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Social Policy and Development  
Study Institute

# ARTISANAL MINERS'

## SUMMARY OF SOCIO-ECONOMIC AND LIVELIHOOD STUDY

### LIFE STORIES



**Ninja**



**Individual  
miners**



**Artisanal  
miners**

Ulaanbaatar  
2015

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## FOREWORD

In 2013, a research team from the Social Policy and Development Study Institute NGO conducted a “Socio-Economic and Livelihood Study of Artisanal Miners” among 1827 artisanal miners who were members of artisanal and small-scale mining (ASM) NGOs in 24 soums of seven aimags.

This book summarises the findings of the study and shares information on how those small-scale miners evolved from being “ninja” miners into responsible artisanal miners, how their livelihoods improved, their success stories and the lessons that were learnt, and how they became organised into NGOs in order to protect their common interests. It contains stories about the formalisation process for those miners, how they were able to secure their employment and increase their income, and how they were eventually able to contribute to local economic development.

A key component of this study is the artisanal miners who were involved in the data collection process and who gathered relevant information in accordance with the survey questionnaire and the instructions, advice and guidelines provided by the research institute. We believe that the direct involvement of members of artisanal and small-scale mining (ASM) NGOs to build confidence among the survey respondents in fully completing the questionnaire and openly providing information, which ensured that the survey results were both realistic and accurate.

We hope this book will serve as an important point of reference and will provide baseline information for the ASM National Federation of Mongolia (ASM NF), ASM NGOs, local government officials and national policymakers for future decision-making on ASM issues.

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On behalf of Sustainable Artisanal Mining Project, I would like to express my sincere gratitude to the research team from the Social Policy and Development Study Institute NGO for their collaboration in developing the summary report of this study and in compiling the stories of artisanal miners. I would also like to thank the ASM organisations and local governments for their cooperation in this study, as well as all the artisanal miners involved in the survey who kindly shared their valuable stories and the lessons that were learnt.

Patience Singo

Sustainable Artisanal Mining Project Manager



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## Summary of Socio-Economic and Livelihood Study of Artisanal Miners conducted among the members of ASM NGOs

### Background

Moves to intensify the development of mining and extractive industries and to promote export-oriented industries have been reflected in a range of government policies and legislation, such as the Mongolian Government Action Plan 2012-2016, the Law on Minerals and the Government Regulation on Artisanal Mining Operations. However, Mongolia still needs to acknowledge the artisanal mining sub-sector's contribution to economic growth, create a favourable legal environment for the development of socially responsible artisanal mining, and resolve the socio-economic, livelihood, environmental, occupational safety, structural and organisational issues facing artisanal miners.

The Swiss Agency for Development and Cooperation (SDC) has supported the Government of Mongolia in this endeavour, launching the Sustainable Artisanal Mining Project in 2005 in the belief that organising small-scale miners into formal entities and creating a conducive legal environment to formalise and regulate their sustainable operation would help to reduce poverty, increase incomes for rural people and support local economic development. The SAM Project aims to contribute to rural development and poverty reduction by working with all stakeholders to ensure that artisanal miners are recognised as a responsible and organised community contributing to sustainable rural development in Mongolia. The requisite legal environment was created in 2010 with the passing of the Amendment to the Law on Minerals and the Law on Land, and the approval of the Government Regulation on Artisanal Mining Operations.

On 2 May, 2013, ASM National Federation of Mongolia (ASM NF) was established in a joint initiative by artisanal miners, ASM NGOs and partnerships with the aim of protecting miners' common interests, working as a bridge between the government and artisanal miners, and ensuring their voices were heard by policymakers. Its establishment demonstrated that ASM sub-sector in Mongolia had matured into organised forms of development.

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The SAM Project, in collaboration with partner ASM NGO members, conducted a baseline study to assess miners' socio-economic and livelihood status and the effects of organised forms of work, and recommended potential solutions and alternative policy options for all stakeholders involved in artisanal mining operations (policymakers, implementers, the SAM Project, ASM NF, local government officials, and members of ASM NGOs and partnerships).

## **About the Study**

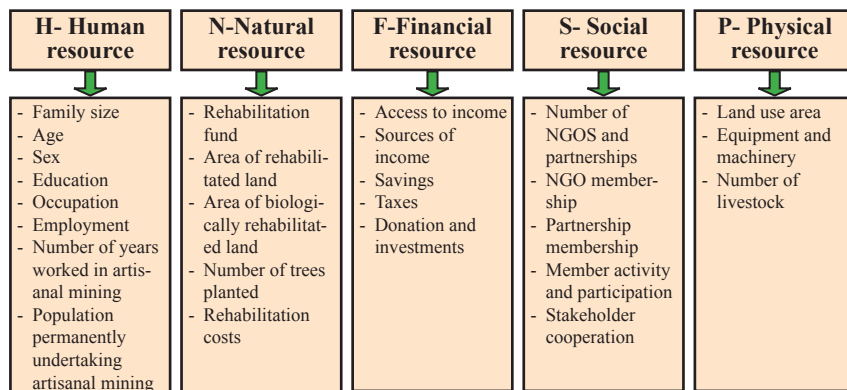
The baseline study aimed to build the capacity of ASM NF and its member NGOs and ensured that artisanal miners were capable of using, updating and summarising survey results and other data for the study. The survey questionnaires were developed and collected in cooperation with artisanal miners. Artisanal miners were trained in survey methodology, data collection techniques and ethics, which enabled them to gather accurate information.

The survey data will be compiled into an information database that will be used to monitor, evaluate and compare performance indicators related to internal coherence, efficiency and the effectiveness of SAM Project objectives and activities, and to assess the socio-economic baseline data of artisanal miners from different NGOs and partnerships. In the future, the ASM NF will be able to update this database every year.

## **Survey methodology**

The study determined the socio-economic and livelihood status of artisanal miners from 25 NGOs through the compilation of data based on the results of a survey questionnaire. The survey results were processed, analysed and summarised using the Pentagon model (a five-dimensional model), which is commonly used internationally for evaluating the performance and effectiveness of, and changes to, development programmes. The Pentagon model described the socio-economic and livelihood status of artisanal miners in five areas: Social, human, physical, natural and financial resources.

**Figure 1. Five-dimensional resources and parameters of the Pentagon model used for determining the scope and content of the survey**



In developing a sample plan, we determined the sample size using a list of artisanal miners working in cooperation with the SAM Project and a membership list of NGOs and partnerships registered with the ASM NF. The data collected via 1827 questionnaires was sufficient to adequately represent the entire target population. We tried to extend the scope of the sample as much as possible as we planned to develop an information database with baseline information on NGOs and partnership members with the aim of benchmarking and updating the database in line with objectives of the SAM Project and the ASM NF.

**Table 1. Sample size, by NGOs surveyed (N=1827)**

<b>Name of NGO</b>	<b>Total number</b>
<b>Zaamar soum, Tuv aimag (n=208)</b>	
Enkh munkh ergekhl kholboo	50
Toson zaamar undarga	20
Evseg tuuлын guur	32
Ogoomor erdeniin tal	22
Uildverleliin bus argaar ashigt maltmal olborlogchdyn negdsen kholboo	43
Zaamar nutgiin khugjild bidnii oroltsoo	41
<b>Bayankhongor aimag (n=536)</b>	
Altan usny khugjil	61
HAMO DH	206
Batsaikhan setgel	63
Bayanbombogor	60
Baidragyn khugjil	146
<b>Gobi-Altai aimag (n=68)</b>	
Gazar shoroo ard tumnii bayalag	25
Van taij	43
<b>Dornogobi aimag (n=86)</b>	
Ekh oron khamtyn khuch	69
Khutagtyn ur sad	17
<b>Dundgobi aimag (n=166)</b>	
Takhilgat lusyn bulag	96
Ulziitiin khishig buyan	40
Khuld khugjliin toloo khamtdaa	30
<b>Selenge aimag (n=465)</b>	
Duush mandal khaikhan kholboo	85
Kherkh noyon khaikhan	37
Baatar vangiin khishig	87
Orkhontuulyn khishig	101
Kharaa nutgiin ajilguichuudiin kholboo	84
Bayan-Undarga san	71
<b>Sharyn gol, Darkhan (n=298)</b>	
Buyantyn khundii Sharyn gol	298
<b>Total</b>	<b>1827</b>

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## Survey results

### ONE. HUMAN RESOURCES

- *Family size, education and occupation of artisanal miners*

A key parameter in determining the demographic conditions of the artisanal miners who were surveyed is their family size. According to this parameter, there was a maximum number of 12 family members and an average number of 4.21 (or four to five) members. Of the 25 NGO members operating in the field of artisanal mining, one of every two households (56.5 percent) had two to five members, 4 percent were single households or had one member, and 39.6 percent had relatively large families of more than six members. A total of 70.9 percent of all artisanal miners surveyed were male. The average age of artisanal miners was  $\pm 37.14$ ;  $\pm 36.50$  for males and  $\pm 38.86$  for females.

The artisanal miners surveyed had on average two children, ninety percent said their children attended school and were not involved in artisanal mining; about 4 percent said their children had dropped out of school; and about 5 percent had school-age children engaged in child labour. This result demonstrates that the government and local administrative bodies, ASM organisations and the artisanal miners themselves need to pay special attention to stopping children dropping out of school, stopping child labour in artisanal mining, and protecting children's rights within ASM communities.

A total of 43 percent of the artisanal miners surveyed had secondary school education, which represented the highest percentage among other educational levels; 12.1 percent had tertiary or vocational education, one in three had secondary education, 9 percent had primary education, and 1 percent had no formal education.

In terms of professional occupations, about 6 percent were teachers, lawyers, economists, accountants, engineers, agronomists, veterinarians, managers and doctors. One in two artisanal miners had no formal occupation. The majority of the professions cited were drivers, heavy machine and equipment operators, herders, mechanics, tractor drivers, cooks, builders and welders.

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A total of 328 artisanal miners paid tuition fees for 536 post-secondary students, 22.3 percent of whom were male and 17.1 percent were female. Thirty-five said they paid tuition for two male students, while 73 said they paid tuition for two female students. It thus appears that there is a marked preference for educating female children.

In the households surveyed, one to two people out of two to three adult family members were doing something to earn an income, which showed that their economic activity was relatively positive. Two people out of two to three family members of working age responded that they were engaged in artisanal mining. This reveals that the number of people permanently working in artisanal mining is high. Therefore, the creation of an enabling legal environment and the formalisation of the artisanal mining sub-sector positively impact upon the high level of employment among artisanal miners and their family members of working age, regardless of their level of knowledge, education and occupation.

**Table 2. Number of post-secondary students in artisanal miner families**

<b>Number of male students</b>		
None	1603	87.7
1	189	10.3
2	35	1.9
<b>Number of female students</b>		
None	1515	82.9
1	239	13.1
2	73	4
<b>Total</b>	<b>1827</b>	<b>100.0</b>

Due to the particular working conditions in artisanal mining, the employment of men and women differs within the sector; specifically, the level of male employment is high, with those males tending to pay more attention to educating their daughters and sending them to colleges and universities.

- *Health and social insurance coverage of artisanal miners*

The survey data shows that health and social insurance coverage is increasing each year among members of organised ASM NGOs and partnerships. According to the study, 62.1 percent of artisanal miners said they regularly paid health insurance; the uninsured miners said they planned to join a health insurance scheme.



**Table 3. Health and social insurance coverage among the artisanal miners surveyed (By 25 ASM NGOs)**

Name of NGO	Health insurance	Social insurance	Total number of surveyed
Enkhmunkh ergekhl kholboo	39	21	50
Toson zaamar undarga	18	16	20
Evseg tuulyn guur	26	21	32
Ogoomor erdeniin tal	22	0	22
Uildverleliin bus argaar ashigt maltmal olborlogchdyn negdsen kholboo	40	31	43
Zaamar nutgiin khugjild bidnii oroltsoo	41	37	41
Altan usny khugjil	25	3	61
HAMO DH	127	39	206
Batsaikhan setgel	62	33	63
Bayanbombogor	32	41	60
Baidragyn khugjil	70	20	146
Gazar shoroo ard tumnii bayalag	21	5	25
Ekh oron khamtyn khuch	42	37	69
Van taij	30	10	43
Takhilgat lusyn bulag	76	71	96
Ulziitiin khishig buyan	36	33	40
Duush mandal khairkhan kholboo	47	42	85
Kherkh noyon khairkhan	15	3	37
Baatar vangiin khishig	42	27	87
Orkhontuuliin khishig	35	28	101
Kharaa nutgiin ajilguichuudiin kholboo	32	14	84
Bayan-Undarga san	10	3	71
Buyantyn khundii Sharyn gol	201	9	298
Khutagtyn ur sad	16	15	17
Khuld khugjliin toloo khamtdaa	30	30	30
<b>Total</b>	<b>1135</b>	<b>589</b>	<b>1827</b>

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As a result of the favourable legal environment, artisanal miners have been able to become organised and form NGOs, formalise their operations and engage in officially recognised employment. This has enabled them to enjoy their constitutional right to have their health protected and to receive public health and social welfare services through relevant insurance coverage and the payment of insurance premiums. A total of 589 artisanal miners of the 1827 surveyed (32.2 percent) had social insurance coverage; 1135 miners (62.1 percent) had joined health insurance schemes. While the level of social insurance coverage is twice as low as that of health insurance, the fact that it is a growing trend demonstrates that miners are cognisant of the importance of insurance.

## TWO. FINANCIAL RESOURCES

- *Income and livelihood sources of artisanal miners*

The main sources of income for artisanal miners were ASM operation, salaries from employment, pensions or welfare allowances, animal husbandry, and small and medium enterprises and family businesses. In terms of the weight of total household incomes, income from artisanal mining ranked first, followed by child allowances and salaries from employment. The majority of the artisanal miners surveyed (64.2 percent) said the money generated from artisanal mining played a large role in their household income - a response that was 20 times higher than other options.

**Table 4. Comparison between the current income sources of 25 ASM NGO members and their income sources before becoming organised (by percentage)**

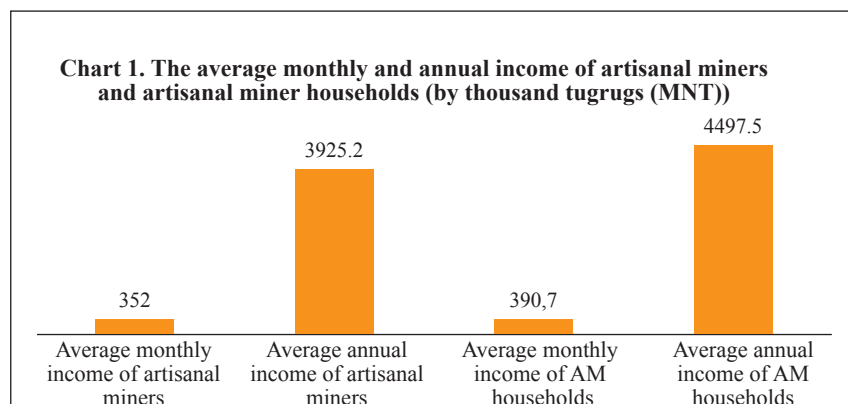
Income sources	Before becoming organised in the ASM sub-sector	After becoming organised in the ASM sub-sector
Aritsanal mining operation	58.7	64.2
Employment salary	15.9	14.5
Pension and welfare	9.4	9.0
Child allowance	45.1	40.5
SME and family business	5.0	5.5
Animal husbandry	11.8	9.3
Agriculture	3.3	2.7
Grocery store	2.1	2.7
Tea-house	0.9	1.0
Tire repair shop	0.7	0.3

Comparing income sources before and after organisation, it appears that the weight of artisanal mining income has generally increased; artisanal mining income has increased about 5 percent, whereas SME and family business income has increased by 0.5 percent, grocery store income by 0.5 percent and tea-house income by 0.1 percent. This shows that the income generated through artisanal mining creates savings that provide miners with additional opportunities to run family businesses, such as operating a grocery store or teahouse, in order to improve their family livelihoods.

- *Average income from artisanal mining activities*

A total of 85.6 percent of the 25 ASM NGO members earn income by extracting gold; 13.1 percent by mining fluorspar and the rest by mining gemstones. Although the main income source of the miners is artisanal mining, the actual amount of income earned was underreported, in some cases due to people refusing to provide accurate information or being unable to accurately determine their income. According to the results of the survey, artisanal miners normally earn a minimum income of from MNT 20,000-30,000 per day to MNT 50,000-100,000 per day;

some days they earn no money at all. This makes it difficult for them to accurately determine their income. According to the information provided by the artisanal miners, their monthly income ranges from MNT 150,000 to MNT 2,500,000; it was estimated that their average monthly income was MNT 352,045.



Artisanal miner households had on average 4.21 family members, and their average monthly household income was MNT 390,929 which is lower than the national average for household income as determined by National Statistical Office (NSO) in 2012. According to the NSO's 2012 report, the monthly income level of a rural household was MNT 494,738<sup>1</sup>.

Of the artisanal miners surveyed, 372 (20 percent) relied on animal husbandry for another source of family livelihood; 63.4 percent had cattle, 60 percent had sheep, 63.7 percent had goats, 36 percent had horses, and 4 percent had camels. Artisanal miners usually engage in animal husbandry to sustain their daily livelihood needs for meat and milk products, not for business purposes.

1 Statistical Bulletin of Mongolia, 2012, p.302

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### ***Changes in the household economic and livelihood status of artisanal miners after becoming organised***

A total of 42 percent of the artisanal miners surveyed said their family income had increased as a result of sectoral organisation and the formalisation process. The survey data also showed that the increased income of artisanal miners resulted in increased spending on food and other daily needs, as well as improvements in household livelihoods.

**Table 5. Changes in household economy and the livelihoods of artisanal miners as a result of organisation and formalisation of ASM**

Selected responses	Number	Percentage
Bought a car	433	23.7
Bought a truck	158	8.6
Bought a motorcycle	336	18.4
Built a new house	106	5.8
Installed solar or wind energy sources	118	6.5
Installed an electric engine	351	19.2
Bought a refrigerator	545	29.8
Bought a washing machine	561	30.7
Bought a TV set	615	33.7
Bought a DVD/CD player	291	15.9
Bought livestock	159	8.7
Bought new tools and equipment	270	14.8
Bought a ger (Mongolian traditional dwelling)	209	11.4
Bought felt and coverings for a ger	164	9.0
Bought household goods (bedding, mat, etc.)	264	14.4
Renovated fences and house	263	14.4
Deposited cash or increased savings	166	9.1
Opened a private business (grocery store, tea-house, etc)	87	4.8
Paid tuition for post-secondary students	328	18.0
Created work station to conduct artisanal mining legally	578	31.6
Increased household income	757	41.4
Improved household livelihoods	541	29.6
Settled debts (to banks or individuals)	237	13.0
Started to receive health services after joining a health insurance scheme	379	20.7
Celebrated national holidays such as New Year, Lunar New Year and Naadam festivals together with the ASM NGO and partnership members	544	29.8
Soum grocery stores increased their supply of goods due to the increased purchasing power of local citizens	462	25.3

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- **The main reason for increased incomes in the past two to three years is the shift from individual small-scale mining to organised forms of artisanal mining, which has enabled miners to work peacefully without any disturbances or be banished from the land.**

About 60 percent of artisanal miners with cash deposits were able to lift their level of savings. As well as sustaining their daily needs, artisanal miners were able to buy work equipment and vehicles, deposit money and open such businesses as grocery stores and teahouses. It would appear then that organised forms of artisanal mining have not only helped to increase incomes, but have also created small business opportunities to support household livelihoods, which has had the largest impact on the economic and livelihood status of ASM NGO members. A total of 742 (40 percent) of artisanal miners were able to buy accommodation and houses or were able to improve their housing conditions; 927 (49.2 percent) purchased vehicles and motorcycles; and they collectively bought 2481 home appliances. This demonstrated that they could make positive changes to their family livelihoods and significantly improve their quality of life.

- **ASM NGOs and partnerships were able to establish mutual trust funds and accumulate savings, which is a sign of strengthening economic capacity.**

The members of the ASM NGOs and partnerships surveyed made monthly contributions of MNT 20,000 to MNT 50,000 to their trust funds. If we estimate the amount of money accumulated in these trust funds on the basis of NGO and partnership membership, each of the 25 ASM NGOs was able to accumulate MNT 60-80 million in 2012 and MNT 100-120 million in 2013. This shows that ASM organisations have become financially capable and operationally stable as a result of their organisation and formalisation efforts. However, some NGOs and partnerships with irregular operations were unable to accumulate monthly savings, and hence it was difficult for them to undertake land rehabilitation, occupational health and safety programmes and community activities.



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- **The ASM NGOs and partnerships involved in the survey donated MNT 10,000 to MNT 15 million in 2012 and MNT 10,000 to MNT 50 million in 2013 to support local development. This five-fold growth in artisanal miners' donations to and investments in local development in one year demonstrates that artisanal miners are well aware of their social responsibility and have started to contribute to local community development.**

Artisanal miners' initiatives and their involvement in local economic development and reconstruction projects, their donations, organisation of and participation in local anniversaries, cultural and sports activities and environmental protection campaigns also demonstrate that they are already socially active members of their communities and are making contributions to local development.

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**Table 6. Contributions of ASM NGOs to local development**

Environment	<ul style="list-style-type: none"><li>• Planted trees, bushes and plants</li><li>• Mobilised vehicles for cleaning environment</li><li>• Cleaned river areas</li><li>• Cleaned and removed garbage from the soum centre</li><li>• Lawn gardening</li></ul>
Soum anniversary and festivals	<ul style="list-style-type: none"><li>• Donated livestock for celebrating festivals</li><li>• Sponsored awards for horse racing</li><li>• Sponsored awards for children's horse racing</li></ul>
Restoration and facade of soum buildings	<ul style="list-style-type: none"><li>• Renovated soum administration building</li><li>• Bought office furniture for soum administration</li><li>• Built stone monuments</li><li>• Bought equipment and computers for soum government</li><li>• Built a fountain</li><li>• Restored local park</li></ul>
Soum public services	<ul style="list-style-type: none"><li>• Built and operated public bathhouse</li></ul>
Local construction work	<ul style="list-style-type: none"><li>• Involved in bridge and road building work</li><li>• Restored dams</li><li>• Dug flood ditches</li><li>• Rebuilt soum festival area</li></ul>
Public activities	<ul style="list-style-type: none"><li>• Organised volleyball competition</li><li>• Participated in local sports events</li><li>• Organised free of charge training to raise awareness about mining</li></ul>
Donations to local citizens	<ul style="list-style-type: none"><li>• Provided donations for herders</li><li>• Helped herders' work</li></ul>

### THREE. NATURAL RESOURCES

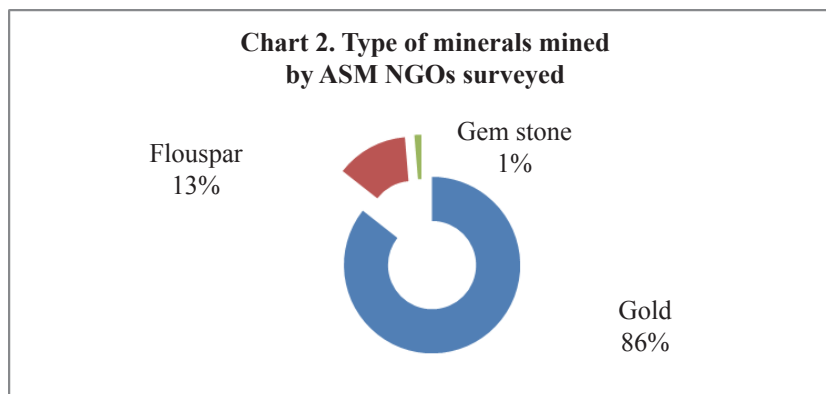
Sixteen of the 25 ASM NGOs working in the artisanal mining sector have permission to operate on 145.3 hectares of mining land. However, the survey found that nine NGOs - including Ulziitiin khishig buyan (Ulziit soum, Dundgobi aimag), Enkh munkh ergekh kholboo (Zaamar soum, Tuv aimag), Uildverleliin bus argaar ashigt maltmal olborlogchdyn negdsen kholboo (Zaamar soum, Tuv aimag), Zaamar nutgiin khugjild bidnii oroltsoo (Zaamar soum, Tuv aimag), Kherkh noyon khairkhan (Mandal soum, Selenge aimag), Baatar vangiin khishig (Mandal soum, Selenge aimag), Orkhontuuliin khishig (Orkhontuul soum, Selenge aimag), Kharaa nutgiin ajilguichuudiin kholboo (Bayangol soum, Selenge aimag) and Bayan-Undarga san (Yeroo soum, Selenge aimag)-did not have their mining land officially allocated.

**Table 7. Size of artisanal mining land area used by 25 ASM NGOs operating in the field of artisanal mining**

No.	Name of NGO	Location	Name of mining area	Allocated land area (hectare)
1	Altan usny khugjil	Bayankhongor, Bayan-Ovoo	Altan us	1.5
2	HAMO DH	Bayankhongor, Bayan-Ovoo	Tsagaan tsakhir	30
3	Batsaikhan setgel	Bayankhongor, Galuut	Uvur baraan khad	1
4	Bayanbombogor	Bayankhongor, Bombogor	Builsan, Shirkhen	5
5	Baidragyn khugjil	Bayankhongor, Jargalant	Mandal boorog	13
6	Gazar shoroo ard tumnii bayalag	Govi-Altai, Yesonbulag	Undur denj	1.5
7	Van taij	Govi-Altai, Yesonbulag	Yalaat	0.8
8	Ekh oron khamtyn khuch	Dornogobi, Airag	Altad, Tsakhiurt	1
9	Khutagtyn ur sad	Dornogobi, Airag	Arvan es, Boroodoi, Tagt	1
10	Takhilgat lusyn bulag	Dundgobi, Khuld	Tuimert tsagaan, Takhilgat tsagaan	50

11	Khuld khugjiliin toloo khamtdaa	Dundgobi, Khuld	Tuimert tsagaan	50
12	Ulziitiin khishig buyan	Dundgobi, Ulziit	Yembuu dersen us	-
13	Enkhmunkh ergekh kholboo	Tuv, Zaamar	Bayangolyn am	-
14	Toson zaamar undarga	Tuv, Zaamar	Ar naimgan	0.5
15	Evseg tuulyn guur	Tuv, Zaamar	Near Tuul bridge	0.5
16	Ogoomor erdeniin tal	Tuv, Zaamar	Altan dornod	5
17	Uildverleliin bus argaarashigt maltmal olborlogchdyn negdsen kholboo	Tuv, Zaamar	Altan dornod, Tsagaan chuluut	-
18	Zaamar nutgyn khugjild bidnii oroltsoo	Tuv, Zaamar	Tsagaan chuluut	-
19	Duush mandal khaikhhan kholboo	Selenge, Mandal	Noyod	12.2
20	Kherkh noyon khaikhhan	Selenge, Mandal	Biluut, Gemluut	-
21	Baatar vangiin khishig	Selenge, Mandal, Tunkhel	Budanch bor tolgoi	-
22	Orkhontuuliin khishig	Selenge, Orkhontuul	Tooroi mod	-
23	Kharaa nutgiin ajilguichuudiin kholboo	Selenge, Baruunkharaa	Shar Narst	-
24	Bayan-Undarga san	Selenge, Yeroo	Khargana, Mogoit, Olont	-
25	Buyantyn khundii Sharyn gol	Darkhan-Uul, Sharyn gol	Buyantyn khundii	2
<b>Total</b>				<b>145.3</b>

According to the survey results, 85.6 percent of the 25 ASM NGOs mined gold; 13.1 percent mined fluorspar; and the remaining 1.3 percent mined gemstones. It was estimated that a partnership could extract on average each month 50-100 grams of gold, 100-250 tonnes of fluorspar and 4 tonnes of gemstones.



The 25 ASM NGOs in the survey sample altogether rehabilitated 15 hectare land in 2012 and 32.6 hectare land in 2013, a two-fold increase in the space of a year.

Eleven of the 25 NGOs have done technical rehabilitation of 28.8 hectare land, biological rehabilitation of 16 hectare land and planted trees and seedlings on 1.5 hectare land in the past two years.

**Table 8. Rehabilitation work conducted by some of ASM NGOs surveyed (in hectares)**

No.	Name of NGOs	2012			2013	
		Technical rehabilitation	Biological rehabilitation	Planting trees and seedlings	Technical rehabilitation	Biological rehabilitation
1	Altan usny khugjil, Bayankhongor, Bayan-Ovoo	2.5			3	
2	HAMO DH, Bayankhongor, Bayan-Ovoo	3.5				3
3	Baidragyn khugjil, Bayankhongor, Jargalant	2.5	3		3	
4	Gazar shoroo ard tumnii bayalag, Govi-Altai, Yesonbulag	3			2.5	
5	Van taij, Govi-Altai, Yesonbulag	0.5			2	
6	Khutagtyn ur sad, Dornogobi, Airag				1	
7	Enkhmunkh ergekh kholboo, Tuv, Zaamar			1.5	1.5	
8	Toson zaamar undarga, Tuv, Zaamar		1			10
9	Uildverlelin bus argaar ashigt maltmal olborlogchdyn negdsen kholboo, Tuv, Zaamar	0.5				
10	Duush mandal khairkhan kholboo, Selenge, Mandal				0.5	
11	Buyantyn khundii Sharyn gol, Darkhan-Uul, Sharyn gol				2.8	
	<b>Total</b>	<b>12.5</b>	<b>4</b>	<b>1.5</b>	<b>16.3</b>	<b>13</b>

## FOUR. PHYSICAL RESOURCES

Artisanal miners in the 25 ASM NGOs surveyed used various types of equipment, including compressors (10.4 percent), dry blowers (12.2 percent), metal detectors (8.3 percent), big motors (14.7 percent), small motors (16.8 percent), jackhammers (18.1 percent), scrubbers (6.7 percent), pumps (7.7 percent) and private mills (5.1 percent).

**Table 9. Number of equipment used by the artisanal miners surveyed, by type**

Name of Equipment	Number of new equipment	Number of old equipment	Total	Percentage
Compressor	111	132	243	10.4
Dry blower	149	135	284	12.2
Metal detector	70	123	193	8.3
Big motor	183	161	344	14.7
Small motor	209	183	392	16.8
Jack hammer	196	226	422	18.1
Hydraulic jet (scrubber)	74	80	154	6.7
Pump	85	95	180	7.7
Other (private mills)	67	51	118	5.1
<b>Total</b>	<b>1144</b>	<b>1186</b>	<b>2330</b>	<b>100</b>

According to 58.8 percent of survey respondents, another benefit of shifting individual small-scale mining to organised forms of artisanal mining and having secure jobs is that they were able to invest in the purchase of new equipment; as a result, the number of new equipment has dramatically increased. The renovation and improvement of mining equipment resulted in reduced labour for artisanal miners and increased production volume. Therefore, the formalisation of artisanal mining has had a positive impact on physical and financial resources.

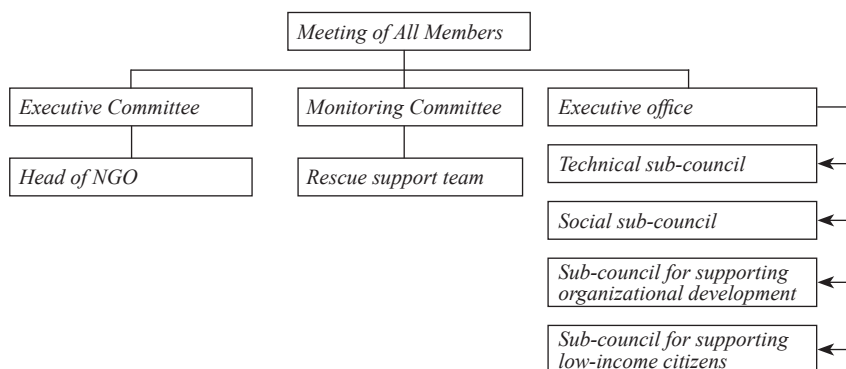


## FIVE. SOCIAL RESOURCES

### *Changes in organisational structure and capacity building of ASM NGOs and partnerships*

Following the creation of an enabling legal environment through the Amendment of the Law on Minerals in 2010 and the subsequent approval of the Government Regulation on Artisanal Mining Operations, individual small-scale miners shifted into an organised form of unregistered partnerships, which represented a significant change in the artisanal mining sector. The activities of the 261 partnerships and 25 NGOs that enlisted 1827 artisanal miners demonstrate that the organisational structure of the artisanal miners has been well set up.

**Figure 2. Organizational structure of ASM NGOs**

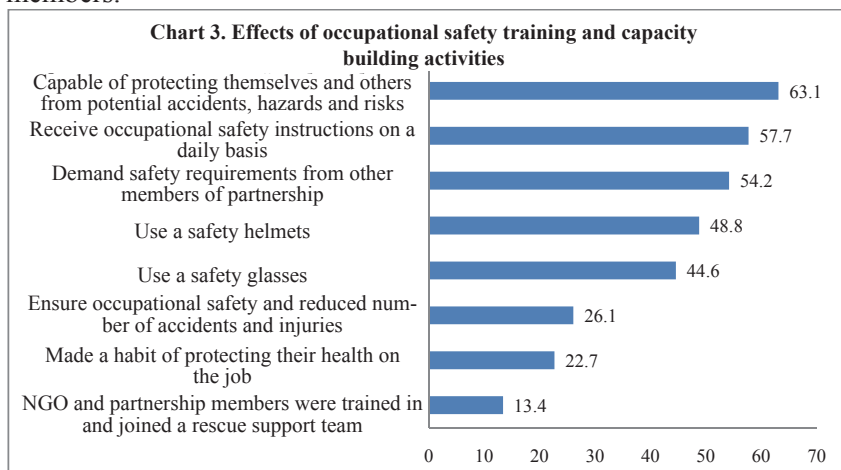


The study covered 261 partnerships of 25 ASM NGOs conducting artisanal mining in Bayan-Ovoo, Galuut, Bombogor and Jargalant soums of Bayankhongor aimag, Yesonbulag soum of Govi-Altai aimag, Airag soum of Dornogobi aimag, Khuld and Ulziit soums of Dundgobi aimag, Zaamar soum of Tuv aimag, Mandal, Bayangol, Yeroo, Orkhontuul and Tunkhel soums of Selenge aimag, and Sharyn gol soum of Darkhan-Uul aimag. The partnerships had a minimum number of 10-13 members and a maximum number of 30-40 members. We can conclude that the current organisational structure of unregistered partnerships and ASM NGOs has been properly established in terms of collective labour, division of labour, the meeting of occupational safety requirements, the sharing of profits, the creation of trust funds, improvements to equipment, the

instituting of internal controls and dispute resolution; and further, they need to take the form of business entities.

- **Organised artisanal mining meets occupational health and safety requirements and reduces the number of mining accidents and injuries.**

A total of 63.1 percent of the ASM partnerships and NGO members surveyed had attended occupational safety training and were able to protect themselves and others from potential hazards and risks. In addition, 57.7 percent received occupational safety instructions on a daily basis, and 54.2 percent demanded safety from their partnership members.



According to the survey, of the 25 ASM NGOs surveyed, five accidents were reported in 2012: Altan usny khugjil, Takhhilgat lusyn bulag and Buyantyn khundii Sharyn gol NGOs. In 2013, four accidents were reported from four NGOs, which shows a decline in comparison with previous years. The reduction in the number of accidents was influenced by a number of factors, including safety training, improved quality of and access to advocacy work, and improved skills among volunteer members of rescue support teams

- **The survey data shows that the ASM NGOs were able to build their capacity and become empowered by sharing experiences, conducting training and advocacy activities, organising meetings**

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**among members, and expressing their opinions to government and local administrative bodies.**

In the past year, 812 capacity building trainings were conducted on various topics, including occupational safety, law, business, finance, taxation, dispute resolution and organisational issues; 84 study tours, meetings and demonstrations were held; 143 cultural and art events were held; 107 competitions in different types of sports were held; and 242 meetings with local administrations and mining companies were organised among members of the 261 partnerships of the 25 ASM NGOs surveyed. This means members of one NGO organised on average 51 meetings for NGO members, three trainings, nine meetings with local governments and mining companies, three study tours or experience-sharing meetings, five cultural and art events, and four sports competitions a year, which demonstrates that ASM organisations are operating at a sufficient level of sustainability to hold regular activities and serve their members.

*Example:*

*Buyantyn khundii Sharyn gol NGO has 60 member partnerships. They organised the highest number of meetings:191. Some of the partnership leaders who responded to the survey said they held a partnership meeting every week and, if necessary, two to three times a week.*

*(“Socio-Economic and Livelihood Study of ASM NGOs”, 2013)*

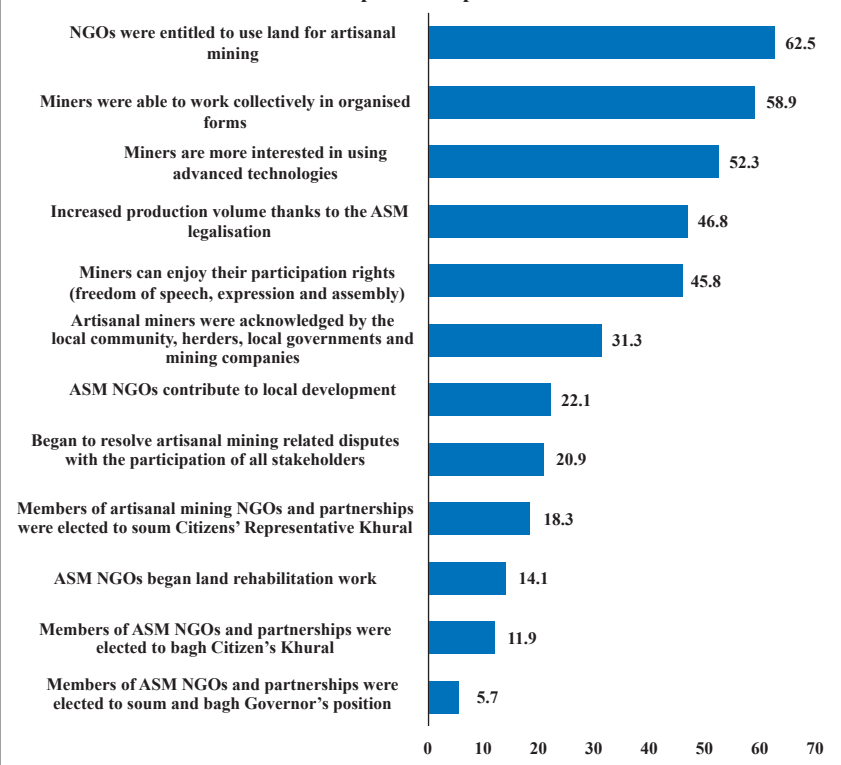
- **The 25 ASM NGOs covered by the survey have begun to cooperate with local governments and mining companies under tripartite agreements.** Twenty percent of them work with bilateral agreements, 24 percent with tripartite agreements, and 44 percent via verbal agreements. Twelve percent of the artisanal miners said they did not have any agreements.

**Chart 4. Forms of cooperation agreements between ASM NGOs, local governments and mining companies, in percentage**



Members of ASM NGOs and partnerships appreciated the benefits of organisation and formalisation, citing the following leading reasons: 1) NGOs were entitled to use land for ASM operation (62.5 percent); 2) They were able to work collectively (58.9 percent); 3) They are more interested in using advanced technologies (52.3 percent); 4) Production volume has increased thanks to the legalisation of artisanal mining (46.8 percent); 5) They are able to enjoy their constitutional rights to participation, such as freedom of speech, freedom of expression and freedom of assembly (45.8 percent); and 6) They were acknowledged by the local community, herders, local governments and mining companies, which meant they could work legally without being banished and in secure working conditions (31.3 percent).

**Chart 5. Changes brought by organization of ASM NGOs and partnerships**



Example:

*Representatives and chairs of soum Citizens' Representative Khurals: "HAMO DH" NGO of Bayan-Ovoo soum, Bayankhongor aimag; "Uildverleliin bus argaar ashigt maltmal olborlogchdyn negdsen kholboo" NGO of Zaamar soum, Tuv aimag; and "Khuld khugiliin tuluu khamtdaa" NGO of Khuld soum, Dundgobi aimag.*

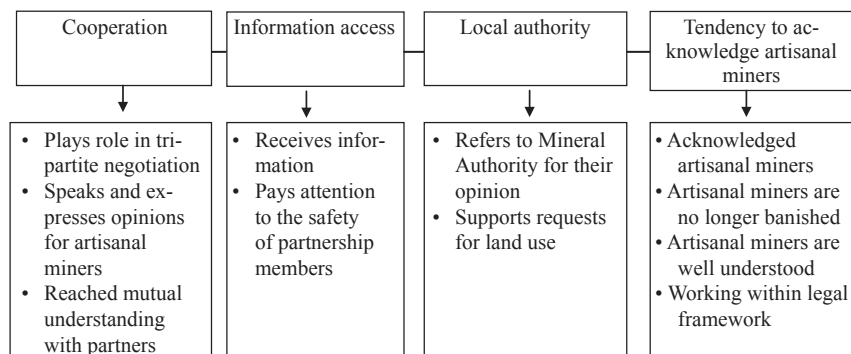
*Presiding members of bagh Citizens' Representative Khurals: "Altan usny khugjil" NGO of Bayan-Ovoo soum, Bayankhongor aimag; "HAMO DH" NGO of Bayan-Ovoo soum, Bayankhongor aimag; "Baidragyn khugjil" NGO of Jargalant soum, Bayankhongor aimag; "Duush Mandal khairkhan Kholboo" NGO of Mandal soum, Selenge aimag; "Khuld khugiliin tuluu khamtdaa" NGO of Khuld soum, Dundgobi aimag; "Toson Zaamar undarga" NGO of Zaamar soum, Tuv aimag.*

*Bagh Governors: "HAMO DH" NGO of Bayan-Ovoo soum, Bayankhongor aimag; "Baidragyn khugjil" NGO of Jargalant soum, Bayankhongor aimag; "Altan usny khugjil" NGO of Bayan-Ovoo soum, Bayankhongor aimag.*

*Soum Governor: "Ulziitiin khishig buyan" NGO of Ulziit soum, Dundgobi aimag.*

*("Socio-Economic and Livelihood Study of ASM NGOs", 2013)*

**Figure 3. Positive changes made in the cooperation between ASM NGOs and other stakeholders**



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## RECOMMENDATIONS

On the basis of the survey results and conclusion, the following recommendations are made for the attention of central and local governments, local self-governing bodies, ASM NGOs and the SAM Project.

### **For central government organisations and implementing agencies:**

- 1) Although the legal environment was created by the Amendment to the Law on Minerals and the Government Regulation on Artisanal Mining Operations approved in 2010 and the contribution of the artisanal mining sub-sector to Mongolia's economy has been acknowledged, the government should pay greater attention to the fact that law enforcement and implementation is still insufficient.
- 2) Further measures should be taken to implement government policies and decisions; in particular, improvements to the legal environment for artisanal mining; the resolution of land-related issues within the existing legal framework, such as taking land for local special needs and allocations to local citizens for the purpose of artisanal mining; and the decentralisation of land-management authority to local governments.

### **For the SAM project:**

- 1) Additional support is needed for members of ASM NGOs and partnerships in terms of building their capacity and awareness of community-based participatory approaches and human rights-based approaches.
- 2) The project needs to conduct training aimed at improving the roles and responsibilities of ASM NGO members, developing their social activities and collective attitude, building their capacity, and supporting them in organising such important training as occupational safety and land rehabilitation.

### **For the ASM National Federation of Mongolia:**

- 1) About 64 percent of 1827 artisanal miners responded that artisanal mining was their main livelihood source, with miners earning on average about MNT 350,000 per month, which demonstrates that



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artisanal mining can significantly contribute to Mongolia's economy. In the future, the ASM NF needs to determine the number of artisanal miners, mining area locations and the artisanal mining sub-sector's contribution to the national economy based on information and data collected by member ASM NGOs, as well as create a database of income, tax payments, and health and social insurance information which should be regularly updated and reported to the relevant organisations and the general public.

- 2) In order to support the sustainable livelihoods of artisanal miners, the ASM NF should support miners' SMEs, involve them in employment support programmes, help them to secure bank loans, ensure greater involvement of female miners in these activities, and promote initiatives targeting savings and investment in other business sectors from the earnings derived from artisanal mining.
- 3) In order to support livelihoods and increase artisanal miners' incomes, it should also cooperate with local governments and professional organisations in environmental protection by involving the artisanal miners in biological rehabilitation and tree-planting campaigns.
- 4) About 4 percent of the survey respondents had children who were school dropouts and 50 percent had school-age working children. The ASM NF should urge member ASM NGOs, partnership heads and members to stop children dropping out of school and stop child labour within the framework of ensuring the implementation of the Convention of the Rights of the Child and the Worst Forms of Child Labour Convention. There is a need to cooperate with local governments in this regard.
- 5) The ASM NF should also undertake advocacy measures to improve the legal environment for artisanal mining, to secure mining rights for artisanal miners and to encourage positive decisions in support of artisanal miners.

#### **For the members of ASM NGOs:**

- 1) Members should conduct environmentally friendly and socially responsible mining activities within the legal framework and cooperate closely with government and non-government organisations.

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- 2) Members should actively participate in events and activities organised by local governments, the ASM NF and ASM NGOs.
  - 3) Members should give first priority to occupational safety, always following safety rules, instructions and requirements and making them a habit.
  - 4) Members should consider building up savings for their future and looking for investment opportunities to generate income from alternative sources aside from artisanal mining.
  - 5) Members should protect themselves from potential risks and guarantee their futures by joining health and social insurance schemes.

**For the local self-government and administration bodies and respective officials:**

- 1) Some ASM NGOs and partnerships work under bilateral and tripartite agreements with soum governors and mining companies operating in the local area. Implementation of these agreements should be well monitored by all sides and should be openly reported to the local community.
- 2) Articles 2 and 3 of the Government Regulation on Artisanal Mining Operations regulates the rights and duties of soum and district Citizens' Representative Khurals and soum governors. They should fulfill their duties by implementing and coordinating measures to provide legal assistance to ASM partnerships, maintain the cadastral registration of artisanal mining areas in their soums and districts, keep exploration reports of mining operations, provide health and social welfare services to artisanal miners, involve their children in schools and kindergartens, improve tax payments and insurance coverage of artisanal miners, and ensure compliance with occupational health and safety rules.
- 3) Soum governors usually sign a "Corporate Social Responsibility Contract" with mining companies. Specific clauses to support artisanal miners working in organised forms should be included in these contracts.

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Sustainable Artisanal Mining Project,  
the Swiss Agency for Development and Cooperation and  
Social Policy and Development Study Institute

2014

**Study team**

**Study team leader:** Ts.Odgerel (Ph.D student)

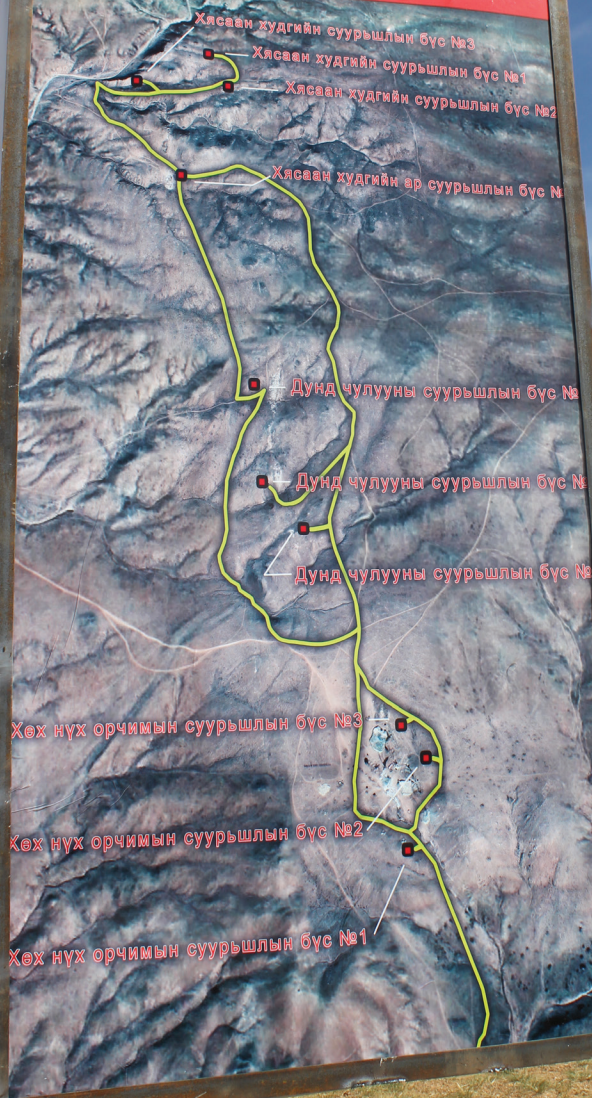
**Study team advisor:** T.Burenjargal (Ph.D, Prof.)

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V.Batgerel	Surveyor, Social Policy and Development Study Institute



“Цагаан цахирт” дахь бичил уурхайчдын  
суурьшлын бүсүүдийн байршил





## LIFE STORIES OF ARTISANAL MINERS...

- Stories about how those artisanal miners evolved from being “ninja” miners into responsible artisanal miners and how their livelihoods changed...
- Success stories about how they became organised into NGOs in order to protect their common interests...



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## Narantsogt from Bornuur soum

*(Chairman, ASM National Federation of Mongolia)*

Narantsogt Belkhuu is a person who, no matter what, is able to look at life on the bright side. He lives happily in Bornuur soum in Tuv aimag - The land of his ancestors. He credits his happy life to his father. "I'm living with my dad's genes. If I went to college, specialised and developed myself, I could have had a better life than I'm having now."



*B.Narantsogt, 2011*

His father, Sharavjamts Belkhuu, began his career as a livestock keeper in Bornuur soum and from the 1960s onwards worked as an accountant. He was well-respected in the local community for his hard work, and was one of the most educated people in the soum at that time. His son inherited his wisdom and leadership skills, which is evident in Narantsogt's contribution to, and achievements in the artisanal mining sub-sector. People in Bornuur soum know that Narantsogt is a wise, hard-working and productive man, which can be gleaned from the many roles he takes on, such as member of the soum Citizens' Representative Khural, head of the Archery Association and director of the KhAMO company. These roles also show that he is helping to improve many people's lives and is contributing to local development.



*With international advisors, 2009*

In 1998, he heard rumours that a few people from his community and six people from Zuunkharaa were mining gold at Sujigt mountain in Bornuur soum. He went to the mountain to investigate and bought gold from the miners operating there, and brought them the supplies they had asked for. At this time, the soum centre was largely empty, with people forced through widespread unemployment to migrate to other areas. However, once people began to hear about the gold mining at Sujigt mountain, families began to return to the soum.



*The opening ceremony of testing plant, February 10th, 2009*



Seeing the miners using toxic mercury in their gold-extraction operations, which is harmful to both people and the environment, Narantsogt reached an agreement with soum governor Ts.Guyenbaatar to set up a centralised mill in order to ensure the use of mercury was kept far from the soum.



*Planted trees with representatives of SAM Project, Swiss Agency for Development and Cooperation, and Ministry of Foreign Affairs of Switzerland, outside of “KhAMO” LLC, 2010*

He then launched an ore-processing mill and gold-purchasing centre; the equivalent of one-stop shop. From 1999-2003, the use of mercury in Bornuur soum was widespread, used by almost all families who were mining gold. Narantsogt’s initiative was the first step in keeping people away from the hazards of mercury. In 2007, the Mongolian government closed all centralised mills that were using mercury, which led to a rise in its clandestine use.

On 29 November, 2007, 32 artisanal miners from Bornuur soum established the “Association of Artisanal Miners”; Narantsogt, B.Uuganbayar. R.Tsogbadrakh, D.Tsengel and A.Otgonkhishig were elected to the Executive Committee. The five committee members met with staff from the Sustainable Artisanal Mining (SAM) Project in December that year with the aim of exploring mercury-free methods of gold extraction. Then SAM Project coordinator B.Khuldorj welcomed their initiative, and cooperation between the two began. Narantsogt

recalled the initial challenges they faced: “It was difficult for us who never wore suits or held pens in our hands, when we were told that ‘You, who have been working with spades and soil, should use paper and pen to bring your ideas to us’”. After that, we decided to hire a person to write a project proposal with assistance from the SAM Project. A.Munkhjargal and Ganbat, tutors from the Mongolian Cooperative Training and Information Centre, were hired for five days, enabling us to put our proposal down on paper. That is how the project proposal of the KhAMO company was first written on a paper. It was not easy to establish a shareholding company. We had trouble finding investors as we were unable to raise money among local business entities. We faced the problem of: “What do we do now?” So the five of us established our own company on 3th of March, 2008, and we have been working with the SAM Project ever since.



*B.Narantsogt, Director of “KhAMO” LLC*

For some time there were heated discussions on how the use of mercury was out of control. When specialised institutions began disclosing data after their inspections, mercury-free technology began to be discussed at the government level. A MNT 450 million pilot processing plant was established in February 2009 with support from the central government and local government agencies. After establishing this plant, we were able to pay back the government loan and other expenses, as well as spend money to support artisanal miners and ensure

their wellbeing. We are also contributing to local development.

Mercury-free technology is known as a gravitation methodology-gold-processing technology using gravity. This approach was developed after the KhAMO company and SAM Project staff tested a range of different equipment and approaches. The SAM Project also hired artisanal mining experts, specialists and consultants from abroad, as well as four engineers specialising in mineral resources processing who had graduated from the Mongolian University of Science and Technology. The first processing stage is comprised of an ore crusher, “jaw crusher”, roller mill, and primary and control sluices. Ore processing is carried out on a shaking table that is manufactured in Britain. Other countries are interested in our technology. Of the four mercury-free ore-processing plants that have been set up in Mongolia, the Bornuur processing plant is the pioneer.



*With members of Executive Committee, First Congress of Artisanal and small-scale miners, The Government Palace, May 2nd, 2013*

It is important to provide support for those people who are working hard to support themselves and their families, as well as contribute to local economic development, without any assistance from the State.

The SAM Project has made an enormous contribution to the formalisation of artisanal and small-scale mining (ASM) in Mongolia and in organizing ASM NGOs and partnerships throughout the country. The project has invested a lot of money in transforming “ninja miners” into

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artisanal miners. As a result of this, artisanal miners throughout Mongolia are able to operate sustainably with proper information, knowledge and education. Just a short time ago, the Mongolian government did not “move even its fingers” to support artisanal miners. It is fortunate for us that the SAM Project exists. According to Narantsogt: “As for the KhAMO company, it had a dream but it could only think intuitively. We think the SAM Project is a virtue that has taught us international experiences and technological methods, among other important techniques.”

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## Pioneering female artisanal miner from Orkhontuul

*(Head of the “Orkhontuulin khishig” ASM NGO,  
Orkhontuul soum, Selenge aimag)*



*P. Davaasuren, 2011*

Orkhontuul soum is nestled in an oasis of the Orkhon and Tuul river basin. Here, the hard-working, enthusiastic and committed Davaasuren Purev works as head of “Orkhontuulin khishig” ASM NGO. Davaasuren studied at the Light and Food Industry vocational training college in the Russian city of Ryazani, returning in 1986 to work at a flour and fodder factory in Sukhbaatar, Selenge aimag. In 1987, she returned to her home and began working at the “Deej” wheat and grain company; however, she became unemployed during the nation’s transition to a market economy in 2000 when the company’s business stagnated.

Davaasuren began gold mining in Zaamar soum in Tuv aimag, taking along her three younger brothers against her parents’ wishes. Her parents were fearful of the dangers they faced in mining and urged them to take good care of themselves. For the next decade, she travelled to any



*“Experience sharing workshop of artisanal miners”,  
Dugan khad camp, 2014*

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places where she heard there was gold to be mined as a “ninja”, enabling her to support a family and assist her parents and siblings with money for food and education.

Davaasuren is a brave woman who has undergone many hardships in order to work as a gold miner. It is difficult work even for the strongest of men, and she was often chased away and expelled from others’ land. But her work as an artisanal miner has helped her to become wise and develop a diverse range of skills: Coordination, decision-making, communication, and leadership.

In 2011, she established the “Orkhontuulin khishig” ASM NGO, which she was elected to head. P.Ganpurev, Yo.Batkhuuag, J.Otgonpurev, O.Byambaa, Ch.Erdenebat, J.Tungalag and D.Namjilmaa were elected to the Executive Committee. They now have 12 partnerships and 120 members. Thanks to Davaasuren’s efforts and commitment, Orkhontuul soum’s miners are no longer known as “ninjas”; they are responsible and organised artisanal miners.

Davaasuren works hard to enrol NGO members in health and social insurance, to ensure workplace safety and take part in trainings in organisational management, human rights, business, finance and environmental rehabilitation, as well as in workshops that allow for miners to share experiences in order to improve their knowledge and skills. Orkhontuul soum government authorities have been supporting the artisanal miners since they began working in an organised fashion; however, there were problems working with mining companies operating in the vicinity of the soum. The NGO made a formal request to conduct mining operations on the licensed site of the “Khurai” LLC mining company, and offered to enter into a tripartite agreement, which was rejected.

In response, artisanal miners and local residents organised a demonstration in the soum. “Three-hundred people depend on 120 artisanal miners. This company has been working in the soum for more than 10 years. Therefore, we think it is time for this company to cooperate with the local people. We hope we will get a positive reply in the near future,” Davaasuren said.





*Artisanal miners' walk who wish to cooperate with "Khurai" company, "Orkhontuulin khishig" NGO, 2014*

She knows only too well that people are able to improve their standard of living and generate a sustainable income through artisanal mining.

When she first began mining, she handed over the apartment for railway workers in which she lived. There were times when she was homeless. However, her daughter used the money she earned to run a small grocery shop and her son set up a pool table so the artisanal miners



*With artisanal miners, 2011*

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could play billiards. In this way they were able to buy a home and sustain a living.

Davaasuren has three children and is making sure all three are well educated. Her son graduated from a construction college and is working as a welder; her eldest daughter graduated from university in Darkhan-Uul aimag with a major in English language translation and also completed studies at the Political Management Academy; her youngest daughter is attending secondary school.

The biggest mainstay in her life is her husband, B.Gankhuu. We wish Davaasuren every success in the future. She has been fighting to protect the rights of artisanal miners and generate sustainable workplaces for many people, as well as her own family.



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## One of the 13 pioneer artisanal miners in Khuld

*(Khuld soum, Dundgobi aimag)*



*Sh.Tsetsegee, 2014*

Tsetsegee Sharav is an artisanal miner with a warm heart and a maternal spirit. She is a leader of the “Bayankhairkhan” partnership, which is a member of “Takhilgat lusyn bulag” ASM NGO that engages in artisanal mining activities in Khuld soum, Dundgobi aimag. In 2005, she received a call from a friend telling her to “come to Ikhkheth soum in Dornogobi aimag because it is possible to earn a lot of money working on the fluorspar”. She went, and ended up working there for five months. When she returned to Khuld

soum, she realised that she could improve her standard of living by mining fluorspar full-time.

At that time, unemployment in Khuld soum was forcing many people to leave; some went to Ikhkheth to mine fluorspar in order to provide for their families. Back then, mining fluorspar as a “ninja” was the only way to earn money. Although the miners were aware of the difficulties of the work and despite being regularly chased off land, they had little option but to persevere.

On 1 July, 2007, Tsetsegee returned to the Khamar Us mining site in Ikhkheth soum, bringing two of her children with her. She mined there for three years. In that time, she was able to improve her financial situation. She bought a car and her self-confidence grew. She also ran a small grocery store in Khuld soum, which she left her daughter to run, using the money she made from mining to buy supplies for the store.

Tsetsegee has a considerable family responsibility; she is the female head of a family of nine children - two boys and seven girls. Her husband passed away in 1996, leaving her the difficult task of raising such a large

family alone. Today, the youngest of her children is 26 years old and she has more than 20 grandchildren. Of her children, two daughters and one son are still mining fluorspar.

When Tsetsegee returned to Khuld soum from the Khamar Us mining site in 2010, people in her community spoke of fluorspar being found in the soum. However, people were unaware of what the mineral actually was. People asked, “What kind of stone is fluorspar?” “Is there anyone who knows this stone?” This gave Tsetsegee the opportunity to influence the people in her soum, and enabled her to contribute to the development of artisanal mining.

Once, on a trip to Bor-Undur in Khentii aimag to sell the fluorspar she had mined, she came across two handbooks on how artisanal miners were forming partnerships and operating cooperatively. She gave one of the handbooks to Khuld soum Citizens’ Representative Khural head B.Enkhjargal; the other she studied herself. Enkhjargal was thankful for the book: “Tsetsegee opened our eyes by bringing us this handbook; we had no knowledge about fluorspar and no idea about establishing partnerships. By studying this handbook, and in accordance with the Temporary



*At mining site, 2014*

Bylaw to Regulate the Activities of Artisanal Miners (Government Resolution No.72), we were able to establish 13 partnerships upon the initiative of the people. In 2010, Government Resolution No.308 was adopted and 13 partnerships were re-established; since then, the number of partnerships has been increasing.” Tsetsegee said the heads of the 13 pioneer partnerships had been working hard to organise and formalise artisanal miners. That is why they call themselves “Pioneer 13”.

If mining was not possible in Khuld soum, people would be unable to earn an income, there would be a reduction in services, and such family

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problems as lack of food would begin to emerge. Fluorspar mining is vital for life in the soum, and should be appropriately managed.

Tsetsegee takes part in trainings and forums on the artisanal mining legal environment, workplace safety, safe working conditions, organisational setup and capacity building organised by the SAM Project of Swiss Agency for Development and Cooperation, and she often shares what she learns with others.

Tsetsegee was able to help her own family develop, assisting them in owning vehicles, earning sustainable incomes and enjoying a decent standard of living thanks to her involvement in artisanal mining. There is a Mongolian proverb that is apt for Tsetsegee and her family: “If you move your hands, you will move your mouth.”

We wish happiness and health to Tsetsegee, a model miner and an inspiration to her community.

## Oyuntogoo from Sharyn gol

*(Executive Committee member of “Buyant khundiin Sharyn gol”  
ASM NGO in Sharyn gol soum, Darkhan-Uul aimag)*

It was interesting to hear the life story of a hard-working woman who had evolved from being a “ninja” miner to a legitimate artisanal miner. Her name is Ts.Oyuntogoo, a resident of Sharyn gol soum.

Oyuntogoo graduated from medical school in Darkhan majoring in obstetrics/midwifery and returned to Sharyn gol soum. Unable to find work in her particular specialisation, she worked as an operations dispatcher at the coal mine in Sharyn gol from 1989 to 1993.



*Sh.Oyuntogoo, 2011*

In 1993, when Mongolia was undergoing enormous economic and political changes, she quit her job to work in sales of automotive spare parts. With the emergence of a number of competitors, she thought it wise to use her own capital rather than operate her business using loans. It proved to be an unwise strategy, and she was driven out of the market and forced to return to her home. On her return in 2009, people were talking about alluvial miners called “ninjas”; in order to survive, she and her husband joined them. Since then, they have endured both good times and many hardships. Her husband, B.Naranbayar, went into the mining pits, a dangerous activity that left Oyuntogoo filled with worry about the loose soil might fall on him. They worked in the mine pits for a year.

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She then began operating a small scrubber (gold-washing equipment) to assist the work of the miners and to help improve workplace health and safety conditions. In August 2013, they made improvements to the equipment, changing it into a water gun, which they used from November 2013 until March 2014. They have also been saving their money, with the aim of establishing a processing plant one day.

Sharyn gol soum, like many parts of the country, suffers from a high level of unemployment. Many herders lost their livestock during harsh winters and had little option but to become “ninjas” in order to survive. Oyuntogoo said it was impossible to imagine the situation today for artisanal miners if SAM Project had not been implemented. She is grateful for the many positive changes that have taken place in the ASM sub-sector and in the lives of thousands of ninja miners. “It might sound too much for some people when talking about the SAM Project, but for me, I feel as if I saw my parents,” she said. “It is a very big achievement to unite the ninja miners, who used to be spread all over the country, and to help them become organised and formalised, and finally to establish the ASM National Federation of Mongolia.”



*With staff from Swiss Agency for Development and Cooperation, Buyant mining site, 2014*

Oyuntogoo is influencing members of the NGO to become responsible miners and to carry out their activities in accordance with the existing laws and regulations. She recalls her experiences when she first





*Buyant mining site, 2014*

became involved in artisanal mining: “I returned to Sharyn gol soum to my mother with empty hand, without anything; with just a big dream to start farming or set up a business. I did not know where to start and went to look for gold in a car given to me by my younger sibling, following Sharyn gol locals in order to make money. I experienced how difficult it was to get a loan from the bank, but today I have gold cards from two banks, which is a benefit of ASM. ”Thanks also to the benefits derived from artisanal mining, she was able to live separately from her



*Meeting of all members, 2014*

parents with her own family beginning last winter. She is now operating a small processing plant and driving a Land Cruiser, achievements she is very proud of. And while they do not have a lot of money, they are still managing their lives, and because of this she wants ASM to become an official sector.

Because she is a mother, Oyuntogoo worries about a lot of things, particularly the future of artisanal miners and their children. She worries about those who crawl through the cold mine pits, risking their health and their lives. She is taking the initiative and working hard to promote workplace health and safety practices. Since it is not easy to depend on ASM for a living; the most important factors are cooperation and operating in an organised form.



*"Experience sharing workshop of artisanal miners", 2014*

Oyuntogoo is a remarkable woman who is dedicating her efforts to ensure the wellbeing of artisanal and small-scale miners and is contributing to the development of the ASM. We wish her and her family health and happiness.

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## Female leader in artisanal and small-scale mining

*(Secretary, ASM National Federation of Mongolia)*



*At occupational safety and health training for ASM miners, 2013*

While talking to Tumendemberel Regzen, the proverb “If your thinking is right, your fate is right” came to mind. Her efforts and commitment to ASM miners have helped her achieve a great deal. Tumendemberel was born in the Altai region - an area characterised by mountainous terrain. She is the youngest daughter in her family, and she spent her childhood in Bornuur soum, Tuv aimag. In 1990, she enrolled in a technical and vocational training college in Bayanchandmani soum, graduating in 1992. She worked as a carver at the “Khorol” furniture-making business owned by her brothers, then as a photographer in Bornuur soum, and then ran a small grocery store. In the late 1990s she went to Sujigt mountain, where ninja miners were working, to recoup money for goods she had loaned to a friend. Her friend was able to make MNT 110,000 out of a half-sack of stones, which enabled her to pay back the loan. It was in this way that Tumendemberel became involved in ASM.

Although she knows that artisanal mining is hard work for women, particularly for mothers who must leave their young children at home, she was unaware of the dangers of mercury use in her first few years as a



miner. It was not until the advent of gold-extracting water and ball mills that mercury use was able to be kept away from families and children.

In the autumn of 2005, Tumendemberel went to Sujigt mountain by car to pick up two sacks of stone that her husband, L.Enkhtuvshin, had mined. However, the weather had turned - it was snowing and the roads were muddy. Unable to continue, she was left with no option but to walk back. A car stopped next to her; inside was SAM Project Manager D.Odonchimeg and the rest of the project team. That meeting laid the groundwork for her to become ASM miner.



*Visit to artisanal miners at Buyant mining site, Sharyn Gol soum, Darkhan-Uul aimag, 2014*

In October 2005, she saw how artisanal and small-scale mining in such Latin American countries as Bolivia and Peru was being undertaken. She decided to make her own contribution to the formalisation of ASM in Mongolia, to improve miners' living conditions, and to help them engage in more responsible mining practices and become organised. She participated in a forum entitled "Bornuur- A Mercury-Free Life" aimed at establishing a mercury-free ore-processing plant in the soum. She also took part in the Seventh International Artisanal Mining Conference held in 2010 in Mongolia. She has since participated in a number of other forums, conferences and workshops.

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Tumendemberel has been personally involved in safer mining practices since the SAM Project established the first mercury-free ore-processing plant in 2008 with support from the government. Since 2009, when she was elected as a SAM Project community facilitator to work at the local level, she has been a leading figure in helping to organise ASM miners. While working as a community facilitator, she met with the “Artisanal and Small-Scale Miners’ Association” NGO that was operating in Bornuur soum, as well as with partnerships, local government bodies and other partner stakeholders to build the capacity of members and to organise land for mining, as well as helping miners become involved in various trainings, workshops and forums that were organised in Ulaanbaatar. In 2010, she worked as a shift leader at the KhAMO company’s mercury-free processing plant, and in April 2013 was elected as a member of the working group tasked with establishing the ASM NF and a member of Executive Committee. Since November 2013, she has been working as a secretary of the Federation.



*Sujigt mining site, Bornuur soum, Tuv aimag, 2010*

Tumendemberel has overcome many hardships in the 15 years she has been involved in ASM, with support from soum and local governments, members of the “Artisanal and Small-Scale Miners’ Association” NGO, the SAM Project, the KhAMO company and ASM NF.

The old Mongolian adage “A person does not eat too much and does not spend the day without any food” would appear to be true for most of those involved in ASM. Tumendemberel said that because miner’s incomes did not come in one bulk amount, it was important to spend money wisely and save as much as possible in order to improve their livelihoods.



*Presentation of ore processing plant, Bornuur soum, Tuv aimag during “The experience sharing workshop of artisanal miners”, 2012*

By taking part in management and organisational activities, ASM miners are able to improve their knowledge and skills, and are steadily learning and growing. In 2014, Tumendemberel completed a four-month training course for assistants and secretaries by the Mongolian National Chamber of Commerce and Trade, and both beginner and advanced-level trainings on “Organisational Management and Leadership Change” organised by the socioeconomic human-resource academy “Soyombo”.

Tumendemberel is making a significant contribution to the creation of officially recognised workplaces for responsible ASM miners, who are working in accordance with existing related laws and regulations, are adhering to workplace health and safety practices, are engaged in technical and biological land rehabilitation, are becoming enrolled in social services, and are taking part in capacity-building activities.



*During the selection of small project grant contest*



*At the press conference for the foundation of ASM National Federation of Mongolia*

We wish Tumendemberel every success in her mission to protect the rights of ASM miners.

