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Rethinking ASM Governance: A Government Toolbox for Sustainable ASM Sector Development

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Introduction

Experience across a wide range of contexts has shown that fragmented approaches to ASM governance typically fail to achieve their intended results. Without a holistic strategy, piecemeal interventions risk pushing ASM further into marginality and informality and beyond the reach of state oversight.

This guidance document outlines a framework of interventions that, taken together, provide governments with the tools to support the development of the ASM sector in a holistic and sustainable manner. These interventions are not discrete, “either/or” options; rather, they represent a body of measures that, when implemented in combination, create the conditions for positive sectoral transformation and enhancing ASM’s contributions to sustainable development.

The framework presented approaches ASM from a developmental, rather than a risk-management lens focused merely on compliance and thus formalisation. Such perspectives have led to interventions that focus narrowly on controlling or mitigating the perceived adverse impacts of ASM but do little to address the structural conditions that generate and perpetuate these issues. This guidance sets out a more ambitious approach, showcasing “good practice”, informed by evidence of what is required to enable ASM to contribute to inclusive growth and sustainable development.

ASM sector development requires state leadership in creating and maintaining the enabling conditions for miners to professionalise. While the framework set out here draws on global experience, it does not prescribe a single model. There is no example of a government that has successfully implemented all of these interventions in full, continuously, reaching all intended outcomes. Instead, this guidance document presents a conceptual framework derived from our experience operating in and/or reviewing ASM in different countries where interventions have been trialled or scaled.



Figure 1: ASM Miners in Madagascar. ©Estelle Levin-Nally for Levin Sources

The Framework of Key Government Interventions for the Sustainable Development of the ASM sector

The framework for ASM sector reform structured around development is structured as follows (see Figure 1):

- **First, the foundations for ASM sector development need to be laid.** This begins with creating a supportive legal framework that provides realistic pathways to formality and enterprise development. It further requires organising ASM into enterprises through which production, governance and commercial relations with other economic actors can be structured. Finally, product stewardship mechanisms, such as transparent reporting systems, are essential to manage production and product security, and to establish transparency and accountability across mineral supply chains.
- Once these foundations are in place, governments can move towards the second phase: **supporting the sector's growth and development.** Interventions focus on expanding access to responsible finance and markets and developing the professional competence and capacity of owners and workers. Strengthening human development and investing in human capital is a necessary basis for driving sectoral growth and ensuring that mining stakeholders are able to benefit sustainably. As a result, miners and mining enterprises become more able to grow yields, increase their profits, reinvest in their operations, and ultimately adopt safer, cleaner, and more productive practices to generate lasting benefits.
- Finally, **governments need to continuously monitor whether ASM development interventions are being implemented as intended and whether they remain accessible and relevant to stakeholders.** This requires maintaining meaningful dialogue with miners and their stakeholders, as well as providing technical assistance and capacity-building to ensure that practices and institutions adapt over time.

