



MINERALS AND MINING POLICY OF GHANA
Ensuring mining contributes to sustainable development

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Minerals & Mining Policy of Ghana: Ensuring mining contributes to sustainable development.

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1.0 INTRODUCTION AND POLICY CONTEXT

1.1 BACKGROUND INFORMATION

Ghana's mining history, particularly gold, dates back to the fifteenth century. The industry was very vibrant during the pre- independence period when mining policy was largely geared towards assisting and promoting the maximization of mineral production in the interests of the colonial powers. Therefore, for example, Ghana accounted for 36% of total world gold output (8,153,426 fine ounces) between 1493 and 1600 when there were more than thirty gold mines in operation. But its share of world mineral output dwindled subsequently due to variations associated with global supply and demand and the influence of the two (2) world wars. The post-independence period was marked by state ownership of mineral resources. The period up to 1983 was generally characterised by stagnation of the industry, except for a few spikes recorded immediately after independence and in the early 1970s. The abysmal performance in production, particularly in the gold sector, was as a result of global market conditions and investor uncertainty about the safety of their investment under Ghanaian self-rule, run down of equipment due to the unavailability of foreign exchange to purchase the much needed spare parts for mine equipment and machinery among others.

1.2 THE EARLY POST INDEPENDENCE PERIOD, UP TO 1983

Generally, the changes that occurred in Ghana's mineral industry mirror trends in the industry globally. The period between 1965 and 1980 was characterised by the declaration of permanent sovereignty over natural resources by developing countries which empowered mineral resource endowed nations to nationalise and expropriate existing mining concessions based on grounds of public utility, security or the national interest¹.

¹ UN Charter: General Assembly Resolution 1803 (XVII) of 14 December 1962, Permanent Sovereignty over Natural Resources

One (1) year after independence, a diagnostic study was conducted into the grant of mineral and timber rights. Consequently Government adopted the following policy recommendations of the study. These are:

- The takeover of all mineral rights by Government from land owning communities on whose behalf grants had hitherto been made by their chiefs and other local leaders;
- Development of stringent rules regarding the areal extent of mineral concessions and their duration;
- Government having the right to terminate a mineral right for non-performance;
- Government to consider acquiring majority shares (51%) in mining companies operating in the country.

These adopted policies consequently resulted in the enactment of series of statutes relating to land and minerals. For example, the Minerals Act, Act 126 (1962) had the following provisions: (i) vesting of ownership of minerals in the President on behalf of the Republic and in trust for the people of Ghana, (ii) limitation on areal extent and duration of mineral rights and (iii) the President having power to demand the sale of minerals produced in Ghana to a state agency at a negotiated price determined by a High Court.

It is noteworthy that Ghana's mining industry was to a large extent state controlled between 1957 and 1983. In 1961, the Ghana State Gold Mining Corporation acquired the assets of five mines (Prestea, Tarkwa, Dunkwa, Bibiani and Konongo [Gold Coast main Reef]) from the British companies who offered to sell the mines because of rising production costs, low gold price which had remained fixed at US35/oz as part of the gold standard since 1934, among others. This was to forestall a sudden dislocation of the economy as a result of retrenchment of labour and/or closure of some of the mines.

In 1972, the government initiated a plan, under what was described as “taking over the commanding heights of the economy” to indigenise some

strategic business enterprises including mines. Thus, by the Mining Operations (Government Participation) Decree, 1972 (NRCD 132), the government acquired majority shares (55%) in all the foreign mining companies. The Ashanti Goldfields Corporation (AGC), Consolidated African Selection Trust (CAST), and the Ghana Bauxite Company were affected by this state participation exercise while the African Manganese Company, a subsidiary of Union Carbide (USA), was entirely taken over by the government under the new name of Ghana National Manganese Corporation (GNMC).

The government's main aim of acquiring these mines was to protect the employment of Ghanaians as well as have access to foreign currency generated by the mines. The policy at the time was, therefore, aimed at maximising government revenue, control of resources and employment generation. Apart from AGC and GNMC, which were operating profitably, the SGMC and British Aluminium Company (now Bosai Mining Co.) were operating at either marginal profits or making losses. The SGMC had closed the Bibiani and Konongo mines, which were more in distress.

Concurrently, there was multiplicity of legislation aimed at attracting private participation in the mining sector during the period 1960 to 1980. The economy was characterised by exceptionally high taxes and other levies, pressure on foreign currency led to the implementation of strict exchange controls which severely limited repatriation of profits and access to foreign exchange for replacement of worn out equipment. In addition to these macro-economic problems, the mining sector had its specific challenges; there was lack of clearly defined legal and fiscal regimes, high front end charges (for example, royalty was levied at 6%, mineral duty of 5 to 10% and export levy was pegged at US\$3 per ounce for gold exports exceeding 100,000 ounces). To complicate it even further, infrastructure had deteriorated, particularly leading to shortages of rail capacity for manganese and bauxite haulage.

These challenges created extreme difficulties for the maintenance and rehabilitation of the mines. The mining industry therefore stagnated and up to the early 1980s, as there were no significant new investments in Ghana's mining sector. Output in almost all the mines declined and the sector contributed relatively little to gross national earnings because production of Ghana's flagship mineral, gold had declined to about 283,000 ounces per annum.

2.0 Overview of Ghana's Minerals and Mining Sector

Ghana is well endowed with substantial mineral resources, the major ones being gold, diamonds, manganese and bauxite. Gold is the predominant mineral produced in the country accounting for over 90% of all mineral revenues annually over the past two decades.

Ghana is endowed with immense economic mineral resources such as gold, diamonds, manganese, bauxite, clays, kaolin, mica, columbite-tantalite, feldspar, chrome, silica sand, quartz, salt etc.

The country is also endowed with unexploited deposits of iron ore, limestone, brown clays, kaolin, mica, columbite-tantalite, feldspar, silica sand, quartz, salt etc. There are minor deposits of ilmenite, magnetite and rutile. Some of these industrial minerals – e.g. brown clays, kaolin and silica sand are being exploited on small scale to supply local industries in ceramic, paint and glass manufacturing respectively. There is a huge potential in solar salt production but this remains to be fully realized.

As the table below shows the period between 1960 and 1983 saw a dramatic decline in the production of the main revenue-earning mineral, gold, although it did not change significantly for bauxite and manganese. However there was an increase in the production of diamonds, mainly as a result of the influx of small-scale diamond winners into that sub-sector during that period.

