

# **ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES**



## **Part 1**

**Sustainable Artisanal Mining Project  
Ulaanbaatar 2013**

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## PREAMBLE

In this small booklet, we have aimed to include the selected best practices of artisanal and small-scale miners.

Artisanal and small-scale mining (ASM) of a range of different mineral resources in Mongolia has been a reality for more than two decades. There are pioneers for everything. The achievements and the mistakes have also been included, as have miners' experiences with both. Looking back at the history throughout the past 20 years demonstrates that their paths are not exceptions to this simple logic.

During the early 1990s, people in Bornuur and Zaamar soums in Tuv aimag, Jargalant, Bumbugur soums in Bayankhongor aimag, and Mandal soum in Selenge began artisanal mining, thus becoming the pioneers of this sector. They were nicknamed "ninjas" and were blamed by almost everyone who could talk for damaging the environment and for "stealing" from the public wealth. These people are now older and together they co-wrote the history of ASM in Mongolia and in the process gained valuable life and work experience.

Artisanal and small-scale miners are said to be unprofessional people. Underpinning this is the belief that mining must be carried out by professional people. It is difficult to deny. However, is it that difficult a profession that it cannot be learnt in practice? No. Talking with people who have been involved in artisanal mining for many years, you can find that they have a vast range of professional backgrounds, such as teachers, doctors and different field designers.

Controlled mining explosions are supposed to be done only by specialized organizations. To tell the truth, do small-scale miners ask those specialized organizations to do it? No. They do it themselves. But no news or information about the incidence of accidents related to those explosions has been heard. They probably do it, bearing the full responsibility themselves. Doesn't that show that they are capable of doing it? If we take this into consideration, instead of issuing rules and regulations that are not practical in terms of implementation, perhaps it is more appropriate to permit them to perform such activities by making them fully responsible. Artisanal and small-scale miners are becoming more responsible and more specialized.


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There is a wrong perception among the public and a tendency to call all of the people involved in individual mining artisanal and small-scale miners. Who exactly are artisanal and small-scale miners? These are people who are organised into partnerships and who carry out their activities in accordance with the law and pay the taxes on their earnings from mining. As of January 2013, there were more than 5000 artisanal and small-scale miners who were organised and working in partnerships. The people who have shared their experiences in this book are partisans who are writing the history of artisanal and small-scale mining.

If there is an accident, there is a tendency for people to try and relate it to small-scale mining. Actually, organised miners almost never cause accidents. There have been no fatalities. Then where and why do accidents happen? They usually happen among people who were not organised and who did mining on their own. By forming partnerships and becoming organised, there are improvements in the control and supervision of the small-scale miners, as well as in their activities. One of the advantages they have is that they have permission to mine on fields or land; there is no fear of being expelled or being subject to violence, and there is no need to compete with anyone to “eat” first. This advantage “... enables us to work free from accidents,” said an experienced small-scale miner. This is true.

A team headed by L. Byambadorj in Bayan-Ovoo soum of Bayankhongor aimag and small-scale miners led by D. Dambiisurenjav in Tunkhel of Mandal soum, Selenge aimag, have introduced a method of adit mining that is widely used in Peru and Bolivia, and as a result the danger of landfalls has significantly decreased and their work has become easier.

When people's mills were being taken and miners used mercury at home to recover gold, some miners from Bornuur - B. Narantsogt, R. Tsogtbadrakh, D. Tsengel, B. Uuganbayar and A. Otgonkhishig - came up with an idea to establish a mercury-free processing plant and then worked hard to realise this vision. They succeeded in getting support from the Swiss Agency for Development and Cooperation (SDC) and were able to establish a mercury-free, gold-ore processing plant in their soum – the first ever to be constructed in Mongolia. Some people criticise the plant for having outdated technology. If this is the case, how then did professional people assist in establishing a plant with better technology? We wish that these miners' efforts and commitment were respected and supported. As



for the Ministry of Environment, it is difficult to understand why it is hindering the process by delaying the issuance of environmental impact assessments. Actually, the Government of Mongolia granted approval for the establishment of a processing plant and even provided interest-free loans for this purpose.

If someone says “Zaamar’s Bayarmaa”, every artisanal and small-scale miner will know who they are talking about. This group of people entered into an understanding with the company that held the mine license and efficiently solved the land issue for mining, which for the first time demonstrated the possibility of tripartite cooperation between artisanal and small-scale miners, companies and local authorities.

Beginning from the period when small-scale mining was in its infancy, there were some people, such as D. Tuya from Mandal soum, who devoted themselves to forming an organisation, who are engaged in the extraction of mineral resources on their own, who are organised and responsible in their treatment of nature and the environment, and have many valuable views and ideas to share.

Artisanal and small-scale miners to a certain extent now have support from the state and an enabled legal environment, particularly when in comparison to earlier years. However, they still face many obstacles and barriers and have difficult challenges and fears to overcome. On the other hand, there are also many issues that depend on the small-scale miners themselves. They must walk forward, not backwards. Now, an important phase has come to provide assistance for those artisanal and small-scale miners who have gained not little in the way of experience. It is important to enrich these experiences and also unite and organise at the national level those miners who are working in an unorganised way and ensure compliance with occupational safety standards to prevent accidents, and to develop understandings with local authorities and work with them as closely as possible.

Regardless of which aimag or soum they belong to, there is a common interest which needs to be sensed, and these people need to live within the legal boundaries and adopt an attitude that says nobody will help us unless we try our best and work hard for it, and that we are the ones who should be united and decide our own destiny.

SAM Project National Director  
P. Urjinlhundev

## THE SUCCESS STORIES OF SMALL-SCALE MINERS' NGOS

### **“Altan Us – Aman Us” NGO Bayan-Ovoo soum in Bayankhongor aimag**

One-hundred and forty-nine artisanal miners used to mine and extract mineral resources on their own in unorganised activities in the territory of Altan-Us, in the second bagh of Bayan-Ovoo soum. On November 1, 2010, they formed six partnerships and began working in an organised form at the initiative of Ts. Ganbat and G. Ayursed. Together they formed the “Altan Us – Aman Us” NGO and these people united and became its members.

As well as carrying out mining activities during this period, the NGO also focused on the social, cultural and environmental issues of its members, including:

- Every Saturday, all NGO members clean the surrounding areas and do manual technical rehabilitation;
- Each member received NGO identification;
- Enforcing a ban on the sale of alcohol at food sales points; and
- The construction of a basketball court to help ensure that members' leisure time is well spent.



**Photo 1:** Camp and mining field of the members of  
“Altan Us – Aman Us” NGO



**Photo 2:** Land area after manual technical rehabilitation  
by the members of “Altan Us – Aman Us” NGO

### **“Baatar Vangiin Khishig Kholboo” NGO, Mandal soum, Selenge aimag**

“Baatar Vangiin Khishig Kholboo” NGO was established in March 2010 with the objective of providing services to its members, properly using natural resources, and rehabilitating and protecting the environment. It is becoming progressively more organised from year to year, and has been conducting a range of different activities, including ensuring the occupational health and safety of miners, ensuring an alcohol-free environment and clean and orderly conditions. To date, our NGO has 26 partnerships comprised of 106 artisanal and small-scale miners.

A source of pride for our members is that we have never conducted our activities using “ninja” methods or ways. The artisanal and small-scale miners work in a place named Bortolgoi. In Tunkhel village, the miners discussed and then agreed to work, from the first day, in an orderly and organised way, to not drink alcohol in mining areas, to keep the surrounding area clean and neat, to improve waste management practices and to comply with occupational health and safety rules and regulations. As a result, our NGO has succeeded



**Photo 3:** Mining site, Baatar Vangiin Khishig Kholboo NGO members



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in keeping mining areas clean and alcohol-free. By creating and operating a consolidated waste site in the mining area and installing toilet facilities, we established the foundation for maintaining a clean environment and ensuring an orderly and organised environment in which to live and work.

The posting on noticeboards in large and visible lettering of occupational health and safety standards and the rules and regulations for safe working conditions contributes to constant reminders of, and compliance with, the rules that help to prevent accidents.



**Photo 4:** Occupational safety board

With support and assistance from the Sustainable Artisanal Mining (SAM) Project, a site rescue team comprised of five small-scale miners was established. They regularly take part in special training programs organised at the Mining Rescue Service's training complex. They are also given the necessary tools and equipment. The site rescue team supervises partnerships' mine shafts in accordance with a special schedule, provides recommendations and advice, and takes the measures needed to prevent possible accidents.

In 2012, with support from the SAM Project within the framework of implementing small grant projects for small-scale miners' organisations, technical rehabilitation was conducted on



**Photo 5:** A partnership's mining shaft

eight ha of land at the Bortolgoi site. Many unattended shafts were filled and straightened, and comfortable working conditions were created. The “Puraam” medium-sized mining company, which operates in a neighboring area, supported us in this activity by providing machinery and other technologies.