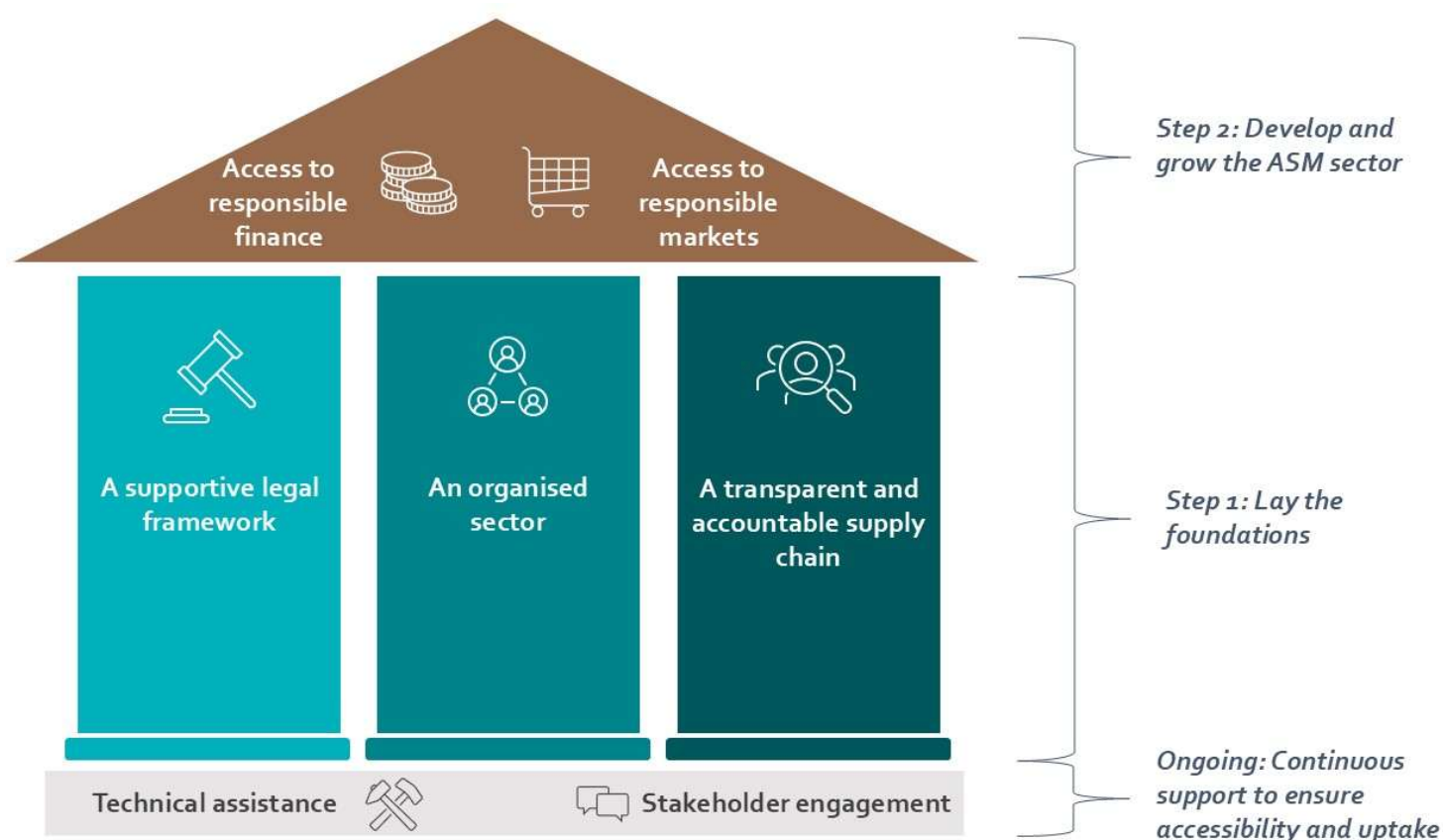


Figure 2: The framework of key government interventions for the sustainable development of the ASM sector.



STEP 1: LAY THE FOUNDATION

A. Create a legal framework that enables realistic pathways to formality and supports ASM sector development.

Objective

To develop an ASM policy and legal framework that provides a clear vision for the sector that is grounded in operational realities, establishes accessible pathways to formality, and supports continuous enterprise development, while aligning with national development priorities.

Description

The first step for governments is to set out an ASM development strategy and policy that recognises ASM as a permanent part of the national economy. This vision guides the design of legal, regulatory, technical, and budgetary measures. Rather than attempting to eradicate ASM, the framework needs to work with existing production structures and logics – those practices already commercially viable for miners. Unfortunately, too often, reforming legal frameworks for ASM is solely framed as a way to enable taxation and reduce adverse impacts. Yet governments ideally set their ambitions higher: rather than focusing only on mitigating risk, ASM governance needs to be anchored in a development agenda that recognises and builds the sector as a contributor to economic transformation (i.e., from *managing* ASM, to *developing* ASM).

Reforms are more effective when preceded by in-depth analysis of the ASM context and meaningful consultations with miners and their stakeholders. Understanding operational realities, incentives, and constraints for miners to formalise can help ensure that policy frameworks are designed around actual practice – to identify what is getting in the way of them improving their businesses and their lives. Frameworks that succeed are those that work with existing structures and logics of production, since these are the practices already commercially viable for miners.



Figure 3: The key provisions of a supportive legal framework for ASM development.



Efforts to reduce licensing costs, such as issuing cheaper permits via local administrations or registering production units like dredges instead of individual miners (e.g., Guyana), **have improved uptake in some contexts**, particularly where revenue collection is shifted downstream, for example at the point of export. In some countries, permits (for individual miners) have been made available for as little as 5 USD (e.g., Madagascar, DRC, Guyana) and simplified weekly reporting. However, cost reductions alone do not consistently increase participation, especially when licences offer no tangible benefits. Miners often cite the absence of accompanying advantages (such as access to land, protection from displacement, or eligibility for support services) as reasons for avoiding licensure, even where fees are nominal. And where licensed miners continue to face extortion, arbitrary enforcement, or displacement, remaining outside the system can be a rational and deliberate choice.

In response, **some governments have sought to increase the attractiveness of licensure by linking it to concrete incentives**. These include the ability to mortgage or transfer claims, access to capital development funds or microfinance, eligibility for tax exemptions, and training (e.g., in mining methods). However, in most contexts, these incentives remain inaccessible or underdeveloped and are rarely communicated clearly to miners. Some governments have also experimented with benefit-sharing mechanisms, in which a portion of artisanal mining royalties is returned to local governments, communities, or landowners (e.g., Sierra Leone, Philippines). **These schemes can demonstrate the value of formalisation to local stakeholders, building a stronger case for them to drive ASM actors to formalise**. But in the absence of transparent administration and local institutional capacity, these schemes are often mismanaged or captured by elites.

A further challenge is that many legal frameworks are designed to privilege industrial mining and are insufficiently adapted to ASM realities. They are often top-down, imposing standards that small operators cannot realistically meet. At the same time, ASM actors are often excluded from the very resources that would make compliance viable. Land tenure is often reserved for LSM concessions, financial services rarely reach ASM stakeholders, and geological data is typically controlled by state agencies or large companies. Without access to such fundamentals, and without guarantees of legal protection or market entry, miners see few pathways to formalisation. **Increasingly, progressive development pathways are seen as more effective: legal frameworks that recognise ASM enterprises in their existing fragile form but make continued legal status conditional on demonstrable improvement over time**. This principle is reflected in international policy discussions, including the OECD's framing of "*legitimacy*" as a valid basis for engaging with ASM in contexts where full compliance with legal requirements is not feasible yet. Tools such as the CRAFT Code offer a practical means to operationalise progressive improvement, providing a stepwise framework for ASM enterprises to align gradually with responsible practices.