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## Altan-Us team

*(“Altan usny khugjil” ASM NGO, Bayan-Ovoo soum, Bayankhongor aimag)*



*Members of “Altan usni khugjil” ASM NGO, 2013*

The place known as Altan us (Golden water) in the second bagh of Bayan-Ovoo soum in Bayankhongor aimag used to be a beautiful oasis comprised of Gobi Desert terrain and mountainous areas. It was a pastureland for livestock. However, during the early years of Mongolia’s transition to a market economy, when many people became unemployed and lost their livestock, people turned to informal gold mining as a means of survival. In the years since, the pristine beauty of the area has faded; the land has been degraded, and where once there was unspoiled wilderness, there was instead myriad piles of soil and dug-out holes, which became a source of great concern for the local community. In response, in February 2010 a group of locals united with the purpose of protecting their land and established the “Altan us-Amin us” (Golden Water-Water of Life) NGO.

Members of this NGO began to mine responsibly, in accordance with the existing laws and regulations. However, they lacked support from local government agencies, whose perception of ASM miners was clouded by those who had operated irresponsibly, moving from site to site to mine without concern for the environment. As a result, 25 artisanal



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and small-scale miners joined and established the “Altan usny khugjil” NGO in April 2012.

Members of the NGO entered into an agreement with local government agencies and large mining operations at Altan us, and began to rehabilitate 2 hectares of already mined land, which on completion was handed over to local authorities. This was how the activities of the organisation began. “Altan usny khugjil” NGO has continued to protect the land and has continually improved the standard of their rehabilitation processes by demarcating frontier lines for protected areas.



*During the rehabilitation process, 2014*

The soum’s Citizens’ Representative Khural assessed the NGO’s work and was impressed, and tasked it with rehabilitating a further 5 hectares of land. This gave NGO members greater impetus to work even harder in the future and made it a good example of what could happen when objectives were clearly defined. Members of the NGO work towards a common goal of producing high-quality results that will stand as an example for others. Because the NGO’s internal organisational set-up is well structured, their work achievements are high and their activities are growing each day, and at present 28 people - including 25 members of the Argalant and Uran baigali partnerships, heads, accountants, a secretary and environmental activists - are involved. The Executive and Monitoring committees of the “Altan usny khugjil” NGO places emphasis on the work safety of ASM miners, providing them with

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explicit work safety instructions and making them sign papers certifying that they understand those instructions. Miners now wear safety vests, masks, helmets and carry membership cards when they mine.

One of the key results of the formalisation of ASM is the signing of a cooperation agreement with local government agencies, which enables miners to work without being chased off land, as well as improves their overall self-confidence. They are also receiving more respect from local government officials. The NGO regularly conducts research, gathers and issues information on relevant State policies and laws, and submits quarterly and annual reports, which strengthens the coherence of the NGO activities and ensures that all parties are provided with the information they require.

In addition, State environmental inspectors visit the NGO several times each month to provide them with advise and exchange views, which also serves to improve work coherence and productivity.



*Taking a survey, 2013*

The NGO has approached soum authorities and asked that, on completion of the rehabilitation of the 5 hectares of land, that they be allowed to work on other areas. It is now customary that each Tuesday is devoted to rehabilitation work. On that day, duties and assignments are delegated and a competition between the two partnerships is organised, comprising such criteria as the attendance of artisanal miners, the

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productivity of their work, the amount of the assigned rehabilitated area, the quality of rehabilitation work, the wearing of safety uniforms, and adherence to work safety standards and instructions. Each Sunday - which is traditionally a day-off for artisanal miners - the work of the two partnerships is assessed, and those whose work is deemed to conform to the criteria are remunerated. This remuneration is an effective way of building team spirit and raising miners' self-confidence.

Each month, members of the “Altan usny khugjil” NGO pays MNT 14,000 in personal income tax, MNT 1000 to the ASM NF, and MNT 5000 to collective fund savings. This helps the miners feel socially accountable, and gives them reassurance that the money gathered under the collective fund will be there for them in times of need.

All NGO members have been enrolled in social and health insurance since 2014. The NGO pays special attention to the health of its miners, and has organised health check-ups and treatment (if required) for all members. In entering into an agreement with the soum governor, the NGO has helped to ensure sustainable workplaces for its miners, and has helped them improve their incomes and standard of living. For example, 50 percent of the NGO members have repaired their houses and fences, 90 percent have bought cars and motorcycles, 40 percent have bought new equipment, and 16 percent have started their own small stores and canteens. This is also contributing to the local development.

This NGO has also been participating in small project grant contests organised by the SAM Project. It has been selected three times and has implemented a number of projects focused on health, workplace safety, welfare services and business trainings. These trainings have helped to build the capacity of NGO members, providing them with knowledge and information, as well as contributing to sustainable economic development, empowering socially responsible miners, and ensuring further opportunities for cooperation with local authorities.

In 2014, the NGO took part in a rehabilitation project organised by The Asia Foundation, and it has planned a number of further activities, including transforming degraded mining land into pastureland and restoring soil quality to enable the crop plantations.



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## Work achievements start with trust among team members

*(“Association of Unemployed People of Kharaa” ASM NGO, Bayangol soum, Selenge aimag)*

G.Tsagaan, U.Mijiddorj, N.Burneebaatar organised a group of unemployed people in Kharaa, as Bayangol soum in Selenge aimag used to be called, and established the “Association of Unemployed People of Kharaa” NGO in 1999. This laid the foundation for the advent of organised ASM miners in Baruun Kharaa. Today, 12 partnerships and more than 200 members are mining gold at Nart of Bor tolgoi.



*Accomplished achievement of Baruun Kharaa miners is gaining international attention, 2014*

Life was difficult in the 2000s; it was hard to find jobs and many people were unable to make a living. Many were forced into artisanal mining to survive. At that time, they were called “ninjas” and were mistreated by the community. They used to take sacks, find a car and travel for 30km, and then walk for 5km to reach a gold-mining site. At the beginning, they lacked vehicles and frequently travelled by bicycle. After a while, they were able to hire a driver who had a truck. Until they became organised, they suffered many hardships, mining in the freezing depths of winter and in the scorching heat of summer; they were chased

off land by the police. They were also using toxic mercury to extract gold, relying on jaw crushers to crush the ore and amalgamate it with mercury to remove the gold through vaporisation. They then cut the upper side of the oxygen bulbs and welded on iron balls for crushing the ore. This gradually evolved into hammer mills, and in 2006 they began to use water mills. The miners then began to operate in an organised manner in unregistered partnerships. They began to respect each other, and placed emphasis on workplace safety and working in shifts.



*Bor Tolgoi mining site, 2010*

As a result of the SAM Project, the artisanal miners began to adhere to the existing laws and regulations; they participated in trainings and improved their knowledge; and they began cooperating with local authorities. Members started to save money and helped each other buy vehicles and improve their homes. Many of the members said that a well-organised and friendly team was based on mutual trust. This demonstrates that working sustainably in one location has a number of advantages, such as ensuring safe working conditions, limiting the chances of migrant miners coming to the site, strengthening cooperation with local government agencies, and enabling the miners to improve their standard of living.

Research on the living conditions of ASM miners found that one-third of the members of the “Association of Unemployed Kharaa People” NGO were able to sustain their lives with income generated

from artisanal mining, and were able to save money. Twenty-five percent of the miners had bought livestock, to the extent that the NGO now has the most animals. In addition, the number of grocery stores, small shops, canteens and restaurants along the main road is increasing, which serves as an example of local development related to the ASM.

There is not a single person who has not benefited from the wealth of gold at Baruun Kharaa. It is a common characteristic of the people of Kharaa soum that ASM miners give generously of their gold in order to help each other. The miners earn money in difficult conditions, working among cold stones every day, crawling in holes where the light and ventilation is poor, and risking their health and lives. They do this job in order to make a living, knowing the health costs: Lung, respiratory, kidney and back diseases and rheumatism. They also understood that the most important factor was to become organised and formalised.

This NGO works closely with local authorities and the soum's Citizens' Representative Khural. They fervently hope that the ASM sub-sector will be officially recognised as a sector that contributes to the country's overall economic development.

We wish the "Association of Unemployed People of Kharaa" every success in the development of more responsible and organised ASM.



*Bor Tolgoi mining site, 2011*

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**Environmentally friendly Gobi ASM miners**  
*(“Ekh oron khamtyn khuch” (Homeland-Collective power) NGO*  
*in Airag soum, Dornogobi aimag)*



*Airag soum, Dundgobi aimag*

The Gobi Desert region NGO “Ekh oron - Khamtyn khuch” reflects the general feeling among the Mongolian population of keeping their homeland wild and untouched. Initiated by 10 people, led by B.Jargalsuren and L.Lkhagva, with prompting by the local community, the NGO was established in June 2010, and in March 2011 expanded the scope of activities, working with the SAM Project. There are seven members in the Executive committee, three members in the Monitoring committee, 25 partnerships, one corporative and 125 members.

The initiators of the NGO have been undertaking such activities as organising and formalising informal and unofficial fluorspar mining groups in Airag soum in Dornogobi aimag, enrolling members in social and health insurance and ensuring they are paying income tax, adhering to workplace health and safety standards, and engaging in land rehabilitation. The NGO disseminates information on relevant bylaws and regulations through various trainings, workshops, advocacy work, handbooks, publications, and the media. From 2010-2011, no accidents were reported on the mine sites.

With the support from the SAM Project, the “Ekh oron - Khamtyn khuch” NGO enabled 10 artisanal and small-scale miners to take part in trainings focused on crafting souvenirs out of stones at the “Industrial and Carving School” in Ulaanbaatar. Those who attended subsequently set up the cooperative, “Gobi Land Stones”, in Airag soum and are running a successful business employing two people. In 2013, stationery products made from natural stones were selected as the brand products of Dornogobi aimag. In commemoration of the 90th anniversary of Airag soum, the NGO built a memorial monument in the soum centre.



*“Experience sharing workshop of artisanal miners”, 2014*

NGO head L.Lkhagva also developed official document-management standards for the NGO, and each partnership has its own records. Lkhvaga is a hard-working woman who is devoted to the wellbeing of the members of the NGO. In conjunction with the soum hospital, she arranged for NGO members to undergo health check-ups, and she works to ensure they are able to take part in capacity building trainings in order to improve their knowledge and skills.

Since the establishment of the NGO, all NGO members have been enrolled in health insurance, and 92 have taken out social insurance, paying a total of MNT 4,300,200, and 71 artisanal miners have paid MNT 4,830,000 in personal income tax.

The hard-working and environmentally conscious nature of the





*Products of the partnership*



*L.Lkhagva, Head*

NGO's members can be seen in their activities, notably in the rehabilitation of previously mined land. In 2012, the first technical rehabilitation work was undertaken by the "Bayalag jonsh" (Wealthy fluorspar) and "Arvin bayalag" (Abundant wealth) partnerships at four sites near the "Khairtyn uurkhai" mine at a depth of 11m, a width of 3m and a length of 12m. A total of 800m of road was also repaired on the site, making it possible for people to water their livestock - an endeavor that met with gratitude from local herders. The "Devjikh", "Undrakh", "Galbyn gobi", "Manajilt" and "Nutgin tal" partnerships undertook rehabilitation work by hand, filling nine mine pits at a depth of 20m and then covering them with vegetation. In 2013, the "Talst" and "Anduud nukhurlul" partnerships undertook rehabilitation work on the land known as "Tagt", and in 2013, the "Bayalag jonsh" and "Arvin bayalag" partnerships conducted technical rehabilitation at "Khairt" in Nuden bagh. All land was handed back to local authorities. And in 2014, the "Ekh oron – khamtyn khuch" NGO, with support from The Asia Foundation, undertook less expensive but efficient pilot rehabilitation work on the fluorspar mine site.





*Before*

*After*

The “Ekh oron – Khamtyn khuch” NGO also undertook technical and biological rehabilitation work at two sites with a total land area of 12 hectares, reducing desertification and helping restore the land to its original state. They are doing their best to ensure that conditions are

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favourable for both people and livestock, and are helping to restore the delicate ecological balance.