Mr.Dambiisuren, head of the “Baatar vangiiinkhishighkolboo” NGO participated in the study tour to Latin American countries such as Peru and Bolivia to learn from experiences of small-scale mining in November 2011, which was organised by the SAM Project. During this study tour, he has learned from the methods and techniques in mining operations by the small-scale miners in gold primary mine sites in Peru and Bolivia and afterwards he taught the member partnerships of the NGO and as a result, we have opened the first adit mining shaft in artisanal and small-scale mining. By creating an adit shaft, it creates the possibility to ensure conditions for reducing risks of potential accidents.

Members of the “Baatar Vangiin Khishig Kholboo” NGO actively participate in a group involved in social and cultural events organised by local authorities. And beginning in 2010, members of the NGO began regularly organising New Year celebration parties to which they invited representatives from local authorities and administrative bodies.



**Photo 6:** *Constructing an adit shaft*

During celebrations of the national Naadam festival in 2012, a parade was organised to encourage more active participation from the local community and to add color and spice to the Naadam celebrations.



**Photo 7:** *Members of the “Baatar Vangiin Khishig Kholboo”  
NGO during the local Naadam parade*

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In order contribute to local development and to mark the 50th Anniversary of Tunkhel village and the establishment of the Wood Factory, 40 members of the NGO worked for two days landscaping activities and repairing the village road and improving “Khamardavaa” bridge. Many NGO members made donations to undertake this work. Twenty-eight NGO members also worked for a day to improve the conditions at the “green establishment” where members and people from the community spent their leisure time. As a result, it has become a favourite spot for people to spend their free time.

In cooperation with local authorities, a team comprised of 22 representatives from the Tunkhel village Governor’s Office came to the site for two days and familiarised themselves with the workplace and the operations of the artisanal and small-scale miners. This formed the basis for a environment of cooperation and mutual understanding. Also, in cooperation with local media organisations, we are working to create a positive perception among local people about our activities and working conditions and opening up the possibility of working together. We hold regular meetings with the soum Citizens’ Representative Khural and discuss ways to make the mining land official.



**Photo 8.** Khamardavaa bridge, which was repaired by the members of the “Baatar Vangiin Khishig Kholboo” NGO

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Ore processing: A common issue faced by artisanal and small-scale miners who are working in primary mining is ore-processing. We are solving this issue by concluding a contract and cooperating with the mercury-free ore processing plant in Bornuur. According to the conditions specified in the cooperation contract, artisanal and small-scale miners' who are organised are processed at discounted prices; the cost difference is used to fund daily operations, provide health and social insurance for members, and to create a savings fund.

Fair Trade and Fair Mined (FTFM) gold initiative: By conducting proper, ethical and socially and environmentally responsible mining activities that meet Fair Trade and Fair Mined artisanal gold standards, as set forth by the Alliance of responsible Mining (ARM) and the Fair Trade Labeling Organisation (FLO), we understand that we have opportunities to earn more money and to contribute to local development. Our NGO began preparing to join this system with support and assistance from the SAM Project.



**Photo 9:** During discussions about the FTFM standards

According to the relatively high results of a tentative inspection and assessments on the NGO's present conditions, there is a possibility for us to join the international standards system and to work more efficiently by further improving our activities – something our NGO is keen to do.

We also closely work with Mr Felix Hrushka, an international consultant with the SAM Project, in relation to the FTFM artisanal gold standard system.

### **“Baidragiin Khogjil” NGO in Bayankhongor aimag**

The “Baidragiin Khogjil” NGO was established on 15 March, 2008, with the support and assistance from the SAM Project at a site known as Mandalin Buurug in Jargalant soum with an initial seven partnerships and 68 members. It has grown in the years since and now comprises 192 members and 27 partnerships. The establishment of the NGO has enabled members to conduct their mining activities in organised manner in Buurug.

Because such organisation has had a positive impact, our activities have attracted the attention of organisations that support development and we have begun to receive assistance, which is the foundation for us to have even greater success in the future. During the first phase, our members used small and primitive tools and equipment, such as spades, hoes and rakes. Their work efficiency was low. However, with assistance and support from the SAM Project, our members now have such equipment as small tractors to use in land rehabilitation, and hoists, water pumps, engines and high-capacity sluices. And as a result, their work efficiency has increased as has their income. Also, the NGO began to include its members in various trainings and workshops to improve their knowledge and skills and to increase the capacity of artisanal and small-scale miners.



**Photo 10:** The location of the members of “Baidragiin Khogjil” NGO

A site rescue team made up of partnership members and small-scale miners was established and took part in trainings and was equipped with tools and equipment by the SAM Project.

Creating contracts for cooperation with soum governors, Citizens’ Representative Khurals, state environmental inspectors, police and hospitals, miners’ access to social services has increased and have helped to control access to mine sites and the conducting of unorganised mining activities.

One of our NGO’s most important achievements is the concluding of a cooperation contract with the “JAMP” company, which carries out activities in our soum. Within the scope of this contract, 1.2 ha and 0.5 ha of land respectively were used by members of the NGO in accordance with a specified plan. We then sell the extracted gold to the “JAMP” company as stipulated in the contract at the market price, which has significantly improved our efficiency and our labour conditions. In addition, the company has provided us with support and assistance in undertaking technical rehabilitation in the form of soil blading using large equipment.



*Photo 11: The testing of sluices*



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Since we began using a small tractor in our technical rehabilitation processes, on request from partnerships, we are able to strip waste from the mining area, the income from which is saved in the NGO's bank account and later spent on such things as the maintenance of tractors, the salary for the driver, and rehabilitation of previously damaged areas. As a result of such activities, a total of 10 ha of land has been rehabilitated since 2008.



**Photo 12:** *The process involved in undertaking technical rehabilitation*

In addition, in 2011 the biological rehabilitation of 0.2 ha of land was conducted through the planting of bushes and the spreading of seeds. We have been actively participating in many events, such as locally organised public events and competitions and matches. We clean and protect the environment, and each camp has waste disposal sites and toilets. Tools and equipment have improved, our members are now able to work in teams, and they offer spiritual help and donations to those who become sick or face other hardships.

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**Photo 13:** *Seabuckthorn alameda, created by members of the “Baidragiin Khogjil” NGO*

In order to ensure healthy and sanitary living conditions for the miners and for the local community, a public shower house was opened in Jargalant soum with support from soum authorities, small-scale miners’ NGOs and the SAM Project.



**Photo 14:** *The public shower house in Jargalant soum*

### “Batsaikhan Setgel” NGO of Galuut soum in Bayankhongor aimag

Our NGO was established on 1 April, 2010, in a place called Khutliin Nuramt in the second bagh of Galuut soum with 128 members. In terms of structure, the NGO consists of the following units, who are elected at meetings of all NGO members:

1. An Executive Committee and a Supervision Committee
2. A leader
3. A site rescue team
4. A Women’s Council
5. A unit to provide health education

Our objective is to unite separate and scattered people in sharing a common goal, in conducting environmentally friendly mining operations, in properly communing with nature, in working together as a team, in fairly managing the distribution of labour, in reducing family fears and pressures among members, in increasing trust among the local community, and in fairly distributing wages for members.



**Photo 15:** Some of the members of “Batsaikhan Setgel” NGO

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A development fund was started in 2010 and was operated within the scope of NGO activities. We use this money to generate new jobs in the soum. We also closely cooperate with aimag and soum authorities in concluding contracts and we actively participate in trainings, workshops and public events organised at the local level. As a result, the activeness of NGO members has improved and we have been able to maintain good relations with the community and its citizens.

ASM partnerships have been carrying out legal mining activities at mining sites after concluding a contract with the “Khukh Tengeriin Zam” local mining company, which works within the territory of the soum.



**Photo 16:** Members of “Batsaikhan Setgel” NGO take part in a local public event

### “Bayan Bumbergur” NGO of Bumbergur soum in Bayankhongor aimag

One-hundred and fifty-seven people who were conducting individual mining operations in a place called Builsan in Bumbergur soum, Bayankhongor aimag, were organised into 27 mining partnerships and formed the Bayan Bumbergur NGO on 5 October, 2008, with support from the SAM Project.

The NGO worked closely with local authorities, which led to the local Citizens' Representative Khural giving members permission to mine on 4 ha of land in the Builsan area in 2009 and a further 2 ha of land in the Uukht area in 2010. In addition, with the aim of supporting the miners' land rehabilitation efforts, the SAM Project provided the NGO with a small tractor, which enabled members to technically rehabilitate 6 ha of land. This land was subsequently handed over to the Governor's Office, the Citizens' Representative Khural and the local environmental agency, which undertook a review and assessment.