Clarity in licensing categories is also an important prerequisite for effective governance. Countries that have introduced tiered frameworks are better able to adjust requirements and apply proportionate standards to the operational realities of different actors. **However, having categories in place is not enough; governments also need to support ASM enterprises to transition between categories**, since the leap from one level to the next can otherwise be too great. Clear and supported pathways can reduce the criminalisation of mid-tier operators who have outgrown artisanal practices but lack realistic means or incentives to move into formal small-scale or semi-industrial mining.

Another widely observed reform trend has been the decentralisation of licensing responsibilities to provincial or district mining offices. The rationale is compelling: localised authorities are better positioned to engage with miners, adapt implementation to contextual realities, and reduce logistical barriers (e.g., distance to licensing offices). But in practice, decentralised offices are rarely equipped with the necessary funding, training, or equipment to function as they should. Where staff are underpaid or poorly supervised, local offices may also become sites of bribery and corruption. **This underscores the need for legal reforms to be**



accompanied by adequate institutional resourcing and oversight to ensure they can be implemented effectively.

Another common provision in ASM legal frameworks is the designation of ASM zones. While implementation has often fallen short (e.g., Mali, Philippines, Burkina Faso), zoning can be effective when based on geological data and when accompanied by secure tenure, infrastructure, and technical support. Theoretically, zoning can help reduce land-use conflicts, particularly with LSM, and create entry points for state support and oversight. However, **zones need to be established in areas with viable deposits, and miners should be actively engaged in the planning and allocation process to ensure uptake.** Where access is conditioned on, for instance, group registration or minimum equipment requirements, governments need to provide preparatory support to help miners meet those requirements. Without such measures, zones often remain underutilised.

Text box: ASM formalisation vs professionalisation and sustainable development

For decades, efforts to improve the ASM sector have been framed around formalisation (see Figure 3). Yet today, this framing is increasingly seen as limiting, and in some cases, counterproductive.

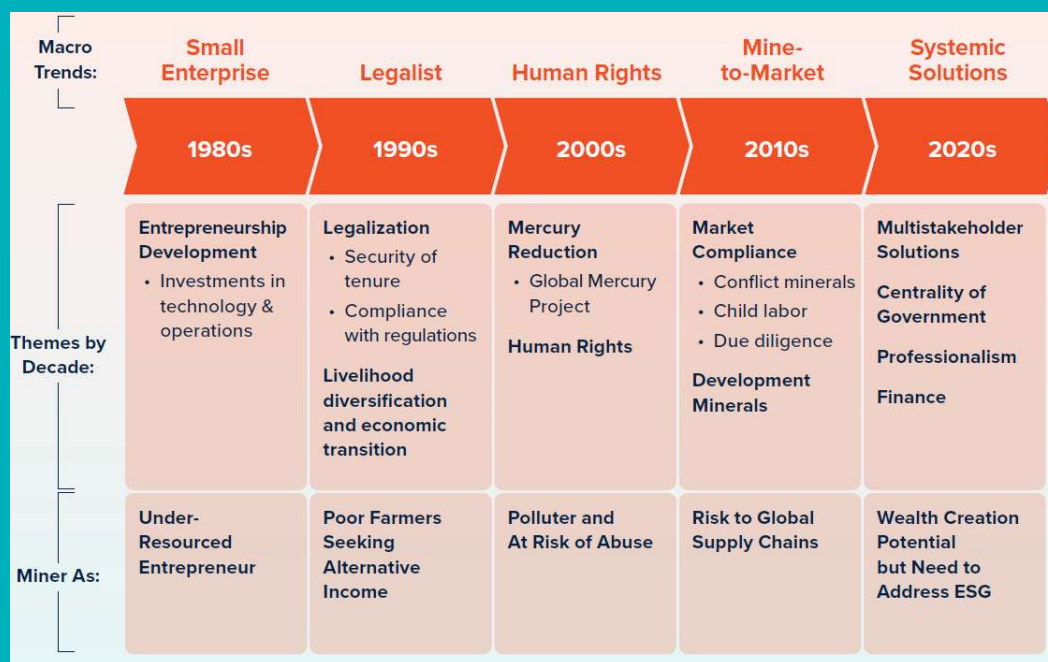


Figure 4: ASM formalisation approaches over the past five decades. Source: World Bank, 2024.

- **The concept of formalisation itself is incoherent.** The World Bank (2024) found that 35 formalisation experts offered 35 different definitions of the term – ranging from licensing and registration to traceability, environmental compliance, access to finance, and cooperative formation. This conceptual ambiguity obscures what “success” really looks like. Without a shared definition, formalisation becomes a catch-all that can mean everything – and therefore, often achieves little.
- **It often fails to address structural constraints.** Formalisation initiatives often focus on administrative fixes (e.g., simplifying licensing, providing ID cards, or offering compliance training). But they do not consistently address the broader political economy that may prevent miners from wanting to formalise in the first place, or that delivers them the perceived benefits of

operating formally. Without shifting these underlying conditions, technical formalisation tools do not deliver meaningful change.

