LEVIN SOURCES

**WHITE PAPER**

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# The Growing Influence of Armed and Criminal Actors in Gold Supply Chains

## Key Trends and Call to Action for Governments, Mining Companies and ASM Entities

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The Growing Influence of Armed and Criminal Actors in Gold Supply Chains: Key Trends and Call to Action for Governments, Mining Companies and ASM Entities

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Cover Photo: ASM gold mining in the DRC, by USAID's Zahabu Safi (Clean Gold) project (2021).

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# Preface

**Conflict is shaping the world at a scale and intensity not seen for decades**. In 2024, state-based conflict reached a historic peak, with the highest levels recorded since 1946. Forced displacement has since risen unprecedented levels, while many of the structural conditions that precede major conflicts are now more pronounced than at any point since the Second World War. Rising militarisation, the weakening of traditional alliances, and growing economic uncertainties are creating an increasingly volatile and unpredictable global context. Together, these developments point to a troubling resurgence of both small-scale violence and large-scale warfare, and **demand renewed scrutiny of how conflict interacts with our economic systems**.

In this context, **demand for gold is skyrocketing**. Throughout history, periods of instability tend to drive demand for assets that are seen as reliable when political systems and financial markets are under strain. Gold has long played this role. Central banks are currently increasing their gold reserves to reduce exposure to geopolitical risk and currency volatility, while private investors are seeking protection against inflation and market shocks. This has pushed demand and prices up sharply, with gold prices nearly doubling over the past year alone. A significant share of this gold is produced through artisanal and small-scale mining (ASM); historic estimates suggest around 20%, though the true figure today remains uncertain. As demand and prices rise, pressure on gold-producing regions increases accordingly. In fragile and conflict-affected settings, where mining often takes place in conditions of weak oversight, this increases the appeal of gold production and trade to armed and criminal actors. Gold revenues can relatively easily be used to finance violence and illicit activity, reinforcing the very instability that drives demand in the first place. **For those working at the intersection of security and peacebuilding, sustainable development, and natural resources, these dynamics raise fundamental questions about the role mineral economies play in either sustaining conflict or enabling stability**.

Our research and advisory work over the past 15 years, and especially over the last year, shows that many institutions are seeking a clearer understanding of how rising gold demand affects mining regions on the ground. Governments, civil society organisations, and downstream firms are increasingly concerned that higher demand and prices are intensifying competition for gold, and that armed and criminal actors are moving in to capture value, particularly in ASM areas. These concerns are not unfounded. Across multiple contexts, **we see armed and criminal groups becoming more deeply embedded in gold supply chains, reshaping local power structures and exploiting the vulnerabilities of miners and surrounding communities**. At the same time, large-scale mining (LSM) companies and investors are becoming more aware that this capture of ASM by armed and criminal actors creates new and complex risks for them. These risks extend beyond physical security or asset protection, shaping how companies are able to engage with host communities and assess who legitimately represents local interests. In environments influenced by armed or criminal actors, even well-intentioned engagement can produce unintended and destabilising outcomes.

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***Whether gold sustains conflict or enables stability depends on who controls it, under what conditions, and at whose expense***

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**A core principle of our work is to move beyond unnuanced narratives that often dominate public discourse**. Yet when it comes to understanding the complex links between minerals and conflict, public debate often still swings between oversimplified explanations that offer little insight into what is actually driving and enabling these dynamics, or alarmist narratives that portray ASM gold supply chains as inherently criminal or illegitimate. This framing is inaccurate and counterproductive. **It obscures the reality that ASM can, and in**

**many contexts does, support local economies and even stability when it is responsibly governed**. It also shifts attention away from the more important question of *why* ASM becomes vulnerable to capture by armed and criminal actors in the first place. Where ASM is associated with criminal or violent activity, public discussion often fails to distinguish between those who perpetrate such behaviour and those who are subjected to it, most often the miners themselves. **This lack of differentiation tends to produce policy responses that punish vulnerability rather than address its root causes**.

It is for these reasons that we chose to write this paper. **This White Paper aims to shift the conversation by offering an evidence-based and more nuanced perspective**. Over the past year, much of our work has focused on examining the links between gold production and trade, criminality, and violence in different contexts. This has included analysing how these links are changing as demand increases, which actors play key roles and how, the impacts on ASM operators, communities, and governments, and which policy responses are most likely to have their intended effect. Through this research and advisory work, we have developed a detailed picture of how armed and criminal actors engage with gold supply chains, why ASM is particularly exposed, and what this means for governments, companies, and communities. We believe these insights merit wider attention.

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***When miners and communities are able to thrive, the space for armed and criminal capture narrows.***

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This White Paper is also a service to our clients, partners, and the wider sector. Our experience spans research in fragile and conflict-affected settings, support to LSM companies seeking to better understand and manage risk, and the design of governance and market interventions that strengthen the economic, social, and environmental resilience of ASM. Across this work, a consistent lesson emerges: **when miners and communities are able to thrive, the space for armed and criminal capture narrows.** This paper distils those learnings and translates them into practical ways forward.

**This paper is intended for policymakers, ASM operators and representatives, industrial mining companies, downstream firms, investors, civil society organisations, and others working at the intersection of minerals, conflict, and development**. It can inform policy reform, corporate risk management, responsible sourcing strategies, and programme design. Above all, it is an invitation to look more closely at the drivers of ASM's exposure to capture by criminal and armed actors, the consequences of acting on the wrong assumptions or failing to act at all, and the shared responsibility to ensure that rising demand for gold does not deepen conflict but instead supports more just outcomes.

# CHAPTER 1 Introduction

In recent years, **gold has attracted renewed attention as a conflict mineral from policymakers, security analysts, and the media alike**. Globally, rising gold prices and demand are coinciding with intensified violence, political instability, and the entrenchment of armed and criminal actors in gold-producing areas. This has led to a growing number of articles and reports that draw attention to the links between gold, conflict and criminal dynamics. For instance, in the Sahel, coverage has highlighted gold's role in financing military juntas and jihadist groups, including through competition over artisanal mining areas and involvement of foreign security actors such as Russian mercenaries.[i] In Sudan, analysis has frequently focused on how militarised competition over gold assets both preceded and now sustains the civil war.[ii] In Colombia, gold has been described as the "new cocaine" and reporting has detailed how armed groups and dissident factions are leveraging gold stockpiles and gold mining to fund weapons purchases, expand territorial control, and launder wealth.[iii] And the UN Office on Drugs and Crime (UNODC) released a report in May 2025 highlighting strong links between gold mining and conflict dynamics across multiple regions. The report documents how informal gold mining intersects with human trafficking, financial crime, and drug trafficking, notably in the Brazilian Amazon. The Brazilian Federal Police even uncovered a criminal group that had created its own cryptocurrency to launder proceeds from illicit gold.[iv] **These cases are repeatedly cited to illustrate a broader concern: that today's global demand for gold is increasingly entangled with systems of violence and criminality**.

There is little doubt that gold can contribute to conflict and instability. Yet much of the public discussion stops at this headline conclusion. Media and policy narratives often rely on stark labels, such as "blood gold," "criminal gold," or "terrorist financing", that underscore the severity of the issue but leave limited room for understanding how these dynamics actually operate. **Such framings rarely examine the different ways armed groups, criminal networks, political elites, and state actors access and profit from gold, or how these practices interact with existing systems of governance and exclusion**. As a result, gold is frequently presented as a uniformly malign force. **But gold's role in conflict settings is also not always destructive**. In some contexts, gold has supported local economies, buffered households against economic shocks, or even contributed to stability by offering pathways away from armed activity. Understanding these dynamics requires asking harder questions about how value is extracted from gold, how power is exercised, and how policy responses, if poorly designed, can deepen the very vulnerabilities they seek to address.

**Artisanal and small-scale mining (ASM) sits at the centre of these debates**. It is often portrayed either as a lawless space dominated by criminals or as a passive victim of external violence. In practice, ASM is far more complex. Across contexts, ASM includes people who are coerced, exploited, displaced, or subjected to violence, as well as people who exercise agency, seek protection, resist capture, or build legitimate livelihoods through mining. Armed and criminal actors likewise engage with ASM in different ways: some impose taxes or control access to pits or trade routes, while others embed themselves as buyers, financiers, or security providers. **These arrangements do not affect all miners equally**. Women, migrant workers, youth, and marginalised ethnic or religious groups often experience risks and impacts very differently.