**Photo 17:** Land that was technically rehabilitated by members of “Bayan Bumbergur” NGO

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With support from the soum governor and the SAM Project, 3 ha of farming land in Bortolgoi in the third bagh which is used to grow potatoes and vegetables was saved fenced and is now growing vegetables that are sold to the local community. A vegetable storehouse was also built in the soum.



**Photo 18:** *Bayan Bumberur NGO's vegetable field*

An NGO-owned yard was built in the centre of the soum, and gers for training and use as hostels were provided by the SAM Project, which has enabled the NGO to independently carry out its activities. With an aim of ensuring healthy and sanitary conditions for miners and soum residents, NGO members built a public shower house in Bumberur soum with support again from the SAM Project..

A range of trainings and workshops have been conducted for NGO members, which has improved their enthusiasm and their level of participation and responsibility, has enabled them to register for health and social insurance, and has led to them paying tax on their mining earnings. Such formal organisation has also enabled them to carry out their activities legally and has led to a cleaner, healthier, and alcohol and crime-free environment.



**Photo 19:** Public shower house in Bumbugur soum



**Photo 20:** Members of “Bayan Bumbugur” NGO after a training

The “Bayan Bumbugur” NGO has concluded a contract with local public organisations and NGOs, which has proved important in such aspects as improving mutual relations and facilitating the connections needed for miners to receive social welfare services.

### **“Bornuur Artisanal and Small-Scale Miners’ Association” NGO of Bornuur soum in Tuv aimag**

The start of the NGO’s operations: It has been more than 20 years since people started artisanal mining in Bornuur soum, Tuv aimag. It is estimated the income derived from artisanal gold mining has a direct influence on 40 percent of all soum households, and an indirect influence on 15 percent. Artisanal mining creates unofficial jobs and workplaces and generates income, however there are also negative consequences, such as the illegal use of toxic substances such as mercury.

In 2007, there were more than 800 artisanal miners, nicknamed “ninjas”, operating in Bornuur soum. Fourteen 14 mills were operating illegally and mercury was being used at five sites, which it was estimated had resulted in mercury pollution on more than 9 ha of land. In January 2008, the Government of Mongolia banned the use of mercury, and in accordance with this decision, police and inspection agencies jointly confiscated and destroyed a total of 14 mills that were processing ore with mercury in Bornuur soum. However, the mercury ban did not put an end to its use; many people began to use it at home instead, which increased the risks and dangers.

At that time, the SAM Project - implemented by the Government of Mongolia and SDC with the aim of disseminating information on the dangers posed by mercury, organising the artisanal and small-scale miners, and introducing mercury-free gold processing methods and technologies - began to focus on Bornuur soum.

Artisanal and small-scale miners who worked with the SAM Project united to form the “Bornuur Artisanal and Small-Scale Miners’ Association” NGO on 20 October, 2007. It was the first ASM civil society organisation and at present has 283 members. The objective of the NGO is to “secure workplaces and sustain the incomes of members by creating a small-scale mining development model based on the available natural resources and the advantages of the soum”.

In 2008, the Government of Mongolia approved such policy documents as the “Sub-Programme to Develop Small-Scale Mining until 2015” and the “Temporary Regulation for Artisanal and



Small-Scale Mining Operations”, which established the basic legal environment for the existence of the NGO. At the fourth meeting of the NGO’s Executive Committee, a decision was made on “Refusing to use mercury soum-wide and researching mercury-free ore-processing methods and technology, and requesting support from the government and other potential parties.” The NGO thus refused to use mercury and organised a series of follow-up public meetings and gatherings. It also sought support from the SAM Project to establish a mercury-free ore-processing plant, which was approved, with the SAM Project providing both methodological and financial assistance. We then developed a project proposal on mercury-free technology processing plant and submitted it to the relevant agencies and organisations.

Mercury-free Bornuur: On 2 February, 2008, a “Bornuur, Mercury-Free Life” consultative forum was organised in the soum, with representation from the Cabinet Secretariat of the Government, the Mineral Resources Authority of Mongolia (MRAM), SDC, the Tuv aimag and Bornuur soum Governor’s Offices and more than 300 artisanal and small-scale miners from Bornuur and Jargalant soums in Tuv aimag and Bayangol and Mandal soums in Selenge aimag.

As a result of the meeting, there was a unanimous call for people to “publicly refrain from using the chemically hazardous substance mercury; and to keep your home and your children away from the danger of mercury; the Government of Mongolia and local authorities shall provide the conditions for its citizens to respect human rights and rights related to employment; and will realise, support and formalise the activities of those people who are creating for themselves a source of living, income and work”.

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**Photo 21:** The “Bornuur, Mercury-Free Life” consultative forum

Also during the consultative forum, the “Bornuur Artisanal and Small-Scale Miners’ Association” NGO’s project proposal on the establishment of a “gold and ore processing plant and small-scale mining management” was presented to all in attendance. The Cabinet Secretariat of the Government said it would support the plant and could provide financial support in the form of loans. SDC supported the initiative, believing it would have a positive impact on local development, and expressed its willingness to provide technical, technological and any other needed support.

The forum marked the start of cooperation and reminded society about the roles and obligations of citizens and government agencies.

A five-way agreement: On 18 November, 2008, those parties in support of the “Bornuur, Mercury-Free Life” objectives established a multi-party agreement on “Support for and Development of Mercury-Free Small-Scale Mining in Bornuur Soum” within the framework of the “Sub-Programme on the Development of Small-Scale Mining until 2015”. All parties’ roles and obligations were defined and verified. The parties to the agreement are as follow:

- The Government of Mongolia (MRAM): Participate in enabling the legal environment for small-scale mining;
- The Governor of Bornuur soum: Participate in the regulation

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and organisation of activities of small-scale mining within the roles and obligations;

- The “Boroo Gold” company: Allow miners to carry out mining and extraction activities on 58 ha of land near Sujigt Mountain;
- The “Bornuur Artisanal and Small-Scale Miners’ Association” NGO: Organise the members’ activities into small-scale mining partnerships and regulate their activities;
- SDC: Provide methodological and technical support in introducing mercury-free technology.

The major outcome of this agreement was clarification of the use of the designated 58 ha of already exploited land near Sujigt Mountain by small-scale miners in Bornuur soum with permission from the license-holder.



**Photo 22:** *During the signing of the five-party agreement*

The parties to the agreement looked for possible resolutions to such issues as the illegal use of mercury and united to develop a small-scale mining model aimed at protecting the population and the surrounding environment, increasing the number of jobs at the local level, generating sustainable incomes, improving social protection and occupational health and safety environment, defining social accountability in the mining sector; and formalising what was an

unofficial economic sector.

An ore-processing plant and the “HAMO” company: In June, 2008, members of the “Bornuur Artisanal and Small-Scale Miners’ Association” NGO’s Executive Committee agreed to establish the “HAMO” company through equal investment sharing and then concluded an agreement with the MRAM on “executing the work”, which marked the official start of the project.

In accordance with Government Resolution 28 on “Prompt actions to be taken to study the financial resources required and to centralise and organise the artisanal and small-scale miners’ mined ore-processing activities in three to four sites as a pilot”, it was decided to provide support via interest-free loans worth MNT 120 million for a five-year period from the Small and Medium Enterprises Supporting Fund in Bornuur.

The “HAMO” company began its operations with 17 employees and also served as assistant executor for the “Pilot Plant” premises and the piloting of equipment and installation processes through the SAM Project. In February 2009, the SAM Project’s “Piloting Plant” was officially commissioned and work began to define the efficiency of the mercury-free gold processing plant technology.

Four years have elapsed since then, and during this period the plant has been expanded upon and has reached the level of an ore-processing factory. This mercury-free plant is now seen as a best practice not only in Mongolia, but also in other countries with small-scale mining populations, such as Indonesia. The plant also attracts visitors from abroad, who travel to Mongolia to see how the plant operates.



**Photo 23:** *The opening ceremony of the mercury-free ore processing plant in Bornuur soum*



**Photo 24:** *The ore-processing facility at Bornuur*

Since the opening of the pilot processing plant, the HAMO company has expanded its activities and has commissioned seven processing lines as well as a hotel with the capacity to house 30 people, and a 16-seat restaurant. The company has generated 60 permanent jobs in Bornuur soum and is now the largest business in the soum, contributing to an improvement in the living conditions of

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the local community and helping to drive both social and economic development.