- **It reflects external priorities, not necessarily local needs.** Formalisation agendas are often driven by state-building or private sector objectives (e.g., increasing tax revenues, improving traceability, or satisfying international compliance frameworks). But these rarely align with what miners or communities actually need, such as secure access to land, affordable finance, safer technologies, and social protections. In many contexts, formalisation is perceived as a top-down intrusion – extractive and paternalistic rather than empowering.
- **It isolates ASM from the informal economy it depends on.** Formalisation assumes ASM can be treated as a discrete sector. But in reality, miners operate within complex informal economies - sourcing food, housing, labour, and services informally. Formalising the mining activity alone, without addressing these surrounding systems, ignores how livelihoods actually function.

Instead of “formalisation,” there is a growing shift toward the professionalisation and sustainable development of the ASM sector. This approach moves beyond legal status to focus on practical improvements. Professionalisation means building miners’ technical, organisational, and commercial capacity, for example, through access to safer methods, training, finance, and secure land tenure. Critically, it acknowledges that miners may not operate fully formally at the outset but can progressively improve their practices over time. Sustainable development focuses on long-term wellbeing: improving working conditions, reducing environmental harm, promoting gender inclusion, breaking cycles of poverty and marginalisation, and strengthening links to local economies. This shift recognises that ASM can contribute meaningfully to national development if supported holistically, rather than pushed prematurely into rigid legal frameworks.

B. Organise ASM into enterprises through which production and development can be governed, and that enables commercial relations with other economic actors.

Objective

To organise miners into **an enterprise structure**, such as cooperatives, associations, partnerships, or enterprises, that can provide the basis through which the mining activities can be professionalised such that members’ and workers’ interests, access to finance and markets, and the control of risks can be improved, whilst also making governance of the sector easier.

Description

Another key foundational aspect for improved ASM sector governance is to strengthen implementation of the legal frameworks by supporting miners to operate through some form of organised entity. Enterprise structures create a platform for miners to pool resources, access finance and technical services, and be represented in commercial and policy dialogue. They also make sector governance easier by providing a defined counterpart for regulation and engagement.

Organisational models vary widely, and no single form is suitable for all contexts. In some cases, miners establish formal legal entities with reporting obligations and bank accounts; in others, more flexible arrangements such as partnerships or associations provide an entry point without the administrative burden of full registration. **Laws and regulations should not dictate a single model but instead leave room for miners to choose organisational forms that reflect their aspirations and commercial realities.** Over time, entities may evolve, scaling up or adapting as capacity grows.



Experience shows that organisational structures are more likely to succeed when they emerge from miners' own initiatives rather than being externally imposed. Top-down creation often results in low ownership and poor functionality. To be sustainable, organisations need transparent leadership and accountability structures and fair benefit-sharing provisions to avoid elite capture. Training and capacity-building in organisational management (e.g., governance, leadership, strategy, finance, administration) are critical, as is ongoing support. Specific measures should also be in place to ensure women and other marginalised groups can participate equally in decision-making.

External facilitators need to be attentive to trust dynamics. For example, in contexts of rapid in-migration, distrust among miners may hinder collective organisation; in others, miners may suspect that organisational requirements are designed to increase taxation or control. Transparency and responsiveness to miners' realities and perceptions of/relations with the government are therefore essential for organised entities to function as a genuine pathway to enterprise development.

C. Establish a transparent and accountable environment for responsible ASM mineral supply chains

Objective

To establish state oversight and accountability over ASM mineral supply chains as the foundation of product stewardship¹, ensuring minerals are tracked and governed from mine to market and creating the conditions for ASM actors to engage in responsible trade.

Description

Strong product stewardship is another prerequisite for responsible ASM sector development. Governments need reliable oversight of mineral and financial flows in order to govern effectively, thereby tackling smuggling and corruption risks and ensuring that mineral resources can contribute to development. Without such oversight, ASM actors are also likely to remain tied to informal markets while governments lose revenue from, visibility of and authority over the sector. **Responsible trade becomes possible only when states can demonstrate control over mineral flows, and ASM actors can demonstrate legitimacy in how they operate.** Governments therefore play an important role in creating the enabling environment for transparent and responsible ASM mineral supply chains. Product stewardship is not just about regulating production; it is about establishing accountability and oversight that allow minerals to move legitimately through the economy. This means governments must be able to see and verify how minerals are produced, traded, and exported, while ASM actors must have pathways to demonstrate that their business practices meet such responsible market expectations.

Supporting supply chain transparency and traceability are central to this. International due diligence frameworks, such as the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, set out what responsible mineral supply chains should look like and are increasingly reflected in laws and buyer expectations. Systems that document where minerals come from, how they are traded, and by whom, give governments the visibility they need to control flows and design targeted interventions. At the same time, they provide the information that buyers require in order to engage with ASM supply chains responsibly. Approaches can range from paper-based logs and community monitoring to digital systems such as GPS mapping or mobile reporting. The key is to ensure that information is credible for regulators and markets, but also practical and accessible for miners and traders.

¹ Product stewardship refers to the shared responsibility of actors along a product's lifecycle, including producers, traders, and regulators, to minimise adverse impacts and ensure responsible business conduct. In this case, product stewardship refers to ensuring minerals are governed from mine to market as a basis for responsible trade. It may also refer to control of the product as it moves through an operation, e.g., for purposes of security to avoid mixing of external material or theft.



