

Project Overview:

History and Origins:

THE Sanimuso Rural Gold Producers Co-operative of Kouroussa and its low-budget gold Production and Purchasing Programme dates back to 1996 during the geological and airborne reconnaissance survey conducted jointly within the gold belt of Kouroussa Prefecture by **Mr. Jack ROGOYSKI**, a South African Contract Geologist (then the resident geologist for the Kouroussa-République de Guinée – West Africa – gold exploration operations of an Australian Mining Company) and **Mr. Seth BARNES**, the then Ghanaian Kouroussa-resident Manager for the Australian Principals/Parent Financing-Investment Company.

According to Mr. Rogoyski, a big industrial gold mining company could largely supplement or double its gold production by financing and motivating the local population who work rich artisanal gold fields on village lands to produce gold and sell the metal won artisanally to the Funding Company.

This idea, workable and glaring to the objective mind, triggered and laid the foundations for the present-day **SANIMUSO NGO RURAL GOLD PRODUCERS' CO-OPERATIVE** programme which has become successful, and received the support and membership of almost all the artisanal gold-mining villages in the 12 Districts constituting the Prefecture of Kouroussa. Kouroussa is one of the Administrative Districts of Upper Guinea Region (Haute Guinée) of the Republic of Guinea-Conakry.

Today Sanimuso covers over forty (40) gold-mining villages and can securely boast of a membership of over 5000 artisanal gold miners, a membership that increases daily and will swell to great numbers when exemplary financing for inputs such as motor-pumps, jigs, Medicaid, social amenities such as schools, hospitals and markets, potable drinking water, environmental and soil restoration programmes are initiated jointly by a partnership of funders and the co-operative.

The Co-operative was founded by five persons : four (4) women and one man – all veterans of traditional gold workings. Today they constitute the bastion of Sanimuso and have been instrumental in rallying the local artisanal gold workers to the Sanimuso co-operative spirit.

The Co-operative has received requests from rich gold mining villages within the same geographical and geological region but falling outside the Prefecture of Kouroussa: **SIGUIRI, MANDIANA, FARANAH, DINGUIRAYE**, for adhesion to the Co-operative.

THE KOUROUSSA SMALL-SCALE ARTISANAL GOLD MINING INDUSTRY BEFORE THE ADVENT OF SANIMUSO

The industry as existed could best be described as under exploited: It was characterised by the following features:

- Lack of motivation to mine and produce gold due to under-pricing by traditional gold buyers called *the* “DJATI”(men with weighing scales);
- An unstable price policy geared towards reaping windfall profits by traditional gold buyers to the detriment of the rural village population especially the female miners who represent not less than 70% of the artisanal gold mining population;
- An industry lacking simple and modern mining equipment such as motor-pumps, jigs, spades, wheelbarrows....etc...
- A mining environment in the Sanimuso area of concern that does not favour the poor rural miner. While political power has been decentralised, it is clear that the Central Government authority, fearing an erosion of its authority, keeps its hold on the aspects of governance that would empower the rural populations to control, exploit and benefit from their own environment. Constant harassment from government and municipal tax collectors on the poor rural mining population who prefer to abandon the mines and switch to seasonal agriculture or animal husbandry instead of mining their rich gold-bearing lands to supplement household incomes;
- Anarchic and haphazard mining in small groups instead of an organised umbrella mining organisation that will be able to mutual interact and motive towards increased production through collective interest and objectives;
- Lack of a viable credit system to help the small-scale miner to be able to satisfy his daily needs (food, medical aid, shelter) so as to be strong and healthy enough - mentally and physically – to be motivated to mine and increase production;
- Rich abandoned mines due to inter/intra-family petty squabbles on the use of revenue originating from gold production and commercialisation schedules;
- Mines and miners spread and separated in space and in time : lack of transport and fast reliable means of communication and information thus preventing these miners to co-ordinate and pool efforts and resources;
- Lack of an intellectual coordination and leadership structure (such as SANIMUSO) to lead and organise the randomly spread rural mining population into a strong and effective mining community or unit with shared advantages, production quotas, and shared interests;
- Low fluctuating prices for a gram of gold. The traditional gold buyers before the advent of Sanimuso cheated on these poor illiterate rural gold miners by practising an unfavourable price policy: 8 000GNF today, 6 000GNF tomorrow - an attitude discouraging to the small-scale mining industry. In addition the weighing scales and weights are manipulated in a way affecting the income of the gold miners. The absence of knowledge about the London Metal Exchange gold fixing –am or pm – allowed the DJATI’s a free-reign on price fixing;

- *“The Men with the Weighing Scales”- the “DJATI’s”* constitute a Consortium of Gold Buyers having a free reign and hold on the gold market : fixing the price of gold in advance far below *humane* limits.