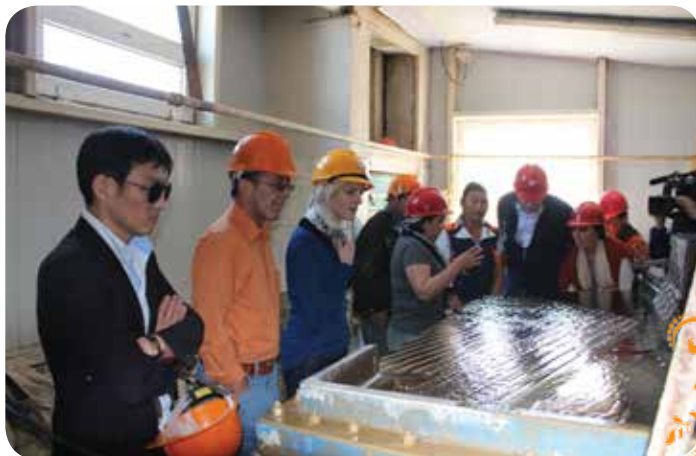


**Photo 25:** *The piloting process of the ore-processing plant's technological line*



**Photo 26:** *SDC General Director Martin Dahinden viewing the activities of the mercury-free processing plant*

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*Photo 27: Swiss Ambassador to Mongolia Jacques de Watteville  
tours the mercury-free processing plant*



*Photo 28: HAMO company employees with MP N. Enkhbold and  
other officials*



**Photo 29.** *The HAMO company's hotel*

Mercury-free technology is based on the principle of substance gravity weight reaction, or terrestrial gravitation. It utilises tools and equipment produced in Mongolia, China, England, Brazil and Canada, such as jaw crushers, roller mills, sluice boxes and Holman shaking tables. The results of tests conducted by a SAM Project engineer and technical team were verified by the State Geological Central Laboratory; the metal recovery level of this technology was confirmed at 70-80 percent.

As of 2012, the HAMO company was providing services to small-scale miners from other soums and aimags, including Bayankhongor, Selenge, Uvurkhangai and Govi-Altai. The plant has the capacity to process 3000-4000 tonnes of ore per year, to recover 50-100 kg of gold, and to serve up to 8000 artisanal and small-scale miners. During the test period, the plant processed about 2800 tonnes of ore from artisanal and small-scale miners originating in Tuv, Bayankhongor, Selenge, Uvurkhangai and Khentii aimags, recovering 40 kg of gold.





**Photo 30:** The foundation of establishing gardening park in the land area, owned by the HAMO company was laid



**Photo 31.** The HAMO company sells processed gold to Mongol Bank

HAMO company employees operate with the mission “Show and prove local development opportunities and efficient work capabilities through hard work and labour”, and are using the natural resources in their development processes and are creating sustainable workplaces.

### “Duushmandal Khairkhan Kholboo” NGO of Mandal soum in Selenge aimag

The “Duushmandal Khairkhan Kholboo” NGO was established on 30 April, 2008, with the objective of developing acceptable and responsible small-scale mining practices in order to ensure the security of its members.

Resolving the mining area: Under Order 7, dated 19 March, 2012, of the Citizens’ Representative Khural of Mandal soum, 12.29 ha of land in a place called “Noyot” was declared as a local special use area. This was reaffirmed in Official Letter 5/2563 dated 25 April, 2012, by the Head of the Mining and Research Department of the MRAM. The land was able to be used for small-scale mining purposes, hence resolving mining and extraction issues. At present, the NGO is undertaking such activities as renewing the registration of its members, improving the organisation of partnerships, renewing and compiling relevant documents, and is working towards establishing a cooperation agreement with the soum governor in accordance with the Regulation on the Extraction Operation of Minerals from Small-Scale Mines.



**Photo 32:** Members of the “Duushmandal Khairkhan Kholboo” NGO studying documents related to small-scale mining

## THE SUCCESS STORIES OF SMALL-SCALE MINERS' NGOS

Cooperation with local authorities and other related stakeholders: A Memorandum of Understanding on cooperation issues is signed each year by the relevant parties, which include the soum Governor's Office, the emergency management agency and the environmental agency.

The NGO's Women's Council also organises a number of events aimed at protecting the health of female miners', including the provision of health check-ups by soum doctors and the holding of discussions and meetings.



**Photo 33:** *Miners discuss land-related mining and extraction issues*

The NGO worked with World Vision International, which funded a study tour for representatives from the three small-scale miners' NGOs in Mandal soum to Bayan-Ovoo soum in Bayankhongor aimag in September 2011 to learn from the experiences of other, more established NGOs. World Vision also provided miners with occupational safety equipment worth MNT 3 million, including 128 units of personal protection items and equipment, which were distributed to the three NGOs.

Environmental protection and tree-planting: The NGO has been actively participating in campaign activities and events organised at both the local and national levels. In 2011, as part

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES

of the “One person – one tree” initiative implemented by the President of Mongolia, 180 trees were planted in “Shirkhentseg” garden park after advice was given by the head of forest unit and engineers. In addition, in May 2012 holes for the planting of 100 trees were dug and handed over to the relevant people.

**An NGO site rescue team:** A site rescue team was established in August 2009 with support from the SAM Project and the Mining Rescue Service. The team has been operating with the aim of ensuring safe and healthy working conditions for miners, ensuring compliance with occupational health and safety rules and regulations, and preventing accidents. The team conducts monthly site inspections in the soum, with results recorded in inspection logbooks. The team also receives monthly training from the emergency management agency.



**Photo 34:** Digging holes for the planting of trees



*Photo 35: Members of the site rescue team*

The team also participated in “Mining Rescue Operations 2010”, and regularly takes part in trainings organised by the Mining Rescue Service in order to continually improve their knowledge and skills.

### **“Association for Supporting Artisanal and Small-Scale Miners” NGO of Bayan-Ovoo soum in Bayankhongor aimag**

Our NGO was established in 2009 by L. Byambadorj and D. Sainjargal, who was elected to the Citizens’ Representative Khural under the name of “HAMODH” or “Association for Supporting Artisanal and Small-Scale Miners” NGO. The NGO organises the activities of miners operating in the Tsagaan Tsakhirt area of Bayan-Ovoo soum. L. Byambadorj was elected leader of the NGO, uniting 78 members from nine partnerships. However, membership is not limited to citizens of Bayan-Ovoo soum; people from the aimag centre and other soums are also organised into partnerships and the NGO now has 490 registered small-scale miners from 62 partnerships, of which about 320 small-scale miners from 36 partnerships are actively working on mining sites.

A video recording of the activities of the mercury-free ore-

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES

processing plant in Bornuur soum was shown to aimag and soum authorities, highlighting the importance of mercury-free technology. As a result, a decision was made to establish a similar processing plant in the western region. In becoming organised within the small-scale mining legal framework, miners have been able to protect their rights and cooperate with local authorities. The miners have set up a residential area and organise monthly cleaning activities that help keep the surrounds neat and clean. They have also prohibited the sale of alcohol, which has led to a reduction in social disorder and crime.

Representatives from among the small-scale miners have been organising meetings and discussions aimed at concluding an agreement with the Special Mines company in relation to resolving land issues. One-hundred and twenty people worked in Ulaanbaatar for 13 days to organise meetings with the company's management in 2010, and 80 people worked for 14 days to resolve disputes in 2011.

These efforts, and the support that was forthcoming from the Bayan-Ovoo soum and Bayankhongor aimag authorities, enabled the "Association for Supporting Artisanal and Small-Scale Miners" NGO to sign a Memorandum of Understanding with the Special Mines company and Bayankhongor aimag authorities on

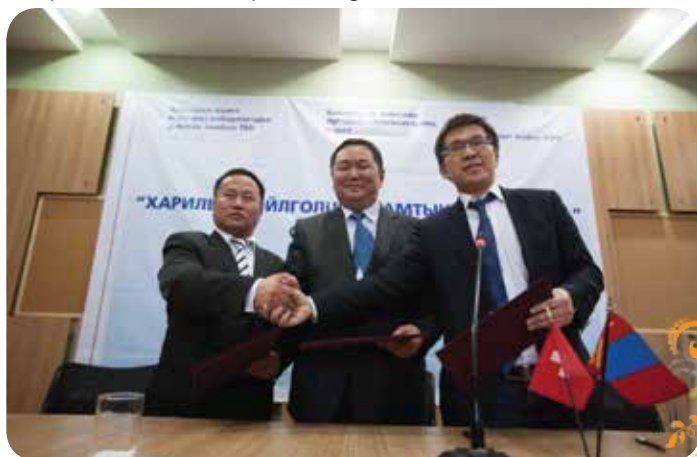


**Photo 36:** Members of the "Association for Supporting Artisanal and Small-Scale Miners" NGO

## THE SUCCESS STORIES OF SMALL-SCALE MINERS' NGOS

25 October, 2012. This laid the foundations upon which to resolve land issues in accordance with the existing legislation and regulations.

As specified in the Memorandum of Understanding, a tripartite agreement was concluded on 29 November, 2012, on the issue of the small-scale mining and extraction from a licensed mining area, which created favourable working conditions for members of the NGO and partnerships. This was the third example of such cooperation under tripartite agreements



*Photo 37: During the signing of the Memorandum of Understanding*

The “Association for Supporting Artisanal and Small-Scale Miners” NGO is working to join the FTFM system and is extracting gold in accordance with the standards required for certification. As part of this aim, the NGO has been conducting and participating in such events as trainings and capacity-building activities, and has been improving the structure and organisation of partnerships, improving mine site organisation and management, and engaging in environmentally responsible mining practices.