Table 1: Mineral Production Statistics from 1960 to 1983

Year	Gold(oz)	Diamond(ct)	Bauxite(mt)	Manganese(mt)
1960	915,317	1,138,665	197,938	577,648
1961	878,459	1,567,039	213,767	559,760
1962	823,115	1,713,286	207,929	443,391
1963	911,663	1,765,461	225,955	394,080
1964	912,592	1,968,176	271,025	424,657
1965	851,090	2,070,142	278,589	509,166
1966	708,906	2,301,659	312,508	638,000
1967	724,134	2,633,527	333,458	596,572
1968	757,346	2,398,631	317,171	484,696
1969	750,435	2,413,415	247,999	400,363
1970	714,442	2,355,797	259,993	354,726
1971	693,770	2,542,100	361,038	455,253
1972	710,013	2,482,822	356,479	476,690
1973	371,711	2,375,582	330,351	533,789
1974	709,550	2,406,860	327,627	255,393
1975	583,103	2,255,227	383,087	282,291
1976	515,654	2,231,791	282,084	384,162
1977	531,084	2,085,511	271,090	343,228
1978	465,651	1,817,818	329,856	321,443
1979	387,730	1,391,058	213,679	342,051
1980	342,904	1,227,071	224,501	368,593
1981	338,042	1,016,580	179,598	260,409
1982	337,754	893,016	63,530	176,871
1983	285,291	336,612	70,235	179,987

* oz - ounce,
ct - carat,
mt- metric tonne

The sector was characterized by worn-out and run-down infrastructure, obsolete plant and equipment, production costs not matched by revenues

due to overvaluation of the local currency, as well as an exodus of skilled personnel, among other things. All the gold mining operations except the erstwhile Ashanti Goldfields Corporation Ltd., were 100% state-owned, and in 1972 the state acquired 55% interest in the non-state owned mining operations.

The Economic Recovery Programme (ERP) was launched in 1983 to halt the general decline in the economy by resuscitating its major sectors including the mining sector.

In 1983 Government launched the Economic Recovery Programme (ERP). Among its elements were: (1) the adjustment of the cedi exchange rate to more realistic levels; (2) the institution of a scheme by which exporters were allowed to retain a proportion of their foreign currency earnings for their operations, and payment of dividends and (3) the disposal of loss-making state enterprises. The export sector, particularly mining, was identified as one of the key sectors that could help revive the economy at the time. In 1986 the Minerals and Mining Law (PNDC Law 153) was enacted to promote and regulate the orderly development of the sector. The Small-Scale Gold Mining Law (PNDC Law 218), the Mercury Law (PNDC Law 217) and the Precious Minerals Marketing Corporation Law (PNDC Law 219) were passed in 1989 to regularise and streamline small-scale gold mining, regulate the use of mercury by small-scale gold miners, and provide official marketing channels for gold produced by small-scale miners. These measures led to significant investment and activities in the mining sector and a substantial increase in the production of gold in the country, as well as some significant increases in manganese and bauxite production.

As a result of the ERP and other policy measures, the mining sector has become the highest foreign exchange earner for the country.

The mining sector has been an important part of Ghana's economy with gold accounting for over 95% of the sector. Ghana is a significant gold producer in Africa (second after South Africa) and globally, being the 9th largest producer in the world. Over the past decade, the price of gold has witnessed significant and sustained rise. From an average low of US\$279 in year 2000,

the price rose to US\$445 in 2005, again to US\$1,225 in 2010 and then to an all time high of US\$1,895 in September, 2011. However, the price dropped to about US\$1,300 in June 2013.

Except year 2004, the mining sector was consistently the highest gross foreign exchange earner from 1999 to date as well as a provider of significant employment to Ghanaians. Currently, the sector contributes 27% of government revenue in terms of Domestic Tax. The sector also employs over 29,000 people in the large scale mining industry whilst an estimated 1,000,000 people are engaged in the small scale gold, diamonds, sand winning and quarry industries. In 2012, Ghana produced 4,313,190.00 ounces of gold, the highest ever in the history of the country. It is significant to note that out of this record production, small scale miners contributed some 34% (1,423,453 ounces) of the total gold produced in 2012. This resulted in export revenues of some US\$5.6billion.

The favourable investment climate coupled with Ghana's mineral endowment has attracted over 250 local and foreign companies to the industry for mineral exploration. Currently, there are 14 large scale companies producing gold, diamond, bauxite and Manganese, with over 1,000 registered small scale mining groups and 90 Mine Support service companies.

Small-scale mining of precious minerals continues to make significant contributions to the country's foreign exchange earnings. For example, total gold production by artisanal and small scale miners had risen from 2.2% in 1989 to 34% of the national production in 2012. All diamond production is now from small-scale mining. As a result of the emphasis on private sector development since the 1980s, the mineral sector is now fully privatized. Investments have come from both major multinational companies and junior mining companies. Whilst there have been some local equity interests, the sector remains predominantly foreign, save for the small-scale component and the privatised Ghana Consolidated Diamond Ltd which is wholly Ghanaian owned.

Despite the successes achieved, major challenges still face the mining sector

Despite the significant progress made over the years, the sector faces many challenges which require attention. Despite the significant investment in the mining sector, there has been lots of complaints that the mining sector is not contributing enough to Ghana's economy because of our over-dependence on fiscal benefits without conscious effort to develop the linkages that mining brings along its value chain. In fact Ghana is no exception to this enterprise. Most mineral dependent nations in Africa face similar challenges.

Other emerging issues include; participation of foreigners in small scale mining, which is reserved for Ghanaians. Activities of these illegal miners have added to the environmental and social cost of mining due to the extensive destruction and pollution of water bodies.

To address these challenges, a policy framework with its resulting action plan (The African Mining Vision and Action Plan) was developed under the auspices of the Africa Union. The Africa Mining Vision (AMV) seeks to use Africa's mineral resources to reduce the continent's poverty and accelerate its social and economic development. The Vision also seeks to set Africa on an industrialization path, based on its natural capital and enable the continent take its place in the global economy.

On the sub regional level, the ECOWAS Mineral Development Policy and the ECOWAS Directive on the harmonisation of guiding principles and policies in the mining sector have been developed. One of the key objectives of these ECOWAS initiatives is to provide a mining environment that is responsive to sustainable development and balances the need to provide the appropriate incentives to attract investors with the protection of the revenue base and

resources of member states. *The draft minerals and mining policy seeks to develop policies in line with these international conventions.*

Additionally, the outcome of the Rio+20 Summit emphasized a development approach involving wise use of natural resources, respect for the environment and equitable distribution of resources. This development approach highlighted green economy in the context of sustainable development and poverty eradication as one of the important tools for achieving sustainable development, while maintaining the healthy functioning of the Earth's ecosystems.

Addressing these challenges will position the industry to remain internationally competitive, whilst at the same time ensuring that the expected benefits due the state, communities and investors are realised.

These challenges include:

- i. Environmental issues;
- ii. Social conflicts that arise from mining operations;
- iii. Over-reliance on the exploitation of traditional minerals: gold, diamond, bauxite & manganese;
- iv. Inadequate local value addition to minerals produced;
- v. Inadequate geo-scientific data required to assist prospective investors;
- vi. Inadequate funding to prospect for areas suitable for demarcation to artisanal and small scale miners;
- vii. Lack of access to financial opportunities to enable artisanal and small scale miners to upscale their activities;
- viii. Capacity deficiency of state institutions in contract negotiations, monitoring and ensuring compliance with laws and regulations.
- ix. Inequitable distribution of benefits accruing from mining among all stakeholders;
- x. Lack of local capital in the mining sector;
- xi. Developing, attracting and retaining local human resource in the sector;
- xii. Integrating the sector with the rest of the economy (ensuring backward, forward and side-stream linkages) to maximize earnings from mining activities;
- xiii. Governance issues including, accountability of stakeholders, participation, transparency, access to information and management of mineral revenue especially at the local level;
- xiv. Inadequate consultation with other sectors in the planning and development of economic infrastructure to take account of the

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requirements of mining activities, e.g. energy, transportation etc.

