



ASGM Gold Trading

Bangko Sentral ng Pilipinas (BSP) Gold Buying Stations:

- Mint and Refinery Operations Department (MROD) in Quezon City
- BSP offices in the cities of Baguio, Naga, Davao and Zamboanga.

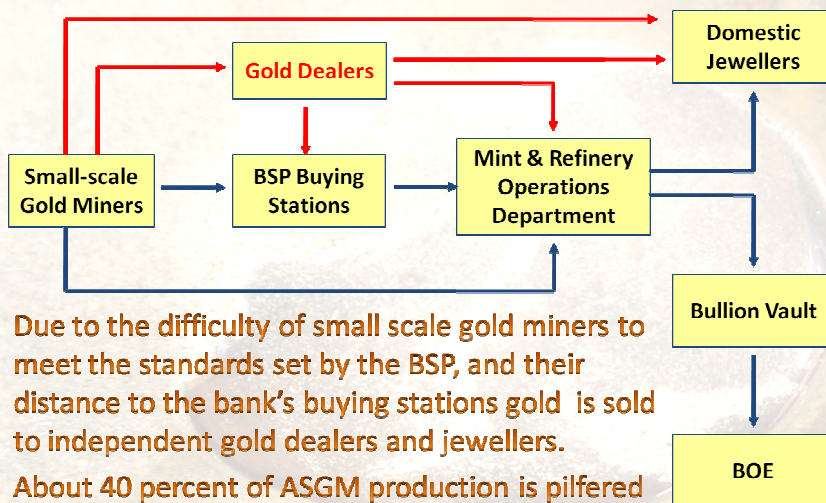
Gold paid in Philippine pesos based on prevailing world market price

Guidelines on BSP's Gold Buying Program

1. **Physical Form**
 - a. Bar or disc (grains, powder, nuggets and flakes are not accepted)
 - b. Should not contain mercury or amalgam in any quantity
 - c. Should be free of slags and other foreign matters
 - d. Should not bear any sign of metallic segregation or poured shortness
2. **Maximum Dimension**
 - a. Bar Form: 9 inches long, 4 inches wide and 2 inches thick
 - b. Disc Form: 4 inches in diameter and 2 inches thick
3. **Weight**
 - a. Minimum weight of 300 grams per piece
 - b. Maximum of approximately 300 troy ounce or 9.3 kilograms per lot
 - c. Maximum weight of bar/disc shall be 64.30 troy ounce or 2 kilograms.
4. **Minimum Assay:** 30% per lot



ASGM Gold Trading



- Due to the difficulty of small scale gold miners to meet the standards set by the BSP, and their distance to the bank's buying stations gold is sold to independent gold dealers and jewellers.
- About 40 percent of ASGM production is pilfered into the black market.



ASGM Legal and Policy Framework

Presidential Decree * Established small-scale mining as a new dimension in mineral development

Republic Act 7076 * People's Small-Scale Mining Act

Republic Act 7942 * Philippine Mining Act of 1995

Executive Order No. 270 as amended by 270-A * Promotion of small-scale mining as a formal sector of the minerals EO industry



ASGM Legal and Policy Framework

DENR Administrative Order 92-34 Rules and regulations governing areas declared as People's Small-scale Mining Areas

DOH Circular 22-C Guidelines and measures for the safe usage of mercury by small-scale gold miners

DENR Administrative Order 97-30 Safety rules and regulations for small scale miners

DENR Memorandum Circular 2007-07 Clarificatory guidelines in the Implementation of small scale mining laws





Related Laws and Policies

Republic Act 7160 * Local Government Code of 1991
Republic Act 7586 * National Integrated Protected Areas System Act of 1992
Republic Act 9147 * Wildlife Resources Conservation and Protection Act
Republic Act 8371 * Indigenous People's Rights Act
Republic Act 6969 * Toxic Substances and Hazardous and Nuclear Wastes Control Act
Republic Act 9003 * Ecological Solid Waste Management Act
Republic Act 9275 * Clean Water Act
Republic Act 8749 * Clean Air Act
PD 984 * Pollution Control Law



ASGM Issues and Concerns

a. Social and health problems

- Unregulated migration in mining areas especially in “gold rush areas”
- Land tenure and resource use conflicts
- Limited access to health and basic services
- Exposure of miners to occupational health and safety hazards
- Exploitation of workers especially minors
- Absence of social security benefits for miner-labourers
- Cases of mercury poisoning and high levels of mercury among miners and their families
- Proliferation of societal vices in mining areas



ASGM Issues and Concerns

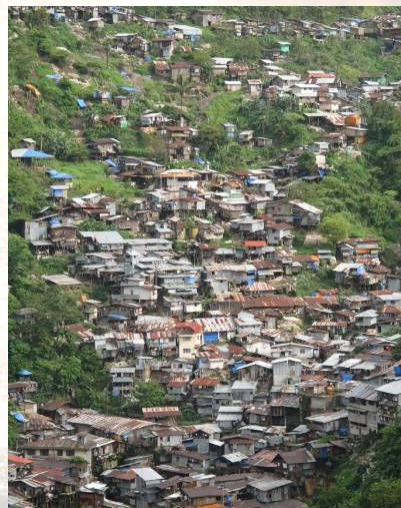
b. Legal, enforcement and institutional problems

- Weak and non-operational mining regulatory boards
- Costly and difficult permitting and licensing process
- Ineffectual enforcement of small-scale mining and other related laws
- Small-scale mining companies undertaking large-scale operations
- Insignificant role of LGUs
- Uncontrolled ASGM activities in protected and watershed reservation areas



Key Issue: Understanding the Issue

- **Developing a National Strategic Plan on ASGM (NSP)**
- **NSP provides framework**
- **Organize and rationalize**





Key Issue 2: Bring Stakeholders

- a. Artisanal and small-scale gold miners
- b. ASGM communities and adjacent villages
- c. Government Agencies
 - DENR-Mines and Geo-Sciences Bureau (MGB)
 - DENR-Environmental Management Bureau (EMB)
 - Local Government Units
 - Other government agencies
 - Department of Health
 - National Commission on Indigenous Peoples (NCIP)
 - Bangko Sentral ng Pilipinas (BSP)
 - Department of Labor and Employment (DOLE)
 - Department of Trade and Industry (DTI)
 - Cooperative Development Authority (CDA)