



IGF

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Sustainable Development

**COVID-19
RESPONSE
SERIES**



ARTISANAL AND SMALL-SCALE MINING (ASM) AND COVID-19: RESPONDING TO THE PANDEMIC

The COVID-19 pandemic has had significant impacts on the lives and livelihoods of a substantial portion of the women and men involved in artisanal and small-scale mining (ASM). The pandemic—and resulting government responses—has upended lives in many of the communities that rely on ASM, presenting significant challenges to the miners and their families, to local authorities, to national governments, and to local and international partners, as all struggle to address and contain a health crisis the scale and nature of which hasn't been seen in over a century.

This brief is based on data collected from interviews with representatives of both IGF member country governments and [ASM communities around the world](#). It outlines some of the main challenges to ASM sector support and regulation in the context of the global pandemic, and points tentatively to how governments could move forward with effective ASM sector management in

the coming months. While this contribution strives to bring together data gathered globally from multiple institutions into a digestible format, it should be qualified that each country and locality has been affected differently by the coronavirus; policy definition should therefore always be developed to account for these unique realities.

The numbers are, of course, significant: an estimated 40.5 million women and men were directly engaged in ASM in 2017, with over triple that number indirectly reliant on the sector, including the families of miners, the shopkeepers and service providers that support operations, and the supply chain actors that depend on their production. While formalizing the ASM sector has been a key public sector priority for many ASM host nation governments, informality remains widespread, accounting for an estimated 80% of the total workforce.



Government measures so far: A limited response

Even before the virus emerged, many governments in mineral-rich nations faced significant challenges in effectively supporting and regulating ASM operations; a [pervasive lack of data](#) and limitations on financial, material, and human resources were often coupled with widely distributed, remote, and informal operations. These challenges have in some cases become more complex and intractable as the scale and length of the pandemic expand. Governments have therefore understandably struggled to meet the challenge comprehensively.

While community-based surveys generally demonstrate the effectiveness of government sensitization efforts in reaching ASM populations, the distribution of basic disease control provisions has to date been limited. Among governments, more than half of respondents to the IGF survey report being unable to offer specific pandemic-related support to miners and their communities. At site level, [over 80% of ASM respondents](#) who participated in the Delve data collection initiative reported they had not received any support to help them deal with the impacts of the virus, including a lack of critical protective supplies to protect themselves from contracting it, such as masks, sanitizers, and hand-cleaning stations. Because ASM sites and communities are often remote, health infrastructure can be poor, and testing and contact tracing are nearly impossible.

Another significant challenge to ASM sector support faced by governments during the pandemic has been a difficulty in mitigating the adverse effects of COVID-19-related restrictions on ASM supply chains. As elsewhere globally, IGF member state governments introduced a suite of lockdown

measures to curb the spread of the virus, including partial and total sectoral closures, curfews, physical distancing requirements, and movement restrictions. These disease control measures were essential to stop the early transmission of the disease but had significant negative impacts on the ASM sector.

- Firstly, travel restrictions have hampered governments' ability to monitor and enforce ASM laws and regulations on the ground; inspectors and extension officers simply cannot get to many ASM sites.
- Secondly, restrictions have had important implications for mineral trade, with resulting reductions of income for many miners. Movement restrictions to and from ASM sites made it difficult for ASM actors to sell their production, which in many countries resulted in the emergence of a "buyers market" in the sector. Despite high global gold prices, for example, artisanal gold producers faced unprecedented price reductions for their product—in some cases, prices at site level [dropped as much as 40%](#). The majority of ASM respondents saw their incomes drop drastically following the increased difficulty in selling their production, with accompanying increases in levels of food insecurity and reductions in household income for ASM communities.
- Thirdly, COVID-19 regulations have also in many cases exacerbated pre-existing challenges. Both IGF and Delve respondents reported, for example, a widening of pre-existing gender inequalities, with [women's incomes and work in ASM disproportionately affected](#) for several reasons, including, for example, the increased domestic and childcare burden put on (mostly) women with the closure of schools.



Coordination with local and provincial authorities lead to successful health programs

The news, however, is not all bad. Many IGF survey respondents reported continuing to provide essential ASM sector support, such as extension services and training programs on safe mining and processing practices, mine closure and environmental management, or support for market facilities. For those able to provide COVID-specific support, programs have included those focused on health (awareness-raising campaigns around the virus and proper sanitation), the distribution of personal protective equipment (including face masks and sanitizers), gold buying programs, monetary and food aid, and development funding. Getting this support to communities is easier for those miners operating in the formal sector, with support often extended to those who carry out their activities in accordance with existing regulations. This is done in coordination with local and provincial authorities and typically through existing ASM projects that are already focused on economic and legal formalization.

The ASM sector has also launched its own successful responses

Success stories also exist from within the ASM sector itself. In Zimbabwe, respondents from an ASM community reported having [collectively funded a COVID-19 ward for ASMs](#) at a local hospital. At a more general level, the ASM sector—in particular the informal sector—has provided a livelihood for many of those from other sectors that have been economically impacted by the pandemic. Despite government restrictions, the informal ASM sector, driven both by

necessity and limited government capacity to enforce lockdowns, has provided a lifeline for populations who rarely have alternative employment and livelihood opportunities or savings to fall back on. In this sense, as has long been observed, [the informal mining sector served as a safety net](#) despite [supply chain disruption, reduced production, and price volatility](#).

This shines a light on the uneasy relationship between dominant public policy priorities (to contain the virus as well as formalize the ASM sector) and the continued reliance on informal activities to meet the basic needs of the population. It causes us to pause and reflect on the inherent value of ASM and the legitimate role it can play in supporting local economic development in mineral-rich nations, even when not fully incorporated into the formal economy. Post-COVID-19 recovery programming will need to account for this, differentiating legitimate informal activities with the reported rise in illicit and illegal mining activity, which poses a greater threat to sustainable economic recovery.

The future of government COVID-19 responses: A chance to build back better through public-private cooperation

This brief has outlined some of the main challenges faced by mineral producer country governments in both regulating and supporting the millions of people directly and indirectly involved in the ASM sector in the context of a global pandemic. Considerable challenges remain; the already stretched budgets and monitoring efforts of many governments have been further constrained by redirected spending and reduced operational funds, decreasing the availability of robust and reliable data



upon which to base strategic decisions. However, opportunities have also emerged. Many producer country governments have recognized the chance to “build back better,” with some IGF respondents noting that the pandemic could provide the impetus needed to organize and formalize their ASM sectors. Against this backdrop, effective strategies to help the ASM sector recover from the direct and indirect impacts of COVID-19 will be needed.

What could effective strategies for the recovery of the ASM sector look like in practice? Many options are available, but to be successful and scalable they need to be based on public–private cooperation, which can bridge the resource gap that has so long plagued formalization efforts. The innovation and flexibility inherent in the informal sector may also have a role to play—recognizing that stable market

access and responsible supply chains that generate positive development outcomes require continuous improvement of upstream supply chain performance. Through timely interventions and a mixture of support measures and progressive regulation, governments have a big role to play in facilitating this transition. Perhaps existing government health responses to the virus provide an opportunity for trust-building between ASM actors and government institutions, paving the way for constructive dialogue and engagement in the future—a key ingredient of formalization. Regardless of the specific strategies adopted by governments, it is clear that the overall policy environment must enable the growth of a clean and responsible sector with the potential to catalyze economic recovery and [contribute to wider sustainable development goals](#).

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Levin Sources delivers a sustainable minerals sector that builds enduring value for people and the planet, through better business and good governance.



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