**This White Paper is intended as a source of high-level insight into how armed and criminal actors influence gold supply chains, the conditions that enable such influence, and the range of responses available to governments, industrial mining companies, and ASM entities**. It does not seek to provide a detailed account of any one country or regional setting. We explicitly recognise that gold supply chains are shaped by highly specific political, social, economic, and historical contexts, and that significant variation exists between regions and even mining sites. Rather than offering prescriptive conclusions, this paper focuses on identifying patterns and enabling conditions that *may* be present across different contexts, with the aim of supporting more informed analysis and decision-making.

## LEVIN SOURCES' EXPERTISE

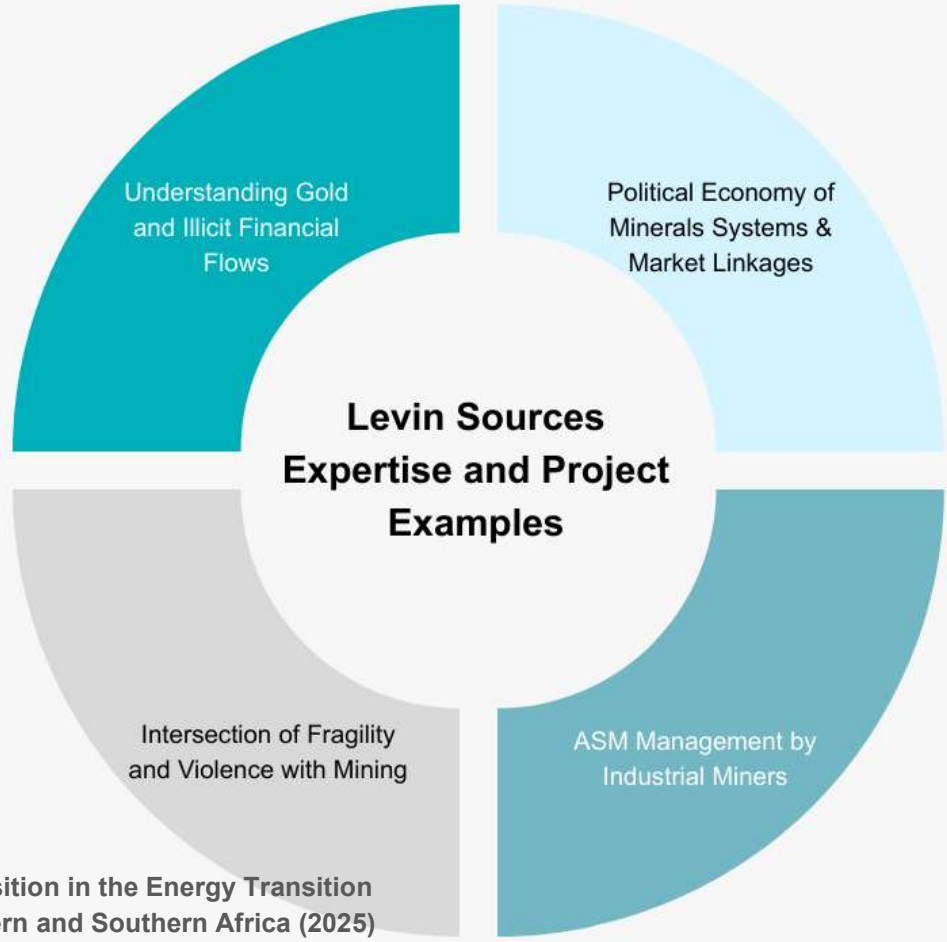
This White Paper draws on 15+ years of experience researching and providing strategic advice to policymakers, industrial mining companies, ASM representatives, investors, and downstream firms on ASM gold economies and supply chains. We have worked across more than 90 countries and over 160 minerals. Gold has consistently been a central focus of our work, accounting for roughly 30% of our project portfolio. The insights underpinning this White Paper are grounded in four key areas of engagement, with several associated examples of our work:

**Illicit Financial Flows and Conflict in Artisanal and Small-Scale Gold Mining: Burkina Faso, Mali, and Niger (2022)**
Co-written by Levin Sources and IGF, funded by UK FCDO. Analyse IFFs associated with gold ASM and links between conflict, crime, and gold ASM

**Gold and Illicit Financial Flows (GIFF) Project (2015-2017)**
Partnership with GI-TOC, funded by GIZ. Raise awareness, build understanding, grow capacity of ASM stakeholders to address IFFs

**Gold Processing Plants in ASM, Ecuador, Peru, Mauritania, Mongolia, Philippines, Tanzania (2025)**
Commissioned by World Gold Council. Explores potential roles of processing plants in driving formalisation, legitimisation, and professionalisation of ASM gold chains

**Zahabu Safi (Clean Gold) Project DRC (2018-2022)**
Global Communities with Better Chain, RCS Global Upstream; funded by USAID. Establish a conflict-free ASM gold supply chain originating from eastern DRC




**Fostering a Just Transition in the Energy Transition Minerals Sector, Eastern and Southern Africa (2025)**
Led by World Bank (EGPS), delivered by Levin Sources and DT Global.

**The Nexus between Mining and Violence in North Central and North West Nigeria (2025-2026)**
Delivered for the UK Strengthening Peace and Resilience in Nigeria (SPRiNG) programme.

**A Typology of Conflict around Mineral Resources (2025)**
Delivered for the Global Investor Commission on Mining 2030.

**The Changing Landscape of the Energy Transition for Security-Related Human Rights Issues in Critical Raw Materials and Renewable Energy Projects (2026)**
Delivered for the Geneva Centre for Security Sector Governance (DCAF) (FCDO-funded)

**Collaborative Community-Based Gold Mining Initiative (2025-2026)**
Supported a mining company develop a collaborative community-based gold mining initiative in West Africa

**Regional ASM Management Strategy and Plan for Mining Permits in West African country (2022-2023; 2025)**
Supported a gold miner to enhance internal ASM governance systems. Conducted assessment of risks of infiltration criminal & armed actors in ASM communities

**LSM-ASM and community engagement (2015)**
Strategic assessment, baseline and supply chain analysis of ASM at a Gemfields concession in Mozambique.

## STRUCTURE OF THE WHITE PAPER

**Chapter 2** sets out a typology of how armed and criminal actors influence gold supply chains. It explores who the key armed and criminal actors are, what motivates their involvement in gold, and how their objectives differ across contexts. The chapter also examines the value-extraction models these actors use, highlighting how influence can be exerted at different points along the supply chain. **Chapter 3** examines why artisanal and small-scale gold mining is often particularly exposed to capture by armed and criminal actors, and why gold itself is such an attractive commodity for exploitation. **Chapter 4** turns to the implications for industrial gold mining companies. It explores how armed and criminal influence in surrounding ASM and host communities can translate into operational, security, social, and reputational risks for LSM operations. Finally, **Chapter 5** sets out a call to action. It outlines practical entry points for governments, industrial mining companies, and ASM entities to limit harmful influence and strengthen conditions for more just and peaceful outcomes.

