integrate with the formal economy and create enterprises that are not just technically and economically efficient but



socially and environmentally responsible as well; if the sector is not appropriately regulated or lacks the necessary policies and programmes to back up the legislation, this source of economic opportunity could become a major environmental and social problem.

With all this in mind, members of RESPOMIN have devised and agreed a set of collective aims and principles to serve as a reference point for miners and practitioners who are working towards greater environmental and social responsibility in ASM. These are based on the following *Vision for Responsible ASM*:

**ASM is a formalised, organised and profitable activity that is technologically efficient and socially and environmentally responsible; the sector's development takes place within a framework of good governance, legality, participation and respect for diversity; it seeks to make an increasing contribution to decent work, local development, poverty reduction and social peace within our countries, stimulated by growing consumer demand for sustainable minerals and ethical jewellery.**

The special principles that apply to artisanal and small-scale mining are: respect for human rights, the provision of decent work without child labour, promotion of a better quality of life and sustainable development for communities, the legality of all operations, protection of the environment, gender equality and respect for multiculturalism.

The first section of this Guide sets out to explain what these various principles mean in practice, while the second section contains a self-evaluation exercise that ASM miners and organisations can use as a means of identifying their strengths and weaknesses and possible ways in which they can help their organisations become more effective.

This Guide and the advice it offers will help you to work towards the "fair trade certification" that the Alliance for Responsible Mining (ARM) is promoting under the FAIRMINED label.



Fair trade certification has become an attractive proposition because of the massive demand for "clean gold" (ethically produced gold) from jewellery consumers who are willing to pay a fair trade premium if ASM organisations can obtain independent certification that their products are responsibly produced, in conformity with Standard Zero for Fair Trade Artisanal Gold and Associated Silver and Platinum, developed by ARM.

We invite you to use this Guide as a tool for learning and self-evaluation within your organisation and to share it with other ASM, governments and support organisations.

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For the full requirements for Standard Zero see: [www.communitymining.org](http://www.communitymining.org)

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### CHAPTER I PRINCIPLES FOR A RESPONSIBLE ASM

Taking part in a certification scheme is a voluntary decision that can bring producers the benefits of access to fair trade markets and the payment of a premium to organisations obtaining certification. To help artisanal and small-scale miners in making that decision we have set out below the principles of Responsible ASM that form the basis of ARM's certification system for ASM gold known as Standard Zero.

These principles of Responsible ASM are intended to contribute to the achievement of the Millennium Development Goals and to implement the Declaration on Sustainable Development of the Earth Summit, international agreements aimed at reducing poverty and caring for the planet.

#### 1. Human Rights



The responsible miner recognises and respects the human rights of the non-mining population within its area of influence. The rights of small-scale miners must equally be respected and their violation reported.

Responsible ASM also upholds the Universal Declaration of Human Rights and subsequent United Nations (UN) declarations concerning the cultural, social and economic rights of individuals and collectivities.

The basic principles observed by organisations representing ASM communities are respect for the human rights and the social, economic, cultural and labour rights of each individual involved. The rights of women, children, disadvantaged groups and individuals, like HIV-AIDS orphans, disabled persons and victims of conflict, are specifically included.

Human rights are inherent (they belong to every individual simply because they have been born), inalienable (they cannot be taken away by anyone) and imprescriptible (they are for life). It is the responsibility of everyone, but public authorities in particular, to recognise, respect, protect and defend human rights.

In 1948 the General Assembly of the United Nations approved and proclaimed the Universal Declaration of Human Rights. This Declaration is based on the principles of freedom, equality, fraternity and non-discrimination. The rights it enshrines are:



- Personal rights: individuals may not be subjected to slavery or servitude or to inhuman treatment.
- Rights of the individual in relation to the community: these relate to the right to property, individual or collective;
- Political freedom and rights: these relate to freedom of opinion and expression;
- Economic, social and cultural rights: these are concerned with matters that are basic to human dignity, such as food, health care, housing, work, education and water, among others.