

Government of Greenland  
Ministry of Business, Trade, Mineral Resources, Justice, and Gender Equality  
PO Box 930  
3900  
Nuuk  
Greenland

16 November 2023

Dear Sir/Madam,

**ANGLO AMERICAN RESPONSE – CONSULTATION BY THE GOVERNMENT OF GREENLAND  
ON THE BILL ON LOCAL MINERAL ACTIVITIES AND THE RELATIONSHIP BETWEEN LOCAL  
MINERAL ACTIVITIES AND LICENSEES UNDER THE MINERAL RESOURCE ACT/THE ACT ON  
MINERAL ACTIVITIES**

Firstly, thank you for the invitation to provide our feedback in relation to the proposed Bill on Local Mineral Activities. Anglo American operates globally and, as a consequence, is aware of the evolution of laws and regulations related to artisanal and small-scale mining in multiple jurisdictions. It is on the basis of that experience that we are responding to this consultation.

As noted in the Anglo American Social Way 3.0<sup>1</sup> we look to foster positive relationships between large-scale miners and artisanal and small-scale mining (**ASM**) and to support the development of ASM that provides positive livelihood opportunities and is protective of human rights, health, safety and the environment. As a member of the ICMM we also support a collaborative approach with governments to support improvements in environmental and social practices of local ASM<sup>2</sup>.

With that context, we welcome the Government of Greenland's recognition of the potential benefits of ASM and the Government's openness to considering the most appropriate means of ensuring that ASM can operate to the benefit of Greenland and its citizens. We also welcome the Government of Greenland's previously stated ambition of learning the lessons of other mining jurisdictions to develop the best mining regulations in the world. It is that context, and based on a high-level comparative analysis we have undertaken, we are concerned that the lack of licensing or other regulation of locals undertaking ASM does not build on best available international practice and risks Greenland not securing the benefits of the policy.

Our specific concerns revolve around the potential risks arising from an unregulated ASM environment including issues that countries with unregulated and/or illegal ASM have to deal with, including:

- (i) Health and safety issues with potential associated deaths due to inadequate medical or safety requirements,

<sup>1</sup> <https://socialway.angloamerican.com/en/toolkit/impact-and-risk-prevention-and-management/artisanal-and-small-scale-mining>

<sup>2</sup> ICMM, Performance Principle 9.4



- (ii) Environmental degradation, damage to vegetation without remediation or monitoring safeguards
- (iii) Erosion where overturning of land results in the erosion, leaching and siltation of streams or other water bodies;
- (iv) Potential illegal exploitation of workforce or resources by domestic or foreign interests;
- (v) Changes in social dynamics, movement between areas and potential external influence;
- (vi) Conflict over richer deposit areas between ASMs;
- (vii) Lack of visibility and ability to support responsible ASM; and
- (viii) Less transparency and ability to tax.

Certainly a regulated ASM industry would provide for a more sustainable industry (see for example the guidance in [IGF Guidance For Governments](#)) and provide greater opportunity for grants to support responsible ASM as well as greater opportunities to develop training and certification and partnering for ASM, including with large scale mining companies.

We note that the Government of Greenland believes a number of these matters will be addressed through existing legislation and that a licensee can't be held responsible for the activities carried out by locals. However, the lack of registration and regulation of ASM will make it harder to identify any "bad actors" undertaking ASM and consequently result in potential misallocation of responsibility, including potentially to responsible exploration companies, with implications for social license, community relations and broader reputation. Collectively we believe the above factors could have a number of unintended consequences for limited benefit to Greenland and adversely affect both the exploration and mining and ASM sectors, as well as more generally have adverse social and environmental impacts.

While we do not think a regulation/registration system for ASM would need to be overly burdensome or centrally administered, we do think the proposals would benefit from further investigation and assessment to develop a more fit for purpose framework and regulations.

Should the points in this submission be favourably considered, we would be happy to support the Government in securing the advice of credible independent experts to facilitate further discussion. We are also open to finding ways for Anglo American and the exploration/mining industry more generally to support both further analysis and development of regulations, and a participatory process to take into account the views of the communities and artisanal miners, as well as any frameworks that may ultimately be implemented.

Yours faithfully,

Jonathan Hoch  
Director

**For and on behalf of:**  
**Anglo American Exploration Overseas Holdings Limited**

Nicholas Proulx  
Discovery Manager – North America

**For and on behalf of:**  
**Anglo American Exploration (Canada) Ltd.**