*Picture 1: ASM gold sorting in Burkina Faso. © Levin Sources 2021.*

# CHAPTER 2 Typology of the influence of armed and criminal actors in gold supply chains

## WHO ARE THE KEY ARMED AND CRIMINAL ACTORS, AND WHAT MOTIVATES THEM TO BE EMBEDDED IN GOLD SUPPLY CHAINS?

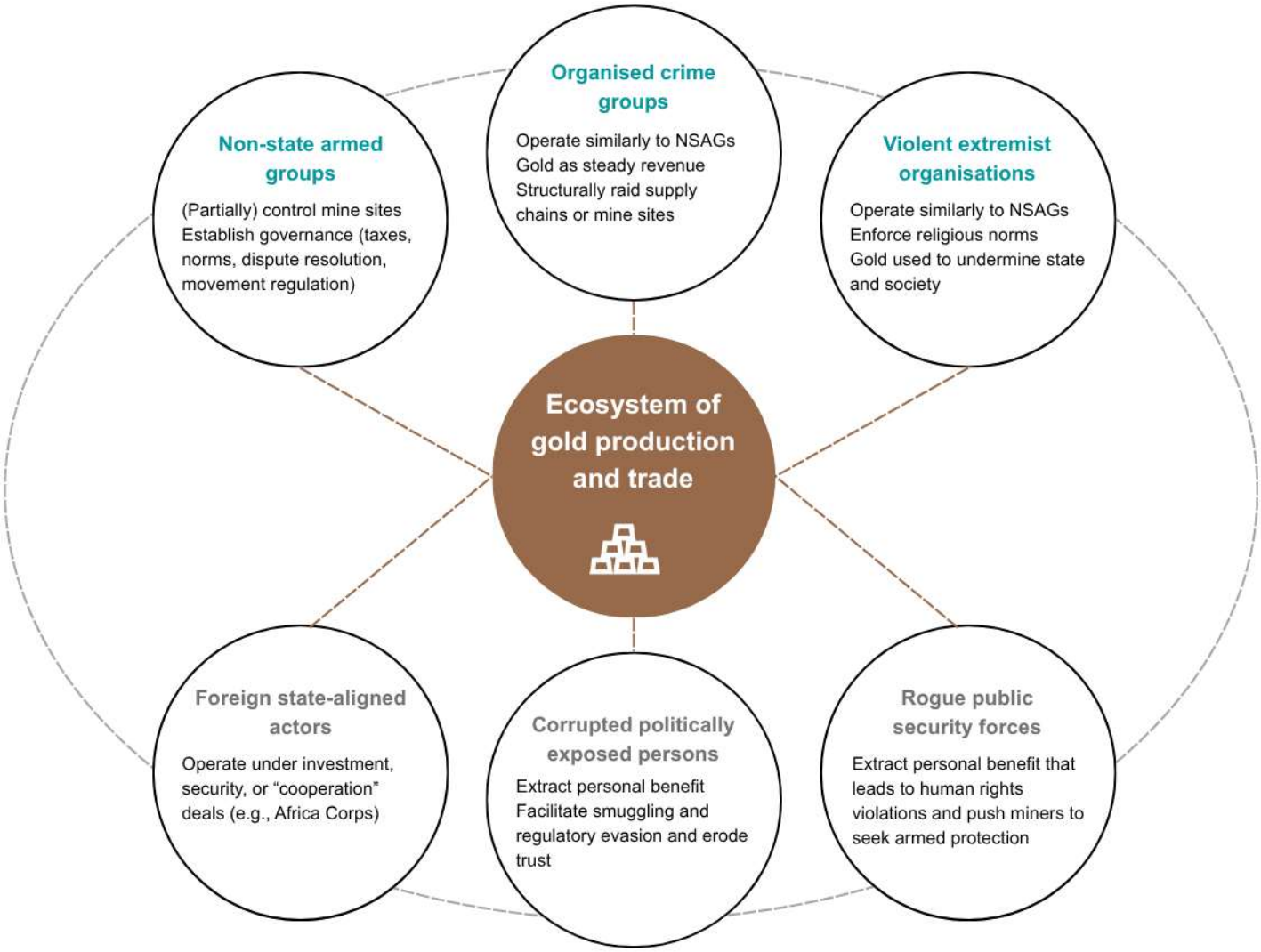



*Figure 1: Ecosystem of non-state and state(-aligned) armed and criminal actors embedded in gold production and trade. This ecosystem is sustained through economic alliances, protection pacts, and deliberate non-interference between actors whose interests converge around gold.*

This chapter examines the main categories of armed and criminal actors embedded in gold supply chains and the motivations that drive their involvement. While their behaviour differs across regions, recurring patterns can be observed in how they extract value, assert control, and position themselves within mining economies. These actors rarely operate in isolation. Instead, gold supply chains often function as interconnected ecosystems sustained through economic alliances, protection arrangements, and deliberate non-interference between actors whose interests converge around gold (see Figure 1).

*Non-state armed groups (NSAGs)*

Non-state armed groups (NSAGs), including rebel movements and militias, are among the most visible actors embedded in gold supply chains. In many gold-producing areas, they do not merely prey on mining revenues; they organise the sector in a way that allows them to **systematically benefit** from it. Control over mine sites is often partial rather than absolute, but even limited influence can be enough to extract value and assert authority.

These groups frequently **establish governance-like systems** around mining areas. They may tax production, regulate access to pits, resolve disputes, enforce behavioural rules, and operate checkpoints along transport routes. By doing so, NSAGs turn mining zones into controlled spaces that finance their operations, strengthen territorial claims, and anchor wider illicit economies. Gold producing areas also offer strategic advantages: they are typically remote and often characterised by high in-migration, weak formal governance, and with limited collective organisation - ideal conditions for armed control.

Importantly, NSAGs **rarely operate in isolation**. They often coexist with state actors, collaborate with local intermediaries, or reach pragmatic arrangements with rival armed groups.

**Case study: Banditry groups in Northern Nigeria**

Levin Sources conducted several studies in 2025 into Nigeria's mining sector, focusing in particular on the influence of criminal and armed actors in ASM in the country's northern States (including Kaduna, Zamfara, Kebbi, Sokoto, and Katsina) (for example, "The Nexus between Mining and Violence in North-Central and North-West Nigeria"). Banditry groups in North West Nigeria emerged from longstanding rural violence linked to farmer–herder conflicts, vigilante reprisals, and cross-border criminal activity, and have since evolved into organised armed networks. While many are primarily motivated by the steady revenues available from gold, some also draw on historic narratives of grievance or resistance to state authority to justify their presence in mining areas.

Since the mid-2010s, these groups have progressively shifted from relying mainly on cattle rustling, kidnapping, and opportunistic predation towards deeper involvement in gold economies, recognising gold as a more reliable source of income that can be easily exchanged for cash or weapons, or traded across borders. What began in many areas as raids on mine sites, involving theft of gold, cash, and equipment, has in several locations evolved into more structured forms of influence over how mining operates. Bandit involvement now takes multiple forms. Groups may demand informal taxes or fixed shares of gold output from miners, establish checkpoints along transport routes, or influence who is permitted to mine and under what conditions. In some areas, they position themselves as providers of security, offering protection against rival groups or thieves in exchange for payments. In certain cases, they have reportedly even been hired by politically exposed persons or local officials to guard mining assets. Elsewhere, coercive practices are more explicit, including forced labour of kidnapped individuals and the use of women and girls as couriers or informants within gold and arms smuggling networks. Gold is also integrated into wider illicit economies, functioning as a medium of exchange for weapons and supplies through transnational networks that span porous borders (including with Niger).

At the same time, the impacts of bandit presence are not uniform. For example, in parts of Kaduna, particularly around Birnin Gwari, cycles of raids and contested control over sites have contributed to insecurity and displacement. In contrast, in parts of Katsina, some communities have negotiated arrangements with so-called "ex-bandits," who themselves describe engagement in mining as a more stable and less violent livelihood than raiding or kidnapping. Under these informal arrangements, they may still

influence access to sites, but their involvement reflects a shift in some groups from violent predation toward more peaceful (though informal) participation in the local gold economy.

*Picture 2: Artisanal gold miners in Nigeria. © Dame Yinka 2017.*

Bandit groups are able to entrench themselves in Nigeria's ASM sector largely because of weak and inconsistent government control. In many (especially remote) mining areas, there is little effective regulatory oversight and limited security presence. Responsibility for land and mineral rights is often contested between Federal, State, and traditional authorities. This confusion makes it difficult to enforce rules as responsibilities get pushed around, and easier for armed groups to step in and set their own terms.

Economic conditions also play a role. High rural unemployment and declining agricultural incomes (incl. due to the effects of climate change) mean that mining is one of the few accessible and stable sources of income. This creates a large pool of workers and traders who deeply depend on continued access to sites, even when armed groups demand payments.

Government responses to violent and illicit gold economies have primarily focused on crackdowns on informal mine sites and temporary bans on mining. While these measures were intended to restore order, they have often disrupted livelihoods without addressing the underlying drivers of bandit involvement. Mining bans, in particular, have primarily pushed mining activity further underground, making it harder to regulate and, in some cases, increasing miners' reliance on armed actors for access or protection.[5]

*Transnational and domestic serious organised crime groups*

Serious organised crime groups are primarily **economically motivated networks** involved in trafficking minerals, money, and other goods across borders. For these groups, gold is attractive because it is easy to move, hard to trace, and readily convertible into cash. Their involvement ranges from opportunistic raids on mine sites to highly structured control over trading hubs, transport routes, and aggregation points. In some contexts, these groups may operate in ways that are indistinguishable from NSAGs.

**Case study: Clan de Golfo in Colombia**

*Picture 3: Underground operation of the Colombian police in Buriticá, Antioquia, Colombia. "Mas de 500 metros bajo tierra, la policía realiza sus labores de intervención minera en Buritica Antioquia" by Policía Nacional de los colombianos, CC BY-SA 2.0*

In 2025, Levin Sources published the report "A Typology of Conflict around Mineral Resources" for the Global Investor Commission on Mining 2030. As part of that work, we analysed a series of case studies to illustrate how different forms of mining-related conflict emerge, evolve, and escalate. One such case examined the role of a transnational organised crime group: the Gulf Clan (also known as the Gaitanist Self-Defense Forces of Colombia). The Gulf Clan is Colombia's largest organised criminal group and considered one of the most powerful in South America. Composed largely of former paramilitary members, it is estimated to have between 6,000 and 9,000 members and maintains a strong presence across strategic border regions, including areas connected to narcotics trafficking routes. In recent years, the group has expanded its footprint in gold-producing regions, particularly in post-conflict areas and areas where state oversight is limited. Colombian law enforcement investigations have linked the organisation to widespread environmental crimes associated with natural resource extraction, including gold mining.

In the Bajo Cauca region, the Gulf Clan has reportedly embedded itself in both artisanal and industrial gold mining zones. Around the Buriticá gold mine, Colombia's largest gold operation, the group has infiltrated

surrounding ASM activities, allegedly extorting up to 10% of mining revenues. Reports indicate that the organisation has also seized and developed underground galleries and tunnel networks near both ASM and industrial concessions, guarded by armed personnel operating under its protection. The group has also supplied equipment and logistics to informal miners, effectively positioning itself as both enforcer and service provider.

The Gulf Clan has used explosives to expand tunnel networks and, in January 2025, allegedly sabotaged mine power infrastructure using homemade bombs, temporarily halting operations. Such tactics illustrate how organised crime groups may adopt insurgent-style methods to protect or expand their economic interests in gold.

This case highlights a core feature of serious organised crime involvement in gold supply chains: control is exercised not only through violence, but through structured economic integration (e.g., extortion, logistical support, infrastructure development), and embedded influence in local mining economies. Gold, in this way, becomes one component of a diversified criminal portfolio that includes narcotics, smuggling, and financial crime, reinforcing the group's territorial and economic power.[6]

*Violent extremist organisations*

Violent extremist organisations, including jihadist groups, are driven by **ideological objectives** aimed at reshaping society or undermining state authority. While ideology shapes narratives and modes of social control, their engagement in gold supply chains similarly resembles that of other NSAGs. Some of these organisations exercise overt control over mine sites and trade routes; others embed themselves more covertly through taxation, protection arrangements, or alliances with local actors. Where they impose religious norms, these sites become spaces of both economic extraction and ideological enforcement. For instance, women may be explicitly excluded from the opportunities of ASM gold mining when sites are under control of jihadi groups, due to extremist ideological views on women's participation in public life and income-earning activities. Gold revenues help sustain operations, but just as importantly, they reinforce territorial presence in areas where state authority is weak or contested.

*Foreign state-aligned actors*

Foreign state-aligned actors play a different role in gold supply chains than purely non-state armed groups or domestic criminal networks. These actors are **connected to foreign governments**, either through formal (e.g., military) agreements or through companies that benefit from diplomatic or political backing from their home country. Their involvement in gold economies can combine direct security roles with efforts to gain access to mining revenues or commercial opportunities.

One such example is Africa Corps (formerly the Wagner Group). In countries such as Mali, its personnel have operated alongside national armed forces and have been involved in guarding or securing mining areas. However, providing security or deploying personnel near mine sites does not automatically mean they control gold production or trade. In many cases, their influence over actual extraction and sales remains limited and depends on cooperation with local authorities, mining operators, or armed actors on the ground.

Foreign state-aligned involvement can also take more commercial forms. Companies linked to foreign governments may participate directly in mining or trading, often operating with **tacit political backing** that reduces regulatory scrutiny or shields them from enforcement action. In practice, this can involve corrupt arrangements with government officials to obtain mining permits, secure preferential access to land, avoid inspections, or receive security protection. It may also include partnerships with politically connected business

actors who facilitate access to sites or trade routes. In some cases, state security forces have cleared areas of artisanal miners in order for foreign-linked operators move in; in others, authorities knowingly allow illicit operations to continue.

**Case study: Chinese informal and illegal semi-industrial mining operations across Africa's gold zones**

Through our work across the African continent in both LSM and ASM gold sectors, the growing influence, and often adverse impacts, of Chinese-backed informal and illegal semi-industrial mining operations has become a recurring concern. Industrial mining companies report encroachment onto licensed concessions. Environmental authorities and organisations raise concerns about extensive land degradation and chemical contamination (incl. from mercury and cyanide use). Human rights defenders and civil society organisations highlight patterns of displacement of artisanal miners, violent enforcement practices, corruption, and illicit financial flows associated with some of these operations.

While certainly not all Chinese gold mining operators engage in such conduct, similar patterns of illicit behaviour have been observed across gold-producing countries with detrimental impacts:

- *Environmentally destructive and semi-mechanised*: These operations are characterised by minimal geological surveying, rapid extraction, and the widespread and uncontrolled use of chemicals such as mercury and, in some cases, cyanide. Excavators, dredges, and processing plants are deployed to maximise short-term output. The result is severe land degradation, unreclaimed pits, and significant health risks linked to contaminated soil, water, and air.
- *Operating parallel economies*: Many of these foreign-owned ventures import their own machinery, inputs, food supplies, and labour, while maintaining separate mineral supply chains. Gold is traded illicitly outside domestic marketing systems, limiting transparency and local participation. This reinforces perceptions of exclusion and reduces the (direct and indirect) economic benefits of minerals accruing to surrounding communities.
- *Opaque and coercive*: Land is often acquired through intermediaries or locally registered front companies. Site security is typically managed through private or informal arrangements, which in some contexts rely on intimidation or force. Artisanal miners have been displaced and access to sites is tightly controlled.
- *Corruption-prone and enabling impunity*: These operations are often sustained by weak legal enforcement and the protection of politically connected actors. Reports across multiple jurisdictions indicate collaboration between these foreign operators and domestic elites, including facilitation of permits, shielding from inspections, or lobbying for the release of detained foreign nationals. Such arrangements allow harmful practices to continue with limited accountability. In fragile or conflict-affected areas, some of these operators pay non-state armed groups for access to land or protection of mine sites. These payments tie mining operations directly into local conflict economies. As a result, gold revenues can contribute to the financing of armed actors.

For example, since late 2020, the gold-rich Haut-Uélé province in north-eastern DRC has experienced a surge in informal and illegal semi-industrial gold mining led by Chinese nationals working with Congolese partners and protected by different elements of the Congolese army and police. Satellite imagery analysed by IPIS identified more than 250 kilometres of damage to rivers between 2020 and 2024, with operations excavating riverbeds up to 400 metres wide, diverting watercourses, and leaving long chains of flooded pits. These activities often took place without the valid authorisations, including inside industrial concession areas or under the cover of newly created (disingenuous) artisanal cooperatives that functioned as fronts for large-scale mechanised mining. The impacts have been severe: destruction of farmland without adequate compensation, contamination of water sources with mercury and cyanide, drowning risks in abandoned pits,

displacement of artisanal miners, and rising tensions in a province already affected by poverty and intermittent armed violence. Despite presidential orders in 2022 to halt illicit operations, this type of semi-industrial mining has continued.[7]

