



An 'Action' Dialogue on ASM in Ghana:

Dialogue Report

Friends of the Nation, in collaboration with the International Institute of Environment and Development (IIED), hosted a multi-stakeholder, solutions-focused dialogue on artisanal and small-scale mining (ASM), from the 19th January to 22nd January in Tarkwa, the Western Region of Ghana.

The dialogue saw over 55 participants –artisanal miners, local and national government representatives, large-scale mining company staff, and civil society organisations – come together to collaboratively develop a 'roadmap' for sectoral reform in Ghana's artisanal and small-scale mining (ASM) sector. The following two pages summarise the discussions from the dialogue process and is intended as an aide-memoire for participants to the dialogue.

Across the 4 days, stakeholders came together to learn from each other, forge new relationships, and collaboratively decide, as Ghanaians, what solutions are needed to tackle the priority ASM challenges and realise ASM's potentials. A draft roadmap to a more sustainable, equitable and attractive business sector, with clear rights *and* responsibilities, emerged from proceedings. This roadmap has a practical focus on formalisation and covers geological prospecting and the identification of viable land for ASM; streamlining licensing procedures for ASM to obtain a license to mine; access to sustainable and formal sources of financing for ASM; and stronger voice for ASM miners, particularly women, in decision-making and policy.

Field Days: 19-20th January 2016

Understanding local perspectives

The key objectives of the 2-day field visit were to explore the site-level dynamics of key issues around land allocation, access to formal finance and participation in national policy-making for ASM as well as to capture some of the unheard and marginalised voices in ASM. Each participant was asked to keep this in mind as they reflected on their engagements in the field. Several key themes then emerged during an open plenary discussion:

- There is no clear **local development agenda** for ASM, and very little support for the sector to play its role in local sustainable economies. Basic services for the community are largely absent. A leadership and communication gap exists amongst the community, the miners and the concession owners. There is little to no connection or links to the district assemblies, or the regional economic development drivers. As a result, no-one is driving a coherent and integrated development agenda in the community.
- Participants noted that a comprehensive **land use and management** plan is also absent. Despite different life cycles and resources, mining and agriculture are seen as competitors for land use with mutually adverse impacts. The potential to achieve a 'virtuous circle', which makes best use of local resources and assures food security, is not being realised. Improving land management practices and planning was considered crucial, especially given the need to find and demarcate viable lands for ASM.
- Failure to set aside **economically viable lands** for ASM is a major challenge. Developing an information base of viable lands for ASM is seen as a way to drive better natural resource governance for several different commodities. Access to land with 'bankable documents' is also a way for ASM to overcome poor/ constrained access to formal finance and invest in their operations.
- Whilst miners work for the concession owners, there appeared to be **few obligations on the part of the concession owners to the miners**. At the time of the visit, concession owners were largely

absent and appeared not to reinvest or participate in the business aspects of the mine. Specifically, re-investing profits back into the mine or its personnel was almost non-existent. Given the high risks associated with ASM, participants observed that training and safety equipment ought to be provided, as a minimum, by concession owners and mine management.

- The picture was particularly bleak for women involved in ASM. Women are often fed but not paid on time and largely live in a state of flux, uncertainty and insecurity, with no encouragement to organise and few possibilities to improve their livelihood. **Gender** was therefore agreed to be an important issue, albeit a tough one to address. As key players in the production chain, more support for women and their organisation is urgently needed.

Identifying the priority issues

Leading into the workshop discussions, many of the issues raised by participants pointed to much deeper, structural problems. But participants also observed how dynamic and complex many ASM sites are. Unless there is proper and regular diagnosis and discussion of site-specific issues on the ground, it is extremely difficult to craft effective policies and support.

Participants agreed that structural challenges could be addressed if efforts shifted towards developing and supporting ASM, and away from actions to coerce and contain miners. This significant shift would require a comprehensive business case for supporting ASM and ensuring that support fits around viable pre-existing organisational structures:

1. **Organisational Structures.** Participants were surprised to find an impressive degree of existing self-organisation by miners at all sites. The different tasks of extracting the ore were parceled out amongst mining ‘gangs’ in different ways to get the work of ASM done, and it was clear that a robust hierarchy was also at work. Participants suggested that previous formalisation efforts might have fallen short because they were not built around pre-existing organisational structures and supportive hierarchies.
2. **Building a Compelling Business Plan.** Many participants felt that the industry desperately needed a more comprehensive business plan to support its development and attract investment. A ‘national bankable document’, which was also appropriate to different localities and ASM subsectors, would need several components:
 - a. Sectoral re-branding. Above all, the sector suffers from an image problem. Public opinion of ASM is extremely low, and any business plan would have to include sensitisation and training for media outlets and politicians alike.
 - b. Health and sanitation. Standards were poor at each site and discussions suggested that responsibility should fall on concession owners and village elders. Like any other legitimate sector, building health and sanitation structures was deemed essential.
 - c. Safety. It was close to a unanimous judgement that safety standards fell well short of any credible business. These insights were confirmed when speaking with the women at the field sites, who did not want their children to take part in ASM when they reached working age because of the poor safety standards. With appropriate safety equipment and procedures, however, as one woman put it: “ASM could be a good job.”
 - d. Training and technology. Improving the rates of ore recovery was seen as a key way to make more efficient use of resources and limit waste of resources and energy. One participant claimed that few people see ASM as a legitimate ‘business’ with no visible offices, technicians or safety inspectors at mine sites, and environmental degradation on an unacceptable scale. This predisposed policy-makers to concentrate on curbing ASM. A business case for ASM, which highlights the livelihood and economic potentials and includes training in environmental management and health and safety, was seen as a way to build investor and government confidence in the sector.
 - e. