

Report



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Documentation of planetGOLD Programme: Formalization Interventions in Mongolia

December 2024

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Acknowledgments

This report has benefited from the valuable expertise and perspectives of a number of technical experts and researchers. Along with the authors listed below, we would like to express our sincere gratitude to the project staff and partners with the planetGOLD project in Mongolia who generously provided their time, feedback and perspectives to this publication.

The planetGOLD Mongolia project was implemented by the United Nations Environment Programme and UN Industrial Development Organization (UNIDO), and executed by the Artisanal Gold Council in partnership with the Ministry of Environment and Tourism of Mongolia.

Primary authors: Dr Bernadetta Devi, Queensland University of Technology

Editorial Support: Susan Keane; Jennifer Wilmore Scroggins – Natural Resources Defense Council

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This document has been drafted and published under the planetGOLD programme funded by the Global Environment Facility, led by the United Nations Environment Programme (UNEP) and implemented in partnership with the United Nations Development Programme (UNDP), United Nations Industrial Development Organization (UNIDO), and Conservation International. For more information, visit www.planetgold.org

Abbreviations/Acronyms

Abbreviation/Acronym	Definition
AGC	Artisanal Gold Council
ASGM	Artisanal and Small-scale Gold Mining
ASM	Artisanal and Small-scale Mining
ASMOs	The Artisanal and small-scale Mining Organizations
ASM-NF	The Artisanal and Small-scale Mining National Federation
BoM	Bank of Mongolia
GEF	Global Environment Facility
GFP	Gender Focal Point
IEC	Information, Education and Communication
IRIM	The Independent Research Institute Mongolia (IRIM)
planetGOLD	Global Opportunities for Long-term Development of ASGM sector
MECC	The Ministry of Environment and Climate Change
MFPS	Mercury Free Processing System
MoU	Memorandum of Understanding
NGO	Non government organization
OSS	One-Stop-Service
RPAM	Mineral Resources and Petroleum Authority of Mongolia
SAM	The Sustainable Artisanal Mining project
SDC	Swiss Agency for Development and Cooperation
SICA	Statistical Institute for Consulting and Analysis
UN	The United Nations
UNEP	The United Nations Environmental Programme
UNIDO	United Nations Industrial Development Organization

Executive Summary

The objective of the planetGOLD Mongolia formalization component was *to review the policy and legal frameworks on Artisanal and small-scale Mining (ASM) and to support the formalization efforts of Artisanal and Small-scale Gold Mining (ASGM)*. In achieving this objective, the project formalization activities focused on capacity building activities to promote good practices of formalization with the consideration of human rights, gender and environmental management.

The [planetGOLD Mongolia Contextual Study](#) (finalized in 2021) identified serious regulatory uncertainties for the ASM sector, and made it clear that the project needed to support the Mongolian Government in the ASM regulation revision processes. Therefore, from around 2020 until 2022, a main focus of the project's formalization activities was to support the ASM policy development, in particular the revision of the 2017 ASM regulation. As part of the revision support, the project conducted [a legal analysis of the ASGM regulatory framework](#) and [artisanal and small-scale gold trade](#). These two studies urged the Government of Mongolia and other key stakeholders to improve the ASM policy environment and promote formal gold trading including access to finance. The planetGOLD Mongolia project successfully assisted the Government of Mongolia in revising the 2017 ASM regulation, with the issuance of the 2022 ASM regulation.

Once the 2022 ASM regulation was in place, from 2023 onward, planetGOLD Mongolia focused on supporting policy implementation and capacity building for the ASGM formalization efforts. Activities for policy implementation support concentrated on assisting local (Aimag or Province and Soum or Village) governments in understanding the new ASM regulation and implementing them aligned with the mining law for ASM land access approvals. In addition, the project organized training for ASGM miners and associations/partnerships at the five project sites of Selenge, Gobi-Altai, and Khovd Aimags to prepare documentary requirements for obtaining land access and mining contracts, necessary permits for a small-scale processing plant, and gold trading permits. Although the formalization rate remained low, ASGM miners started to be legalized.

The capacity-building and awareness-raising activities were a key success in advancing the project's formalization interventions. Such activities allowed constructive dialogues (i.e., via forums) that strengthened the relationship between governments and ASGM stakeholders for the formalization efforts. The sustainability of the project's formalization efforts relied on the project key partner, i.e., the Ministry of Environment and Climate Change and other government agencies, that were strengthened through the signing of Memorandum of Understanding (MoU). The project also engaged with the Artisanal Small-scale Mining National Federation (ASM-NF) to ensure the continuity of information sharing and formalization facilitation to ASGM miners and associations/partnerships beyond the planetGOLD project lifetime. For future similar projects, it is suggested that formalization efforts in Mongolia be broadened to include informal ASGM miners in other parts of Mongolia.

1. Background on Formalization Interventions

Background and Context

The objective of the planetGOLD Mongolia formalization component was *to review the policy and legal frameworks on Artisanal and small-scale Mining (ASM) and to support the formalization efforts of Artisanal and Small-scale Gold Mining (ASGM)*. In achieving this objective, the planetGOLD Mongolia formalization activities also focused on capacity-building activities to promote good practices of formalization with the consideration of human rights, gender and environmental management.

The process of formalization in Mongolia commenced in 2008 when the Mongolian Government introduced a temporary regulation level to manage ASGM. This coincided with two major events: the ban of mercury use in ASGM, and the implementation of the Sustainable Artisanal Mining (SAM) project funded by the Swiss Agency for Development and Cooperation (SDC) (2008–2014). The SAM project was significant in assisting the country in formalizing the ASGM sector, even though the rate of ASGM formalization remains low. The formalization results and the outcomes of the SAM project informed the contextual and other studies conducted by planetGOLD Mongolia and its partners.

The planetGOLD Mongolia project commenced in 2019 when the ASGM sector in Mongolia experienced a downturn due to the suspension of the 2017 ASM regulation with a low rate of formalization efforts. At this first implementation year of the project, the Government of Mongolia had negative impressions of the ASM sector (especially ASGM) perceiving it as the cause of environmental damages, such as river pollution. As a result, ASM activities were suspended in mid-2019 (through the abolition of ASM regulation 151/2017). The issuance of ASM land permits and new mining contracts were therefore suspended. The suspension resulted in the downturn of ASGM and impacted more than 40,000 ASM miners across 19 out of 21 provinces.

With the above challenge, the planetGOLD Mongolia focused its first three-year formalization intervention on advocating the importance of regulatory certainties as a basis for promoting good practices in the ASM sector. Regulatory certainties need to start with a clear and specific regulation that can govern the ASM sector. Similarly, without regulatory certainties, the sustainable practices of ASGM cannot be promoted because ASGM miners will not be able to access support for free-mercury technology, legitimate loans from formal financial institutions and sale gold on formal gold trading markets. For this reason, the project had two main formalization interventions of support: policy development and policy implementation with capacity-building activities in each intervention.

Selection of Formalization Interventions

The planetGOLD Mongolia conducted [the Contextual Study](#) (with the report finalized in 2021) to establish a baseline before the project activities on formalization were designed. The study found that people engage in ASGM due to a lack of permanent jobs in the countryside, insufficient wages, loss of livestock, and seeking additional income. More than half of the study respondents suggested that they conduct ASGM activities with an agreement (i.e., mining contract) with the governor in the areas where the Land Conclusions¹ had been issued by the Mineral Resources and Petroleum Authority of Mongolia (MRPAM). However, the study found that the availability of Land Conclusions was limited in the project locations and nationwide making it difficult for ASGM miners to obtain mining contracts. In some cases, ASGM miners that received a mining contract, were given very short timeframes of one year or less. The study also found in many cases, ASGM miners had difficulties obtaining or extending (renewing) the mining contract because of delays or rejections, primarily due to environmental rehabilitation performance and conflicting regulations. These conditions contributed to the challenge for ASGM miners and associations/partnership formalization. Such challenges at the mining sites were exacerbated by the elimination of the 2017 ASM regulation. The findings from the contextual study demonstrated the regulatory uncertainties for the ASM sector, and made it clear that the project needed to support the Mongolian Government in the ASM regulation revision processes.

Therefore, from 2020 until 2022, a main focus of the formalization activities was to support the ASM policy development, in particular the ASM regulation. Once the 2022 ASM regulation was in place, from 2023 onward, the focus of the project was to support policy implementation and capacity building. Notably, [the 2022 mid-term review of the planetGOLD Mongolia project](#) helped identify specific activities for the policy implementation support. The following sections provide detailed information on each of these interventions.

2. Intervention One: Supporting the ASM Policy Development

Description of the intervention

The main purpose of the project's ASM policy development support was to provide assistance to the Government of Mongolia, including the ministries and agencies, in their policy development efforts in ASGM sector, by providing expertise, consultancy and tools on establishing formalized, transparent and responsible supply chains². [The contextual](#)

¹ The process of Land Conclusion is based on the request from local governments to certain areas suitable for ASM, and then MRPAM issues an official document confirming that the land is feasible for ASM extraction.

² See [the planetGOLD Mongolia's 2022 Midterm Report](#).

[study](#) found there are 18 legislative acts regulating ASGM at various degrees, including Government Resolution 355/2019, on ASM mining applications, conclusions and contracts (planetGOLD Mongolia, 2021). Therefore, [the contextual study](#) suggested the need to conduct an analysis of the legal framework of the ASGM sector as well as a study on artisanal and small-scale gold trade in Mongolia. Both studies were crucial to understanding the ASGM value chain landscape in Mongolia, from mining to trading and in urging the Government of Mongolia and other key stakeholders to improve the ASM policy environment and promote formal gold trading, including access to finance.

The studies were also undertaken during a period of upheaval for the ASM regulatory framework in Mongolia, with the suspension of Government Resolution 355/2019 on ASM matters leading to the abolition of ASM regulation 151/2017. Such regulatory uncertainty created barriers to promoting sustainable mining practices in the ASGM sector. Eventually, the Government of Mongolia acknowledged this policy challenge and decided to rectify the situation by revising the ASM regulation. The planetGOLD Mongolia project worked closely with the Mongolian national government (especially with the task force consisting of several ministries) to progress the revision of the ASM regulation and at the same time, conducted capacity building and advocating activities to the finalization of the ASM regulation revision. It took two years to finalize the ASM regulation revision (2020 to 2022).

Target Areas and Target Groups

The main target area of policy development support was at the national level to enable revision of the 2017 ASM regulation; continue organization and formalization of the sector; disseminate knowledge and information on the legal environment; and support the alignment of duties and efforts between main government ministries and agencies. Consequently, the main target groups for the policy development support provided by the planetGOLD Mongolia team were the Mongolian government institutions at the national level, especially the task force to conduct the revision of the 2017 ASM regulation, which included the main ministries, agencies, and civil society organizations as well as the project. Other targeted groups included the local government officials in the project target locations of Selenge, Khovd and Gobi-Altai Aimags to support the implementation of the approved legislation.

The planetGOLD Mongolia project assisted with research, reports, workshops, meetings and forums for the policy development support, including informing, capacity building, and advocating for formalization, and more transparent and responsible ASGM. These activities were conducted to build relationships with key government actors, address the negative perception of government officials toward ASGM and to advocate the need for regulation revisions. In recruiting participants for the capacity-building and advocating activities, planetGOLD Mongolia developed a strategy to promote an equal opportunity for men and women officers to participate in the planetGOLD activities.

Partners and Key Stakeholders

The planetGOLD Mongolia project had a specialized officer to promote the formalization activities. The officer worked closely with the Government of Mongolia to progress formalization. Within the Government of Mongolia, the major partner was the Ministry of Environment and Climate Change (MECC), formerly known as Ministry of Environment and Tourism. Other partners and key stakeholders were those responsible for managing and governing the ASM sector, including its value chain from mining to trading. The key stakeholders of the project comprised government institutions, associations, and other civil society and community organizations at national and local levels, namely:

- Ministry of Mining and Heavy Industry – administering the Minerals Law;
- Minerals Resources and Petroleum Authority – issuing Land Conclusions;
- Assay Office – assessing the gold quality;
- Local (Aimag and Soum) Governments – proposing Land Conclusions, issuing mining contracts, receive and review operational reports;
- Bank of Mongolia (BoM) – the key partner in finance access and formal gold trading;
- The Artisanal and Small-scale Mining National Federation (ASM-NF) – disseminating Information, Education and Communication (IEC) materials and knowledge products, provide capacity-building to miners (certified trainings);
- Various local Artisanal and Small-scale Mining Organizations (ASMOs), associations, partnerships and other non-government organizations (NGOs) – the formalization beneficiaries to promote more formal and responsible ASGM practices.

In conducting specific activities, the planetGOLD Mongolia was assisted by some think-tank and scientific institutions. For example, the planetGOLD Mongolia was assisted by the Independent Research Institute Mongolia (IRIM) and the Statistical Institute for Consulting and Analysis (SICA) LLC to conduct a combined study of the legal framework analysis and artisanal and small-scale gold trade in Mongolia.

Main Activities and Outputs/Achievements

A combined study on the legal framework analysis of ASGM sector and artisanal and small-scale gold trade in Mongolia

The planetGOLD Mongolia project conducted a legal framework analysis of the ASGM sector in Mongolia with the support of IRIM. Data was generated from a desktop review of laws, regulations and policies relevant to ASGM and from interviews of 139 people representing ASM organizations, ASGM miners and traders, one-stop-service center officials, banks, and the national and sub-national governments. The planetGOLD Mongolia team developed a policy report in 2022 to document the study findings by providing: an overview of the current laws and regulations governing ASGM; policy recommendations to improve the ASGM legal framework; and an enabling environment for ASGM formalization and

professionalization of ASGM miners ([planetGOLD Mongolia, 2022a](#)). The report highlighted that legal recognition of ASM in Mongolia has helped to resolve issues pertaining to human rights violations of ASM miners and compliance with international due diligence requirements, tackling gender issues, and many others. However, policy revisions were needed to provide legal certainty and incentives for ASGM miners to be formalized. The team reported that findings from the study were useful in informing their engagement with government partners, institutions and other key stakeholders at various levels in progressing the amendment of the 2017 ASM regulation between 2020 to 2022.

Another major study conducted by the planetGOLD Mongolia project was the artisanal and small-scale gold trade study (the gold trade study) conducted in 2021. The main purpose was to investigate the attitude and knowledge levels of diverse stakeholder groups in the project sites toward ASGM and its gold trading ([planetGOLD Mongolia, 2022b](#)). The study provided an overview of ASGM licensing procedures, trading processes and the international compliance requirements for gold traceability and due diligence ([planetGOLD Mongolia, 2022b](#)). The report also identified challenges and barriers to promote formal gold trading. The most significant finding is that prior to March 2020, gold traders were neither regulated nor accredited, meaning that gold trading happened informally at the mine sites. This finding was contradictory to the Government of Mongolia's requirement that precious metals trading must operate with a license ([planetGOLD Mongolia, 2022b](#)). Therefore, the report provided recommendations to improve formal gold trading in Mongolia including a discussion informing the incentives required for miners and traders. The study findings and associated recommendations were used by the planetGOLD Mongolia team to assist gold traders to obtain a license and to be certified.

Main governance and regulations

National level. The issuance of the new ASGM regulation (Government Resolution 296/2022) was supported by planetGOLD Mongolia and was considered a major achievement in providing a formalization pathway for ASGM in Mongolia.

Because planetGOLD Mongolia commenced its activities during the downturn of ASGM due to the ASGM suspension policy in 2019, the project prioritized facilitating the regulation amendment, with its finalization expected by the end of that year. However, this timeline was not realized due to COVID-19 and limited political willingness from the government at that time to progress the amendment of the ASM regulation. COVID-19 impacted all government activities, especially matters in relation to the ASM regulation amendment. Because of the strong government opinion that ASGM miners had destroyed the environment, progressing the ASM regulation amendment was viewed by some government actors as facilitating further destruction, and this created a significant challenge for the progression of the ASM regulation amendment.

In light of these challenges, planetGOLD Mongolia adapted a formalization intervention strategy to focus on advocacy activities (through (virtual) task force meetings and workshops) to maintain connection and some momentum through continued communication with the government officials. The project's legal environment review

helped to inform these advocacy activities and engagement with the key partners and stakeholders. Overall, it took almost three years (2019 – 2022) to finalize the ASM regulation amendment.

Local level. Improving local ASGM policy was important for providing incentives for ASGM miners to be legalized. The planetGOLD Mongolia project, however, through its legal framework analysis, encountered policy bottlenecks at the local level (aimag and soum levels) for ASGM miners to secure ASGM legal permits to mine and process ore. Further issues concerning ASGM partnerships requiring accessible land for miners to conduct their mining activities and the legal framework analysis identified several challenges, namely:

- Conflicting regulations – e.g., between the 2017 ASM regulation and the minerals law for the land requests. The minerals law mandated soum governors to submit land requests, whereas the 2017 ASM regulation required aimags and capital city governors to lodge land requests.
- Long s in processing and approving land permits – the process involved the Provincial Citizens Representative Khurals.
- Non-transparent ‘first come-first serve principle’ for the mining contracts at the soum/district level.
- Limited size of ASM land and uncertainty in land entitlements.

Subsequently, the focus of local ASGM policy improvement has been to address barriers to the issuance of land conclusion, obtaining longer-term ASGM contracts and mining agreements similar to those applied to large-scale mining operations (planetGOLD Mongolia, 2022b; planetGOLD Mongolia, 2024). These were achieved through the alignment with capacity-building and awareness-raising activities to strengthen the capacity of local governments to advance formalization efforts and to promote responsible ASGM practices.

3. Intervention Two: Supporting the Implementation of the New Regulations

Description of the intervention

Once Government Resolution 296/2022 on ASM (the 2022 ASM regulation) was passed, the project shifted focus to support its implementation. The issuance of the 2022 ASM regulation was viewed as a positive achievement in Mongolia to progress the formalization efforts of ASGM, but its adoption would not happen automatically, as the planetGOLD Mongolia team identified key challenges on how to communicate and disseminate the content of this regulation to reach multiple audiences especially multiple levels of government officials and ASGM miners across the country. Consequently, the second formalization intervention focused on communication, dissemination and capacity building for the implementation of the 2022 ASM regulation.

As part of the IEC dissemination and communication, the planetGOLD Mongolia team printed the 2022 ASM legislation and distributed copies to ASGM miners, government

officials, and other stakeholders. At the mining sites, infographics of the processes required for obtaining Land Conclusion and Mining Contracts were added to the information boards. A handbook was also produced to summarize the new ASM regulation so that ASGM miners understand their rights and responsibilities to conduct sustainable and responsible ASGM practices.

Capacity building and awareness raising activities were designed to strengthen the capacity of government officials in implementing and enforcing the 2022 ASM regulation and other regulations relevant to the ASGM sector. At the community and mining sites, the project's capacity building and awareness activities focused on helping ASGM miners and communities to understand the content of the 2022 ASM regulation and prepare documentations needed in formalizing their mining activities. The capacity-building at the local level helped ASGM miners to understand their rights to get incentives in obtaining permits. At the same time, the promotion of responsible mining practices, through environmental management, land rehabilitation and better occupational health and safety were delivered.

Target Areas and Target Groups

There were two different levels targeting policy implementation support. At the national level, the policy implementation support assisted responsible government officials to implement and enforce the 2022 ASM regulation, along with other associated regulations, and international commitments (the Minamata Convention and other international codes and conducts). At the local level (aimag and soum levels), the planetGOLD Mongolia implementation support aimed to connect individual men and women miners, associations and ASM cooperatives/partnerships with aimag/soum government officials to access the incentives for them to be formalized.

Five soums across three aimags were targeted areas: Yusunbulag soum in Gobi-Altai Aimag; the soums of Bayangol, Mandal and Tunkhel soums in Selenge Aimag; and Altai soum in Khovd Aimag. Across these target areas, planetGOLD Mongolia engaged and developed partnerships with organized and unorganized miners (Table 1). Intensive engagement was conducted through two main collaborations with:

- The Shijir Khishig mining partnership, located in the Selenge aimag (established in 2012). This ASGM group consists of 11 members (4 women and 7 men).
- The Tunkhel Manlai mining partnership, located in Thunkhel soum, Selenge aimag. This ASGM group was created in 2021 and consists of 9 members (1 woman and 8 men).