2.1 Policy Framework and Objectives

The Minerals and Mining Policy provides a written declaration of the framework of principles and policies that will guide Government in the management of the mining and minerals sector.

By consolidating various policies in the mining sector, key objectives have been outlined to support the sustainable development of the national economy.

This Policy Document has been developed having regard to the provisions of the *Constitution of the Republic of Ghana, 1992 (as Amended in 1996)* and with a view to complementing the Ghana Growth and Poverty Reduction Strategy (GPRSII), the Draft Medium Term Development Plan and the Better Ghana Agenda, which set out measures and initiatives for economic growth and improvement in the standard and quality of life of all Ghanaians. Other documents taken into account include: Guidelines and Policies prepared under the Natural Resources and Environmental Governance (NREG) Programme which relates to social & environment issues and sustainability of mining communities after mine closure.

Ghana has a well-established mining sector, which has grown considerably in recent years to represent an important pillar of the Ghanaian economy. By the consolidation of various policies in the mining sector, Government wishes to secure the continued development of a thriving mining industry that will contribute to sustainable economic development based on the following objectives:

- i. Diversify the country's mineral production base to promote a more sustainable support base for the economy;
- ii. Promote linkages (backward, forward and side-stream) to minerals produced locally to the maximum extent possible;
- iii. Generate adequate geo-scientific data to promote investment;
- iv. Generate detailed geological information in designated areas for demarcation to artisanal and small scale miners;
- v. Provide opportunities for artisanal and small scale miners to access financing to upscale their activities;

- vi. Enhance capacity of state institutions and strengthen inter agency collaboration in the management and development of mineral resources;
- vii. Optimize tax revenue generation and ensure transparent and equitable distribution of mineral wealth;
- viii. Assist in the development of skilled human resource and develop local industrial capacity for the mineral industry;
- ix. Contribute to infrastructure development in mining areas;
- x. Use mining as a catalyst for wider investment in the economy;
- xi. Ensure high level of environmental stewardship in the exploitation and use of minerals;
- xii. Promote social harmony between the mines and adjoining communities;
- xiii. Collaborate in the harmonisation of mineral policy in ECOWAS and in Africa.
- xiv. Adopt principles of the AU and the Intergovernmental Forum on Mining in promoting good governance and transparency in the extractive sector
- xv. Implement through the African Mineral Development Centre policies outlined in the African Mining Vision, and the Mining Policy Framework.
- xvi. Access the African Development Bank's African Legal Support Facility and the Facility for Fair Exploitation of Extractive Resources in Africa.

The policy seeks to establish a comprehensive and forward looking framework for mining that catalyses sustainable development.

In order to achieve these objectives, Government recognises that there is a need to establish a clear, comprehensive and forward-looking national policy that will govern the regulation and development of the mining sector. Government recognises also that the minerals and mining policy must provide for the establishment of an enabling environment for

investors, which is based upon modern regulatory arrangements and attractive terms.

Whilst seeking to encourage investment, there is also a need to ensure that mineral operations are conducted responsibly. Government considers that neglect of the environment and harm to local communities as a result of mineral resource development is not acceptable. The intention is therefore to ensure that Ghana secures the full economic and social benefits that mining development promises, in an environmentally and socially responsible manner.

The initiatives contained in this mineral and mining policy are directed not only at large-scale mining but also at small-scale mining. The recognition of, and support to, small-scale mining is based on the premise that it offers opportunities to generate employment, support rural livelihoods and foster local entrepreneurship. In this respect, Government recognises that small-scale miners require assistance in their efforts to operate in an economically and environmentally sustainable manner. Government has already implemented a number of measures to facilitate the development of small-scale mining and will take further measures to promote and enhance the sub-sector.

Government acknowledges the tension that has arisen on many occasions between large mining companies and small-scale miners. This is an issue which has to be handled with due regard for acquired rights, legitimate expectations and the need to promote social harmony. Moreover, Government has a duty to discharge its regulatory responsibilities in an effective, even-handed and coordinated manner.

3.0 PRINCIPLES OF MINERALS AND MINING SECTOR POLICY

The mineral resources of Ghana are public property which must be managed for the collective interest of the people of Ghana. Government therefore declares the following guiding principles of the minerals and mining policy:

Twenty guiding principles underpin the minerals and mining sector policy

1. Ensuring that Ghana's mineral endowment is managed on a sustainable economic, social and environmental basis;
2. Extracting and managing Ghana's mineral endowment with due regard to internationally accepted standards of health, mine safety, environmental and human rights protection;
3. Fostering the development of a mining sector that is integrated with other sectors of the national economy;
4. Promoting the transformation of mining capital into other forms of development capital;
5. Contributing to the economic empowerment of Ghanaians by generating opportunities for local entrepreneurship, increasing demand for local goods and services and continuously creating employment opportunities for Ghanaians;
6. Applying modern principles of transparency and accountability to the administration of mining laws and regulations;
7. Ensuring an equitable sharing of the financial and developmental benefits of mining between investors and all Ghanaian stakeholders;
8. Respecting the rights of communities that host mineral resources development;
9. Encouraging local and foreign private sector participation in the exploration for, and commercial exploitation of, mineral resources;
10. Recognising the need to establish and maintain a conducive macro-economic environment for mining investment;

11. Developing a predictable regulatory environment that provides for the transparent and fair treatment of investors;
12. Ensuring availability and accessibility of geo-scientific data necessary for the promotion of minerals sector investment;
13. Incorporating in the licensing system an early focus on mine closure and post closure planning to anticipate and provide ahead for environmental, social and economic consequences;
14. Promoting sustainable livelihoods in mining communities;
15. Supporting the development of Ghanaian mining skills, entrepreneurship and capital by encouraging and facilitating the orderly and sustainable development of small-scale mining in precious and industrial minerals;
16. Maximising opportunities for minerals-related education, training, career development and other support to empower Ghanaians to become owners and managers of mines and other professionals in the mining industry;
17. Respecting employee, gender, children's rights and other human rights in mining, and the removal of obstacles to participation in the mining sector on the basis of gender, marital status or disability;
18. Encouraging mining companies to develop a participatory and collaborative approach with local communities in decision making relating to mine planning, development and decommissioning;
19. Developing streamlined institutional arrangements with adequate capacity for effective promotion and regulation of the mining sector;
20. Acting in harmony with regional and international conventions and other instruments relevant to mining by endorsing and implementing principles that are established in these conventions and instruments.

4.0 REGULATING THE MINING SECTOR

Mineral resources belong to the Ghanaian people in common, and their stewardship is entrusted to the President in accordance with the governing provisions of the Constitution. Under this framework, the Parliament of Ghana may make specific laws regulating rights and interests in minerals.

