

# ASGM Simplified

A Beginners Guide to Artisanal and Small Scale Gold Mining (ASGM)



## What is ASGM?

ASGM stands for artisanal and small-scale gold mining. It refers to gold mining conducted by individuals or small enterprises with limited capital investment and production.<sup>1</sup> In the Philippine context, ASGM and small-scale mining (SSM) have the same definition.

## Why should I care about ASGM?



### Source of Livelihood

ASGM employs an estimated 300,000 to 500,000 small-scale miners, and indirectly supports the livelihoods of 2 million people<sup>2</sup>.



### Empowering Communities

Responsible ASGM provides small-scale mining communities with opportunities for economic growth, job creation, and improved living standards.



### Preserving Cultural Heritage






ASGM in the Philippines has existed since pre-colonial times.<sup>3</sup> By supporting ASGM, people help preserve such cultural legacies and traditions for the future generations.



### Promoting Economic Development

80% of our gold deposit comes from ASGM, making the sector one of the main drivers of the Philippine economy.

## How is ASGM different from large-scale mining? (LSM)

	ASGM	LSM
 SCALE	Small operations carried out by individuals or small-groups	Operated by large corporations
 OWNERSHIP	Individuals or small-enterprises	Large companies
 CAPITAL INVESTMENT	Minimal investment, often self-funded	Requires significant upfront capital investment well before production begins or any returns are realized <sup>4</sup>
 EQUIPMENT & TECHNOLOGY	Relies on basic tools and techniques, often manual labor or simple machinery	Utilizes heavy equipment, advanced machinery, technology, and industrial processes to extract and process mineral effectively
 PRODUCTION OUTPUT	Produces relatively small quantities of gold compared to LSM operations.	Can yield large volumes of gold and other minerals due to advanced technology and economies of scale.

## Did you know?

According to Republic Act (RA) 7076, also known as the **People's Small-Scale Mining Act of 1991**:

- No ASGM activity shall be undertaken outside a *Minahang Bayan*;
- No entity shall engage in ASGM without a Small-scale Mining Contract (SMC); and
- No person shall work or be hired to work in ASGM and other similar operations unless registered with the Provincial/City Mining Regulatory Board (P/CMRB).

Since 2019, initiatives to amend the law according to the needs and progress in ASGM in the Philippines have started.

<sup>1</sup> Definition of ASGM from the

<sup>2</sup> Minamata Convention on Mercury BAN Toxics

<sup>3</sup> International Labour Organization. "Artisanal and small-scale gold mining baseline report: Camarines Norte and South Cotabato"

<sup>4</sup> Definition of LSM from World Gold Council's report titled "Lessons learned on managing the interface between large-scale and artisanal and small-scale gold mining"

## A Glimpse into ASGM in the Philippines

1626

- Spaniards discovered a large gold mine in Paracale, Camarines Norte.<sup>5</sup>

1970s

- ASGM activities in *Barangay* Fidelisan, Sagada, Mountain Province started.
- The *Barangay* Officials and elders opposed the idea of mining in their community due to the fear that it would destroy the environment.

1980s

- The *Barangay* Officials of the six communities in Northern Sagada met and agreed to open the area for ASGM activities because of its potential economic opportunities.

- RA 7076 was approved.

1991

- The IRR of RA 7076 was revised.

2015

- 40 out of 81 provinces in the Philippines engage in ASGM activities
- Philippines is one of the top 20 producers of gold worldwide<sup>6</sup>

2020s

### Nugget of Wisdom #1

There are various ASGM methods in the Philippines to recover gold. Some of which are:

- Panning:** a pan is submerged in riverbeds, streams and other bodies of water, and shaken, sorting the gold from the gravel and other materials; since gold is denser than rock, it quickly settles to the bottom of the pan.
- Dog-hole mining:** a type of underground mining and a common method in the province of Benguet and Camarines Norte where small and narrow underground tunnels, either horizontally or vertically, are excavated allowing only a single miner to pass through.

### Nugget of Wisdom #2

Kulipaw is a cultural practice in Paracale, Camarines Norte's ASGM communities. Rooted in the spirit of camaraderie, 'kulipaw' symbolizes the selfless sharing of food, supplies, cash, and even precious gold among community members, reflecting the tight-knit bonds and support system within the small-scale mining sector.

## What is a Minahang Bayan?

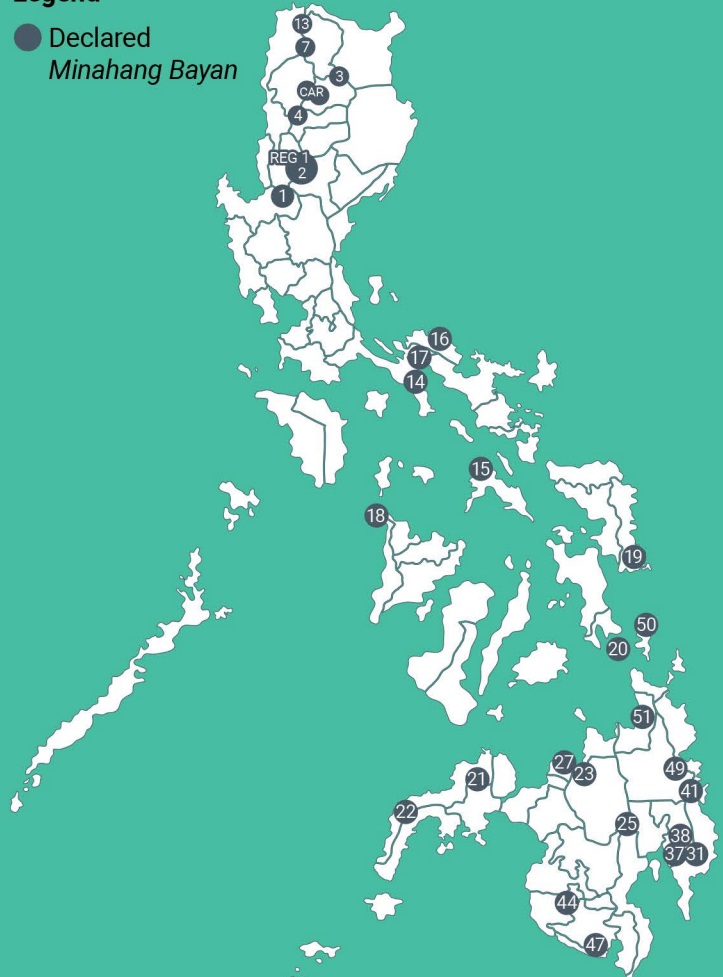
*Minahang Bayan* refers to the entire area declared by the P/CMRB for the conduct of ASGM operations pursuant to RA 7076.

### 55 *Minahang Bayan*

Declared by the Department of Environment and Natural Resources-Mines and Geosciences Bureau (DENR-MGB) as of May 2023.

#### Legend

- Declared *Minahang Bayan*



### Nugget of Wisdom #3

Influenced by their culture and tradition as an indigenous Miners in Sagada, Mountain Province are not using mercury or any harmful chemical. They are using the gravimetric method to extract their gold.

<sup>5</sup> <https://en.wikipedia.org/wiki/Paracale>

<sup>6</sup> International Monetary Fund; World Gold Council