



## WHY ASGM COUNTRIES NEED FREQUENT REPORTING ON MERCURY PRODUCTION AND TRADE

### How are the issues of mercury production and trade related to ASGM?

The Minamata Convention contains several measures to control the supply of mercury while also reducing the demand for mercury use. For ASGM, under Annex C, National Action Plans (NAPs) must include strategies to reduce mercury emissions and releases from ASGM, and strategies to manage mercury trade and prevent diversion of mercury to the ASGM sector (that is, control supply).

Article 3 of the Convention also specifically prohibits the use of primary-mined mercury for use in ASGM.

<u>Parties will greatly benefit from up-to-date information on production and trade of mercury when doing</u> these activities. The information can be obtained through targeted annual reporting requirements.

# Article 3 already contains requirements to help countries manage their own trade and to understand the sources of their imported mercury. Why do they also need reporting from other Parties?

Countries will not have readily available information about production and trade in bordering countries or within their region, unless there is frequent reporting under the Convention. There are many regions of the world where borders between countries are "porous," and where a significant portion of mercury trade is informal/illegal. For example, mercury may enter a region through legal trade to one country, but then be traded illegally across borders to neighboring countries. This trade is very difficult to track but has a huge impact on the operations of the ASGM sector. With timely reporting of mercury production and trade, Parties can benefit from understanding overall production and flows of mercury to a given region. This information can be used to target mercury trade management strategies, including regional cooperation on controlling illegal trade.

### Aren't there other sources of information on the global mercury trade?

The UN COMTRADE database includes information on mercury trade. However, these data have been found to be incomplete, inconsistent and/or unreliable, and are therefore inadequate for Convention implementation purposes.

#### Why should these data be reported more frequently than every four years?

Recently, the international mercury market has undergone a number of shocks to the system, including export bans (with more export bans on the horizon), as well as the emergence of new small-scale producers of mercury entering the market. The entry into force of the Convention, and the associated changes expected in mercury supply, trade and demand, will mean further market adjustments. Because

of these forces, the mercury production and trade landscape has been changing quickly and will continue to do so, for the foreseeable future. Annual reporting will allow Parties to track these changes and adjust their mercury management strategies accordingly. Annual reporting is consistent with requirements of other environmental conventions such as Basel and the Montreal Protocol. Reliable data are not available elsewhere.

# Will more frequent reporting increase the burden of reporting for Parties? Will governments comply if the reporting is more frequent?

For trade, Parties can comply with reporting requirements simply by submitting electronic copies of already required trade consent forms to the Secretariat. <u>Accordingly, there is no burden associated with frequent trade reporting, and compliance can be accomplished with a click of a button.</u>

For mercury production, only countries with mercury mines or that produce mercury in excess of 10 MT/yr (the reporting threshold) would be covered; therefore, most governments would NOT be affected. For example, no country in Africa would be expected to report mercury production (except perhaps once in a rare case of a closing chlor-alkali plant). Only a few of the affected production countries are in the developing world, and most of these countries are receiving financial assistance covering their mercury production and/or ASGM activities.