For ASM actors, integrating such transparency systematically in their operations is often challenging due to a variety of reasons (e.g., illiteracy, unfamiliarity with requirements, limited access to digital tools, increased costs, exposure to more taxation etc.). The CRAFT Code supports the transparency in ASM mineral supply chains by translating complex requirements into stepwise actions that ASM operators could realistically adopt. By recording improvements over time, miners create the evidence that allows responsible buyers to source from ASM supply chains. Training is often needed to support miners in preparing such documentation. In Burkina Faso, for example, the planetGOLD programme worked with state agencies to issue simple logbooks where miners recorded equipment purchases, production levels, and operating costs. These records helped miners understand responsible practices and gave buyers the proof they require. Still, uptake remains difficult, and transparency requirements need to be introduced gradually. Baseline assessments are essential before rollout, ensuring systems reflect how supply chains actually function. Early engagement with miners, cooperatives, traders, exporters, and downstream buyers helps build trust and clarify objectives. Digital tools may need to be combined with non-digital options to account for connectivity and literacy gaps.

Above all, for traceability and transparency to work, it must unlock tangible benefits for ASM actors (e.g., better prices or eligibility for finance), otherwise participation will remain low. Pilot phases can test feasibility and avoid overburdening ASM with costly or complex demands. Local monitors or community agents can help gather reliable site-level data at lower cost. These systems need to be governed transparently to prevent misuse.

Ultimately, product stewardship is not merely an administrative exercise but a governance strategy. And transparency and traceability are enabling tools rather than end goals: they do not in themselves change sector dynamics. However, by making mineral flows visible and tying them to pathways for ASM legitimacy, governments can strengthen their authority, reduce illicit trade, and build a foundation for responsible market access. For miners, this provides an alternative to dependence on informal and exploitative markets; for states, it secures revenues and reinforces control over the sector. Anchoring ASM governance in product stewardship is therefore essential to align national development objectives with the realities of international responsible trade.



Figure 5: Crushing Circuit - Mwamba Processing Plant, Tanzania ©Mwamba



STEP 2: DEVELOP AND GROW THE ASM SECTOR

A. Facilitate ASM enterprises' access to responsible finance

Objective:

To enable ASM actors to access responsible finance in ways that strengthen their resilience, promote responsible practices, and generally improves the sustainable development of the sector.

Description

Access to responsible finance remains one of the most pressing constraints for ASM sector development. Many financial institutions perceive ASM as high-risk, often due to the absence of geological studies or formal business records and negative perceptions. Requirements for collateral, equity, or high repayment rates are often unattainable for miners. Where financing is available, it is frequently short-term and misaligned with the longer timelines needed to see returns on investments. Without alternatives, miners may rely on intermediaries who advance funds but then purchase their minerals below market value, locking producers into disadvantageous relationships. In some contexts, such intermediaries may not only be exploitative but also include criminal or illicit actors who channel such financing into conflict economies, reinforcing dependency and cycles of informality that are difficult for miners to break out of.

Financial needs assessments, carried out in collaboration with miners and financial institutions, can inform the design of appropriate products, such as village savings and loan schemes, revolving funds, or partnerships with cooperative banks and credit unions. Starting with small, short-term loans can help miners build repayment track records before expanding access to larger credit (for example, this strategy has been adopted by TMB, a domestic bank in the DRC, as part of its approach to onboarding ASM as clients). Geological data can also be used to demonstrate operational viability to financial providers. Strengthening financial literacy and business skills can improve miners' ability to access and manage credit, as well as growing profit and securing greater overall financial health. Engaging miners and communities in programme design helps ensure cultural fit and build trust. Building partnerships with financial institutions already serving rural areas, while raising their awareness of ASM's economic potential, further increases the likelihood of success. Mobile money services and transparent pricing information can reduce reliance on cash and improve bargaining positions.

These measures could create realistic pathways for ASM actors to access responsible finance, to then invest in more efficient, safer, and cleaner technologies, reduce environmental and social risks, and generally strengthen the economic viability of their operations, and thus their livelihoods.

B. Facilitate ASM enterprises' access to responsible markets

Objective:

To enable ASM actors to access responsible markets in ways that strengthen their resilience, promote responsible practices, and generally improves the sustainable development of the sector.

Description

In many contexts, ASM actors operate without access to responsible buyers, leaving them reliant on informal traders for the sale of their production. These traders may be more attractive in certain contexts because, for instance, they might pay in cash, buy directly at sites (removing the need for miners to organise transport or security), offer pre-financing, and do not require identification or documentation. Trust-based relationships built over time also may reinforce these ties. Yet these arrangements are not always equitable: traders typically hold the power to dictate pricing and terms of exchange, leaving miners with little leverage. For governments, the persistence of informal trade also presents a problem: even when policy and support measures encourage ASM operators to formalise, as long as production is channelled through informal traders, minerals will continue to bypass oversight and taxation.



Facilitating access to formal markets is both about *creating the conditions* and *curating the concrete linkages* for ASM operators to sell their production through legitimate, fair, transparent, and stable channels, while ensuring these are commercially viable for all parties. This increases miners' bargaining power to enable fairer pricing and strengthen links to buyers committed to responsible sourcing. **Transitioning to formal markets requires more than simply providing a sales channel.** Formal buyers may introduce additional costs, such as taxes, fees, and documentation requirements, so miners will only engage if the commercial benefits outweigh the drawbacks. Guaranteeing competitive pricing is therefore critical; without it, informal channels will remain attractive. But it's also important to understand that miners may remain loyal to informal traders for political, ethnic or welfare reasons. Furthermore, linkages need to be curated through careful alignment of incentives across the chain, integrating existing intermediaries where possible, and decentralising buying systems to reduce logistical barriers, while building the trust needed for miners to see formal markets as both reliable and beneficial.



