



Formalization & Management Strategies for (ASM) – License Areas and ASM

General views on successes and challenges of ASM licensing and delineation

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ZONING OF ASM AREAS

- ▶ Concept of zoning areas dedicated for ASM has been adopted in many countries in Africa;
- ▶ Some of the reasons for zoning include:
 - ▶ Improving access to mineral rights – part of Formalization;
 - ▶ Dealing with mining land conflicts between ASM & LSM;
 - ▶ Part of rural land use planning adopted by countries;
 - ▶ Improving Government revenue collection from ASM;
 - ▶ Improving ASM Management – provision of extension services and HSE regulation.

ZONING OF ASM AREAS

- ▶ Ghana & Tanzania have made progress in zoning of ASM areas;
- ▶ Ghana has since 1986 had regulatory provisions for setting up dedicated areas for ASM (Prescribed in Mining Act, 2006);
- ▶ Similarly, the Tanzania 1998 Act provided for zoning dedicated areas for ASM (carried forward in 2010 Act);
- ▶ The concept of zoning ASM areas has also been implemented in DR Congo (BGR, 2017);
- ▶ Delineation of ASM zones has also been tried in Zambia and Mozambique (BGR, 2017)
- ▶ In both Ghana and Tanzania, limited exploration of the zoned areas are being carried out to provide geo-data to ASM.

SUCSESSES: GHANA

- The zoning requirement is engraved in the Mining Policy and prescribed in the Law – **Commitment**;
- A designated area is managed by a dedicated “Small-scale Mining Committee”;
- Mineral Policy commits Government to provide geo-data in designated areas;
- The 1996 Mining Sector Development & Environment Project - limited exploration of 16 selected sites & 47% were demarcated for ASM;
- To date (June 2017), about 150 areas covering 5,400 sq. km have been designated for ASM;
 - 9 of these areas (6%) have been explored and those found positive were demarcated for ASM.

SUCSESSES: TANZANIA

- There is commitment at both Policy & Legislative levels;
- To date, 36 areas have been zoned for ASM - total area 2,438 Sq. Km; 8,800 licences issued;
- Detailed exploration carried out (GST & STAMICO) in 5 zoned areas;
- In 2017 drilling carried out in 4 of the 5 explored zoned areas;
- Interpretation of results being carried out in collaboration between GST & STAMICO;
- Potential mineable areas for ASM identified through areas returned by LSM exploration during renewals;
- Online licensing available and used by ASM (93% of all online applications in 2016/17).

CHALLENGES: GHANA

- ▶ Zoning was established to aid formalization & reduce Illegal ASM operations;
- ▶ Illegal ASM has continued to increase due to following challenges (Ministry of Lands & Natural Resources, June 2017):
 - ▶ Involvement in illegal ASM by high-profile people;
 - ▶ Non-cooperation & impediments placed on measures to curb illegality by state agencies and local government institutions;
 - ▶ Lack of access to finance and technology by ASM;
 - ▶ Inadequacy of geo-data forces ASM to operate by trial and error; and
 - ▶ Inadequate mineable land lead to encroachment on LSM and mining in unauthorized areas.

CHALLENGES: TANZANIA

- ▶ Although the country has made strides in improving licensing and zoning areas for ASM, the following challenges remain:
 - ▶ The number of new entrants into ASM far outweighs the capacity to formalize;
 - ▶ Whereas an average of 1,600 ASM licenses were issued per year (1999 – 2013), 8,200 people were entering the Sector every year;
 - ▶ Both GST & STAMICO depend on Government limited budget to undertake geological exploration to provide geo-data to ASM;
 - ▶ Out of the 8,800 licences issued, only 4,737 were taken and only 626 licences (7%) are working due to lack of geo-data;
 - ▶ Limited resources to enforce the law and undertake inspections, encourages illegal activities to continue unabated.

ADDRESSING CHALLENGES: GHANA

- ▶ In addressing the challenges, the following measures are being undertaken (MLNR, 2017):
 - ▶ A 5-year \$150m Project launched to clean-up the current ASM issues;
 - ▶ In collaboration with Security Agencies, enforcing existing laws & regulations to curb illegal ASM activities;
 - ▶ Geological exploration to be carried out over 2,500 sq. km of land over the next 5-years;
 - ▶ Provide sustainable sources of funding through facilitation of PPP arrangements with investors and/or PMMC;
 - ▶ Training and capacity building of ASM & regulatory agencies;
 - ▶ Institutional strengthening by increasing district offices & involving traditional authorities in mineral rights management.

ADDRESSING CHALLENGES: TANZANIA

- ▶ A number of measures are being undertaken to speed up ASM formalization:
 - ▶ Both GST and STAMICO have been charged with the responsibilities of exploring ASM designated areas & provide geo-data;
 - ▶ About \$3.4M allocated in 2017/18 for grants to ASM to encourage development of small-scale enterprises;
 - ▶ About \$8.4M allocated in 2017/18 to develop small-scale demo Mines (Gold & Tin, Industrial minerals & salt value addition);
 - ▶ GST & STAMICO target to train 4000 miners in designated areas;
 - ▶ Continue improvement of licensing process, e.g., more District Offices & extension of coverage of online licensing.

OUTLOOK

- Zoning of ASM areas has advantages for formalization & development of ASM business;
- However, for it to succeed, the following are pertinent:
 - Financial & human resources should be allocated for exploration prior to delineation of ASM areas;
 - ASM zones should be linked to land use planning of the area to avoid conflicts;
 - Access to training, technology, finance, markets, etc. should be accorded to participants in the zones;
 - Financial & human resources required for managing the delineated areas (extension services, monitoring & regulation).