

**SPEECH DELIVERED BY THE HON. MINISTER OF MINES AT
THE OPENING OF THE 3RD ANNUAL GENERAL MEETING OF
COMMUNITIES AND SMALL SCALE MINING (CASM),
ELMINA, GHANA, SEPTEMBER 8, 2003**

Mr. Chairman,

Honourable Ministers

Parliamentarians

Your Excellencies

Distinguished Ladies and Gentlemen,

I take the opportunity to welcome you all to this meeting which is designed to address problems associated with artisanal mining, not only in Ghana but worldwide. For the purposes of this meeting, I will extensively use the Ghanaian experience which I believe, may be a reflection of events in other countries.

Mr. Chairman, in Ghana, the small-scale mining of gold was given formal recognition in 1989 when Government promulgated the Small

Scale Mining Law. In that year, Government also promulgated the Precious Minerals Marketing Company Law to expand the functions of the then Diamond Marketing Corporation to include the marketing of gold produced by small-scale gold miners. Small Scale Mining Centres were established and staffed with technical personnel who assist prospective small-scale mines to licence their claims; and also monitor small-scale mining operations thereafter. In 1991, a department, the Small Scale Mining Department was established at the Minerals Commission to oversee activities of small-scale miners. Government also carried out specific interventions at the various stages of the regularization to assist small-scale miners in their operations. One of such interventions was the allotment of designated sites for those small-scale miners to ensure they complied with environmental requirements and current trends in mining.

This policy on Small-scale mining has resulted in an increase in gold and diamond production from small-scale mining. In 1990, gold and diamonds produced from small-scale mining and captured through the formal marketing system comprised 3.2% and 74% respectively

of total production of these minerals. By the year 2002, these proportions have increased to 7.1% and 82.2% respectively.

Recognising the high employment generated by Small-scale mining, the government has adopted a policy to support small scale mining within a legal framework. Hence, there is a concerted effort to licence the small scale miners and encourage them to form Co-operatives. This will enable them to be regulated and be given both technical and financial support to operate in a safe and environmentally sustainable manner and make a good living.

There is however, still a large number of illegal small scale operators who refuse to register. These are in local parlance the "galamsey" operators who work unlawfully on parts of large scale mining concessions as well as other areas that are out of bounds to them. Their activities lead to serious environmental degradation, mercury pollution and other health hazards.

A recent study to evaluate the level of mercury pollution in two small-scale mining communities, Dumasi in the Wassa West and Japa in the Wassa Amenfi Districts indicated that there was mercury contamination in the water, fish and vegetation including some food crops in the areas. What is more, the mercury levels in the blood and hair of people sampled were found to be above acceptable World Health Organisation (WHO) tolerable levels.

The problem of mercury contamination constitutes one of the major challenges of our Ministry of Mines. With the assistance of agencies like UNIDO and UNDP, the Ministry is implementing mitigatory measures like the provision of subsidized mercury retorts as well as the mounting of campaigns to educate illegal miners on the need to regularize their operations and adopt good mining practices. Some measure of success has been achieved and we have examples of erstwhile illegal small-scale miners who have come together and were licenced to operate in a more productive and environmentally friendly manner notably in Konongo and Kadadwen. To address the problem of land acquisition for legal small-scale operators, our

Minerals Commission is working on a programme to carry out exploration, or use secondary information generated by large scale operators to enable it demarcate areas that can be reserved for small scale mining.

Our Ministry is making an effort to reclaim areas already degraded by small scale mining activities. With support from the World Bank, the Ministry has undertaken rehabilitation and reclamation of

- Sixty-five (65) hectares of forests degraded from gold mining in the Neung North Forest Reserve near Tarkwa in the Western Region.
- Ninety-five (95) hectares of land degraded by sand winning within the greenbelt areas at Ablorman near Amasaman in the Greater Accra Region and
- Forty-five (45) hectares of land degraded through diamond mining at Bawdua in the Eastern Region.

The rehabilitated lands were revegetated with indigenous plants such as Edinam (1,000 trees), Mahogany (3,000 trees), Nyankom (4,000 trees), Asanfina (1,000 trees) and Bako (500 trees) as well as citrus and Oil palm plantations.

This scheme was also to demonstrate to communities in the areas of small-scale mining activities that degraded land and can be reclaimed for reuse. To ensure sustainability, these projects were implemented with labour intensive and indigenous community based methods as much as possible. The projects have subsequently been handed over to the local communities and other stakeholders.

Currently, additional degraded areas are being considered for reclamation.

Unlicensed small scale artisanal salt producers in areas such as Elmina, Saltpond, Apam, Nyanyano in the Central Region as well as other coastal areas have been advised to acquire mining licences in order to qualify for government assistance. In fact, this year, the Elmina group which legalized its operations and was able to present a

viable business plan has been assisted with 3.2 billion Cedis to improve the operations of its members. A similar application by Nyanyano is also being considered.

Mr. Chairman, Honourable Ministers, Hon. Members of Parliament, Your Excellencies, Participants, Ladies and Gentlemen,

In the foreseeable future, small scale mining will continue to be a significant source of employment in this country. Government recognizes this and is giving support to organize these small scale miners into co-operative societies to monitor their operations and assist them to improve upon their operations in terms of productivity and the conservation of the environment. The Ministry is encouraging the use of mercury retorts to reduce the misuse of the chemical and its negative health hazards. We are also considering the adoption of some novel non-mercury gold extraction technologies.

My Ministry is also putting premium on Alternative Livelihood Programmes to encourage people in mining communities to engage in the other economically viable and sustainable ventures. This we

expect, will not only reduce illegal mining activities, but will also provide sustainable employment in the communities after mine closures.

Happily, the large scale mining companies are enthusiastic about this special responsibility and are initiating some very creative Local Economic Development projects.

Ladies and Gentlemen, illegal mining is a menace and a health hazard. However, it should, in my opinion, be seen as a poverty engendered social problem which needs to be tackled from that angle.

My Ministry will be promoting a partnership of Government, Large Scale Mining Companies and Non-Governmental Organisations to work together to assist illegal small scale miners to get out their predicament, through education, empowerment and exposure to other alternatives.

Once again, I wish to thank you all for travelling from both far and near to deliberate on small-scale mining so as to come out with

strategies to promote the use of appropriate technologies in small scale mining.

I wish you successful deliberations

Thank you.