We closely cooperate with SAM Project international consultant Felix Hrushka on the issue of the FTFM system.

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES



**Photo 38:** Consultant Felix Hrushka organising a workshop on FTFM

Small-scale miners are complying with rules and regulations, and the leader of the partnership gives guidance on such issues as when, where and how to mine for new miners. In 2011, miners in Bayan-Ovoo soum paid income taxes totalling MNT 13.5 million and reserved MNT 10 million for its rehabilitation fund. In addition, the NGO contributed MNT 14.5 million for maintenance on the Governor's Office building in Bayan-Ovoo soum, a motorcycle for the governors of the first, second and third baghs, and a motorcycle for the soum doctor.

In July 2011, the NGO initiated a special ceremony to worship the soum's mountains and waters, and a Naadam festival was organised in worship of Tsagaan Tsahir Mountain. Small-scale miners donated MNT 2 million for the Naadam festival, which commemorated the aimag's 70th anniversary. When state-recognised wrestler Chuluunbaatar, from Buutsagaan soum in Bayankhongor aimag, was selected to compete in the Olympics, the NGO contributed 8 tonnes of ore, from which 120g of gold was extracted and then given to Chuluunbaatar as spiritual support. Members of the NGO actively regularly in the local community's social events, and organise events and activities for its members.



## THE SUCCESS STORIES OF SMALL-SCALE MINERS' NGOS

L. Baymbadorj, head of the “Association for Supporting Artisanal and Small-Scale Miners” NGO, took part in a Latin American study tour in November 2011 to learn from the experiences of small-scale miners in Peru and Bolivia, organised by the SAM Project. During the study tour, participants learned about the methods and technique employed at mine sites in those countries, which resulted in the Mongolian miners installing communication equipment in their mine shafts, thereby reducing the risk of accidents.



**Photo 39:** *The communication system*

We also introduced a mechanised hoist. As a result of this, there is greater work efficiency and time saved. By improving the ventilation equipment, it has been possible to prevent accidents associated with airlessness in the depths of the shaft.



**Photo 40:** *A mechanised hoist that is designed to carrying ore from the shaft*

Mini Olympics: Starting in 2008, on the prompting of the aimag community and with support from MP Kh. Battulga, a Mini Olympic Games – held every four years – were launched in Bayankhongor aimag. It was staged for a second time from 8-12 August, 2012. Nineteen teams from 19 soums, nine teams from the aimag centre, one team from the army's 339th Unit and one team from the "Association for Supporting Artisanal and Small-Scale Miners" NGO competed in eight sports - in total about 700 people in 30 teams.



**Photo 41:** *The opening ceremony of the Mini Olympics*

The “Association for Supporting Artisanal and Small-Scale Miners” NGO team was successful in the following sports::

- Table tennis: Men: Gold medal - Margad  
Women: Bronze medal - Batdelger  
Mixed: Special 4th place
  - Basketball: Men: Silver medal  
Women: Special 4th place
  - The types of wrestling: 75 kg weight: Bronze medal – Tserendorj  
Judo 81 kg Men: Silver medal – Tserendorj
  - National wrestling: Special 4th place - Munkhtur
- Overall, the NGO team took came in third place.

Naadam festival: Organised by the “Association for Supporting Artisanal and Small-Scale Miners” NGO with the purpose of worshipping Tsagaan Tsakhirt Mountain, where mining is active, a Naadam festival was organised for the first time. It will be held annually in June. On 29 June, 2012, 32 wrestlers representing the NGO competed at the Naadam festival. Batmunkhbaatar from the Badarkhundaga partnership won, with Tuvshinjargal from the Arivjikh partnership taking out second place. In addition, 240 horses raced in four different age categories.

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES



**Photo 42:** The “Association for Supporting Artisanal and Small-Scale Miners” NGO team came in third at the Bayankhongor aimag Mini Olympics

L. Byambadorj, Ch. Bayanhargal were each awarded an “Honoured Credential” by the Citizens’ Representative Khural. G. Amarjargal, M. Tsetsgee and D. Altankhuyag were handed in credentials from the Citizens’ representative Khural.



**Photo 43:** The Naadam festival worshipping Tsagaan Tsakhirt

### “Enkh Munch Ergeh Kholboo” NGO of Zaamar soum in Tuv aimag

The “Enkh Munch Ergeh Kholboo” NGO was established in 2008 in Mandal soum, Selenge aimag. However, it temporarily ceased its activities and in April 2010 restarted in Zaamar soum, Tuv aimag.

Establishing a tripartite agreement: One of the most common problems facing small-scale miners is land, and this issue was the most difficult problem for members of our NGO. Through hard work looking for appropriate solutions, our NGO learned that there was a possibility to establish a tripartite agreement with large-scale mining companies operating in Zaamar soum, in accordance with the Regulation on the Extraction Operation of Mminerals from Small-Scale Mines, so we approached such companies as “Shijir alt”, “HOTU” and “Mondulaan Trade”. We cooperated closely with the Governor of Zaamar soum and the SAM Project, which provided us with technical and methodological assistance, as well as other forms of support.



**Photo 44:** “Enkh Munch Ergeh Kholboo” NGO members with engineers and technical staff from the Mondulaan Trade company

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES

After a lot of time and a number of meetings, Mondulaan Trade director Sh. Lkhamsuren agreed to cooperate with us, and a tripartite agreement was signed on 15 September, 2011, by the Governor of Zaamar soum, the “Enkh Munch Ergeh Kholboo” NGO and the Mondulaan Trade company. Within the framework of this agreement, 50 small-scale miners who are members of the “Enkh Munch Ergeh Kholboo” NGO undertook mining activities in the territory of Khailaast bagh in Zaamar soum, where the Mondulaan Trade company has a license to operate, in accordance with a specially devised plan and with guidance from the company's engineers and technical staff.

The company provides a range of support, including organising trainings for miners on social issues and occupational health and safety, providing machinery to deliver extracted ore to the processing site, and supplying water for processing. As a result of this support, the miners' attitudes towards their work has changed – they have become self-confident and are working in a proper manner.



**Photo 45:** The Mondulaan Trade company organises trainings on occupational health and safety and social issues



**Photo 46:** *During the mining process*

During this period, we extracted a total of 1931.42g of gold and made MNT 89,465.800 and paid resource and company taxes totalling MNT 32,301.260. Members of the NGO also accessed health and social insurance and paid personal income tax.



**Photo 47:** *The processing part*

In working under the tripartite agreement, the Governor of Zaamarsoum, the Governor of Khailaast 3-rd bagh, environmental

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES

inspectors were very supportive and worked hard to make these activities under the agreement to reach tangible results.

On the issue of making the results of the tripartite agreement implementation as the general benefit: A tripartite consultative meeting was organised on 14 March, 2012, in Zaamar by the “Enkh Munch Ergeh Kholboo” NGO with the aim of presenting the outcomes of the six months of work following the implementation of the agreement to other large-scale mining companies operating in the soum and demonstrating the benefits of such cooperation.

As a result of this consultative meeting, the “Toson Zaamar-undarga” NGO comprised of small-scale miners from Zaamar soum and the “Bodi Alt” NGO comprised of small-scale miners from Bureg Khangai soum in neighbouring Bulgan aimag were formed.



**Photo 48:** “Enkh Munch Ergeh Kholboo” head D. Bayarmaa relates the experiences of the NGO at the consultative meeting





*Photo 49: Mondulaan Trade director Sh. Lkhamsuren presents the results of the collaborative work*

**“Ekh Oron Khamtin Khuch” NGO of Airag soum  
in Dornogovi aimag**

People have been mining fluor spar in Airag soum since the 2000s. However, the mining has been disorganised and disorderly, and has been associated with many negative impacts. One such impact has been the conflict between Chinese companies working in the soum and small-scale miners. There has been an increase in this type of conflict since 2010, culminating in the death of young Mongolian miner. This prompted the small-scale miners to become organised and form the “Ekh Oron Khamtin Khuch” NGO, which at present has more than 100 members and 20 partnerships mining fluor spar and coloured stone in Airag soum.

Small-scale miners’ partnerships have joined the NGO and together they are working to resolve a number of critical issues, including mining land permissions, occupational health and safety, fluor spar marketing and market access, internal organisation and the softening of strict local rules and regulations.



**Photo 50:** *Small-scale miners' area for mining coloured stones in Airag soum*

To date, the NGO's main achievement has been being officially recognised at the soum and aimag level, which has helped to strengthen the organisation.