THE SANIMUSO NGO STRUCTURE:

The “SANIMUSO” NGO (literally meaning the Golden Ladies – *SANI* for gold and *MUSO* ladies) is a legally constituted and incorporated Non-Governmental Organisation with its headquarters in Komonida, a suburb of Kouroussa in the Republic of Guinea, West Africa.

To the knowing geologist, Kouroussa sits on the “Greenstone Belt” of the Filon Bleu gold reefs that originate as far back as present-day Ghana zigzagging its way through Burkina Faso, La Cote D’Ivoire, Republic of Mali-Bamako, some parts of Guinea Bissau. In the Republic of Guinea our region of interest, this reef is mined industrially by Ashanti Goldfields in the Siguiri Region, SMD in the Dinguiraye region, and the Guinea-Moroccan Mining Company in the Kiniero region of Kouroussa.

All industrial gold mining companies in the Region have always used as indicators for geological research gold reefs and gold stock that were mined in the days of the Ancient Empires and Kingdoms and are mined today by the local population. The key to the survival and greatness of all ancient West African Kingdoms (Mali, Ghana, Songhai, Mandingoes, etc. is the fact that their commercial and political capitals, and their war-making machines were financed by gold worked and commercialised in the area actually covered by SANIMUSO. Then, as now, the local rural population who are in the majority the descendants of these forbears work the gold on the same village lands mined by their ancestors and using key indicators, experience and know-how handed over to them through the ages.

The SANIMUSO Rural Gold Miners’ Co-operative is a body dedicated to modernised small-scale artisanal mining on private community/village-owned lands in Kouroussa in the Republic of Guinea.

The aims and objectives of the NGO are the following:

- Improved and modernised artisanal (small-scale)gold-mining;
- Collaboration and liaison with other small-scale gold miners and mining villages in the Prefecture;
- Protect and stabilise the income of the small-scale gold miner within the local micro-economy, within the framework of the National economy;
- Protect the environment and the ecosystems of the mining villages which form an integral part of the World Environmental Heritage in strict application of the Environmental and Mining Laws of the Republic of Guinea, in line with international recommendations, norms and regulations governing environmental protection;

- Contribute, in a satisfactory manner, to the socio-economic development of the micro-economy of the Prefecture of Kouroussa;
- To train, instruct, through workshops, seminars and conferences, scholarships, audio-visual aids,..etc..., the small-scale artisanal miner for the purposes of uplifting his socio-professional mentality, knowledge in internationally accepted contemporary developmental trends;
- Collaborate with International Organisations such as the World Bank, UNDP, ADB/ADF all sections of the World Mining Industry, private and public entities for the purposes of draining large and quality investment into the Prefecture of Kouroussa that would benefit the rural mining and non-mining population;
- Offer viable business and commercial opportunities to small-scale miners such the creation of a micro-finance institution (MINERS' BANK);
- Offer the mining communities the means to consolidate and reinforce their capacities in civic education and self-management methods that would offer them the tools for revenue generation programmes, employment diversification, employment creation;
- Overall give the mining and non-mining rural population, irrespective of gender the academic, technical, financial, and legal tools enabling them to break away from the cocoon of poverty;
- Raise the NGO to National and International Levels.....
- Liase and consult with the local and prefectural authorities, the traditional Chiefs and Elders, as well as good-will development-oriented partners for the creation of a "FORUM OF MINING INVESTORS" in the Prefecture of Kouroussa which will constitute a platform for the Economic Development of the Prefecture of Kouroussa, etc...

THE VILLAGE SANIMUSO :

The core SANIMUSO artisanal small-scale mining group was formed on the 14th January 2000 by an initial 84 small scale-miners – the majority of whom were women. The legal incorporation of the Co-operative was issued by the Guinean authorities on the 24th of January, 2001 under Registration Number: Décision N°: 017/P/KSSA/2001 authorising the SANIMUSO NGO to operate in line with declared objectives.

Today the number of gold producing members and non-member clients go beyond 1000 small-scale miners for the municipality of Kouroussa alone!!. The Kouroussa Municipality members of the Co-operative work the several mines –well over 20 - that form part of the village and royal lands of the Municipality.