*Picture 4: Gold ASM in the DRC. Source: Zahabu Safi/2021.*

Similarly, across West Africa (e.g., Ghana, Nigeria, Burkina Faso, Mali), Chinese-backed semi-industrial gold operations are expanding. For example, in Mali, Chinese-backed semi-industrial operations have proliferated across ASM zones in the south and west of the country. These ventures are typically undeclared, or registered as Malian companies, either established directly by Chinese nationals or structured as joint ventures with politically connected intermediaries. Operators commonly secure access to existing artisanal or industrial mining zones through bribery of mayors, village chiefs, and officials, sometimes obtaining fake small-scale titles in Bamako. Once established, sites are run using imported machinery, chemicals, and staff, with gold channelled through separate trade networks and payments made in cash, bypassing local banks and taxation. Private (Chinese) security guard these sites, and field research documented incidents in which local scavengers were shot and killed on sight. Environmental damage is extensive: mercury and cyanide use, dredging, and land clearing have polluted rivers, destroyed farmland, and left abandoned pits unrehabilitated.[8] Women often enter these abandoned and contaminated sites to search for residual ore, exposing them to extreme health hazards and fatal accidents; in February 2025, nearly 50 women and children died when such an abandoned pit near Kéniéba collapsed.[9] Communities report fear of challenging these operators due to perceived collusion with authorities. In May 2025, aggrieved landowners reportedly hired jihadi actors to attack a Chinese-operated site south of Bamako – an early sign that this part of the gold economy is beginning to intersect directly with Mali's broader conflict dynamics.[10]

*Rogue public security forces*

Some public security forces play a **coercive role** around ASM sites. In some areas, militarised crackdowns on informal mine sites result in arrests, forced evictions, and violent clashes. Such crackdowns are regularly associated with human rights violations due to the use of excessive force. In others, security forces are associated with harassment, bribery, selective law enforcement, and direct violence against miners. These dynamics contribute to deepening grievances and mistrust of the state across ASM areas. Where security forces are perceived as predatory or unreliable, miners are more likely to seek protection from armed groups, reinforcing the latter's influence and normalising parallel systems of authority.

*Corrupted politically exposed persons (PEPs)*

Politically exposed persons, such as politicians or former and current public officials, often play a **central role in embedding armed and criminal actors in gold supply chains**. Their involvement may range from direct or indirect ownership of ASM sites or companies to partnerships with informal operators and traders. Officials may control mining sites openly or through intermediaries, frequently in collaboration with traditional leaders or other local powerbrokers. PEPs often facilitate regulatory evasion and mineral smuggling through bribery at checkpoints, political cover for informal operations, and support to armed or criminal groups guarding mining assets. In doing so, they entrench informality, corruption, and conflict economies, while shielding illicit supply chains from accountability.

## WHAT VALUE EXTRACTION MODELS DO ARMED AND CRIMINAL ACTORS USE?

Armed and criminal actors typically extract value from gold or other minerals through several points of intervention, allowing them to diversify revenue streams, reduce dependence on any one site or actor, and entrench authority over time. Their influence typically spans inputs, production, trade and transport, and broader value chain taxation, creating layered systems of control that are resilient to disruption.

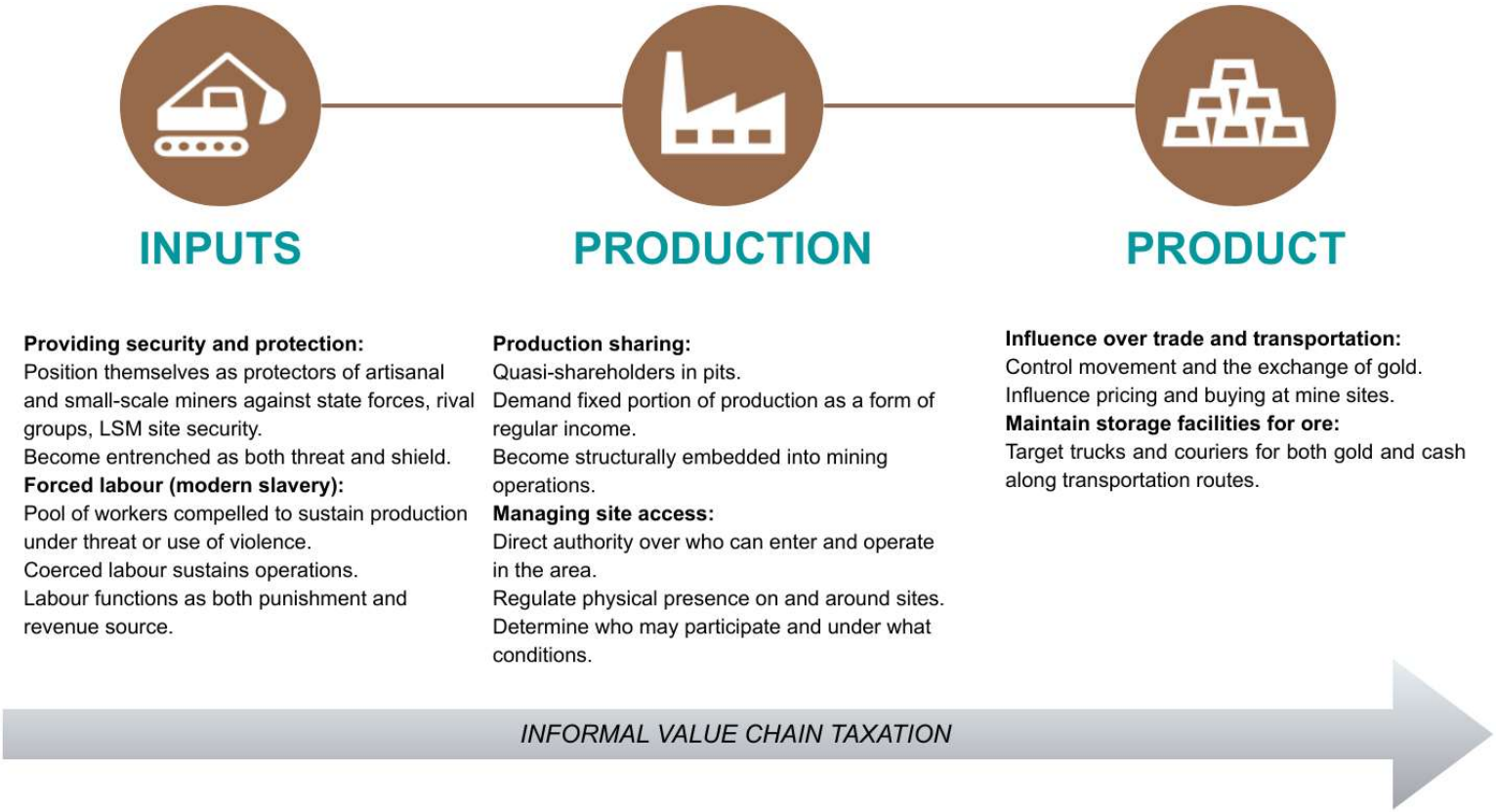



*Figure 2: Value extraction of armed and criminal actors along gold supply chains.*

*Inputs*

At the input stage, armed and criminal actors often establish themselves as **providers of security and protection**. They position themselves as defenders of miners against perceived threats, including state security forces, rival armed groups, or industrial mine site security. These arrangements are often coercive: the same actors offering protection are frequently those posing the threat. By acting simultaneously as shield and enforcer, armed groups normalise their presence and render their authority indispensable to daily mining operations.

**Labour control** is another central mechanism at this stage. Forced labour and other forms of modern slavery remain integral to many armed actors' extraction models. Labour is coerced through violence, intimidation, debt, or collective punishment, creating a captive workforce compelled to sustain production under threat; **women are often disproportionately affected** in these settings, including through human and sex trafficking to mining sites, forced sex work, and heightened exposure to sexual violence under armed control. In these contexts, labour functions both as a means of punishment and as a direct revenue source. Alongside coercion, some actors also rely on paid labour arrangements, employing workers under nominal wage systems that remain tightly controlled and often exploitative.

*Production*

At the production stage, armed and criminal actors typically move beyond episodic extortion to more **durable forms of value capture** over time. One common model is production sharing, in which armed and criminal actors position themselves as quasi-shareholders in pits. Rather than demanding irregular payments, they claim a fixed share of output. These arrangements structurally embed armed actors into mining operations, granting them a continuous stake in production and aligning their interests with sustained extraction rather than short-term looting.

**Control over site** access further consolidates this position. Armed actors frequently regulate who is permitted to enter mining areas, work specific pits, or trade within site boundaries. This authority extends to determining which communities may participate in mining, under what conditions, and at what cost. By controlling physical presence and movement, armed actors shape the social and economic composition of mining sites, often excluding groups deemed disloyal, politically divergent, or viewed as socially, religiously, or ethnically inferior.

*Product*

Many armed and criminal actors extend their influence beyond production into the **trade and movement of gold**. At mine sites, they may influence pricing and buying arrangements, either directly or through allied traders. Control over storage facilities for ore or gold allows them to consolidate supply, manage timing of sales, and reduce exposure to theft or state interception.

**Transport routes** represent another critical point of intervention. Trucks, motorbike couriers, and individual carriers are frequently targeted for raids, extortion, or "protection" payments. Armed actors exploit the vulnerability of gold in transit, extracting value in both gold and cash. In some contexts, repeated targeting of transporters creates a climate of insecurity that pushes traders to rely on armed escorts, further entrenching armed groups' role in facilitating movement along the chain.

*Value chain taxation*

Beyond specific sites or transactions, armed and criminal actors often impose **informal taxation** across the wider mining economy. These levies may extend to traders, transporters, processors, and service providers operating around ASM sites. Unlike fixed production shares, informal taxation is flexible and mobile, allowing these actors to capture value at multiple points without being tied to particular pits or communities.

Payments may be negotiated in cash, gold, goods, or weaponry, reflecting strategic needs. This system of taxation enables armed and criminal actors to spread risk, adapt to fluctuations in production, and maintain revenue even when specific sites become inaccessible. Over time, such practices normalise parallel fiscal systems that operate alongside or in place of state authority. Payments may also be negotiated through sexual favours to serve the personal interests of the conflict or criminal actor, or to intimidate and exert control over segments of the population through fear and abuse.

# CHAPTER 3 Vulnerability of artisanal and small-scale gold mining to capture by armed and criminal actors

## WHY IS ASM VULNERABLE TO CAPTURE BY ARMED AND CRIMINAL ACTORS?

ASM is not inherently prone to capture by armed or criminal actors, despite how it is often portrayed in public discourse. Such narratives are frequently shaped by limited understanding of the realities of ASM, elitist assumptions about informal livelihoods, and policy approaches that criminalise ASM despite its central role in many rural economies. Rather than being intrinsic to ASM, **vulnerability to capture is produced by a combination of conditions that create permissive environments** in which armed and criminal actors can position themselves as indispensable market intermediaries, protectors, financiers, or de facto authorities.

### *Legal exclusion and the structural informality of ASM*

A core driver of vulnerability is the **lack of meaningful legal recognition for ASM**. Complex, costly, and bureaucratic licensing processes, restrictive regulations, burdensome taxation, insufficient geological data, and limited government capacity often make formalisation difficult or commercially inviable for ASM entities. Existing mining laws and supply chain due diligence expectations often fail to reflect the operational realities of ASM, rendering compliance unrealistic for most miners. As a result, there is little incentive for miners to endure lengthy and expensive formalisation processes that offer few tangible benefits.

This legal exclusion locks ASM into informality. In some countries, artisanal mining is criminalised altogether, further deepening distrust between miners and state institutions. And as a result, informal, cash-based, and opaque gold supply chains become the default pathway to market. These structurally informal systems are particularly easy for armed and criminal actors to capture, as miners and traders depend on whoever controls access to buyers, transport routes, or mining inputs.

### *Exclusion from finance, markets, and productive upgrading*

ASM operators are typically **ineligible for formal loans or credit** facilities. Financial institutions rarely consider ASM to be commercially viable, viewing the sector as high risk due to informality, limited collateral, and perceptions of unprofessionalism. ASM is also often framed as unlikely to deliver sufficient financial returns or positive environmental, social, or governance outcomes to justify investment. As a result, most ASM remains chronically undercapitalised.

This financial exclusion intersects with **constrained access to formal markets**. Commercial barriers, combined with increasingly stringent supply chain due diligence requirements, have led many formal buyers to disengage from ASM sources altogether, perceiving associated risks as unmanageable. Certification and traceability schemes frequently require significant upfront investment in technical upgrading or organisational capacity –

costs that most ASM producers cannot absorb without financial support. In practice, this leaves miners with few viable outlets beyond informal buyers, reinforcing dependence on opaque trading systems.

At the same time, **limited access to geological data, mineral-rich land, and technology** constrains productivity and upgrading. Weak policies and inadequate government support for geological exploration in areas designated for ASM mean miners often operate with poor information about ore bodies and recovery potential. Many rely on equipment that is ill-suited to local mineralogical or climatic conditions, poorly maintained, or inefficiently deployed. Limited awareness of the value contained in co-products or waste materials further reduces recovery rates and economic returns.

These constraints lower productivity and increase waste, reinforcing perceptions of ASM as inefficient. In turn, this justifies continued exclusion from finance, technical support, and formal markets, creating a self-reinforcing cycle. Within this cycle, **armed and criminal actors are able to embed themselves not merely as financiers or buyers, but as gatekeepers to land, equipment, processing, or trade,** using control over these productive bottlenecks to secure long-term leverage over ASM operations.

### *Weak governance and the emergence of governance vacuums*

ASM is frequently concentrated in **remote regions** where state presence is limited, and formal governance capacity is weak. In these areas, enforcement of mining laws and protection of miners' rights are inconsistent at best. Police and regulatory authorities are often absent, slow to respond, or under-resourced compared to armed groups. Infeasible regulations and selective enforcement facilitate criminal activities such as money laundering, debt bondage, and illegal mining on large-scale mining concessions or in protected areas.

*Picture 5: ASM gold sluice in Zimbabwe. © Levin Sources 2019*

These conditions create **governance vacuums** that armed and criminal actors readily fill. They establish **shadow economies** with their own rules. Where legal ambiguity exists, e.g., due to overlapping national, local, and customary systems, disputes over mineral rights further weaken enforcement and enable armed actors to position themselves as arbiters of authority.

### *Elite and transnational organised crime opportunism*

Elite and transnational organised crime opportunism significantly worsens ASM's vulnerability to capture. In many ASM-producing countries, **systemic corruption** permeates permitting, oversight, and enforcement across multiple levels of government. This entrenched corruption enables armed and criminal actors to operate, using bribery and political connections to secure protection and access to mineral resources and shape local governance arrangements in their favour.

In some contexts, this dynamic goes **beyond passive tolerance**. Corrupt officials may covertly own ASM sites, partner with informal operators, or rely on armed groups as security providers. Minerals produced under these arrangements are then channelled into illicit supply chains, effectively embedding political and criminal interests within ASM systems. Under such conditions, informality is not merely unmanaged; it is actively exploited.

These dynamics are reinforced by the integration of ASM into wider **transnational crime and smuggling economies**. Gold moves alongside arms, fuel, drugs, and people across porous borders, creating powerful external incentives to maintain influence over mining and trade. In these networks, gold functions both as a commodity and as a currency, sustaining broader criminal economies and making disengagement from ASM economically unattractive for organised crime actors.

## WHY IS GOLD VULNERABLE TO CAPTURE BY ARMED AND CRIMINAL ACTORS?

### *Gold functions as money*

Gold is used and valued as a **currency** in a way that other minerals are not. In many ASM contexts it is not just a product that gets sold for cash; it is a **liquid asset that can be held, moved, and spent directly**. This is precisely what makes it so attractive to armed and criminal actors. Gold can be used as payment in kind, for example to buy weapons, drugs, fuel, or protection services, or as a portable store of value that can be exchanged later without depending on banks or formal documentation. Because gold is widely accepted, divisible, and durable, it allows armed and criminal actors to convert control over mine sites and trade routes into purchasing power immediately. It also gives them a way to **hold wealth** securely and **transfer it across borders or between networks** in forms that are harder to trace or sanction than conventional financial flows.

### *Gold permits opacity*

Gold's physical properties make it uniquely **easy to hide, move, and rebrand**. Very small quantities carry significant value. A few dozen grams of gold dust, flakes, or small nuggets, easily concealed in a pocket, vehicle, or suitcase, can be worth thousands of USD. This high value-to-volume ratio allows gold to be smuggled discreetly across checkpoints and borders with minimal risk of detection.

Opacity deepens further once gold leaves the mine. Gold from many both legitimate and illegitimate sources can be **mixed** and smelted together in the refining process. This typically occurs in poorly regulated gold refining and trading hubs, where gold from multiple origins is aggregated into a single batch. Once refined, gold from different provenances becomes chemically indistinguishable. At that point, its origin is permanently erased.

**Recycled gold** flows add another layer of opacity. "Recycled" gold is poorly defined and lightly regulated in many jurisdictions. In theory, it refers to gold recovered from waste products. In practice, gold is rarely discarded: no one throws away a gold ring. This raises a fundamental question about what makes gold truly recycled. Criminal networks exploit this ambiguity by re-labelling newly mined or illicit gold as recycled, allowing it to enter formal supply chains with limited scrutiny. Once classified this way, such gold may bypass the due diligence expectations applied to primary production.

These dynamics make gold exceptionally **easy to launder**. For armed and criminal actors, this opacity lowers risk while preserving value, making gold an ideal vehicle for sustaining illicit economies.

### *Gold is valuable and increasingly attractive*

Gold's appeal to armed and criminal actors is also shaped by its sheer economic attractiveness. It is widely perceived as a **safe store of value**, particularly in times of economic uncertainty or conflict. Over the past two years, the **price of gold has risen drastically**, significantly increasing the returns available to those who can control production or trade. This has shifted gold from a secondary revenue stream into a central pillar of many illicit economies.

For example, in several contexts, organised criminal groups now **earn more from gold than from traditional illicit commodities**. Unlike drugs, gold does not spoil, is not consumed, and carries far lower reputational and enforcement risks once it enters formal markets. It can be stockpiled or held as protection against currency depreciation and political instability. For armed and criminal actors, gold therefore offers not just immediate income, but long-term financial security – something few other commodities can provide.

*Picture 6: ASM gold site in Burkina Faso. © Levin Sources 2021*

### *Gold is often poorly regulated and widely accessible*

Finally, despite its strategic importance, gold remains **weakly regulated** at multiple points along the supply chain. Regulatory frameworks are often inconsistently enforced and relatively easy to circumvent. This creates space for sanctions evasion and the laundering of illicit gold into formal markets.

At the same time, gold is produced through **highly decentralised** systems. Around 20% of global gold production is estimated to come from ASM, expanding the number of entry points into gold supply chains. Even where LSM operations are tightly controlled, ASM provides gold trading routes that are harder to monitor and regulate. This means armed and criminal actors do not need to capture industrial mines to benefit from gold; they can embed themselves in dispersed and informal segments of the sector.

*Picture 7: ASM gold. Source: Zahabu Safi/2021.*

# CHAPTER 4 Implications for industrial gold mining companies

## WHAT ARE THE RISKS AND IMPACTS ON INDUSTRIAL GOLD MINING COMPANIES?

For LSM companies, the presence of armed and criminal actors in surrounding ASM and host communities creates risks that extends well beyond security threats. These issues complicate stakeholder engagement, undermine trust, and expose companies to operational, reputational, and ESG risks that are often difficult to manage through conventional tools.

### *Barriers to meaningful stakeholder engagement*

In areas where armed and criminal actors gain influence, **power structures are often reshaped** through co-option, intimidation, or corruption. Traditional leaders, legitimate community representatives, public officials, and ASM representatives may be operating under pressure or influence from these actors. For industrial mining

companies, this makes it difficult to identify legitimate interlocutors or to assess whose interests are genuinely being represented. Engagement conducted through compromised actors risks reinforcing parallel, informal and predatory governance systems and undermining the credibility of consultation processes, grievance mechanisms, and community agreements, whereby genuine community concerns, grievances, and priorities may be poorly communicated, misrepresented, or not voiced at all.

**Company-government engagement** is similarly affected. Where public officials are financially or politically aligned with armed or criminal networks, decisions related to licensing, security deployment, or ASM governance may be driven by private interests rather than the public good. This creates uncertainty for LSM companies, distorts regulatory enforcement (incl. in addressing illegal encroachment of ASM operations on company concessions), and exposes operations to reputational risk, particularly where company interactions with government actors are perceived as enabling corrupt practices or decisions influenced by armed or criminal interests – even when companies themselves are acting in good faith.

These dynamics also **complicate company-supported ASM engagement and professionalisation efforts**. In contexts where ASM activity is shaped by armed or criminal influence, partnerships with ASM entities or leaders may unintentionally legitimise those actors or allow benefits to be captured by illicit networks rather than reaching miners themselves. As a result, initiatives intended to reduce risk and improve conditions can inadvertently entrench the very power structures they seek to address.

### *Low community trust and social licence risks*

The influence of armed and criminal groups in ASM is typically associated with **serious human rights and social harms**, including forced labour, child labour, sexual and gender-based violence, and other forms of coercion. Even without direct involvement, companies operating nearby may be indirectly associated with these abuses through proximity. Where communities perceive that local leaders or ASM representatives have been captured by armed or criminal networks, trust in formal engagement processes may erode. Companies that continue to engage through these intermediaries may be viewed as complicit or disconnected from community realities. Over time, this weakens their social licence to operate and fuels grievances. Armed actors may further pressure communities not to cooperate with the company, deepening isolation.

**Instability in company-community relations** is itself a risk too. Armed and criminal actors often benefit from social tension and uncertainty, as these conditions weaken collective action and divert attention from their own activities. In this context, existing grievances directed at the mining company, such as disputes over land access, employment, benefit-sharing, or perceived exclusion from mining-related opportunities, can be deliberately amplified or manipulated. Armed and criminal actors may selectively encourage complaints, spread misinformation, or pit community groups against the company. Over time, this hardens opposition to company operations and increases the likelihood of protest, violence, or operational disruption in ways that are difficult for companies to anticipate or control.

### *Operational, security, and reputational exposure*

The presence of armed or criminal actors in and around industrial mine sites increases **direct security risks**, including theft, extortion, kidnapping, and attacks on personnel, infrastructure, or transport routes. These threats often extend beyond the mine gate, affecting **access roads, supply chains, and contractor operations**. In response, companies may increase their reliance on public or private security forces to protect assets and staff. While often necessary, this can introduce additional human rights and reputational risks, particularly where security forces operate in contexts marked by weak oversight or a history of abuse and are not adequately trained in alignment with the Voluntary Principles on Security and Human Rights and/or the International Code of Conduct Association (for private security).

Persistent insecurity also creates **operational uncertainty** and **drives up costs**. Companies need to invest more heavily in security, risk monitoring, and stakeholder analysis simply to maintain day-to-day stability. At the same time, proximity to ASM areas influenced by armed or criminal groups can expose companies to heightened scrutiny. Civil society organisations, media, and investors may frame companies as enabling or indirectly benefiting from illicit economies, even in the absence of direct involvement. In such environments, risk is not only about what companies do, but about what they are perceived to tolerate.

# CHAPTER 5 Call to action

## FOR GOVERNMENTS

Governments play a decisive role in shaping whether gold supply chains become drivers for stability or for armed and criminal capture. In many contexts, the current policy mix of especially ASM (criminalisation, neglect, and selective enforcement) has unintentionally strengthened the very actors governments seek to contain. **Any meaningful response starts with recognising ASM as a legitimate economic activity and a critical livelihood for millions,** rather than treating it primarily as a security threat or compliance failure. Where ASM is systematically excluded, armed and criminal actors step in to provide protection, finance, oversight, and market access. Some policy options include:

- *International, public-private and multi-stakeholder partnerships*
  **Armed and criminal capture of gold supply chains is not a problem that governments can address on their own.** Gold, money, and criminal networks move across borders. ASM governments therefore need to work together with other countries, industry actors, financial institutions, and downstream buyers to address risks that spill across countries, regions, and sectors. International and public-private initiatives provide a practical way to do this. They create spaces where producer countries, trading hubs, refiners, banks, and companies can acknowledge shared exposure to illicit financial flows or conflict and criminality associated with gold, and coordinate responses. Initiatives such as the Global Coalition for Action on ASGM or the Multistakeholder Partnership Initiative for Sustainable and Responsible Artisanal and Small-Scale Mining (MSPI) help governments align domestic ASM and minerals policies with how gold and money actually moves through global markets.
- *Legal, regulatory, and institutional reform*
  **Legal and regulatory reform is central to reducing ASM's vulnerability to armed and criminal capture,** because where state systems are inaccessible or ineffective, other actors step in to govern. See our guidance document, presenting a renewed framework of key government interventions for sustainable ASM sector development.
- *Enabling responsible private sector engagement*
  **Governments can also reduce armed and criminal influence by building an enabling environment** for responsible private sector actors to partner with ASM and address barriers to professionalisation and formalisation. This could for instance include facilitating access to formal and fair finance through domestic banks (e.g., TMB in the DRC) (see also this Levin Sources learning brief on working with the banking sector and ASM in the DRC), supporting access to technical assistance and cleaner technologies (e.g., Appropriate Processing Technologies), and enabling access to markets through commercially viable and responsible processing and trading facilities (e.g., Mwamba in Tanzania, Dynacor in Peru – see our work for the World Gold Council on the role of processing plants in ASGM). Governments can also support responsible ASM tailings reprocessing models (e.g. Makor Resources in Zambia) and sustainable finance solutions to implement ASM professionalisation and legitimisation programmes at scale (e.g., sustainability bonds to raise finance ASGM improvement programmes) (see our primer for institutional investors on ASM). In parallel, governments should support industrial

mining companies seeking to address influence of armed and criminal actors in surrounding ASM and host communities.

- *Anti-corruption action*
  **Addressing elite and criminal opportunism requires sustained anti-corruption efforts**. Diagnostic tools such as sector-specific assessments against the UN Convention on Anti-Corruption, increased transparency and monitoring mechanisms (including earth observation), and credible enforcement are all necessary. Without action on corruption, mineral sector reforms risk being selectively applied or actively undermined.
- *Access to remedy*
  Finally, governments should **strengthen access to judicial and non-judicial remedies for harms experienced by rightsholders in ASM communities**. Gender-responsive mechanisms are essential. Access to remedy is not only a human rights obligation; it is a stabilisation measure that reduces grievances and weakens the narratives and influence of armed and criminal actors. Levin Sources' founder, Estelle Levin-Nally, will be publishing a book with Springer Nature in 2026, co-edited with former Levin Sources' team members, Dr. Fabiana Di Lorenzo and Dr. Victoria Gronwald, called *Leadership in the Just Transition: the role of remedy in minerals value chains*, which includes guidance on good practice in supporting access to remedy, including for ASM.

## FOR INDUSTRIAL MINING COMPANIES

Industrial mining companies operating in or near ASM areas infiltrated or affected by armed and criminal actors cannot treat these dynamics as peripheral. They present direct and indirect operational, social, and reputational risks that require deliberate leadership, dedicated systems, and sustained engagement beyond standard compliance approaches.

- *The right leadership: Ensure mine leadership is realistic on this issue*
  **The starting point is leadership. Mine leadership teams need a realistic and honest assessment of the scale and nature of armed and criminal influence in surrounding ASM and host communities.** This includes asking difficult questions: Do senior leaders understand how criminally-backed ASM operates locally? Are risks being taken seriously, or underestimated as temporary or manageable? Companies that approach these dynamics with naïveté or complacency are far more likely to be caught off guard by escalation. Levin Sources supports miners build the capacity of leaders to act more effectively on ASM through dedicated training programmes.
- *Strong ASM management systems*
  **Companies should put in place strong ASM management systems** that allow for rapid, flexible responses to escalation, going beyond industry defined minimum standards, such as those in the major responsible mining standards. This includes clear procedures for ASM-related emergencies, incursions, technology and product confiscations, and violent incidents, as well as a dedicated strategy for dealing with criminally backed ASM, distinct from other forms of ASM activity. Treating all ASM as a single category obscures risk and undermines effective response. Levin Sources helps develop appropriate procedures with our industrial mining clients as part of our services for controlling mutual risk in LSM-ASM relations.
- *Intelligence gathering, monitoring, and assessment*
  Effective risk management depends on timely and credible intelligence. Companies should invest in diverse informant strategies, drawing on exploration teams, community liaison staff, public relations teams, and whistleblowing or grievance mechanisms to detect early warning signs. This should be complemented by professional support, such as advisory services from ICoCA-certified private security firms with intelligence capabilities, and targeted investigations by specialist NGOs and research

organisations with expertise in organised crime and ASM dynamics. Levin Sources helps our industrial mining clients identify and build constructive and effective partnerships with such organisations.

- *Mitigation through trust and meaningful rightsholder engagement*
  Mitigation requires more than security measures. Companies should actively build trust with communities and other rightsholders affected by the presence of armed and criminal actors. This starts with a strong understanding of ASM-community relations and local political economy dynamics. Companies should position themselves as allies to communities navigating the social, economic, and environmental disruptions caused by armed and criminal actors, rather than as distant or solely extractive actors. This may include investing more visibly in local communities than criminal groups, supporting access to justice, and engaging constructively with the state where feasible. Strengthening community resilience is critical. Where communities are united, well-governed, and able to articulate shared interests, they are better able to resist penetration by armed and criminal actors. Fragmentation and exclusion create openings that these actors exploit. Levin Sources' has a proprietary methodology for assessing ASM situations and corporate readiness for effective engagement and risk mitigation as part of our portfolio of services to industrial miners.
- *Territorial approach with other industrial miners and diplomacy*
  Finally, companies should adopt a territorial approach. Armed and criminal actors operate across concessions and community boundaries; company responses should do the same. Working collaboratively with other industrial miners facing similar challenges can build leverage and consistency, whether through joint risk analysis and mitigation strategies or coordinated community engagement. Engagement through chambers of mines can also help push for national-level responses. Where appropriate, companies can also use international diplomacy channels. Involving embassies from the company's home country can support advocacy with host governments, encourage coordinated action, and facilitate intelligence exchange. While companies cannot replace the state, they can use their collective influence to push for conditions that reduce, rather than entrench, armed and criminal influence in mineral-producing regions. Levin Sources has developed the Cooperation Pathway for Sustainable Minerals Value Chains as a tool to support companies to build the right level of cooperation that is proportionate to their risk appetite, risk exposure and capacity.

## FOR ASM ENTITIES

Actions by ASM entities (e.g., enterprises, cooperatives, associations) are necessarily highly context-specific and cannot substitute for state-led reform or broader market interventions. In some settings, the measures outlined below will not be sufficient on their own and should not be pursued in isolation. Where conditions allow, however, ASM entities can take steps to reduce their own vulnerability to armed and criminal capture and strengthen collective resilience.

- *Establish legitimate, community-anchored accountability structures*
  ASM entities can **strengthen internal governance** by creating democratically elected site committees with clear mandates for representation and dispute resolution. Community-approved codes of conduct can explicitly prohibit collaboration with armed or criminal actors and set expectations around behaviour. Grievance and whistleblowing channels, such as anonymous complaint boxes or trusted intermediaries, can help surface risks early. Ensuring representation of marginalised groups, including women, youth, and migrant workers, reduces elite capture. Formalising site allocation and revenue-sharing rules can also reduce frustrations and perceptions of exclusion that armed and criminal actors commonly exploit. Structured dialogue and de-escalation mechanisms, supported by neutral civil society or customary leaders, can help manage disputes before they escalate.
- *Build collective early-warning and risk-monitoring mechanisms*
  ASM entities can **nominate risk focal points and establish simple alert systems** (e.g. through radio or messaging apps like WhatsApp or Signal) to flag emerging threats such as suspicious buyers or new

"taxes" being raised by illegitimate actors. Shared incident logbooks and information exchange with neighbouring sites or trusted civil society organisations can help identify patterns of potential infiltration of armed or criminal groups.

- *Strengthen protections against coercion and dependency*
  Reducing dependence on criminal networks requires **collective safety nets**. These may include savings groups, equipment-sharing arrangements, and transparent supply agreements with vetted buyers. Publishing fair price benchmarks and establishing basic safe-work protocols can reduce reliance on exploitative traders, predatory pre-financing, or armed protection.
- *Address macho culture and recruitment pathways*
  Armed and criminal actors often target boys and young men in ASM communities for recruitment by offering status, protection, income, and a sense of belonging that may be otherwise lacking. Where mining work is insecure, dangerous, or poorly rewarded, these offers can be particularly attractive. Targeted efforts are therefore needed to reduce recruitment risks by **creating alternative pathways to status and stability**. Peer-led discussions, mentorship, and skills training can help young men build income and social recognition without reliance on these groups. Providing safe social spaces and engaging respected male figures, such as community leaders, can help challenge violent masculinity norms and reduce the appeal of coercion and armed activity that such groups exploit.
- *Build collective voice and negotiation power*
  Where possible, ASM entities should **strengthen their collective negotiation power with government and industry** so that miners are not forced to negotiate individually from positions of vulnerability.

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