Table 1. Organized and unorganized groups across the target areas. (Source: ASMNF 2019)

№	Aimag	Soum/Village	Organized miners		Unorganized (illegal miners) miners
			Number of partnerships	Number of members	Estimated number of unorganized miners
1	Gobi-Altai	Yusunbulag	22	214	500 – 1,000
2	Selenge	Bayangol	27	108	300
3		Mandal (excl. Tunkhel)	32	189	500 – 800
4		Tunkhel	8	180	300 – 500
5	Khovd	Altai	11	99	500 – 1,000
TOTAL			100	790	2,100 – 3,600

Partners and Key Stakeholders

In providing the policy implementation support (e.g., capacity building and trainings), planetGOLD Mongolia worked collaboratively with key partners and stakeholders including local government institutions (aimag and soum levels), and civil society organizations. The civil society organization partners included the Artisanal and Small-scale Mining National Federation (ASM-NF) as a key partner organization to develop, pilot, finalize and deliver training modules on formalization, responsible mining, occupational health and safety, environmental management, gender and human rights and business management to miners. ASM-NF also helped to disseminate IEC materials and knowledge products. Two other civil society organizations, MONFEMNET (national network) and Women for Change, helped to provide training on gender specific topics.

Main Activities and Outputs/Achievements

Guidance and printed dissemination products for the 2022 ASM regulation

In collaboration with its key partners (MECC, the local governments of Khovd, Gobi-Altai and Selenge aimags and ASM-NF), the project conducted activities to:

- improve access to government incentives and support services for women, men and youth stakeholders in the ASGM sector;
- collaboratively develop environmental management systems (EMS) and processes to accelerate permitting and environmental compliance;
- assist the adoption and implementation of better mining practices (including environmental and gender-equitable aspects) by men and women miners in the targeted soums and aimags.

The planetGOLD Mongolia team identified a language gap between the legal narrations and the everyday Mongolian language, especially among ASGM miners. In response, the planetGOLD Mongolia team developed [formalization guidelines for ASGM miners](#) and

conducted meetings, site visits, and workshops to disseminate the regulations relevant to ASM at the Selenge and Gobi-Altai Aimags, and the MFPS sites.

The printed version of the 2022 ASM regulation and other associated regulations were also provided. The electronic copies of ASM regulations were available online, with internet access for ASGM miners widely available. However, many ASGM miners, communities and the public did not specifically search or look for the 2022 ASM regulation. The planetGOLD Mongolia team learned that having printed versions is important for ASGM miners. As part of providing the printed version of the regulation, the project team developed a [handbook](#) and [poster](#), highlighting the process of ASGM legalization, and how to obtain a legally registered ASGM operation.

As part of the dissemination of the regulation, the planetGOLD Mongolia also produced leaflets, pamphlets and posters for public especially to reach ASGM miners outside of the project sites.

ASGM forums and the ASM conference

The planetGOLD Mongolia team conducted [ASGM forums in three aimags](#) of the project areas in collaboration with the MECC, the aimag governments of Selenge, Gobi-Altai, and Khovd, and the Mongolian ASM-NF. The forums were conducted in 2023 as a response to the intention of the Parliament of Mongolia to remove the clauses of ASM in the Minerals Law. This intention alarmed ASM stakeholders in the country and therefore, planetGOLD Mongolia and its partners conducted the forums. The forums facilitated the creation of a multi-stakeholder platform of government officials, the ecological policy unit and ASM miners to discuss the current state of ASM, the implementation of the 2022 ASM regulation and consequences that could arise due to the elimination of ASM clauses in the Minerals Law.

In all three forums, the participants recognized the importance of ASM, and especially ASGM, for livelihoods and economic opportunities and acknowledged that ASM formalization should be accelerated to reduce risks associated with illegal or informal ASM activities. The forums concluded that the elimination of ASM clauses in the Minerals Law may lead to adverse impacts of illegal gold trading, a decrease in gold traceability, and environmental damage. A specific consideration was raised for the possibility of Mongolia to be re-added on the Financial Action Task Force's grey list (as happened in 2019) requiring transparency in its gold trading. The key recommendation to national and local governmental and non-governmental stakeholders emphasized the need to retain ASM provisions in the draft Minerals Law and ensure the effective implementation of the current ASM Regulation.

The forums held by the project were viewed widely as positive for connecting ASGM miners with aimag and soum governments as to improve their awareness of land access, registry and approval processes. The forums allowed the discussion of challenges faced by ASGM miners in the formalization processes and identified aspects to be improved, including recommendations to the government institutions. The forums also raised awareness of the newly elected national government (July 2024) for their willingness to formalize ASGM.

As a tangible outcome of the forums, in September 2024, MRPAM with the support of the planetGOLD Mongolia project conducted [the ASM conference](#) in Ulaanbaatar. The conference was attended by more than 250 participants representing multi-level government officials and ASM miners. The ASM conference concluded with a pledge to include ASM clauses in the Minerals Law Amendment and improve government support for ASM miners. This pledge received full support from RPAM with the Minister of Industry and Mineral Resources provided support and commitment to regulatory reforms and collaboration with ASM miners to promote sustainable growth in the sector.