At the local level, other organisations and the public are seriously listening to our voices and the critical issues we are raising, and they are interested in cooperating with us. Our NGO officially takes part in the monthly sessions of organisations that are carrying out activities within the soum, and during these sessions we discuss our major activities, plans and achievements as well as other critical and challenging issues.



**Photo 51:** *The Ekh Oron Khamtin Khuch NGO closely cooperates with aimag and soum authorities*



**Photo 52:** *Signing the mining land agreement for extracting coloured stone*

Stone handicrafts workshop: The NGO approached the SAM Project in 2010 for support in conducting a workshop to produce value-added products, handicrafts and souvenirs using fluor spar, coloured stone and other stones endemic to the area.

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES



**Photo 53:** *The mining area for fluorspar miners*

Within the framework of this work, we conducted research on market needs and demand, tools and equipment, and the potential to construct a workshop in the local area. Following the research, a special unit was established.



**Photo 54:** *During skills development training for small-scale miners to produce stone products*

A proposal to establish such a unit was supported by the soum Governor's Office and the Citizens' Representative Khural, providing

## THE SUCCESS STORIES OF SMALL-SCALE MINERS' NGOS

premises, conducting market analyses, enabling products to be sold to tourists and other visitors to Khamarin Khiid Monastery and other locations. The NGO is responsible for human resources, raw materials for product manufacturing, maintenance of the premises, and sustainable daily operations. Renovation of the premises is currently under way. This initiative was also supported by the Dornogovi aimag authorities, who provided all possible assistance. Under and order issued by Dornogovi aimag governor P. Gankhuyag, a working group was assigned to provide the NGO with professional and methodological support in establishing a handicraft workshop. Head of the aimag Citizens' Representative Khural G. Ganbaatar donated MNT 900,000 for repairs to the workshop premises.

The SAM Project also lent its support, providing skills development trainings in relation to manufacturing handicrafts, conducting research and analysis, providing technical and methodological advice, supplying tools and equipment, and assistance in establishing the workshop.



**Photo 55:** *Products manufactured during skills development training*

We small-scale miners are confident that by establishing this handicraft workshop, we will produce Airag soum brand products that could be famous throughout the nation and internationally. Sound

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES

decisions on the structural organisation of the handicraft workshop are the basis for its efficient operation, and this was made possible by discussions with community members and advice from relevant organisations. As a result, the Gobi Nutgiin Chuluu (Stones from Gobi) corporative was established on 28 November, 2012, therein increasing the number of activities in which the NGO is engaged.



**Photo 56:** Products made by small-scale miners



**Photo 57:** During the first meeting of the Gobi Nutgiin Chuluu corporative

# THE SUCCESS STORIES OF SMALL-SCALE MINERS' NGOS



### SMALL-SCALE MINERS PARTICIPATE IN INTERNATIONAL CONFERENCE

Although people have been engaged in small-scale mining since ancient times, it is a relatively new phenomenon in Mongolia. However, the nation's small-scale miners are now taking part in international conferences and meetings and are learning from the experiences of miners in other countries. This has enabled them to apply such practices as the creation of an enabling legal environment, the establishment of a mercury-free processing plant, becoming organised into partnerships, and creating organisations of their own.

#### **Communities and Artisanal and small-scale Mining (CASM)**

Communities and Artisanal and Small-Scale Mining (CASM) was established in March 2001 by the International Development Department of the British Government, the World Bank, and the Geo-Science and Mineral Resource Institution of the Government of France. It consists of four continental and regional associations: CASM Africa, CASM Asia/Pacific, CASM Latin America and CASM China.

Its objective is to ensure international engagement in providing support and financial assistance for governments and NGOs in underdeveloped and developing countries in order to solve a wide range of issues, including legislation related to small-scale mining activities, environmental protection, social relations, human rights, occupational health and safety, and the technical aspects of mining. CASM gathers information on the successes, mistakes and lessons learned from around the world, elaborates small-scale mining policies and programmes; provides guidance and direction, and facilitates experience-sharing among stakeholders and partners.

CASM holds annual meetings each year to discuss important issues. A Mongolian delegation that included small-scale miners and representatives from SDC, government ministries and agencies,



## SMALL-SCALE MINERS PARTICIPATE IN INTERNATIONAL CONFERENCE

and those in charge of legal, technological and environmental issues participated in the VI Session in Madagascar, the VII Session in Mongolia, the VIII Session in Brazil, and the IX Session in Mozambique.



*Photo 58: Participating in the VI CASM Session in 2006*



*Photo 59: The VI Session of CASM in 2006*

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES



**Photo 60:** The CASM VII Session was held in Ulaanbaatar



**Photo 61:** Former SDC Country Director Marcus Dubach making a speech at the CASM VII Session

## SMALL-SCALE MINERS PARTICIPATE IN INTERNATIONAL CONFERENCE



*Photo 62: Part of an exhibition at the VII Session of CASM*



*Photo 63: Participating at the VIII Session of the CASM in 2008 in Brazil*

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES



**Photo 64:** Participants of the VIII Session of CASM (from left) U. Batsaikhan (SAM Project), A. Budsuren (small-scale miner from Mandal soum, Selenge aimag), J. Batzorig (small-scale miner from Jargalant soum in Bayankhongor aimag), L. Enkhbaatar (small-scale miner from Zaamar soum in Tuv aimag), R. Tsogbadrakh (small-scale miner from Bornuur soum in Tuv aimag)



**Photo 65:** Participants of the VIII Session of the CASM

## SMALL-SCALE MINERS PARTICIPATE IN INTERNATIONAL CONFERENCE



*Photo 66: Participants of the IX Session of the CASM in 2009 in Mozambique*

### **International Forum on Gold Small-scale Mining 7-9 December 2010. Manila, Philippines**

United National Environment program and the related stakeholders organised an International forum on Gold Small-scale Mining on 7-9 December of 2010 in Manila, the capital city of Philippines.

It was generally recognized that Gold Small-scale Mining activities are world-wide development comprehensive issue that can enable great potentials of development for many countries, however, the same time it also bring along other difficult problems. It has enabled the consultative and discussion opportunity for solving the issues that are related to use of mercury in the Gold Small-scale Mining activities and other critical issues, encountering this sector.

The Objectives of the Forum as follow:

- Define and discuss the positive opportunities and difficult issues with regard to the Gold Small-scale Mining activities, and the relation of mercury in these activities;
- Define and discuss the potential solutions based on case

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES

studies and lesson learned from these studies;

- Discuss the regulation of activities of the Gold Small-scale mining within the context of the Mercury Treaty, and discuss about what kind of roles can play the polices on the issues of the policy, legal, technical and financial policies;
- Discuss what roles can play other alternative mechanisms in solving of issues that are related to Gold Small-scale mining activities;
- Strengthen the partnership of the United Nations in Gold Small-scale Mining including the above mentioned issue.

D.Tsengel, a member of the Executive Committee of the Bornuur Artisanal and small-scale miners association NGO of Bornuur soum in Tuvaimag, representing small-scale miners, participated in the Forum and presented the experiences of the cooperation between the Small-scale Mining NGO and HAMO (Artisanal and small-scale mining) company and shared from experiences.



**Photo 67.** During the International Forum organised in Manila, the capital city of Philippines

## SMALL-SCALE MINERS PARTICIPATE IN INTERNATIONAL CONFERENCE



*Photo 68. D. Tsengel is making presentation*

Also, J. Batsuuri, a member of the Parliament, Ch. Tsogtbaatar, deputy-head of the Mining, Heavy industry Policy and Planning department of the Ministry of Mineral resources and Energy and representatives from the SAM Project participated in the Forum and presented about the legal environment for the Small-scale mining in Mongolia.



*Photo 69. Participants of the Forum*

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES



*Photo 70. Forum participants together with the delegates of the other countries*



*Photo 71. During the Forum session*



## SMALL-SCALE MINERS PARTICIPATE IN INTERNATIONAL CONFERENCE

### Gold Small-Scale Mining Strategy Planning Workshop 22-24 March, 2011, Siem Reap, Cambodia

The United Nations Environmental Programme convened a workshop to assist the Philippines and Cambodia in elaborating strategic plans for small-scale gold mining. The workshop also enabled discussion on the difficulties and challenges faced and the sharing of information and lessons learned.

During the workshop, presentations were made that focused on such issues as the strategic plan elaboration process, its implementation, the choice methods and current trends.



**Photo 72:** Workshop participants

Ts. Davaatseren, Head of the Mining and Research Department of MRAM, took part in the workshop and made a presentation on the processes involved in enabling a favourable legal environment, and implementation issues. B. Uganbayar, a member of the Executive Committee of the Bornuur Artisanal and Small-Scale Miners' Association NGO also participated in the workshop, representing small-scale miners, along with a representative from the SAM Project.