Government has developed a new mining law, *Minerals and Mining Act, 2006* (Act 703) to replace the *Minerals and Mining Law, 1986* (PNDCL 153). The Minister responsible for mining retains responsibility for the overall management of Ghana's mineral resources and policy-making, including the grant of mineral rights. The Minister is assisted by the Minerals Commission (established under the *Minerals Commission Act, 1993* (Act 450)), which is responsible for day-to-day administration and is authorised to perform a range of specific duties and functions, including advising the Minister on matters relating to minerals policy and on the granting of mineral rights.

The Environmental Protection Agency (EPA), the Ministry responsible for the environment, the Forestry Commission and the Water Resources Commission have key roles to play in the environmental regulation of the mining sector.

The Ministry of Finance, the Ghana Revenue Authority and the Bank of Ghana in collaboration with the Minerals Commission are the regulators of the fiscal aspects of the policy.

Laws and Regulations which affect the minerals and mining sector are listed in appendices 1 and 2.

5.0 MINERALS LICENSING

A principal tool for the management of national mineral resources is a system of allocating rights to mining companies and persons to carry out minerals exploration and mining operations in return for the performance of explicit and enforceable obligations. The objective of a licensing system is to allocate mineral rights, in areas not proscribed, to those best able to generate improved knowledge about the mineral endowment in general, to delineate mineralization of commercial value and to carry out commercial production and supply of minerals in an efficient and responsible manner.

A modern mineral cadastre is being developed to facilitate and streamline the administration of mineral rights.

This objective can be best achieved through the establishment of a standardised licensing system, with the principal legal and administrative arrangements enshrined in law. Standardisation enables mineral operations to be conducted on a level playing field and investment decisions to be based on factors that can be predicted and planned for. It also enhances the capacity of the mining authorities to administer the system efficiently and transparently. This, in turn, forms the basis for accountability to Parliament and the people.

This approach is reflected in the mining law, which contains the following arrangements for minerals licensing:

1. The minerals licensing system has provisions for all classes of minerals (including radioactive minerals and, industrial minerals such as sand, gravel and salt);
2. There is a range of fixed term (and renewable) mineral rights suited to the various phases of mineral operations from reconnaissance of potential mineral-bearing areas through to mineral extraction and treatment. Limitations may be imposed on the surface area granted under mineral rights, in accordance with the type of mineral operation and ability of the holder to work the area

effectively. Specific licences are required also to enable a person to buy and deal in minerals;

3. Small-scale operations are distinguished from other operations in order to reserve rights to conduct such operations to Ghanaian citizens and to assist Government in targeting programmes to support the development of small-scale mining to those possessing rights to conduct such operations (see Section 8);
4. Mineral rights are open to any bonafide applicant, subject to the reservation of licences for small-scale operations to Ghanaians only;
5. Timely, effective and transparent arrangements for the assessment and approval of applications for mineral rights, include prescribing:
 - a. the required form and content of applications;
 - b. procedures for lodging applications with the Minerals Commission;
 - c. procedures for the registration of applications in a Register of mineral rights, maintained by the Minerals Commission and accessible to the public upon the payment of a nominal fee; and
 - d. obligations of the Minerals Commission upon receiving applications, including time limits for conducting evaluation of applications, notifications to other government agencies and maintaining active liaison between mining companies, regulatory agencies and local communities.

Effective consultation with mining communities is an important aspect of the mineral licensing process

6. Procedures for effective participation of communities in the licensing process include notification to the communities by methods such as publication of the application at the District

Assembly, among others as well as the conduct of public hearings in prescribed circumstances.

Security of tenure of mineral rights is guaranteed.

7. Terms and conditions that guarantee security of tenure to mineral right holders and the right to proceed from reconnaissance through prospecting to mine development once the commercial feasibility of mining are established under the mining laws, in return for specific and enforceable commitments from mineral right holders, including the following obligations:
 - a. carrying out prospecting operations in accordance with an approved programme;
 - b. progressively relinquishing portions of the area held for prospecting as prospecting advances;
 - c. moving efficaciously towards determination of the commercial viability of mining following the discovery of minerals;
 - d. supporting an application for a mining lease with a comprehensive mine development plan (including a production plan, financing plan, marketing plan, environmental impact statement and such other studies and proposals as are required under applicable legislation and obligations into which the applicant has entered under a mineral agreement) to demonstrate that the operations will ensure the efficient and beneficial socio-economic use of mineral resources;
 - e. conducting mining and related operations in accordance with the approved programme of mineral operations; and,
 - f. providing satisfactory undertakings to guarantee or secure performance of the mineral right holder's obligations at the prospecting and mining stages.
8. Regulations have been developed to ensure that mining operators employ techniques that are modern, efficient, safe and environmentally sound.

9. Government is also providing other assurances which are required by the holder of mineral rights in order to facilitate the financing and implementation of mineral operations, including:
- a. transferability of mineral rights, subject to prior approval of the Minister and other safeguards to protect the interests of Ghana;
 - b. access to land designated for prospecting and mining operations, subject to payment of compensation and other safeguards to protect the interests of surface right holders; and,
 - c. the right to market production, within the framework of the prevailing laws and subject to accurate assessment of fair market valuation of the mine product and appropriate audit and monitoring.

6.0 ENVIRONMENTAL REGULATION OF MINING

Government's objective is to achieve a socially acceptable balance, within the environmental regulatory framework, between mining and the physical and human environment and to ensure that internationally accepted standards of health, mine safety and environmental protection are observed by all participants in the mining sector.

Environmental Regulations on mining is to ensure that mining is carried out in a modern, safe and environmentally sound manner

The current environmental and social standards under which economic activities should be conducted in Ghana and the methods by which Government seeks to enforce them are contained in the following documents and instruments: the National Environmental Policy of Ghana, which is complemented by the *Environmental Protection Agency Act, 1994* (Act 490); *Environmental Assessment Regulations, 1999* (L.I. 1652) ('Environmental Regulations'); the *Forestry Commission Act, 1999* (Act 571); Ghana's Mining and Environmental Guidelines, 1994; Operational Guidelines for Mineral Exploration in Forest Reserves for

Selected Companies, 1997; Environmental Guidelines for Mining in Production Forest Reserves in Ghana, 2001; Guidelines for the Preparation of Feasibility study reports, 2009; Mine Closure and Post-closure Policies; Guidelines for Corporate Social Responsibility in Mining Communities; and Compensation Policy and Regulations. Other guidelines are being developed to improve the standards of environmental stewardship.

The following environment-related issues are addressed:

Mineral activities can only commence after environmental and other permits have been obtained

1. The provisions of the minerals and mining Act recognize existing environmental legislation. In particular, the Act provides that:
 - a. mineral rights may not be granted to an applicant unless that applicant has provided a satisfactory programme of environmental protection measures and how these would be funded;
 - b. applications for mineral rights must be accompanied by information relevant to all activities requiring approval under environmental legislation;
 - c. mining companies must comply with the requirements of the environmental regulations, including requirements relating to environmental impact assessment for environmental permitting.
2. The provisions of the minerals and mining Act clarify the position regarding the grant and enjoyment of water rights in connection with mining operations by specifying in particular that a mineral right holder who seeks water rights associated with mining operations must obtain the requisite licence from the Water Resources Commission.
3. Procedures for the assessment of applications and inter-agency consultation will be regularly monitored by:

Key regulatory agencies would maintain constant interaction among them to ensure effective mineral right administration

- a. keeping under review current arrangements under which the Minerals Commission consults with the Environmental Protection Agency (EPA), the Forestry Commission, the Water Resources Commission, Metropolitan, Municipal and District Assemblies and other relevant departments and agencies during the evaluation of applications for mineral rights; and
 - b. improving the capacity of the Minerals Commission to maintain active liaison with mining companies, the regulatory agencies named above, local communities and civil society during all stages of environmental permitting.
4. Relevant government agencies would assist local communities to be better able to engage with the mining companies on issues affecting them, such as compensation, resettlement, safety and health and post-mining rehabilitation.
5. The EPA, the Minerals Commission, the Forestry Commission and other relevant agencies, acting in collaboration, have the responsibility to develop standards and guidelines for environmental compliance by mining companies, including:
- a. standards of environmental performance for different types of mineral operations, particularly with regard to wildlife sanctuaries, forest reserves and areas of ecological sensitivity; and,
 - b. guidelines for mining companies on compliance with environmental requirements, including conformity with internationally accepted standards on matters such as compensation and resettlement, water and air pollution, mine waste disposal, decommissioning, reclamation, and on monitoring plans and programmes.

6. There are provisions in the current legal regime as to what happens to the mine and its assets at mine closure. Government's policy would:
 - a. ensure that rehabilitation and other mine-closure obligations of the mineral rights holder are consistent with international best practice. This will require mining companies to provide a suitable upfront guarantee or set aside funds to meet clear and comprehensive rehabilitation and other mine-closure obligations; and,
 - b. ensure that Government, land owners and local communities benefit from assets remaining after mine closure.

6.1 CLIMATE CHANGE

Climate change is one of the foremost global challenges for future economic growth of Ghana and well-being of the Ghanaian Society. The mining industry remains strongly committed to addressing the urgent need to reduce greenhouse gas emissions significantly by 2020 in accordance with international treaties and also to pursue a low carbon path afterwards. These are expected to contribute to effectively limiting the increase in global temperature to no more than 2°C above pre-Industrial levels, consistent with science and technology.

Mining will be carried out in an ambitious and transparent manner and in accordance with the United Nations Framework Convention on Climate Change (UNFCCC), complemented by actions addressed through other relevant fora.

7.0 OCCUPATIONAL HEALTH AND SAFETY

The various mining operations in Ghana pose different types of health and safety hazards. The minerals and mining policy seeks to implement measures and systems to reduce mine-related deaths, injuries and diseases. It is recognized that both surface and underground operations, if not well managed, have the potential to result in workplace fatalities, injuries and diseases. The introduction of the cyanidation technology for gold processing has introduced new risk factors within the mining industry. Surface mining operations have brought mining into proximity with the mining communities thereby creating new health and safety risks.

The Policy seeks to reduce occupational health and safety hazards associated with mining to the barest minimum.

In spite of the fact that the law provides for the regularization of artisanal and small-scale mineral operations, much of the activity in the area remains outside the law. There are unacceptable levels of fatalities and serious workplace injuries at artisanal and small-scale mining operations. Improvements in the regulation of the sector and mainstreaming of activities within it are required.

The prevalence of lung diseases such as silicosis caused by dust inhaled during mining operations must be addressed. Education and measures to contain other diseases which could negatively impact operations, such as malaria, and HIV/AIDS with its indirect opportunistic diseases like tuberculosis would be intensified.

The policy objective is to ensure that all mining activities in the country are conducted in such a manner as to protect the physical environment, the workers and the general public. This will be achieved through compliance with applicable environment, health and safety laws and regulations and the development and implementation of comprehensive monitoring and auditing programmes.

The occupational health and safety measures include the following:

1. Regulations to ensure health and safety standards for all mining operations in the country.
2. Mining companies put in place adequate and effective measures to ensure the achievement of standards so established. To this end mining companies shall:
 - a. conduct risk assessments to identify the various hazards inherent in their operations, rank these risks and ensure that effective controls are put in place to ameliorate the risks;
 - b. provide training and re-training of the employees in safety matters;
 - c. show commitment to comply with environmental, occupational, health and safety standards through implementation of appropriate health and safety programmes;
 - d. ensure that all employees exercise leadership and commitment to continual improvement in environmental, occupational, health and safety awareness.

Child labour in mining is outlawed

3. Local Government Authorities and other local level structures shall ensure that children are not engaged in mining operations. Children who have to visit mining areas shall be under proper supervision.
4. Sustained educational campaign must be carried out by companies and government agencies in all mining areas in order to reduce the incidence of HIV/AIDS in mining communities. The Municipal/District Assemblies in mining communities should collaborate with mining companies to implement Voluntary Counselling and Testing (VCT) programmes in the communities.

8.0 FISCAL POLICY FOR MINING

Natural resources have the potential, if developed and managed responsibly, in line with internationally recognised environmental and social standards, to be a key driver of strong and sustainable growth, especially in developing countries with an abundance of natural resources.

However, the lack of strong systems of transparency and accountability in the management of the extractive sector in some resource-rich countries has too often allowed revenues to be diverted from high-priority national needs. Raising global standards of transparency in the extractive sector and building the capacity of countries to manage their resources effectively will improve accountability, reduce the space for corruption and other illicit activities and ensure that citizens benefit fully from the extraction of natural resources.

Government recognises that in exercising stewardship of the mineral endowment on behalf of the people of Ghana, it must optimize the fiscal benefits generated by the exploitation of the country's non-renewable resources. To this end, Government seeks a fair balance between generating revenues and attracting sustainable investment in the mining sector. This involves recognising the particular risks and economic characteristics of mineral operations while at the same time capturing an adequate share of the value of the mineral resource for the country.

The policy aims at empowering Ghanaians to hold Government and mining companies to account for every aspect of the mining operations. This would be achieved through active participation in fora for open free and uninterrupted access to information as well as other international conventions such as the EITI to which Ghana is signatory. The transparency drive will include information sharing on who ultimately controls, owns and profits from all mining operations and all legal arrangements, including trusts, not only those who seek to evade and avoid

improperly tax, but also those who seek to launder the proceeds from mining to carry out across borders crimes.

A transformative Open Data Charter to make budget data and other government information public in an easily accessible way will be put in place. The policy seeks to put in place a reporting standard in conformity with global reporting standards to make minerals and mining industry payments more transparent to ensure that the country manages its mining revenues better so as to provide a route out of poverty and reliance on foreign aid.