Figure 6: Gold ASM in Mongolia. ©Magnus Arrevald for Levin Sources

It is important to recognise that all ASM operators already participate in markets of some kind – otherwise, mining would generate no income at all. Effective interventions must therefore integrate, rather than bypass, existing supply chain actors; formalising ASM means formalising all supply chain tiers. Traders, aggregators, and service providers already embedded in these systems can serve as vital bridges to formal channels if accredited and incentivised, whereas efforts to exclude them often generate resistance. Market interventions should begin with a detailed mapping of the system, identifying actors, trade flows, services, and incentives, to ensure that strategies build on actual market realities rather than idealised models. Such understanding is critical for anticipating vested interests likely to resist reform and for monitoring unintended consequences, including the exclusion of women or other marginalised groups. **Embedding this awareness from the outset**



also strengthens sustainability: external facilitation of market linkages should gradually taper, leaving local institutions and private sector actors equipped to maintain and adapt the system over time.

Well-designed formal market access ideally are used to gradually raise standards in the ASM sector by linking mineral sales to progressive compliance with social, environmental and transparency regulations.

Mineral (especially gold) processing plants are ideally also included in interventions to expand responsible market access. These facilities, ranging from artisanal to more industrialised crushing, milling, and washing plants, play a central role in the final stages of gold extraction. Well-managed facilities can increase recovery rates, improve miners' incomes and government revenues, while also serving as aggregation points that can enable greater transparency and traceability. By integrating these plants into responsible market access efforts, interventions can capture a larger share of ASM product flows and strengthen linkages to accessible and formal supply chains.



Figure 7: Run of Mine Stockpile & Tailings Storage Facility - Mwamba Processing Plant, Tanzania ©Mwamba

One mechanism increasingly used to strengthen formal market access is state gold-buying (domestic purchasing) programmes. These government-led schemes purchase gold directly from ASM gold miners or their intermediaries through accredited buying stations, often linked to central banks or other financial authorities. These initiatives aim to formalise the gold trade, provide miners with stable, competitive prices, and support broader objectives such as building national gold reserves and generating foreign currency through international sales, so stabilising domestic currency and the economy more broadly. **The design and implementation of state gold-buying programmes vary significantly across countries.** In some contexts, gold is sold directly by miners to government-run or accredited buying counters, while in others, licensed traders or domestic banks play an intermediary role. The decentralisation of buying stations to district or community levels has been shown to drive the successes of these programmes. Effective models combine competitive pricing with trust-building, oversight, and realistic expectations that full market capture will take time. Miners may initially continue to sell part of their gold to informal traders. Similarly, accredited buyers (incl. processing plants) may keep sourcing from informal sites, reducing the programme's intended impact and exposing the central bank or other state institutions to traceability challenges. Mandatory sales to state buyers can backfire if miners perceive prices as uncompetitive.



ONGOING: CONTINUOUS SUPPORT TO ENSURE ACCESSIBILITY AND UPTAKE OF ASM SECTOR DEVELOPMENT INTERVENTIONS

Technical assistance and capacity-building to continuously drive responsible business conduct in ASM enterprises and ensure inclusive uptake.

Objective: To continuously strengthen human capital in the ASM sector so that miners and mining enterprises can embed responsible business conduct, adapt to changing conditions, and ensure inclusive and sustained uptake of ASM sector development interventions.



Figure 8: Group of ASM miners, Ethiopia, 2018. ©Kate Macleod for Levin Sources

Description

Sustained technical assistance and capacity-building are critical for ensuring that ASM operators, enterprises, and their stakeholders can continuously adapt to evolving market, regulatory, socio-economic, political, and environmental conditions. At its core, this is about investing in human capital: strengthening knowledge, confidence, and organisational capacity so that miners can operate as viable enterprises. When such investment is aligned with responsible business conduct principles, it enables miners to embed responsible practices as part of how they run their businesses. Technical assistance can take many forms: support in organisational governance and business management; training in safer mining methods and mercury-free processing technologies; awareness-raising on the legal framework and rights for ASM stakeholders etc. Delivering access to geological information can also be an important form of technical assistance, as miners often work with limited knowledge of deposits, leading to inefficiency and low recovery, as well as environmental harm. Governments could share exploration data or partner with local institutions to train geologists within ASM communities.

This also presents an opportunity to stimulate broad-based development beyond the mining sector, by engaging local service providers, vocational training centres, and civil society organisations to deliver these capacity-building activities. This is also important to ensure assistance is culturally appropriate and accessible, and it reduces reliance on external expertise.

Inclusivity needs to be central to these efforts. If training and technical support are only accessible or tailored to certain groups (for example, men, pit owners, established cooperative leaders, or those with higher levels of literacy), other marginalised groups (for example, women, youth, people with disabilities, ethnic minorities, migrants, people living in extreme poverty etc.) may be excluded. This risks entrenching existing inequalities and undermines the potential of ASM to contribute to broad-based development. Proactively enabling diverse participation in training and technical programmes broadens the sector's talent base and supports more



equitable development outcomes. To achieve this, capacity-building initiatives need to be accompanied by sensitisation and awareness-raising that challenge exclusionary norms and practices.