Capacity building and trainings

The planetGOLD Mongolia team recognized that communicating the content of the regulation was key so that all parties involved in the ASGM sector similarly interpreted the regulation. Specific to ASGM miners, they needed to understand the content of the regulation to responsibly oblige to the standards, procedures and requirements mandated in the ASM regulation. Consequently, planetGOLD Mongolia conducted multiple trainings for ASGM miners. For example, training and workshops equipped them with knowledge on ASM Regulations and ASGM formalization process and requirements in 2022 and 2023 following the approval of 2022 ASM Regulation. Comprehensive environmental rehabilitation training requested by the local Environmental Inspection Division of the Mandal soum Governor's office targeting ASGM miners built their capacity on comprehensive environmental rehabilitation as required by the 2022 ASM regulation. Through the training, ASGM miners were equipped with knowledge of the Rehabilitation guideline, and practical experience to develop a land rehabilitation plan including its cost estimation.

Specific to local government officials, the planetGOLD Mongolia team organized training to enhance their understanding of ASGM formalization including compliance. The planetGOLD Mongolia team in partnership with Gobi-Altai Governor's Office conducted training on mineral laws, future concerns and micro-mining rights. Also, the planetGOLD Mongolia team supported the provincial governments (Gobi-Altai, Khovd and Selenge Aimags) to conduct training under environmental compliance and practice based on the approved methodology for ASGM miners, cooperatives and associations/partnerships. The compliance training also covered the occupational health and safety aspects of ASGM operations.

The planetGOLD Mongolia project conducted capacity building activities in the project area and in other aimags or provinces where ASGM activities were present, thus ensuring broader involvement and outreach. The topic coverage extended beyond the legal framework and its challenges to include key understanding and issues such as ore processing, the gold supply chain, traceability, access to finance, and mercury toxication. This approach was designed to enable participants to view ASGM not merely at the operational level, but also within a broader social, economic, and environmental context and opportunities.

Assisting the government with information management

The planetGOLD Mongolia team assisted MECC in developing the online system for toxic and hazardous chemicals registration. This aligned the planetGOLD objective to eliminate and prevent mercury usage and helped the Mongolian Government to meet its obligation under the Minamata Convention. The system is ongoing, and it will contain information about licensed enterprises and organizations for toxic and hazardous chemicals, a list of toxic and hazardous chemicals, and other related information and data. Through this online system, the project is publishing IEC materials and knowledge products created by the project and the program to the public, government organizations, and artisanal miners.

Facilitating procurement of permits at the mine sites

The planetGOLD Mongolia facilitated the formalization of ASGM miners at two levels. First, ASGM miners need to be members of ASMOs (cooperatives or partnerships). To formally operate, ASMOs need to access land through a contract with the respective soum governor based on a Land Conclusion. Therefore, the team assisted ASMOs to formally access land with a long-term contract. Second, the planetGOLD Mongolia facilitated ASGM miners (as a member of ASMOs) in obtaining permits. While this activity could not be undertaken until the 2022 regulation was issued, nonetheless the project made significant progress. As of September 2024, the planetGOLD Mongolia had engaged with 1,090 ASGM miners (770 men miners and 320 women miners at the project sites) and facilitated obtaining permits for 323 miners (240 men miners and 83 women miners).

Providing support to the ASM-NF

ASMNF is the key partner organization for planetGOLD Mongolia. As described above, the planetGOLD Mongolia worked closely with the ASM-NF in advancing the ASM legal framework at the national level and advocating the needs of ASGM miners across government officials, parliamentary representatives and other key stakeholders. The planetGOLD Mongolia project currently supports [the ASM knowledge hub](#) managed by the ASM-NF by improving the website infrastructure and servers to be able to share planetGOLD Mongolia's IEC materials and knowledge products. The ASM knowledge platform documents the sector's detailed data available to all ASM stakeholders. planetGOLD Mongolia used this platform to share their information, education and communication materials.

4. Cross-cutting Issues

Gender

Women in the Mongolian ASGM sector are known to be heavily involved in important management tasks, including acquiring legal permits and registration, securing finance, and selling gold. In Western Mongolia where traditional values and patriarchal norms are stronger, women miners have limited access to decision-making related to gold sales, managing finances, and big purchases. In the central region, more women have taken up leadership positions and are acting as key personnel at ASMOs.

The planetGOLD Mongolia project conducted [gender mapping](#) in ASGM in 2021. The report highlighted that women and men miners tended to have almost similar rights when it came to decision making and deciding financial matters. In the planetGOLD targeted soums, ASGM NGOs tended to be headed or chaired by a woman. The women leaderships showed that women have higher education than men and they are actively involved in management and legal compliance tasks ([planetGOLD Mongolia, 2021](#)).

planetGOLD Mongolia trained gender focal points (GFPs) in 2022 to have activists to promote human rights and gender equality on the project sites. The planetGOLD Mongolia project provided a support program for GFPs to conduct their activities on the project sites. For example, one of the GFPs proposed to have a [Wholeheartedly program in 2023](#) to improve the well-being and sustainability of ASM operations in Mandal soum and Tunkhel village, Selenge Province. The Wholeheartedly program engaged with 30 miners (15 women and 15 men) for need-based health screenings. Also, under the Wholeheartedly program, the gender focal point arranged *Early Kharaachuud* breakfast meeting to create a communication platform between local government officials and ASGM miners involving 20 people (12 women and 8 men). The planetGOLD Mongolia support programs for GFPs were useful to understand the needs of ASGM miners, and in this case for gender-responsive healthcare delivery and community building purposes in voicing ASGM miners concerns to government officials..