The Policy seeks a fair sharing of revenues generated while attracting investment into the sector

The principal features of the fiscal regime for mining are as follows:

1. A standardised and transparent fiscal regime which takes account of international trends and enables investors to predict and plan for fiscal obligations. Such standardisation also enhances the ability of mining authorities to administer the regime efficiently and effectively.
2. The standardised fiscal regime includes the following elements:
 - a. mineral royalty, methods of determination of amounts due and procedures for payment set by Government from time to time under the applicable law;
 - b. corporate income tax, the methods of determination of amounts due and procedures for payment set out in the relevant tax legislation;
 - c. Other fiscal imposts, the methods of determination of amounts due and procedures for payment set out in the relevant tax legislation;
 - d. the relevant tax legislation provides for the non-discriminatory treatment of mining companies;

- e. provision for Government to enter into agreements with the holder of a mining lease regarding the stabilisation of some fiscal elements up to a specified maximum period. The execution of such agreements are subject to ratification by Parliament;
- f. provision for mandatory Government participating interest in mining operations.
- g. Other levies by local authorities.

Favourable fiscal provisions have been developed to attract investment into the sector.

- 3. Having regard to the particular risks and long gestation period associated with mineral exploration and development operations, the regime is designed to:
 - a. offer an equitable rate of depreciation for mine-related capital expenditures; and,
 - b. provide standardised procedures and criteria for granting exemptions for import duties and VAT in respect of plant machinery, equipment and accessories imported specifically and exclusively for mineral operations.
- 4. The efficiency of collection and accountability for fiscal receipts from mining would be maintained by:
 - a. simplifying and standardising the fiscal regime;
 - b. providing safeguards in the tax legislation against tax leakage through appropriate definitions of mining income, transfer pricing, allowable mining expenditures and value of mineral sales, coupled with standardised accounting procedures based on best international practice;
 - c. strengthening company financial reporting obligations; and,
 - d. developing appropriate capacity for efficient administration of mining taxation, including fostering greater collaboration

between the Minerals Commission and the Revenue Agencies.

5. Government seeks also to minimize the cost to mining companies associated with preventing and mitigating adverse impacts on the environment and local communities by providing under the relevant tax legislation for approved expenditures associated with environmental protection and site restoration to be treated as deductible for tax purposes.
6. Licensing and other related fees would be kept rationalised to preserve their value through appropriate indexation.

9.0 PROMOTION OF EFFICIENT ARTISANAL AND SMALL-SCALE MINING OPERATIONS

Government recognises that small-scale mining operations undertaken by Ghanaians offer opportunities to support rural livelihoods, develop entrepreneurship and provide a source of industrial raw materials. However, small-scale miners must be assisted in their efforts to operate in a technically, economically and environmentally sustainable manner. In this regard, Government has implemented a range of measures relating to the regulation and promotion of small-scale mining with some positive results. These include:

- a. the establishment of district offices manned by Minerals Commission personnel to give technical assistance to small-scale miners;
- b. the geological investigation and demarcation of areas suitable for small-scale mining
- c. provision of finance to small-scale miners to improve their operations
- d. education, training and provision of logistics to enhance the corporate governance, efficiency, and safety of their operations and
- e. effective collaboration with all stakeholders

Government's intention is to build upon these achievements to implement further initiatives to enhance the development of an efficient, modern and sustainable small-scale mining sector, involving both precious and industrial minerals.

Artisanal and Small-scale miners would be assisted to improve upon their operations

The following measures are intended to enhance the growth and opportunities in the small-scale mining sector:

1. Improving access to finance for small-scale miners, including:
 - a. assistance to obtain fair market prices for their minerals by the control of illicit dealings and trading of minerals through

appropriate licensing and providing necessary market information and training;

- b. promoting of co-operative savings schemes, pooled equipment leasing arrangements and concessional lending schemes (with special support funding from both local and international sources); and,
- c. tailored assistance in basic business skills.

Artisanal and small-scale mining is reserved for Ghanaian citizens

2. The minerals licensing system restricts the granting of mineral rights for small-scale mining operations to Ghanaian citizens. Simplified procedures for applying for these licences will be adopted.
3. The Minister exercises his authority, in consultation with the Minerals Commission, to continuously designate areas to be reserved for small-scale mining activity based on technical and financial viability of the areas.
4. To manage land use conflicts in the context of small-scale mining, the Minerals Commission will develop standardized procedures, including adequate advance notice, and community participation in deliberations leading to the designation of areas.

Government will continue to ensure the use of appropriate, safe and affordable technologies in small-scale mining

5. To encourage the use of appropriate, affordable and safe technology, Government will continue to support the collation and dissemination of information on appropriate technologies, the provision of extension services and demonstration of improved technologies.

6. In seeking to promote the interests of small-scale mining, Government will continue to form district mining committees and support the small-scale mining associations to help manage the sub-sector at the local level.
7. Government will continue to work with, and encourage, mining companies to collaborate and give support to small-scale miners where it is in the mutual interests of the parties.
8. To mitigate the negative impacts of small-scale mining, Government will disseminate information to raise awareness of health, safety and environmental risks, and will periodically revise and disseminate occupational health and safety guidelines for small-scale mining.
9. Taking cognisance of the dynamic nature of mining, government will periodically review the regulatory framework within which artisanal and small-scale mining operations take place.

Nothing in this policy document should be construed to equate small-scale mining with illegal mining. While encouraging small-scale mining in approved areas, Government will protect bona fide mineral rights holders from interference in their operations by unlicensed persons. Government will work in partnership with all stakeholders in this regard.

10.0 SECURING THE MAXIMUM BENEFITS AND MINIMISING THE COSTS OF MINING

Government wishes to foster the development of a thriving mining industry that will contribute to sustainable economic development, economic empowerment of Ghanaians, the alleviation of poverty and, improvements to the standard and quality of life in Ghana. In this respect, Government has an important role to play in ensuring that all Ghanaian stakeholders secure the maximum direct and indirect benefits from mining. Government has established the following policies to achieve this goal.

Government will ensure that mining is integrated with other sectors of the economy.

10.1 Generating Geo-Scientific Information to Mining

Detailed geo-scientific information shall be made available to both large scale and small-scale miners, to generate employment and contribute to the country's industrialisation. Provision of detailed geo-scientific information involves a lot of resource commitment, therefore there is the need to commercialise this to provide the needed incentive for its sustainability. This will also ensure that the sector has what it takes to attract and motivate well qualified professionals. Projects to establish the extent of the country's mineralisation through regional air-borne geophysical surveys and other surveys will be continuously pursued.

10.2 Creation of Linkages

Conscious effort will also be made to channel revenues accruing from mining into specific projects to provide forward, backward and side-stream linkages needed for the expansion of the local economy. Some work has already been done by the Minerals Commission to identify the location, extent and potential markets for certain industrial minerals. Further work will be done to expand knowledge about and potential uses of a greater range of minerals.

Government in collaboration with industry will also continue to identify inputs which can be sourced locally for the mining industry. Ghanaian entrepreneurs will be encouraged to produce and provide these inputs to the mining industry and to add value to the minerals produced.

10.3. Diversification of Mineral Production Base

1. Salt

Ghana's comparative advantage over its West African neighbours in solar salt production stem from the favourable geographical, climatic and environmental conditions. Thus, it is Government's policy to secure the continued development of an efficient and thriving salt industry that will extract all possible by and co-products from the production process and generate supplies for domestic as well as raw material needs of appropriate local and regional industries.