The Kouroussa Municipality from which is administered Governmental authority forms the nucleus group of the Sanimusos NGO Programme. From the outreach campaign

launched by members of the Co-operative with the aid of financing and technical assistance from:

- Limited financial contribution by the co-operative members;
- Funding from the Late Madame Ahlem Bouzain
- Technical Assistance and Coordination by the Project Coordinator
- Technical Assistance from Hydro technical-Engineer Madam Mama Adama SYLLA

the SANIMUSO Project has seen its group membership increase from one village alone to over 40 villages and hamlets. Each mining village group or sub-group adhering to the SANIMUSO programme is self-managed by its members. We have at the moment over 5000 registered members mining on over 60 small-scale mines with a minimum of 50 pits per mine. Some mines have pits producing between 3grams and 75grams of gold per day. Nuggets and large-grained gold dust are common.

It is important to note that the SANIMUSO programme avoids classical industrial mining and evaluation methods. This is because experience teaches us that traditional ways of doing things by most rural populations are sometimes cost- and time-effective than conventional analytical methods would want us believe.

It is also true that industrial mining cannot outdo and undo what populations have been practising and living on for centuries. In the Kouroussa Prefecture, gold production is measured in grams per well and not gms/ton as is used in industrial mining calculations. It is however easy to convert to industrial measuring methods whenever this is necessary.

Suffice to say that much of the gold that the 12th Century *King Kankou Moussa* sent to Mecca in Saudi Arabia came from the Boure Region which forms part of modern day Kouroussa where SANIMUSO NGO owns and controls artisanal gold production.

The Village Group Production Structure

The Organisational Structure of a standard SANIMUSO village mining group is structured as follows:

- An Honorary President, normally in the person of an aged, respected lady or gentleman but usually in the Person of the Royal Chief “**SOTIKHEMO**” or “**DHUTI**” – **the Regent**;
- A President (in the majority of cases a woman since women form the core group and often, the founding members of the village mining group. Within the social context of Kouroussa society, women represent about 70% of the small-scale mining industry. Women constitute the group that actually washes and wins the

gold in calabashes as is seen in the SANIMUSO logo. In addition the African woman is a major-breadwinner of the average African family or household. The income of small-scale female miners goes to supplement that of their husbands who either work in the pits/galleries of the mines. Gallery work is the reserve of the men or husbands while the breaking-up of the gold ore, washing and recovery is the preserve of the women.

- The Vice-President ;
- The Treasurer;
- Mines Operations' Manager (in charge of research, mining) and mostly appointed by the Chiefs and Elders;
- The weighing Manager;
- Public Relations Manager/Secretary to the Group

This structure is supervised and counselled by the Chiefs and Elders of the community.

It should be mentioned that in developing this structure, the cooperative took into consideration the many cultural and social background of the Kouroussa Mandingo rural populations. Much consultations were had at all levels of civil society to create a workable and viable-productive structure.

The Project Coordinator and the members of the cooperative consulted the Chiefs and Elders, listened to the old and young, took part in burial, prayer, christening ceremonies, consulted with the political parties and Leaders of all political shades and leanings, the security services, the judicial services, other private and government-sponsored project co-ordinators in the region, youth organisations and groups(*Sérés*)

The Project coordinator listened most times, paying keen attention to detail, respect for hierarchy. These factors underlie the success of the SANIMUSO Programme which basically was installed to produce gold using traditional structures and the heritage of rural populations without drastically imposing new methods or advocating for drastic change.

Advantages inherent in the SANIMUSO programme are numerous :

- The Sanimuso cooperative structure allows gold to be drained from all sources and branches of the cooperative. The co-operative with the benefit of funding for all its phases of production is estimated to produce initially 112kgs of 22carat gold per month (+3000oz). This production target will be achieved without the usual payroll, bulldozers, geological research budget, experts, heli-borne surveys, high communications costs, industrial mining logistics, imported water, food, vehicles, etc...that remains the norm for industrial mining concerns;