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES



*Photo 73: The workshop process*



*Photo 74: Ts. Davaatseren, Head of the Mining and Research Department of MRAM, making a presentation*

## SMALL-SCALE MINERS LEARN FROM INTERNATIONAL EXPERIENCES

### SMALL-SCALE MINERS LEARN FROM INTERNATIONAL EXPERIENCES

**Study tour to the Philippines to learn from small-scale mining experiences  
30 June – 9 July, 2010**

The purpose of the study tour was to enable participants to learn from the international experiences and best practices related to developing and organising small-scale miners and introducing these experiences to Mongolian small-scale miners' associations and organisations.

Participants included representatives from BASMA NGO, DMKhKh NGO, Baidragin Khogjil NGO, the HAMO company, the MRAM, local authorities and the SAM Project. During the tour they learned about small-scale miners' organisations, the structure and functions of such organisations and associations, the provision of services for members, current methods and trends in fostering good relations between large-scale mining companies and small-scale miners, establishing small-scale mining processing plants, and policy regulation and implementation at the local level.



**Photo 75:** The study tour team with the Head of the Energy and Natural Resources Department of the Philippine Ministry of Mining and other officials after the workshop

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES

Within the framework of study tour, the following best practices were learned:

- Approaches and experience in small-scale mining community development;
- Organisational structure and activities and the development progress of small-scale mining organisations and associations;
- The provision of branch services from small-scale mining activities;
- Relations and conflict management between large-scale mining companies and small-scale mining organisations;
- Gold and copper processing plant activities;
- The legal environment and policy implementation for small-scale mining.



**Photo 76:** Learning from the experiences of “Zambales Diversified Metal Corp” in relation to cooperation between a large-scale mining company and local communities

**SMALL-SCALE MINERS LEARN FROM  
INTERNATIONAL EXPERIENCES**



*Photo 77: At the Benguet mining site*



*Photo 78: Visiting the Benguet small-scale  
mining and processing plant*

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES



**Photo 79:** In keeping with local tradition, the Mongolian delegation planted trees



**Photo 80:** Members of the study tour team

## SMALL-SCALE MINERS LEARN FROM INTERNATIONAL EXPERIENCES

### Study tour to learn from the experiences of Latin American countries'

#### Small-scale mining organisations in Peru and Bolivia 18 November – 2 December 2011

The main purpose of this study tour was to learn from international experiences with regard to the following issues, and to introduce and develop countries' small-scale mining sector activities. Those issues were:

- The formalisation of the small-scale Mining sector, the challenges and difficulties involved, and ways to regulate them;
- Small-scale miners' organisations, structure, activities and difficulties, benefits and sustainability;
- Small-scale miners' national associations, development and sustainability;
- The FTFM system, opportunities associated with it, issues encountered in joining the system, and the benefits of joining the system.



**Photo 81:** *The study tour team learns from the experiences of Peruvian and Bolivian small-scale miners' organisations*

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES

The Mongolian delegation included representatives from the small-scale miners' NGOs "Duushmandal Khaikhhan Kholboo", "Baatar Vangin Khishig", "Small-Scale Miners' Association" and "Enkh Munch Ergeh Kholboo", and the SAM Project.

During the study tour, meetings were organised with government agencies and NGOs. The small-scale miners learned from the experiences of their counterparts in on-site visits, as well as their methods of operation, their forms of organisation and their occupational health and safety procedures.

Bolivian small-scale miners are unique, and were the second country to receive FTFM certification. Mongolian small-scale miners' organisations are also seeking to join the FTFM system. The Bolivian experience was therefore of particular importance and the lessons learned proved to be very useful. A visit was made to the Kotapata cooperative and its mining site. The cooperative had already received FTFM certification and we were fortunate to have discussions with them and to learn from their experiences, their organisational structure, their preparatory work, the difficulties they faced and how they overcame them, and of the benefits and opportunities that FTFM certification brings.



**Photo 82:** The study tour team during a meeting with the president of the Bolivian small-scale miners' Fenkomin association



## SMALL-SCALE MINERS LEARN FROM INTERNATIONAL EXPERIENCES

түүнтэй холбоотой сургамжаас суралцах нь чухал ач холбогдолтой байсан бөгөөд аялалын багт ШХШО-ын гэрчилгээг авсан Котапата хоршооны хамт олонтой уулзаж олборлолтын газарт зочилж зохион байгуулалт, бэлтгэл, хүндрэлтэй асуудлууд, түүнийг даван туулах арга зам, тэр бүхний эцэст ирэх боломж болон ашиг тусын талаар судалж суралцах завшаан тохиосон юм.



*Photo 83: At the Kotapata mine site*



*Photo 84: Meeting with members of Bolivia's Kotapata corporative*

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES

Also during the study tour, we had a meeting with the “Cumbre Del Sajama S.A” organisation, which provides support to miners’ organisations for compliance with FTFM standards.

The Small-Scale Miners’ National Association of Peru was established quite a few years ago and has a lot of experience carrying out organised and formalised activities, protecting miners’ rights and ensuring that the voices of the country’s artisanal and small-scale miners are heard by policymakers. Peru has a favourable legal environment for ASM and the Mongolian delegation was able to reflect on how such a system could be adapted to their context. On their return, members of the delegation have been working to adapt what they learned within Mongolia.



**Photo 85:** *During a meeting with Victor Vardes, head of the Mining Department of the Ministry of Energy and Mining*

## SMALL-SCALE MINERS LEARN FROM INTERNATIONAL EXPERIENCES



*Photo 86: At the mine site in Peru*



*Photo 87: During the meeting*

SMALL-SCALE MINERS MUTUALLY LEARN  
FROM THE BEST PRACTICES

Study tour to learn from the experiences of the “Baatar Vangiin Khishig Kholboo” NGO, Dundbudanch Mountain, Mandal soum, Selenge aimag  
5-6 October 2012



**Photo 88:** *Small-scale miners’ representatives from 14 soums in 11 aimags took part in the study tour*

Initiated by the “Baatar Vangiin Khishig Kholboo” NGO, which engages in small-scale mining activities in Tunkhel village in Mandal soum, Selenge aimag, the first domestic study and experience-sharing tour for small-scale miners’ was organised from 5-6 October, 2012. About 90 small-scale miners from NGOs in 14 soums of 11 aimags participated, gathering at Bortolgoi to exchange information and share experiences.

During the study tour, the “Baatar Vangiin Khishig Kholboo” NGO head and general director made presentations on

## SMALL-SCALE MINERS MUTUALLY LEARN FROM THE BEST PRACTICES

NGO management, organisational internal structure, mining land regulations, best practices on making adit shafts, land rehabilitation, team-building activities, and preparatory works to join the FTFM system. Other NGOs and miners' representatives also presented their experiences and discussed their progress, successes and lessons learned.

The program included entertainment, sports and other competitive events, which gave participants the opportunity to rest and relax. There was also a competition to find the best pair of dancers, which was won S. Dangaasuren from Tunkhel and R. Tumendemberel from Bornuur; in second place was N. Enkhtaivan from Khentii and G. Densmaa from Tunkhel; and in third place was D. Byambadorj from Bayankhongor and N. Bayarmaa from Zaamar.

As part of the sporting events, volleyball and table tennis competitions were organised. In the volleyball competition, a mixed team of men and women from Bayankhongor aimag took out first place, with a mixed team of men and women from Dornogovi aimag in second place. In the men's table tennis competition, N. Enkhtaivan from Khentii aimag finished in first place, followed by D. Byambadorj from Bayankhongor aimag in second place and G. Byambadorj from Umnugovi in third place. In the women's competition, M. Battsengel from Buregkhangai took out first place, Sh. Tsetsegmaa from Mandal soum came in second and R. Tumendemberel from Bornuur took third place.