It is also expected that the salt industry will facilitate and accelerate the development of our oil fields as well as the downstream local petro-chemical industry. The salt industry will also support the proposed integrated bauxite-alumina industry, and the agriculture, food and beverage, water and textiles sub-sectors.

Taking cognisance of land-use and environment challenges in the salt producing areas, the development framework will include the establishment of appropriate sustainable livelihood projects as well as environmental impact mitigating programmes that would be well suited for the affected communities to ensure that livelihood of the indigenous people are not jeopardized.

2 Base Metals

As part of Government periodic review of the country's mineral resource base, results of recent exploration work done have shown occurrences of base metals such as Copper, Zinc, Nickel and Chrome in some parts of the country. Further exploration of these deposits and others identified will be promoted to determine their economic viability.

3 Other Minerals

Unexploited deposits of iron ore, limestone, brown clays, kaolin, mica, columbite-tantalite, feldspar, silica sand, quartz, dimension stones also exist. As energy generation and other infrastructure are improved, advantage will be taken of their existence to facilitate the exploitation and development of such deposits.

10.4. Employment Generation

In order to maximise the generation of employment in mining, the mining legislation requires mining companies to give preference to the employment of Ghanaians. To promote this, the companies will be required:

- a. to submit a programme for the recruitment of qualified Ghanaians to be approved from time to time by the Government; and,
- b. to submit from time to time a programme for the training of Ghanaian personnel for the approval by the Minerals Commission. The Commission will ensure that companies exhaust all reasonable means to find qualified Ghanaians before any quota for the employment of expatriates can be approved. In this respect, a database of Ghanaian Geoscientists and other relevant professionals will be kept and regularly up-dated by the Minerals Commission.

10.5 Training of Geo-Scientist and Other Mining Professional

The Minerals Commission, in consultation with the Chamber of Mines and the tertiary institutions, shall support the development of curricula of geo-science and other training institutions.

To afford Ghanaian geo-science and other mining students opportunities to undertake practical training, mining companies will be expected to offer attachments to students from the country's tertiary educational institutions. Appropriate guidelines and conditions for such attachments shall be developed in collaboration with the Chamber of Mines and other relevant institutions.

Mining inputs and services shall be of local origin to the maximum extent possible

10.6 Procurement of Local Goods and Services

The mining legislation requires mining companies to give preference to qualified Ghanaian suppliers of local goods and services. The Minerals Commission will administer this policy with the use of instruments of the local procurement list and the companies' procurement plans.

10.7 Development of Local Infrastructure

In order to maximise the development of infrastructure, mining companies will be expected to provide adequate infrastructure necessary for mine development. Government would consider proposals from companies to develop infrastructure that may have a wider public use.

10.8 Rural Transformation and Community Participation

Mining should be an important pillar to support the development of rural Ghana. To improve their livelihood, mining communities and

mining companies should be partners in development and must tap into the unique expertise that mining companies bring along to that end. Mining companies shall be encouraged to actively participate in, and support the achievement of community initiatives, especially in the areas of health care, education, water and sanitation.

Government further recognises that the benefits generated by mining in the form of fiscal receipts must be utilised to ensure an equitable sharing of benefits having regard, in particular, to the needs of local communities most directly affected by mining. In order to achieve this, Government will introduce improvements to the existing administratively operated fund (the Mineral Development Fund) for apportioning part of mining revenues for development projects in local communities affected by mining. Legislation will be introduced to give statutory standing to the Mineral Development Fund. Amounts payable to District Assemblies and traditional authorities will be made under a transparent framework, and also be given wider and more consistent publicity.

The rights and interests of landowners and local communities regarding benefits accruing from the use of land shall be guaranteed during the entire mining process.

Additional measures will be taken to maximise the accruing benefits and minimise the negative impacts of mining on local communities by requiring that:

- a. training programmes and business development plans developed by mining companies give special emphasis to local beneficiaries;
- b. mining companies make proposals on community liaison and consultation arrangements in their mining development proposals; and
- c. local authorities, in conjunction with relevant governmental agencies, establish policies and procedures for full engagement of local representatives and other relevant stakeholders in planning and supervising local community development.

10.9 Creation of Opportunities after Cessation of Mining

To maximise the opportunity for the post-mine economic viability and sustenance of local communities, mining companies will be required to address post-mine viability issues in their mining development proposals, including measures for post-mine closure that will be implemented prior to closure, subject to approval by relevant Government agencies such as the Environmental Protection Agency, the Minerals Commission, and the local community.

10.10 Recognition of the Rights and Interests of Landowners

Legislations exist relating to the acquisition of land rights for mineral operations and the obligations regarding resettlement and compensation of landowners and lawful occupiers. Procedures for achieving these are transparent and predictable in the assessment of compensation claims and the settlement of disputes concerning compensation.

Sustainable livelihood programmes to improve the economic condition of communities shall form an integral part of the planning for any mining activity

10.11 Sustainable Livelihoods

Mining activities cause dislocations in communities that host them, by physically removing persons from land on which they previously depended for livelihood. The payment of compensation is not a long term solution to such dislocation. In this connection all mining companies will be required as part of the environmental management plan to develop sustainable means of livelihoods for displaced persons and demonstrate that such livelihoods provide equal or greater benefits than those previously enjoyed. Government institutions will actively support the engagement of communities in developing ventures geared to the creation of sustainable livelihoods for rural mining communities.

In cases where there is the need to resettle any community during mine development as part of a package, alternative lands must be acquired to enable the people continue with their farming and other activities in their new location.

10.12 Land Use

Land use choices present several challenges in fostering a healthy co-existence between mining and other forms of economic activity, particularly agriculture and forestry. Mining operations are to be conducted in a manner that will restore mined-out lands to other viable socio-economic uses. In the case of forest reserves the Forestry Commission must explicitly waive any restrictions to entry before any mining activity can take place. Government will continuously examine land use options and make a choice between mining and other forms of activity on the basis of long-term and strategic considerations.

10.13 Research and Development

Government will actively support applied research and development work in the mining sector, particularly in the following areas:

- a. small-scale mining, with a view to improving geo-scientific information, processing and reducing environmental degradation;
- b. large scale mining, with a view to securing technical support from local research institutions and academia.
- c. industrial minerals, with the view to mining, processing, value addition and use in local industry;
- d. environmental issues relating to mining with the view to mitigate its impact.
- e. sustainable livelihoods, with a view to enhancing the ability of mining communities to develop opportunities and means for improved livelihoods during and after mining operations;
- f. occupational health and safety, with the view to assessing the impact of specific mining activities on the health of workers and communities that host mining operations.

Support for approved research may be made available through the Mineral Development Fund and other Government-sponsored facilities to research and educational institutions, as well as recognised professional bodies. Mining companies would be encouraged to conduct needed research in-house as well as contracting research work to local institutions and academia.