- Certain mines could be adapted to use mechanised jigs to increase the percentage of gold recovery. We have estimated that the Calabash recovery system is able to detect and recover between 30-40% of the gold with 60% going to the tailings. Sanimuso has in mind a *tailings collection programme* where most abandoned tailings would be collected into a heap for recovery using cost-effective mechanised jigs;
- The Cartel of *the “DJATI’s” or the “MASTERS”* in the absence of a constant and sure source for gold supplies have offered to work with the cooperative. The co-operative is studying ways of employing them to man the future Gold Stock Exchange which represents an advanced stage of the Cooperative’s activities;
- The Cooperative through its co-ordinating bureau is able to research for able and willing partners or funders for gold purchases, the supply of equipment and other logistics;
- Sanimuso offers to its members a hope for permanent employment and Social Security in times of old-age or incapacity thus assuring them of a livelihood even in old age;
- Inclusion in all gold purchasing or supply contracts a 10-20% share over the net profit to be given to the cooperative by the buyer. This amount would be given to the Village/Town Development Committees to finance Community Development Programmes such as potable well water, construction of social amenities, health and AIDS/HIV campaigns, reforestation and environmental protection programmes, schools...etc..
- The Structure of the Cooperative allows funders, partners, collaborators to safely enter into long term gold supply contracts with the cooperative at fair prices for all parties;
- A most important factor inherent in the SANIMUSO NGO gold producing and purchasing programme is low overheads and high revenue generation. To be able to understand the dynamics of this assertion one would have to make a comparative analysis with an industrial gold production unit. The SANIMUSO programme does away with industrial mining concession acquisition methods since the gold is produced on private community lands far out of Government control or jurisdiction. In the case of an industrial mining entity the mining company would first have to apply for a mining concession with all the red tape involved. The application for the mining concession, field visits, test boring, geological surveys and core sampling, reconnaissance visits, office renting in the capital for coordination, vehicles, bulldozers, importation of logistics and equipment, employees (temporary and permanent) licenses, authorisations, expert and legal advice will cost a minimum investment budget of about \$US1.5mio while an equivalent amount will constitute a permanent revolving fund for the financing of production and the purchase of gold and reinforcing, above all, SANIMUSO.

The gains of SANIMUSO programme are numerous :

- Creation and consolidation of the first independent, operational, active rural miners' cooperative dedicated to the mutual exploitation of its own resources and environment for the general well being of the rural population;
- Coverage of the whole Prefecture through branches and sub-branches of Sanimuso village Committees;
- Over 5000 (five thousand) registered members of whom 70% are women;
- The establishment of the Cooperative's coordination bureau which acts as the interface between Funders and the Co-operative;
- The establishment of a Savings Union "Tontine" within the cooperative allowing for savings in gold or cash by its members;
- Contribution to National Revenue Collection : The payment of tax and other fees to the Local and Regional Governments by the Co-operative on behalf of all the small-scale miners of the co-operative;
- The undertaking given by the Co-operative to the Environment Ministry to restore all mines and to carry out reforestation and soil protection programmes;
- Contribution to the National Economy or the Guinea Export Programme: all gold purchased by a Funder from the co-operative automatically injects cash into the Guinea Central Bank coffers through export tax on the FOB value the bullion;
- The Co-operative has been able to motivate its membership of small-scale rural miners to increase gold and sell exclusively to the Co-operative without the usual high overheads as experienced by large industrial mining outfits;
- The Co-operative has put in place a small credit scheme for the small-scale miners. This credit scheme is a first among the rural mining population and has motivated people to engage seriously in small-scale mining activities. The credit scheme should allow miners to purchase working tools and other logistics needed for this hard work. **All credit is reimbursed in gold.**
- Sanimuso has been able to study the cross-culture interaction of the mining groups and designed a programme for each mining group adhering to the mining programme for example : "dry" mines with rich gold reefs but which cannot be mined except during the rainy season would be opened through hydro-engineering methods designed to pump excess water from adjacent "wet" mines;
- The Legal Incorporation of the Cooperative as a Rural Development Non-Governmental Organisation;