Meaningful stakeholder engagement for equitability, grievance management and peacebuilding

Objective: To establish permanent and legitimate platforms for meaningful stakeholder engagement and grievance management that ensure ASM sector development remains accessible, acceptable, and equitable, while providing channels for conflict resolution and trust-building.

Description

Meaningful stakeholder engagement is another continuous government function with the intention to keep ASM sector development accessible, equitable, and legitimate. Meaningful engagement goes beyond ad-hoc consultations to establish permanent, trusted avenues through which ASM miners and mining entities, but also LSM companies, mining-affected communities, legitimate representatives of vulnerable groups, traditional authorities, civil society, and other parties, can raise concerns and shape decisions. Success depends on careful stakeholder mapping, proactive strategies to manage spoilers (troublemakers), and regular reviews so forums adapt as incentives shift. Above all, engagement must create feedback loops: participants need to see how their inputs changed decisions. Without this, platforms risk becoming tokenistic exercises that erode, rather than build, trust. Skilled facilitation is needed to manage power imbalances in these forums and ensure that marginalised groups can participate meaningfully; where needed, separate forums or support services may need to be provided so their voices are heard without fear of reprisal.

At the core of this is grievance management. Authorities need simple, visible, acceptable, and safe channels for complaints with clear steps for receipt, assessment, resolution, and feedback. Such mechanisms at the local level need to be institutionally linked to provincial and national governance structures. Local resolutions have to be escalated when they reveal systemic issues, with higher-level institutions committing to respond and, where appropriate, adjust regulations.

Governments can formalise these avenues within local governance arrangements, resource them, and set clear terms of reference so all participants understand mandates, procedures, and how outcomes will be acted upon. Engagement platforms can take the form of standing multi-stakeholder committees in mining areas. When a government recognises these bodies, they gain the authority to mediate disputes over site access and overlapping rights, co-design security arrangements and agree conduct standards for security forces and coordinate practical measures such as community information points or radio updates for continuous engagement. Early, visible actions, such as by solving a boundary dispute, removing an abusive checkpoint, or agreeing safer haul routes, can build trust that the forum delivers benefits to its participants.

In conflict-affected contexts, these platforms can also serve a peacebuilding function. Evidence from some fragile contexts reveal that when mining communities experience greater security and predictability, armed and criminal actors may shift incentives away from violence. In certain cases, armed groups have partially demobilised or ceased hostilities when stability in mining areas offered them more predictable and lucrative benefits than continued conflict. Multi-stakeholder committees in mining areas can then provide the only structured setting where conflict actors are willing to engage, directly or through intermediaries, with the government and ASM stakeholders. Such forums could create incentives for cooperation and a space for trust-building. Where broader ASM sector reforms are impossible due to insecurity, these dialogue mechanisms may represent the necessary first entry point. This does require the forum's facilitating party to clarify boundaries of engagement with such armed or criminal actors, setting rules that allow dialogue while avoiding legitimisation of violent or illegal activities.

Cross-cutting governance principles

Drawing on this framework of ASM sector reform interventions, we have identified lessons from their implementation and extracted a set of cross-cutting governance principles. **These principles represent foundational conditions that, when embedded in any ASM sector reform intervention, significantly increase the chances of delivering their intended outcomes.** These principles were identified through Levin Sources' internal ASM expert consultations and literature (particularly Hruschka, 2015).

Co-design of interventions



Incentivisation is the foundation of all ASM sector reform. If miners and other supply chain actors do not see clear benefits that outweigh the costs of changing their practices, the chances of policies or initiatives being adopted and sustained are minimal.



Build trust before expecting change. In many contexts, miners have long-standing relationships with powerful actors who sustain the status quo. Newcomers, whether development partners or government agencies, cannot expect rapid behaviour change without first earning trust, especially if this means deterring power and influence away from those actors miners' have come to rely on (e.g., informal traders, customary authorities). If the government has historically taken a penalising or militarised approach to ASM, miners are unlikely to move to designated zones or sell to licensed traders they do not know or trust. Change begins with meaningful engagement.



Root interventions in the local context. ASM operates under diverse conditions, and approaches that succeed in one site, region or country may fail in another. Effective reform starts with understanding these realities and tailoring interventions accordingly.



Parachuting solutions in from above does not work. Lasting ASM reform depends on miners and communities shaping the sector's development vision. Understanding what people want the ASM sector to deliver, how it already supports them, and where it could do more fosters local ownership and trust. Strategic assessments and meaningful engagement uncover issues that need to be addressed for reforms to succeed.



Plan for sustainability beyond a programme. ASM reforms need to include clear exit strategies that ensure positive outcomes continue after external funding or programme support ends. This requires building local ownership, capacity, and incentives from the outset.

A strategic vision for ASM development



Create an ASM vision that treats ASM as a driver of development. In most contexts, ASM is there to stay as other livelihoods rarely can compete with its income potential or reach. Efforts to eliminate it by treating it solely as illegal or undesirable have never succeeded. Recognising its economic significance and integrating it into national development planning creates a more realistic basis for sector reform.



Holistically plan for better lives in ASM communities. Sector reform needs to address not only how minerals are produced and traded, but also the wider conditions that shape well-being. Expanding access to health care, social protection, childcare, education, and public participation helps create thriving communities, reducing vulnerability to exploitation and human rights abuses. Such an environment can make ASM a sector of choice rather than necessity, fostering social mobility and breaking cycles of marginalisation.