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES



*Photo 89: Opening ceremony of the study tour*



*Photo 90: Tunkhel village governor Mr Radnaabazar receiving the study tour teams*

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**Photo 91:** During the tour, the head and members of the “Baatar Vangiin Khishig Kholboo” NGO show guests the mining site’s organisation and management



**Photo 92:** Small-scale miners view mining shafts and their organisation and structure during the tour

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES



**Photo 93:** The head and members of the “Baatar Vangiin Khishig Kholboo” NGO explain site organisation and management to visitors



**Photo 94:** Study tour participants look at an adit shaft made by partnerships of the the head and members of the “Baatar Vangiin Khishig Kholboo” NGO



**SMALL-SCALE MINERS MUTUALLY LEARN  
FROM THE BEST PRACTICES**



**Photo 95:** Small-scale miners from the “Baatar Vangiin Khishig Kholboo” NGO talk about their activities



**Photo 96:** Tour participants visit the mercury-free processing plant in Bornuur soum

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES



**Photo 97:** Participants become acquainted with the processes at the mercury-free plant



**Photo 98:** The visitors are introduced to mercury-free processing

**SMALL-SCALE MINERS MUTUALLY LEARN  
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*Photo 99: During the dancing competition*



*Photo 100: A volleyball match*

## ARTISANAL AND SMALL-SCALE MINERS' INITIATIVES AND EXPERIENCES



*Photo 101: The table tennis competition*



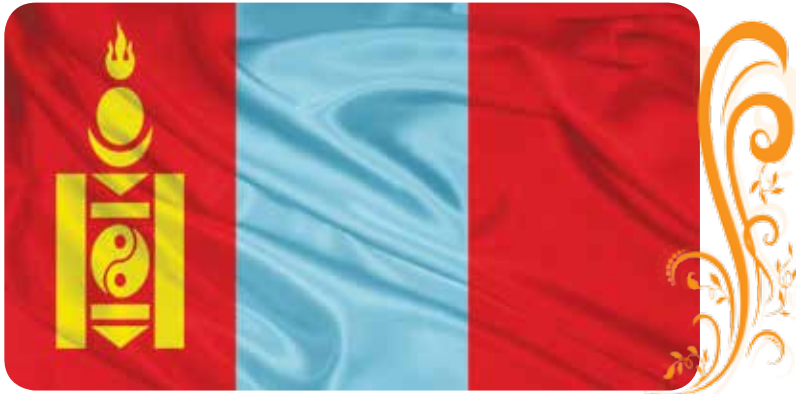
*Photo 102: Stiff competition for the table tennis players*

## SMALL-SCALE MINERS ARE BECOMING POLITICALLY ACTIVE

### SMALL-SCALE MINERS ARE BECOMING POLITICALLY ACTIVE

#### 2012 local elections

In order to resolve the critical issues and challenges facing those in the small-scale mining sector and to make changes at the policy level, there is a need for miners to be represented at the local government level.



In 2012, 47 small-scale miners and members of small-scale mining NGOs ran as candidates in 13 soums of nine aimags' Citizens' Representative Khurals, and one candidate ran for an aimag Citizens' Representative Khural.

#### **Arkhangai:**

*For Citizens' Representative Khural in Tsenkher soum:*

- S. Chuluuntsetseg ASM SME NGO – Democratic Party
- T. Buyanjargal ASM SME NGO – Democratic Party

#### **Bayakhongor aimag:**

*For Citizens' Representative Khural in Bayan-Ovoo soum:*

- M. Mendsaikhan, head of partnership – Democratic Party
- B. Boldsaikhan, head of partnership – Independent
- P. Battulga, head of partnership – Democratic Party

T. Khurelsukh, Member of Executive Committee – Democratic Party

S. Enkh-Amgalan, head of partnership – Democratic Party

B. Otgonbayar, head of partnership – Democratic Party

*For Citizens' Representative Khuralin Galuut soum:*

B. Batjargal, BSS NGO – MPRP

*For Citizens' Representative Khuralin Bayankhongor soum:*

D. Batchuluun, BSS NGO – MPRP

*For Citizens' Representative Khuralin Bumbugur soum:*

J. Saruul, Bayanbumbugur NGO, People's Party (party list)

*For the Aimag Citizens' Representative Khural:*

D. Sainjargal, Small-Scale Miners' Support Association NGO member, from Bayan-Ovoo soum – People's Party

**Bulgan aimag:**

*For Citizens' Representative Khuralin Buregkhangai soum:*

T. Ariunchimeg, BA NGO – Democratic Party

M. Battengel, member of partnership – People's Party

**Darkhan-Uul aimag:**

*For Citizens' Representative Khuralin Sharyngol soum:*

O. Tsetsegmaa, BShG NGO – Justice Coalition, MPRP and MNDP

D. Ganbold, BShG NGO - Justice Coalition, MPRP and MNDP

**Dornogovi aimag:**

*For Citizens' Representative Khuralin Airag soum:*

L. Lkhagva, EOHH NGO – Democratic Party

N. Batjargal, EOHH NGO, head of partnership – Democratic Party

B. Tsogyuren, EOHH NGO, head of partnership – Democratic Party

Kh. Ulziibat, EOHH NGO, head of partnership – Democratic Party

Ts. Purevdorj, small-scale miner – Democratic Party

**Dundgobi aimag:**

*For Citizens' Representative Khuralin Khuld soum:*

J. Rentsenpurev, TLB NGO – Democratic Party

S. Khorloo, TLB NGO – Democratic Party

L. Zolbaatar, head of partnership – Democratic Party

## SMALL-SCALE MINERS ARE BECOMING POLITICALLY ACTIVE

Sh. Sukhdorj, head of partnership – Democratic Party

### **Selenge aimag:**

*For Citizens' Representative Khural in Mandal soum:*

D. Tuyaa, DMHH NGO – Independent

Ch. Mashbat, Owner of private processing plant – Independent

J. Erdenetugs, head of processing plant – People's Party

### **Tuv aimag:**

*For Citizens' Representative Khuralin Zaamar soum:*

D. Bayarmaa, EMEH NGO Khailaast bagh – MPRP

J. Uranchimeg, EMEH NGO Khailaast bagh – MPRP

D. Ugtakhbayar, EMEH NGO member, Khailaast bagh – Democratic Party

P. Munkhbold, small-scale miner, Khailaast bagh – Democratic Party

A. Tsendmaa, TZU NGO, Khailaast bagh – Democratic Party

D. Tsogtgerel, Zaamar NGO, Zaamar soum – People's Party

O. Alimaa, small-scale miner, Zaamar soum – People's Party (party list)

*For Citizens' Representative Khuralin Bornuur soum:*

B. Uuganbayar, BASMA NGO, Artisanal miner – People's Party

N. Undrakhbileg, BASMA NGO, Artisanal miner – People's Party

B. Narantsogt, BASMA NGO, Artisanal miner – People's Party

R. Tsogbadrakh, BASMA NGO, small-scale miner – Independent

D. Tsengel, BASMA NGO – Independent

B. Naranmunkh, small-scale miner – Democratic Party

Ch. Oyunbileg, small-scale miner – Democratic Party

G. Tserenpagma, small-scale miner – Democratic Party

Kh. Myagmarsuren, small-scale miner – Independent

### **Khentii aimag**

*For Citizens' Representative Khuralin Batnorov soum:*

N. Natsagmaa, head of partnership – Democratic Party

P. Ariuntuya, member of partnership – Democratic Party

D. Algirmaa, member of partnership – Democratic Party

A total of 25 small-scale miners' representatives from 10 soums in 8 aimags and one aimag-level representative were elected, out of which one aimag Citizens' Representative Khural, two heads of

soum Citizens' Representative Khurals and three leading members of soum Citizens' Representative Khurals were elected. They are as follows:

### **Arkhangai aimag:**

*Tsenkher soum Citizens' Representative Khural:*

- S. Chuluuntsetseg – Leading member
- T. Buyanjargal – representative

### **Bayankhongor aimag:**

*Bayan-Ovoo soum Citizens' Representative Khural:*

- M. Mendsaikhan – representative
- P. Battulga – representative
- T. Khurelsukh – representative
- S. Enkh-Amgalan – representative
- B. Otgonbayar – representative

*Bayankhongor soum Citizens' Representative Khural:*

- D. Batchuluun – representative

*Aimag Citizens' Representative Khural:*

- D. Sainjargal – representative

### **Bulgan aimag:**

*Buregkhangai soum Citizens' Representative Khural:*

- T. Ariunchimeg – representative

### **Dornogovi aimag:**

*Airag soum Citizens' Representative Khural:*

- L. Lkhagva – representative
- N. Batjargal – representative
- B. Tsogyuren – representative
- Kh. Ulziibat – representative

### **Dundgovi aimag:**

*Khuld soum Citizens' Representative Khural:*

- Sh. Sukhdorj – head
- S. Khorloo – representative
- L. Zolbaatar – representative

### **Selenge aimag:**

*Mandal soum Citizens' Representative Khural:*

- Ch. Mashbat – representative
- J. Erdenetugs – representative



## SMALL-SCALE MINERS ARE BECOMING POLITICALLY ACTIVE

### **Tuv aimag:**

*Zaamar soum Citizens' Representative Khural:*

D. Tsogtgerel – representative

O. Alimaa - representative

*Bornuur soum Citizens' Representative Khural:*

B. Uuganbayar – head

B. Narantsogt – Leading member

N. Undrakhbileg – representative

### **Khentii aimag:**

*Batnorov soum Citizens' Representative Khural:*

N. Natsagmaa – Leading member

The success of these miners in the elections illustrates that the organisation of small-scale miners and the adoption of responsible mining practices in accordance with the relevant legislation and regulations, combined with participation in capacity-building trainings, such as those organised by the SAM Project, improves their social activity in the community.

We wish the small-scale miners' organisations and NGOs every success in the future and hope they continue to pave the way forward for thousands of Mongolian miners.

End of Part 1

Sustainable Artisanal and Small-Scale Mining Project