In undertaking biological rehabilitation, it is necessary to flatten the land, cover it with fertile soil, plant trees, spread seeds, build fences and establish irrigation systems. This requires carefully coordinated labour schedules and the proper utilisation of each member's skills.

The average monthly income of NGO members is now MNT 500,000-600,000. A quarter of the NGO's members now own cars, trucks or motorcycles, and 56 percent have been able to afford solar and wind-powered generators, electric engines, refrigerators, washing machines, television sets, DVD and CD players and music players. Ten percent are paying college and university tuition fees for their children, all with income generated from artisanal mining. The key to the improvement of their financial situation is operating in an organised manner, allowing them to remain in the one location without fear of being chased off the land.

We wish the NGO all the best in its future land-rehabilitation efforts.



*First Congress of Artisanal and small-scale miners, 2013*

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## ASM development - Local development

### *(“Takhilgat lusyn bulag” NGO, Khuld soum, Dundgobi aimag)*

Consecutive dzuds from 2008-2009 had a devastating effect on herders, who lost most of their livestock and were plunged into financial hardship. Unemployment and poverty became the norm in Khuld soum; people became indebted to banks and the stores that sold them food. When fluorspar was found at a place called “Tumen tsagaan”, it represented the beginning of ASM for the local community, becoming an organised activity that provided jobs and financial security for those in need. In November 2011, the “Takhilgat lusyn bulag” NGO comprised of fluorspar ASM miners was established, with J.Rentsenpurev elected as its head. This NGO’s main objective is to protect the rights of the partnership members and to cooperate with the government and ASM NGOs within the scope of existing laws and regulations. The NGO currently has 19 partnerships and 300 members.



*Meeting of all members, 2012*

When fluorspar was found in in Khuld soum and illegal mining began, local authorities convened the Citizens’ Representative Khural and issued a number of resolutions in accordance with Government Resolution No.72. In November 2011, soum authorities had the Mineral Resources Authority of Mongolia issue a mine site review for ASM on

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50 hectares of land. As a result, the ASM of Khuld soum were spared the hardships of “ninja” mining and have been working within the scope of the law from the outset.

The mine is closed for a short period during summer and autumn. In spring, following Tsagaan Sar, it is operational for some time and then closed for a month between 20 March and May during the soil-erosion period when it is dangerous to mine.



*Tuimert tsagaan mining site, 2012*

Prior to the advent of ASM, Khuld soum had a population of just 2200 people; since then, the number has risen dramatically. People who left the soum years ago are returning. It is the policy of the soum governor to allow these returnees to work as miners, and to establish partnerships and enter into agreements with soum authorities.



*Organized settling area, 2013*

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The livelihoods of the people in the community have vastly improved and the miners are no longer indebted; instead they are putting aside savings in banks. The ASM miners' contribution to local economic development in Khuld soum is considerably higher than that of other soums. Thanks to mining, many people now run their own stores and have been able to improve their standard of living. There used to be just four houses in the soum centre; now almost each fence has a house inside, and most people have their own cars. Indeed, in the two months following the start of mining in the soum, 180 motorcycles were sold at the time when motorcycles cost MNT 1,250,000.

Two companies buy the fluorspar they mine. Some miners do not work every day. If the miners work on a regular basis, their average daily income is MNT 50,000-200,000 and their average monthly income is about MNT 2 million.



*Planted 2000 trees in the 2 hectares of land for the rehabilitation, 2013*

Rentsenpurev said the lack of a person well versed in workplace health and safety standards prompted them to approach the SAM Project in 2012, and in 2013 with help of the Project, members took part in trainings on workplace safety, safe working conditions, legal issues, small business management, and organisational management and leadership. The NGO places emphasis on the safety of its members, and miners are required to wear safety helmets and uniforms. “Most importantly, because we are from one place and know each other well, it



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is easy for us to become a team and work together,” Rentsenpurev said. Six people representing the ASM miners were elected to the Citizens’ Representative Khural.

The NGO cooperates with soum authorities, and to date has paid MNT 3 billion in taxation; MNT 94 million is reserved for a rehabilitation fund, of which MNT 24 million was spent on establishing a garden. MNT 5000 per each tonne of fluorspar that is bought from the miners is saved at the soum; MNT 3000 is reserved for the development of the soum, and MNT 2000 is spent on land rehabilitation. The NGO has undertaken land rehabilitation work, and has planted 200 trees and built fences.

Most of the miners’ children are studying at colleges and universities; some are even studying abroad. Staff from the soum government also mine on weekends to help improve their livelihoods.

Lung and gastric diseases are relatively common among artisanal and small-scale miners, and as a result it became necessary to improve miners’ health knowledge. The NGO took part in a SAM Project small grant project in conjunction with doctors aimed at educating members on healthy lifestyles, proper diets, disease prevention and first aid.

We wish the members of “Takhilgat lusyn bulag” NGO a long and prosperous future and many more contributions to their community and country.



*New houses are built with the income of artisanal miners, 2014*

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## Artisanal miners from Tsagaan tsakhir

*(“Association of supporting artisanal and small scale miners” NGO (HAMO DH) of Bayan-Ovoo soum, Bayankhongor aimag)*

The “Association of supporting artisanal and small scale miners” NGO (HAMO DH) began in the aftermath of Mongolia’s transition, when unemployment rose, and in the wake of consecutive years of dzuds. People who were desperate to earn a living flocked to an abandoned mine site called Tsagaan tsakhir from 2006. The miners were not organised, and the site was disorderly, with “ninjas” engaged in ad-hoc mining activities. In 2008, Government Resolution No.72 was passed and a group of locals led by L.Byambadorj united and formed a brigade and began artisanal mining. This was the foundation of organised ASM at the hard rock mine.



*Members of NGO, 2013*

In 2009, local ASM miners in Tsagaan tsakhir held their first meeting and established the NGO, electing Byambadorj as their head. In 2010, a bylaw on artisanal and small-scale mining was passed under Government Resolution No.308, prompting the NGO to expand its activities. As a result, up to 600 people began to work in more than 30 mining pits.

This meant there was a need to process the ore that was mined. However, the government’s crackdown on mercury use in 2007 and the closure of 34 mills in the aimag forced people to undertake gold



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extraction in their homes which placed miners' families at risk of mercury poisoning. In 2008, Government Resolution No.28 was passed and mercury-free ore-processing plants were established that enabled ASM miners to work in a safer environment at the hard rock mine.



*Settling area of Tsagaan tsakhir, 2014*

The “Association of supporting artisanal and small scale miners” (HAMO DH) NGO dedicated itself to creating unified and organised ASM that adhered to workplace health and safety standards.



*Members of Tsagaan tsakhir, 2011*



*Tsagaan tsakhir mining site, 2014*

At present, the NGO has nine members on its Executive committee, three members on its Monitoring committee, and a secretary, all of whom are working to protect the interests of up to 450 members of 55 partnerships.

In 2011, the NGO entered into a tripartite agreement with local authorities, and each partnership member paid MNT 21,000 into local funds. In November 2012, they entered into another tripartite agreement and each partnership is now paying MNT 250,000 into local funds as personal income tax. As of 2013, MNT 67 million was paid in soum taxation; that figure was expected to rise to MNT 100 million in 2014. The NGO is also cooperating with local authorities to ensure that 80 percent of its members are enrolled in health insurance and 50 percent in social insurance. NGO head Ch.Otgonbaatar said: “It is very peaceful and safe, without any workplace accidents when we work after concluding the agreement. When we do not have an agreement, we are chased and expelled and people usually work in secret at night, which means people are at greater risk of accidents.”

The land in Tsagaan tsakhir on which the ASM miners are working is owned by “Special Mines” LLC. The company entered into an agreement to allow NGO members to mine on 30 hectares of land out of its licensed area of 1052 hectares. In so doing, sustainable workplaces were generated for the ASM miners.



*The meeting of members, 2014*

“Association of supporting artisanal and small scale miners” (HAMO DH) NGO provides its members with information on workplace health and safety and ensures that the mine pits are safe.

NGO members are carrying out a number of activities with the SAM Project and are cooperating on the implementation of occupational health and safety operations with the aim of joining the Fairmined standards system.



*Signing the tripartite agreement , 2014*

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They repaired the entrance to the mine pits with assistance from a consultant engineer, and installed slings and locks at each pit. These efforts have helped prevent accidents on site.

Organised and formalised ASM miners are now making contributions to the lowering of unemployment and to the development of the soum and aimag. About 80 percent of NGO members have their own cars, trucks or motorcycles, and one-third are paying college or university tuition fees for their children. A further 20 percent have already paid off bank loans.



*Inside a pit (Before)*



*Inside a pit (After)*

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## Leading organisation in terms of its organisational setup

### *(Buyantyn khundii - Sharyn gol NGO in Sharyn gol soum, Darkhan-Uul aimag)*

The “Buyantyn khundii - Sharyn gol” NGO operating in Sharyn gol soum, Darkhan-Uul aimag, was established in 2009 after the uniting of ASM miners committed to working in an organised manner. The miners are extracting gold from a hard rock mine known as “Buyantyn khundii” about 10km from the soum centre.



The number of people joining the “Buyantin khundii - Sharyn gol” NGO are increasing, and at present there are 350 members of 64 partnerships. In terms of its organisational setup, it has nine members on its Executive committee, five members on its Monitoring committee, and five members in a mining rescue unit. The NGO was established by O.Tsetsegmaa, Executive Director of the “ASM National Federation of Mongolia”.

The NGO is headed by Executive Director Ch.Tsengelmaa, a hard-working and committed woman.

A unique feature of the NGO is the prominent role women play in the organisation’s management and leadership roles.

The miners are happy to be organised; prior to this, the site was chaotic, alcohol consumption was widespread, and a lack of sanitation



facilities meant waste was left out in the open. All that has now changed.

In October 2013, they organised the renewed registration of members and provided each with a membership certificate. The miners have suffered many hardships along the way; they were chased from mine sites and were expelled by force, and there were often misunderstandings between the ASM miners and large-scale mining companies and local authorities.



*Buyant mining site, 2013*

A ger provided by the SAM Project serves as an office and it has information boards that relay information about the NGO and its daily activities, and relevant bylaws and guidelines related to occupational health and safety. NGO members also operate a canteen which provides miners with healthy meals.

Sharyn gol soum has a population of about 8000; there are no workplaces except for the Sharyn gol mine and a few public institutions. Most people of working age are unemployed. Every family in the soum is connected to ASM. Mining is feeding the entire community. When mining in the soum began, the local economy began to develop with the opening of shops, taxi services and gas stations. Were artisanal mining in the soum to end, so too would the soum's economic life.

With permission from the soum governor, the miners at the outset worked on 2.8 hectares of land. When they were done, they rehabilitated

the land using MNT 3,200,000 from a collective fund and MNT 5,000,000 from a SAM Project small project grant program, and then handed it back to local authorities.

Members of the NGO operate as a team and are aware of their social responsibilities; they are committed to contributing to local development. The NGO collects monthly taxes of MNT 40,000 from each partnership; of this, it allocates MNT 10,000 for a rehabilitation fund and MNT 30,000 for a collective fund that is used to finance operations. At present, a total of MNT 3,122,000 has been given to the soum for local development purposes. These include repairing the local cultural centre to commemorate the 50th anniversary of the soum and renovating the local kindergarten. In 2013, the NGO was named as the soum's "Organisation for Children". The NGO also holds cultural and sports events, as well as an essay-writing competition for Grade 11 students at School No. 2.



*Learning from the successful organization, 2014*

NGO members are also environmentally conscious and regularly conduct land rehabilitation efforts and clean mine site areas and along the river bank. The NGO's leaders are playing a pivotal role in ensuring that the miners respect laws and regulations, and have created a harmonious dynamic among their members.



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NGO members are a supportive and close-knit team who share each other's successes and sorrows and help one another when needed.

We wish the “Buyantyn khundii - Sharyn gol” NGO success in continuing to develop responsible and sustainable artisanal and small-scale mining.





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