See ASM as part of the wider informal economy. Informality is rarely a deliberate choice and often reflects broader structural constraints. ASM is interconnected with other informal activities, such as food supply, housing, and equipment services. Effective reform needs to address these wider economic linkages, and the reasons people operate outside formal systems.



Commercially viable and inclusive pathways to professionalisation



A market systems development approach to enable sector growth. ASM reform needs to focus on building the conditions for miners to operate as viable, competitive businesses that make professionalisation possible.



Take a continuous improvement approach to professionalisation. Starting with opportunities that strengthen miners' commercial viability builds the stability and resources needed for lasting change. Once economic foundations are in place, social and environmental responsibilities can be progressively raised, aligning with stepwise approaches like the CRAFT Code. This gradual pathway is more realistic, as miners see improvements as achievable rather than imposed.



Acknowledge and address diverse barriers to professionalisation. Efforts to develop the ASM sector need to consider the cultural, social, and economic constraints to professionalise that affect some social groups more than others, including gendered exclusions.



Treat ASM integration in the formal space as a continuous process. The sector is constantly evolving: miners may outgrow their legal category, new rushes and migration patterns emerge, and crises can drive people into mining. Governance needs to continuously adapt to these shifts.



Focus on organising the ASM sector in a way that works for the context, not on mandating a single model. Effective ASM governance supports structures that work in the local context – whether in cooperatives, community-based groups, micro-enterprises, or others. Setting targets for creating a fixed number of ASM cooperatives by a certain date often ignores whether this format suits miners' needs or preferences, leading to weak or short-lived organisations.



Understand and meet the full range of ASM's logistical requirements for professionalisation. This requires needs assessments that dive into the nitty-gritty details of what ASM needs to enable safe and productive operations, spanning geology and equipment, as well as security, storage, transport, assaying, and other essential services.



Treat ASM actors as economic participants with individual interests. Miners make business decisions based on their own interests, just like actors in any other industry. Expecting miners to work in imposed structures that would be unacceptable in other industries (e.g., mandating cooperative membership or requiring them to sell only to a single designated buyer) limits uptake.

Governance structures and resourcing



Bring ASM administration closer to mining areas. Locally based officials typically better understand the realities of "their miners" and are more accessible, reducing barriers for both miners and regulators. Decentralisation can greatly improve trust and efficiency, but only if local offices are adequately resourced and there are clear oversight structures.



Clarify and separate institutional responsibility for ASM. When the same department manages both ASM and LSM, conflicts of interest are inevitable. Assigning ASM oversight to a dedicated directorate or independent agency ensures focused attention on the sector's needs and avoids competing priorities.



Match policy ambitions with institutional capacity. Effective ASM governance requires that government agencies have the funding, skills, data, tools, and jurisdictional authority to carry out their mandates. Without these resources, even well-designed policies risk never leaving the paper.



Strengthen oversight through cross-government engagement and coordination. Isolating ASM governance within a single ministry can entrench vested interests and weaken accountability. Involving multiple agencies, such as social affairs, environment, finance, or justice, creates checks and balances and reduces opportunities for corruption.



Supportive legal and regulatory frameworks



Legislation needs to reflect ASM's diversity. The ASM sector has a wide range of realities, and national definitions need to capture this complexity. Poorly framed definitions risk labelling legitimate activities as “illegal” and undermining trust.



Keep regulations simple and accessible. Especially at entry level, complex requirements can exclude miners from legalising their operations: literacy or numeracy may be as much of a barrier as cost. Rules should be clear, and logical, with obligations that are realistic and easy to understand.



Ensure legal pathways are commercially viable. Laws and regulations need to be grounded in economic reality, avoiding requirements that are impractical or impossible to meet. Frameworks need to clearly define what can be achieved in practice, ensuring compliance is both feasible and worthwhile for ASM actors.



Security of tenure is as important for ASM as it is for LSM. Without security of tenure, operations will always stay improvised, rudimentary, and precarious. It will deter miners from investing in their operations and stimulate risk-taking behaviour. Security of tenure creates property and property creates responsibility.



Recognise and leverage existing customary governance systems to improve uptake. Even when informal, the ASM is rarely truly unregulated. Miners often follow established customary rules. The closer formal laws align with these systems, the more likely miners are to comply through self-regulation.



Design taxation to enable, not penalise, ASM. Excessive or poorly structured taxes can drive miners further into informality. Many mineral-rich countries know they are missing out on ASM tax revenues yet often maintain rigid tax regimes – a losing game for all. Shifting from taxing production directly to taxing business inputs and outputs and targeting higher-value linkages in the supply chain, can ultimately increase state revenues.

Resources

Below, we present a selection of the leading resources on worldwide ASM governance approaches that were consulted.

- Hruschka, F. (2015). Comparative analysis of ASM strategies in four countries of Africa, Asia and Latin America (Ghana, Tanzania, Peru and Philippines). Pact, Estelle Levin Limited and IPIS. PROMINES 27: Elaboration d'un document stratégique sur les exploitations artisanales et à petite échelle. Available at: <https://www.levinsources.com/assets/pages/report-promines-asm-strategies-ghana-tanzania-peru-philippines.pdf>
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