- Unanimous agreement amongst the six paramount chiefs of Kouroussa in an oath given to SANIMUSO to reserve all gold-rich lands for the exclusive mining activities of their subjects as represented by SANIMUSO cooperative;
- Inculcating the cooperative spirit and breeding an awareness into the mining population in particular and the Kouroussa civil society in general on the riches of the land and its environment.. Adhering to the Sanimuso Programme gives a sense of belongingness to rural population. The members feel obliged to work and produce for the mutual benefit of all members of the cooperative.
- The Programme has received the backing and blessing of the political, municipal and traditional authorities of the Prefecture who see the SANIMUSO programme as one dedicated to the alleviation of poverty among the rural population in line with Government policy and recommendations of key development agencies as the World Bank Group, UNDP. To this end the Prefet who is the Chief Executive and Representative of the Government, the Paramount Chiefs and Elders, the divisional chiefs, the Imams, the Mayor and his staff, the Mines-Geology-Environment Services, Department for Rural Development, the Internal Revenue Services, the Judicial and Security Services, to mention but a few have all recommended the general public and mining villages to the SANIMUSO Co-operative Programme.
- The Co-operative has eliminated for good the **‘Cartel of the men with the weighing scales’** (The DJATI) by putting in place a negotiated gold fixing. This weekly fixing negotiated by the cooperative and all contractual Partners/funders is known as the **SANIMUSO fixing**. All gold transactions in and around Kouroussa are pegged to this fixing which is acknowledged by all to be fair and just.
- Members of the Cooperative are able to mine and sub-contract other revenue generation activities to others or family members. An example would suffice here: in 2002 a group of Sanimuso Co-operative members were able to subcontract planting and farm tending of their farms to unemployed persons in the Prefecture. The revenue generated in the mines were used to pay for the upkeep of the contract farmers.
- The setting up by each village Sanimuso a **VILLAGE/TOWN DEVELOPMENT COMMITTEE (VDC/TDC)**. These committees design village or town development programmes and execute them essentially with financing from their mining activities. The Project coordinator has discovered that one of the factors motivating the rural mining population’s adhesion to the cooperative is the town development factor : certain villages want to build schools, others mosques, some market places, some scholarships for their children, some the local football club,roads, clinics reforestation programmes, agriculture

(riziculture)...the list is endless; It is hoped that supplementary funding would come from future partners. However since this backing is consequent to production the Cooperative's gold supply can be counted upon to keep flowing;

- Employment at Home: There is a large enthusiasm on the part of the youth of Kouroussa to stay and work at home on the mines thus stemming, if only temporarily, the usual exodus towards the Metropolitan areas of Guinea, or the search for a safe haven abroad;
- The Sanimuso Programme responds to criteria of International Development and Financial Communities which recommend that programmes directed towards developing countries should benefit, as much as is feasible, the base rural populations.

Corporate Structure:

SANIMUSO Co-operative is a legally constituted Rural Development Organisation;

Proposed Corporate Partnership and Funding Structure :

The incorporation of a Company or legal entity in which the Co-operative would own shares between 10-20% of stock or would participate in the profits to a certain percentage. The funding agency would have exclusivity to all gold produced by the co-operative. The Co-operative is however open to all suggestions and proposals for assistance or partnerships with able and willing partners.

CLIMATIC AND GEOLOGICAL ADVANTAGES OF THE REGION

The region of the Prefecture of Kouroussa offers climatic and geological advantages that favour gold production all the year round. The Climate does not at all influence negatively gold production. The Climate is Sudano-Sahelian and even the rainy season which is relatively short (4months) in those climes does not in any way affect artisanal gold production for those populations or groups who are permanently engaged in artisanal gold mining.

The Sahelian climate is conducive to artisanal mining since the rainfall is intermittent and permits surface gold workings, diggings, and recovery. The rainy season is a welcome relief for mining the "dry" mines . In a short feasibility study carried out gold production in August across some cooperative mines proved to be much higher than for the preceding dry season. The answer is timing – the rural mining community dig and stock the ore for washing during the rainy season.

Rains and artisanal gold production go together for without rain artisanal gold cannot be recovered. This is also an advantage as compared to industrial production. No chemicals

are used to recover gold so the soil and underground waters are not in any way polluted. Unlike industrial units that use cyanide and other methods for gold recovery, there is absolutely no environmental damage to the mines and their surroundings, neither to the health of the populations, the flora and fauna. *SANIMUSO is environment friendly.*

The Geology offers high productivity that even big industrial groups such as Anglo-American (Ashanti), fully recognise. The Prefecture of Kouroussa which is covered by the SANIMUSO programme lies astride the Greenstone Belt of the Niandian Banie chain (le filon bleu). There are cases where test borings by industrial companies have indications of between 10gms of gold per ton up to 35gms per ton. The Project Coordinator has had the opportunity of assisting in bankable feasibility studies which envisage reserves of over 400 000oz of gold. These studies were carried out on lands lying within the same gold belt operated and covered by SANIMUSO.