The planetGOLD Mongolia project afforded equal opportunities for men and women miners in participating the planetGOLD activities. To date, the participation of women in capacity-building and awareness-raising activities is higher at the targeted mining sites in comparison to men. However, men miners are those who conduct the main activities of ASGM and require better health and safety knowledge. To have a more balanced number of men and women miners participating in the planetGOLD Mongolia activities, the project team encouraged men to participate more in trainings and other project activities.

Vulnerable Groups

The 2022 ASM regulation does not have specific requirements for free, prior and informed consent (FPIC), but community consultations are required, especially on ASM land approval process through local Citizen's representative council meetings which in a broad sense, can be regarded as community consultation.

Local Communities

The planetGOLD Mongolia project produced a communication strategy to engage with mining communities. Mining communities are defined as project communities as those who are direct beneficiaries of the project, and other categories of mining communities as surrounding communities nearby project sites and illegal miners in general. Apart from the benefits of networking and knowledge sharing, the mining community also gains from awareness-raising initiatives, advocacy efforts, and opportunities to engage directly with decision-makers at different levels.

Environmental Issues (beyond mercury) and Climate Change Issues

The application of good ASGM practices is part of the formalization objectives. The planetGOLD Mongolia project assisted ASGM miners, cooperatives, associations and partnerships to improve their environmental, occupational health and safety practices through training on environmental management to meet ASGM miner obligations as provided in the 2022 ASM regulation and other associated regulations. Explicit considerations on climate change issues have been minimal, although harsh climatic issues were considered as challenges in the implementation of the planetGOLD Mongolia's activities.

Human Rights

The negative perception of ASM in Mongolian society by government officials has been reported widely including human rights abuses like violence between informal ASGM miners and security and police officers (UNIDO, 2017).

Using the SAM project's human rights-based approach as a model, planetGOLD Mongolia applied the rights and duties lens in facilitating the amendment of the 2022 ASM regulation. Furthermore, the human rights theme was part of the project's annual forums and planetGOLD Mongolia engaged directly with the National Human Rights Commission to improve the awareness and sentiments concerning ASGM.

The planetGOLD Mongolia project acknowledges social protection as a fundamental human rights to ensure ASGM miners and broader communities' dignity and value and therefore, conducted a study on [assessing the gap of artisanal gold miners and social services](#). This study specifically evaluated the access of ASGM miners to key social services like healthcare, health insurance, social insurance, social welfare and early childhood education (planetGOLD Mongolia, 2024). The study revealed several findings:

- Insufficient coverage of social and health insurance among miners.
- The presence of behavioral and knowledge barriers among miners for social protection.
- Institutional and legal obstacles for miners to access healthcare.
- A lack of access to childcare, especially when miner-parents had to migrate to work at mine sites temporarily.

The study further provides key recommendations in which formalization is key to ensure ASGM miners have access to all social services (except for early childhood education). The informal setting of ASGM miners contributes to the uncertainties of jobs, income, and therefore failures to pay for social and health insurance, and poor access to social services (planetGOLD Mongolia, 2024).

5. Sustainability

planetGOLD Mongolia is the only project concerning ASGM (as of October 2024) in the country. The planetGOLD Mongolia project has continuously built results upon the legacy of the SAM project. planetGOLD Mongolia is about to conclude in 2025, so it is suggested that any future projects related to ASGM need to be designed based on past projects including planetGOLD Mongolia.

To ensure the sustainability of planetGOLD Mongolia results and activities, the project team developed MoUs and other legal documentation with key partners, e.g., ASM-NF and local governments, at the project sites for the continuity of the project. Legal documentations may enable the continuation of institutional commitments once the planetGOLD Mongolia is phased out.

6. Findings, Experiences and Lessons Learned

Highlights of Formalization Interventions

There are three main highlights of the success stories of planetGOLD Mongolia in implementing the formalization interventions:

- The completion of [the legal analysis framework](#) and [artisanal and small-scale gold trade](#) studies: recommendations from these reports have informed the design of the formalization interventions. The reports also provided policy recommendations for other key stakeholders in Mongolia to improve the ASM policy environment and promote formal gold trading relevant for other components (e.g., access to finance) of planetGOLD Mongolia.
- The issuance of the 2022 ASM regulation: it took more than two years to revise the 2017 ASM regulation. The issuance of the 2022 ASM regulation witnessed positive responses by key stakeholders, including ASGM miners progressing their formalization.
- ASGM miners have started to be legalized: as the result of the issuance of the 2022 ASM regulation and continuous support in the implementation of the 2022 ASM regulation, the planetGOLD Mongolia team successfully assisted associations/partnerships to prepare documents and obtain approvals for land access, mining and gold trading permits. planetGOLD Mongolia also worked closely with the local governments to strengthen their capacities to support ASGM miners in obtaining licenses and supervised them in environmental and occupational health and safety compliance.

