



Swiss Better Gold Initiative

Promoting gold from responsibly extracted artisanal and small-scale mines

A public-private partnership between SECO and the Swiss Better Gold Association establishes value chains from mine to market, aiming at the reduction of poverty and improvement of social and environmental conditions in artisanal and small-scale gold mining.

Rationale

Whereas only 10-20% of the globally mined gold is produced in artisanal and small-scale mining (ASM), it makes up 90% of the workforce employed in the gold mining sector. The environmental and social issues in the ASM gold sector, such as uncontrolled use of mercury, deforestation, water contamination, child labour, etc., are manifold and complex. Workers are exposed to risks of accidents and injuries as well as to health problems. Gold and extractive commodities can also give rise to and feed conflicts in regions suffering from political instability. The outbreak of the COVID-19 pandemic demonstrated that the already fragile ASM mining communities are particularly exposed to detrimental effects of this global crisis.

Objectives and activities

The Swiss Better Gold Initiative was launched in 2013, pursuing the objective to reduce poverty and to improve the social and environmental conditions in artisanal and small-scale mining. The initiative is active in Peru, Colombia and Bolivia. In its third phase from 2021 to 2025 and in line with the aspiration to reach a higher development impact, the initiative aims reaching out to further jurisdictions, such as Brazil since 2021 through complementary activities. It will also more strongly focus on knowledge dissemination and increase focus on transversal topics such as climate change and gender. The activities are divided into 3 outcomes:

Outcome 1) ASM are part of and benefit from responsible value-chains from mine to market

The Swiss Better Gold Initiative supports ASM mining operations by improving their technical, organizational, social and environmental practices. It also provides them general management support related to formalization and market accreditations as responsible ASM producers. The Swiss Better Gold Association (SBGA) channels the demand for Swiss Better Gold among industry stakeholders, members of the association, and, thus, closes the value chain cycle from the mine to the market. Members of the SBGA (jewelers, financial institutions, watchmakers, refiners) are committed to buying the production of Swiss Better Gold. An impact premium generated by these value chains is reinvested through the Better Gold Fund into social and environmental community

SECO country/region

Peru, Colombia, Bolivia,
Global
+ extension in Brazil

Implementing partner

Projekt-Consult GmbH

Duration

2021-2025

Total budget

CHF 17,200,000

SECO contribution

CHF 6,000,000

Swiss Better Gold Association contribution

CHF 11,200,000

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projects. Within this outcome, the initiative supports voluntary sustainable standards relevant for the small-scale gold mining sector.

Outcome 2) Improved framework conditions for responsible ASM

The Swiss Better Gold Initiative provides technical support to policy-makers in the simplification of the formalization framework, a key issue for scaling-up the supply of responsibly sourced ASM gold as a pre-condition for mining operations to become responsible producers. Topics to be addressed include the development and implementation of formalization frameworks per se, climate change mitigation and adaptation, implementation of relevant environmental obligations (Minamata Convention), access to basic bank services for miners and streamlining of red tape in commercialization and export procedures.

Outcome 3) Coordinated and well disseminated good practices for responsible gold

The Swiss Better Gold Initiative encourages responsible sourcing from artisanal and small-scaled mined gold through knowledge dissemination, sharing of good practices and enhancement of transparency of the gold sector in Switzerland and abroad. Through partnerships and collaboration with identified development cooperation programs, the Initiative contributes to the development of a joint agenda for action in support of responsible ASM gold. It leverages its broad network at national, regional and international levels and develop further partnerships. A facilitator role is pursued in subnational sectoral roundtables in implementing countries. In Switzerland, the dialogue between different stakeholders interested in ASM gold, contributing to an institutionalized multi stakeholder dialogue already fostered by SECO and SBGA will be further enhanced and reinforced.

Project organization

The Swiss Better Gold Initiative is a public-private partnership between SECO and the Swiss Better Gold Association. Both partners are part of a Global Steering Committee and three National Steering Committees, thereby supervising and ensuring the implementation of the program. As a result of the proof of concept previously established, this new phase will also be synonym of a gradual process of handing-over the responsibility to uphold achieved results from the public to the private partner represented by the Swiss Better Gold Association. The Initiative is being implemented by Projekt-Consult GmbH, with a team covering global aspects as well as three country coordinators and three in-country implementation partners.

Results so far

Since the beginning of the initiative, 10'000 kg of responsibly produced ASM gold have been exported to Switzerland. The value chains proved to be stable and reliable despite suffering from the effects of COVID-19, which is based on a trustful relation between all actors. The Swiss Better Gold Initiative is highly recognized in Bolivia, Colombia and Peru, where the ASM gold sector is getting increased attention on the political agenda. The Initiative directly benefits 6'200 miners (31,000 indirect beneficiaries) and thanks to the initiative, a growing number of ASM become part of responsible supply chains. The project leveraged a total of USD 6 million of an impact premium from the private sector that is reinvested in social & environmental and climate change projects in the mining communities.

Further information and contact details

Website Swiss Better Gold Initiative for ASM: www.ororesponsable.org

Website SBGA: www.swissbettergold.ch

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