Mining Methods :

There are SANIMUSO groups that scoop top soil to recover gold. This is because the reef lies at the surface. Others scrape or work the mountain slopes. Certain groups work large alluvial plains or mines several square kilometres. The position of the gold-bearing reefs have been shaped by tectonic forces and faulting over the years. Each village Sanimuso group operate on their own mines but because of the extended African family system and the co-operative spirit members have access to other Sanimuso mines. In certain SANIMUSO village mining concessions it is possible to find between 200 and 500 wells (2-10meters deep) on mines with a perimeter of 20km x 9km. It is not uncommon for the population to mine and farm simultaneously on these lands.

UNDERGROUND WATER:

As if nature realises that without water gold cannot be recovered artisanally, the Prefecture of Kouroussa is a mix of gold and water. Where the water is abundant the rich gold ore is accessed with difficulty.. To be able to work the galleries and bring to the surface the gold ore, these wells and galleries will have to be emptied of their water.

The Sanimuso programme has discovered that the only way to increase production per mine is to furnish each Sanimuso group with a minimum of motor-pumps with outputs between 5hp and 11hp (diesel or petrol) capable of drawing water of between 500liters/minute and 1300liters/minute. In addition each motor pump will be furnished with 10 meters suction hose and 20 meters evacuation hose and fuel credits. **All credits in equipment or cash is reimbursed in gold.**

The specifications furnished below by the Co-operative's mining engineers are based on studies conducted in pits with maximum 10meters depth/1.5 - 2meters diameter:

- 11HP air-cooled engine
- Centrifugal pump
- Evacuation 2 ½ ” Akron valve
- Suction 2 ½ ”(65mm)
- Manual Starting
- Performance: Max 300GPM(1135lpm)@10PSI(1.0bar)
Min 140GPM(530lpm)@75PSI(5.4bar)
- Suction hose 10 meters
- Evacuation hose 20meters
- Fuel Credits

Financing Methods Proposed by the Co-operative :

1. **Group or Sub-group Financing** : The Coordinator acting as the interface between Funders and the Co-operative will put in place a financing and reimbursement programme to cover the financial and logistics needs of the group or sub-group.
2. **Direct Independent Revenue Generation**: This Programme is usually reserved for the youth and unemployed. The Chiefs and Elders grant large and rich mining concessions to a fifty-man group. The Cooperative/Funders finance the logistics inputs of the programme with reimbursement being made in gold.
3. **Tailings collection and recovery programme**: The traditional system of washing and recovering gold allows only about 30-40% of the ore. The co-operative intends to mount a tailings collection and recovery programme to recover gold from the thousands of tons of tailings abandoned on the mines.
4. **The Motor pump Credit System**: After Careful studies and consultations with the SANIMUSO village gold production groups, we have evolved a formula where the motor pumps are given as credit to the groups. The value of the motor-pumps are reimbursed by the village cooperative in gold and the Coordinating Bureau and Funding Partners have exclusive purchasing rights over the gold production at fair and humane prices.

Example : Value of a Motor-pump : 7 000 000GNF
Value of Accessories : 1 000 000GNF
Fuel Credits : 500 000GNF
Total Value : **8 500 000GNF**
Current Sanimuso Fixing for Gold :25 000GNF
Value of Credit reimbursed in Gold : 340grms/22carats as Reimbursement

The advantage here is clear. Assuming that a mine with over 100 pits produces 5gms of gold per pit per day the increased productivity allows the cost involved to be recovered by the production of only one mine in a few days. We know in practice that certain wells and their individual pits + galleries produce up to 100grams a day even without factoring in big nugget finds. Some nuggets weigh over 100grams.

SANIMUSO COORDINATION BUREAU - OPERATIONAL STRUCTURE

The structure in place is organised along the following parameters:

1. The whole of the Prefecture is divided, currently into 6 zones in line with the Paramountcy zoning of the Chiefs and Elders. Each zone is coordinated by a Sector or Zone Coordinator who is given a powerful motorbike for mobility and for security. In future the zone coordinator will be on a radio link.
2. Each village group is self-managed under the supervision and tight control of the Project Operations Coordinator. The village group opens and operates their mines without interference from the Sanimuso funders. This cushions the funders from the complexities of the day to day operations and running costs involved. Yet the coordinator oversees all aspects of the mines development.
3. The Treasurer and the Mines Manager are responsible for Cash and logistics relative to the gold production. At the end of a determined period usually a week, the gold produced by the village/group/sub-group is brought to the coordinator's office for final weighing and logging. The next phase of cash and logistics is transferred to the village group including any credits required or approved. It is impossible to embezzle the funds since the whole village is aware of the global amount plus logistics advanced to the cooperative for their operations.
4. Each village group will be supplied with a metal security safe and a bicycle or small motor-bike to be able to move from mine to mine within the same village Development Committee or zone.
5. In any gold mining operation, whether industrial or small-scale security and discretion are high on the list of priorities or precautions. Sanimuso partners in concert with the coordination bureau and certain banks will ensure safe movement and custody for all monies and bullion.
6. The Project Coordination Bureau in the suburb of Komonida on the outskirts of Kouroussa acts as the central point for exchange, information, decision-making and interaction between the different village mining groups within the same zone or between zones. It also acts as a gold stock exchange and gold intelligence gathering unit. All requests concerning new groups seeking to adhere to Sanimuso, new mines opened within certain zones, intra-group or inter-group conflicts, new finds of gold deposits or a rare find of gold nuggets...are processed here. The Coordination Bureau acts as a facilitator for

the day to day smooth running and the consolidation of the gains of Sanimuso. The office is equipped with low-cost furniture, a sitting room/conference room, a bedroom for visiting Sanimuso members who have to stay overnight. In future there will be electricity and water piping for the Coordination Bureau.

7. The Project Coordinator has cultivated excellent relations with all the social, traditional, religious, political, administrative structures and above all the civil society of the Prefecture. It is not unlikely to receive a visit from the Prefet (who is the Representative of the Executive of the Nation), or a Paramount Chief, or the Chief Imam, or groups of youth wanting Sanimuso to finance a new mine for them. All important information or intelligence falls within the hands of the Project Coordinator within hours.
8. An added advantage of receiving and processing information, and having good relationship with the civil society of Kouroussa is our ability to protect and consolidate the credibility and gains of the Project.
9. The Political and Local Government of the Prefecture have been very helpful in defending this Community Development Project. They recognise the positive socio-economic impact of the Project on the population and the long term advantages to be gleaned by the Prefecture as a whole.

PROJECTS ENVISAGED FOR THE FUTURE BY SANIMUSO

The Sanimuso Rural Gold Producers' Cooperative of Kouroussa, conscious of the immense revenue to be generated by exploiting the mines and environment of Kouroussa have decided to finance in the future several projects beneficial to the Kouroussa rural population at large.

The Cooperative hopes to finance these projects from their own sources:

- Village/Community Development Tax imposed on each Sanimuso Co-operative member;
- 10-20% participation in the net profit of gold contracts signed with future partners;
- 10-20% stock held in the future Funding or Holding Agency to which Sanimuso Cooperative would be a shareholder;
- Financial contributions and credits from key development partners such as the World Bank, the UNDP as well as other governmental and non-governmental sources;

The Projects envisaged are:

- The Sponsoring of the Kouroussa Prefecture Football Club as the Co-operative's contribution to the development of youth activities;

- Annual scholarships to be given to the best secondary student to study Mining Engineering or Associated disciplines;
- The Bokoro Sanimuso group which hosts over 30 small-scale mines rich in gold, diamonds and carbon will finance village water pumps, rebuild the central market and warehouse;
- Sanimuso Shop: The cooperative envisages opening its own co-operative shop reserved only to registered members and groups where essential commodities as sugar, rice, oil, used clothing, motor-pumps, spare-parts and accessories would be purchased cash or credit. **All credit is reimbursed in gold.**
- Environmental Protection, Reforestation and Soil Restoration Programmes: The Cooperative has signed an undertaken with the Regional Directorate of Mines and Environment to restore and reforest all mines operated by the Cooperative;
- Professional Training and Adult Education Centre: The Cooperative hopes to construct, furnish and equip a Professional Training Institute where Sanimuso cooperative members would learn to repair their own motor-pumps, and learn to read and write. The cooperative members recognise that capacity building is important to the gold industry which is intellectual/academic oriented and will train their members on the use of the internet, data processing, accounting, rudimentary administrative procedures, and general knowledge in most fields. This Institute will also be used to train the under-age school going children that work the mines and have no formal education.
- **The Creation of A Miners' Bank or a Financial Institution that will cater for the Cooperative within Kouroussa. This bank will make advances on gold to the cooperatives. All credit is reimbursed in Gold.**
- Initially a clinic in the Coordination Bureau/Professional Training Centre to offer primary health care and hygiene counselling to the miners. Most of these rural miners shun the Government hospitals because of the high cost of medical aid. This centre will also be used to proffer STD/VIH/SIDA preventive counselling.

