

**The Federal Democratic
Republic of Ethiopia
Ministry Of Mines
June 2011**

ASGM BACKGROUND

- **500,000 people are engaged directly in Artisanal Gold mining.**
- **The ASGM is available in six regions .**

Cont.ASGM.....

- **Mining is done by Family landowners, workers hired by Family landowners and immigrant from neighboring countries.**

Cont.ASGM.....

- The sector includes a sizeable proportion of women and children.**
- the women compelled to undertake the poorly paid operations.**

Cont.ASGM.....

- Approximately 10,000 miners are working collectively as organized cooperatives**
- The rest of the miners are informal miners and they are working individually.**

Cont . ASGM.....

- The miners get loan from regional micro finances.**
- The Artisanal mining cooperatives & informal artisanal Gold miners sale the Gold to licensed gold dealers /brokers , as well as to Gold transaction cooperatives .**

Cont . ASGM.....

- The final purchaser & exporter of Gold is The National Bank of Ethiopia.**
- Artisanal and small scale mining is included in the national poverty reduction.**

Cont . ASGM.....

- The contribution of mining sector to the GDP is 5.8%,
/2007-2008 & 2008-2009/**

Table -1 the amount of Gold purchased by National bank of Ethiopia (NBE) in three budget years

No.	Year	Gold purchased by NBE in K.G	Price of gold Usd/kg	USD (Dollar)Earning	Remark
1	July2008-June2009	777 K.G	30,000 Usd	23,310,000	
2	July2009-June2010	2866 K.G	35,000 Usd	100,310,000	
3	July2010-April2011	5815 K.G	45,000 Usd	261,675,000	10 months gold report
Total		9458 K.G		385,295,000	

Table-2 USD earned by each miner per year and day

No.	Year	Gold sold by miners in K.g	USD earned by each miner per year	USD earned by each miner per day	Remark
1	July2008-June2009	777 K.G	46.62	0.127	
2	July2009-June2010	2866 K.G	200.62	0.55	
3	July2010-April2011	5815 K.G	522.35	1.43	10 months gold report

The common technologies & practices used by the Artisanal Gold miners are:-

- **Excavation**

Using Shovels, Picks, Hammers, Axes, Chisels and Metal bars

The common technologies.....

- **Manual comminution**

using wooden battens or metal mortar and pestles to grind the ore-instead of mechanized Mills.

The common technologies.....

- **Manual sizing**
using inclined mesh frames
- **Concentration**
wooden or metal bateas or
berakwas for panning.

The common technologies.....

- **Ethiopian Artisanal
Gold miners do not use
Mercury.**

Women Artisanal miners grinding soil to produce gold



Woman Artisanal Miner , washing
the soil with wooden bateas



Cont.ASGM.....

- They purify the gold by using charcoal stove, gas torch and electric furnace.
- The alternative technology is to use Panning instead of mercury.

Who buys the gold from the miners? and where ?

- **Licensed gold co-operatives and licensed gold dealers.**
- **Gold purchasing take place at the nearest rural city to the mining area.**

Large scale gold mining

- **MIDROC Ethiopia.**
- **There is no strong conflict between artisanal gold mining and large scale gold mining.**

Environmental impacts

- **Land degradation**
- **Siltation and destruction of aquatic environment.**

stripped bare of vegetation



Impacted Habitat & environmental contamination

- **no baseline study, approximately above 60% land degradation**
- **no baseline study on environmental contamination or health impacts.**

Regulatory status of small scale mining

- **The first article about mining operations written in 1927-1928**
- **starting from 1942-1943 the mining sector had been administered in different ministries**

Regulatory status cont.....

- **Established as ministerial level in 1962-1963**
/No proclamation/
- **As ministerial level 1992-1993**
/with proclamation/

Regulatory status cont.....

- **The latest proclamation prepared in July 2010.
<Proclamation No.678/2010>.**
- **Licensing of small scale mining is allowed for national investors
/ Authorized by Ministry of mines /**

Environment/Education/

Health care

- **Environmental Impact Assessment**
- **Environmental protection unit.**
follow up the mining industries.
- **Create awareness and give training to the local communities to rehabilitate the abandoned areas.**

Environment, Education & Health care

- **The average primary education level of the country/Gross Enrolment Rate Primary → 1-8 is 93.4%/**
- **50% of total artisanal gold miners can read and write.**

Environment, Education & Health care

- **There are universities for learning mining and geology in Higher education level.**
- **No health care center or social service program at the mining area.**

Fish consumption levels

- **High in selected sites of the country .**

**/Baherdar, Arbamench,
Gambela and Awasa/**

Stakeholders

- **Miners,**
- **Ministry of mines,**
- **Geological survey of Ethiopia,**
- **Revenue and Customs Authority,**
- **National Bank of Ethiopia,**
- **Ministry of Trade,**
- **Ministry of Health,**

Stakeholders cont.....

- **Ministry of foreign Affair,**
- **Ministry of Children, Women & Youth
Affair,**
- **Environmental protection Authority,**
- **Regional mining Agencies,**
- **Cooperative Expansion Agencies,**
- **Regional Administrative.**

Completed ASGM project

Artisanal and small scale market development strategy focused on:-

- **Formalize the artisanal miners in to cooperatives by providing mining equipments.**
- **Give training to miners to improve the mining techniques.**
- **Give training to save money and utilize money for other income generation.**
- **Give training to rehabilitate the abandoned mining areas.**

Priority with regard to ASGM **for the Budget of 100,000 USD.**

- **Capacity building;**
- **Provide and train the artisanal miners with improved mining equipments to increase the gold and gemstone products;**
- **Establish a revolving fund to enhance the gold market in the mining site areas.**
- **Strengthen the training to rehabilitate the abandoned mining areas.**

Thank you