11.0 INSTITUTIONAL ROLES IN THE MINING SECTOR

The Minerals and Mining Policy recognises the important need for all sector institutions, both state and non-state, to collaborate to ensure that the objectives of the sector are achieved. To foster such collaboration, Government will identify areas of collaboration among public mining sector institutions.

The following is a list of the key institutions and their respective roles:

1. Ministry of Lands and Natural Resources

The Ministry provides overall policy oversight for the natural resources sector. It is to ensure the efficient management of the nation's mineral resources and promote their judicious exploration, exploitation and processing with minimal harm to the environment, for optimum benefit to society.

2. Ministry of Finance

The Ministry of Finance has overall responsibility for the formulation and implementation of national fiscal policy.

3. Ministry of Local Government & Rural Development

The Ministry of Local Government & Rural Development has overall responsibility for policy on local government.

4. Ministry of Environment, Science & Technology

The Ministry of Environment, Science & Technology is responsible for formulating national policy on environmental protection.

5. National Development Planning Commission

The National Development Planning Commission is responsible for development planning strategy by providing a national development policy framework and ensuring that strategies including consequential policies and programmes are effectively carried out to enhance the well-being and living standards of all Ghanaians on a sustainable basis.

6. Minerals Commission

The Commission is responsible for the promotion, regulation and management of the utilisation of the mineral resources of Ghana and the co-ordination of policies therein. Through its Inspectorate Division (formerly Mines Department), it undertakes environmental, health and safety inspection to ensure compliance with existing regulations

7. Geological Survey Department

The Department is responsible for the provision of reliable and up-to-date geological information for national development through geological mapping, research and investigations.

8. Precious Minerals Marketing Company Ltd.

The company provides official marketing services for small-scale gold and diamond miners. It also promotes the development of precious minerals and jewellery industries in Ghana and handles the export of all diamonds produced in Ghana.

9. Environmental Protection Agency

The Agency sets guidelines for the compliance of environmentally permissible mining activities. The Agency maintains close liaison with the Minerals Commission to ensure that the latter's promotional, regulatory and superintending roles over mining operations are consistent with the country's environmental requirements.

10. Forestry Commission

The Forestry Commission is responsible for the sustainable management of the country's forestry resources. It maintains close liaison with the Minerals Commission to ensure that mining operations are carried out with due regard to the laws and regulations that govern the forestry sector.

11. Water Resources Commission

The Water Resources Commission is responsible for ensuring the sustainable use of the country's water resources. In particular, the Commission's role is important in determining alternative water uses that recognise the important attributes of water as both an economic as well as social good.

12. Lands Commission

The Lands Commission is responsible for land use management. Through its Land Valuation Division it helps to determine the level of compensation to people displaced or otherwise affected by mining operations. The Survey and Mapping Division of the Commission is responsible for demarcation, mapping and certification of land boundaries, whilst the Land Registration Division manages land titles.

13. Office of the Administrator of Stool Lands

The Office of Administrator of Stool Lands is the body through which payments of part of royalties and rents for surface rights accruing to mining communities are made for bonafide beneficiaries.

14. Bank of Ghana

The Bank of Ghana determines the monetary policy in conjunction with the Ministry of Finance.

15. Ghana Revenue Authority (IRS/CEPS/VAT)

The agencies of the Ghana Revenue Authority are responsible for the collection of revenues accruing to Government.

16. District Assemblies

The District Assemblies constitute the bedrock of the country's decentralisation policy. As the focus of planning and development within the communities that come under them, the District Assemblies are empowered to ensure individual, community or district

endorsement or objection of applications for mineral rights. The Assemblies are also required to ensure, through District Environmental Committees, that mining operations are carried out in an environmentally acceptable manner. The Assemblies are required to provide economic and social infrastructure from mineral royalties that accrue to them.

17. Traditional Rulers

Traditional rulers are in most cases the overlords of lands on which mineral rights are acquired. They are expected to provide input on the grant of mineral rights, galvanise community members to be the local watchdog of the mining operations which they host and to ensure that such operations are carried out in conformity with the country's laws and regulations. As beneficiaries of government's mineral royalty revenues, traditional rulers are expected to apply such funds to undertake social infrastructure and to raise the dignity of their high office.

18. Mining Communities

Mining Communities host mining operations and therefore bear the brunt of its undesirable effects. They release lands for mining operations (in return for rent and appropriate compensation). They are to benefit collectively from part of the royalties paid from the Mineral Development Fund through the provision of social infrastructure by the assemblies and the traditional authorities. Communities have a responsibility to themselves and the nation to ensure that mining operations are carried out legally and in consonance with the country's environmental regulations.

19. Ghana Chamber of Mines

The Chamber of Mines is an association of mining companies operating in the country, and is dedicated to pursuing the common interests of its members. Government will continue to work in concert with the Chamber to address issues of concern to its members,

mindful of the supreme national interest and the achievement of the sector's objectives.

9. NGOs/Civil Society

Non-Governmental Organizations (NGOs) undertake advocacy work and play an important role in empowering mining communities to improve their living conditions and understanding their rights in hosting mining operations. In providing alternative policy proposals on the sector, they make very useful contributions to sustainable development.

11. 0 Review of Mining Policy

This policy shall be reviewed after every five (5) years unless dramatic changes occur in the minerals and mining industry, in which case, it may be reviewed as and when needed.

Appendices

Appendix 1: List of Statutes

- a. The Constitution, 1992
- b. Minerals and Mining Act, 2006 (Act 703)
- c. Minerals Commission Act, 1993 (Act 450)
- d. Environmental Protection Agency Act, 1994 (Act 490)
- e. Water Resources Commission Act, 1996 (Act 522)
- f. Forestry Commission Act, 1999 (Act 571)
- g. Local Government Act, 1993 (Act 462)
- h. Internal Revenue Act, 200 (Act 592)
- i. Ghana Revenue Authority Act, 2009 (Act 791)
- j. Office of the Administrator of Stool Lands Act, 1994 (Act 481)
- k. Precious Minerals Marketing Company Act, 1989 (PNDCL 219)

Appendix 2: List of Subsidiary legislations

- a. Minerals and Mining (General) Regulations, 2012 (LI 2173)
- b. Minerals and Mining (Support Services) Regulations, 2012 (LI 2174)
- c. Minerals and Mining (Compensation and Resettlement) Regulations, 2012 (LI 2175)
- d. Minerals and Mining (Licensing) Regulations, 2012 (LI 2176)
- e. Minerals and Mining (Explosives) Regulations, 2012 (LI 2177)
- f. Minerals and Mining (Health, Safety, and Technical) Regulations, 2012 (LI 2182)
- g. Environmental Assessment Regulations, 1999 (L.I. 1652) ('Environmental Regulations');

Appendix 3: Other documents

- a. Ghana's Mining and Environmental Guidelines, 1994;
- b. Operational Guidelines for Mineral Exploration in Forest Reserves for selected Companies, 1997;

- c. Environmental Guidelines for Mining in Production Forest Reserves in Ghana, 2001;
- d. Guidelines for the Preparation of Feasibility study reports, 2009;
- e. Mine Closure and Post-closure Policies;
- f. Guidelines for Corporate Social Responsibility in Mining Communities.