Plan of Action for the Future:

- Extend the Sanimuso Co-operative concept beyond Kouroussa to the Prefectures of Mandiana, Siguiri, Faranah, Dinguiraye who together account for about 3tonnes of gold per annum (official sources) (6tonnes conservative sources);
- Put in place a coordinating and follow-up/control structure to keep track of all artisanal mining activities within these Prefectures that constitute the **“Golden Octagon”**. It goes without saying that these 5 Prefectures are responsible for financing a large percentage of all private-sector imports into Guinea such as rice, sugar, milk, vehicles, etc....
- Seek a Permanent World Renowned Body such as the World Bank,UNDP,ADB/ADF to back Sanimuso in its Programme Implementation;

- Propose during international forums the adoption of Sanimuso as a Pilot Project adaptable to other Artisanal Mining Communities;
- Propose Training Programmes in Revenue Generation activities especially for women and the youth so as not to make rural artisanal mining communities wholly dependent of mining;
- Propose that the World Bank and its key development partners such as the UNDP seek amendments to the Mining and Investment codes of Guinea and other countries to embody relief and concessions to *well-founded* Co-operatives as on the same concessional terms as accorded to industrial mining companies and members of established chambers of mines. The latter privileged lobbies benefit from concessions such as : tax exemptions, duty-free imports, TVA concessions. In this way the subject of Poverty Alleviation would have been actively tackled:
- Propose that the World Bank and its key development partners request the Central Governments to proceed with more *rural-based* decentralisation-deregulation (political-administrative-fiscal) policies. The State seeks to maintain its monopoly over the working environment of the rural population thereby stifling capabilities and depriving them of their basic livelihoods required for sustained livelihoods. Without full unhindered control over the environment the rural population is doomed to extinction.
- Seek the establishment of a Rural Miners' Bank to fund (Sanimuso) artisanal mining community projects;
- Put in place a Sanimuso Gold Production Structure to cover the 5 Prefectures of the golden polygon whose production would yield a minimum of 500kg of gold per month.
- Seek training and information programmes for Sanimuso on very important questions such as under-age miners, HIV/AIDS and Soil Restoration and Environmental Protection Issues.
- Seek the elaboration and adoption by the International Community of a Uniform International legal framework which would define the field of action of, and protection of artisanal mining communities from Central Government excesses.
- Seek the establishment of a Regional Observatory (ECOWAS, SADCC.....)for Rural Development Artisanal Mining Communities.

Conclusions :

In most rural communities the burden of poverty, which has sharpened to acute levels since the disappearance of the Welfare State – where the state provided most subsistence and guaranteed Social Security and Pensions – are borne essentially by the vulnerable and marginalized: the youth, women, and the aged.

And yet these are populations whose environment is endowed by nature with most exploitable renewable and non-renewable natural resources: rainforests, gold and diamond mines, rivers and waters teeming with fish and other seafood, arable land, deserts which science could transform overnight into granaries, abundant rainfall.....

For Sanimuso, the dynamics of poverty which are intertwined with so many internal and external factors, are represented by: illiteracy within the rural populace, inadequate training and education, difficulty of access of rural women to the factors of production, absence of means of informed information, inaccessibility to basic primary health care because of the cost involved, child mortality, post natal mortality of women, inaccessibility to potable drinking water, absence of revenue generation activities...

But Sanimuso recognises that much of the indicators of poverty as enumerated are man-made: Poverty arises when the rural community have no control over their environment (*habitat – in the strictest sense of the word*),or have no means –financial or technological to exploit their environment- when laws or traditions prevent them from accessing their environment, when Central Governments offer their environment (lands, mines, rivers) to the highest bidder.... In the absence of a livelihood physical capabilities and intellectual efforts come to nought.

It is the studied and learned conviction of Sanimuso that the only sure way of creating sustainable development as a means to enhancing the livelihoods of all rural impoverished communities is the full control and judicious management of their environment.

The Rural Populations acting through NGO's and similar Co-operatives and Associations in their quest for better living standards will need the concerted efforts and support of the International Community, Governments and Local Government Authorities, Private Business Community, and key development partners such as the World Bank, UNDP, ADB/ADF.... to safe-manage the resources of the environment. After all we all are joint custodians of our common heritage : the Environment.

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