The current focus concerns how the regulation can facilitate the “freedom of ASGM miners to conduct their activities,”. That is, how the regulation can be implemented effectively to facilitate more ASGM miners to have land access, obtain approvals to mine, and comply with the requirements mandated in the regulation. The broader aim of formalization

interventions is about allowing ASGM miners to work with no fear, and to create a pathway for ASGM men and women miners in Mongolia.

Furthermore, even though still in its infancy, the planetGOLD Mongolia project has started to improve the relationships between ASGM miners and gold traders, by improving transparency and more formalized gold trading mechanisms. The gold trade study further urged the ASGM formalization for both mining contracts and gold trade licences. ASGM formalization is also critical for miners to have access to finance institutions.

Specific Factors for Success

Capacity building, advocating and dissemination activities to counter the negative perspective of ASGM miners

The challenge context: ASGM miners in Mongolia (like in other countries) continue to be stigmatized as the environmental polluters. Such negative stigma has impacted ASGM to receive support and priority from governments at each level.

The key success approach: The planetGOLD Mongolia team designed the formalization intervention with the intensive capacity building and advocacy activities to revise the 2017 ASM regulation. The capacity building activities continually focused on communication and dissemination activities for the implementation of the resulting 2022 ASM regulation. These activities were aligned with the knowledge management interventions. In addition, the outcome of this approach is to improve the relationship between governments and ASGM stakeholders especially for the adoption of government incentives to formalize the ASGM sector by ASGM miners.

The role of Memorandum of Understanding (MoU) in dealing with constant changing persons within key partner institutions

The challenge context: Engaging with key government actors needs to be done continuously, however, it became challenging with ongoing leadership changes. For example, during the course of the project, MECC as the key partner organization has undergone five times leadership (Minister) changes, with each Minister having different perspectives toward the ASGM sector. Similarly, at the local government level, there were multiple government personnel movements.

The key success approach: To solve this issue, first, planetGOLD Mongolia prepared an introduction kit of the project available for distribution to new officials. Second, face-to-face meetings with newly appointed officials have been crucial to explaining the government obligations on international conventions like the Minamata Convention and to provide the background and importance of the planetGOLD project. Lastly, it is important to formalize the engagement with governments through the development of a MoU. The MoU has been an effective platform to maintain commitment, and government willingness to support the planetGOLD Mongolia implementation, and the broader topic of ASGM.

Recommendations for Future Interventions

Ensuring the broader implication of ASM formalization

On the policy development aspect, land access remains a key political issue. In the past, senior government officials directed their subordinates not to approve any land access applications to ASGM miners. Similarly, the uncertainty of land access aligned the abolishment of the previously approved land access under the 2010 and 2017 ASM regulation. All ASGM miners needed to reapply under the 2022 ASM regulation, and it involved a long process from the local governments up to the national governments for the approvals. This was another factor in the slow formalization rate in Mongolia. It is important that future formalization interventions continue to facilitate ASGM miners to have land access and other requirements for formalization.

Strongly linking formalization with other components and their replicability and scalability to other sites


ASGM formalization is a foundation for ASGM associations, partnerships and individuals to access formal finance and mercury free technology. To access formal loans, banks seek to identify if a business is viable. With formalization and the introduction of the mercury free processing system (MPFS), there have been some behavioral changes toward a more positive perception of ASGM operations and is expected these will have positive impacts for ASGM miners to access formal loans and therefore, sell their products in the formal gold markets.

Some of the broader implications, however, might appear beyond the planetGOLD Mongolia project lifetime. For example, MPFS can be replicated on the western region of Mongolia. This region does not have any MPFS facilities and it is difficult to rely on ASGM miners themselves to do it. MPFS is capital intensive and harsh climatic conditions and issues concerning the importation of manufactured equipment being problematic. This requires support from government, private and international institutions.

Another aspect that needs consistent scalability is in the policy development and implementation support to ensure ASGM miners have access to land, so that they can be formalized. Similarly land access is important for the approval of MPFS facilities. Without land access, formalization efforts are meaningless. Therefore, it is important for future formalization efforts to have a comprehensive approach for land access, and other formalization requirements to facilitate formal access to finance, market and any support on technological transfer and other capacity building programs. The professionalism and career path opportunities in ASGM is another factor that requires further exploration in Mongolia.

The involvement of informal ASGM miners

Informal miners remain in the background when it comes to international aid to support the sustainability practices of ASGM. A strategy that involves informal ASGM miners in the capacity building programs that is supported by national governments and international



donors is necessary. To date, the formality of ASGM has been the prerequisite for international programs to engage with ASGM miners, however it can prevent the most marginalized groups of informal ASGM (e.g., women) from being included in activities that promote sustainable practices of ASGM operations and support the formalization agenda. It is important that the replicability and scalability of the planetGOLD Mongolia project can access all informal ASGM miners in Mongolia.

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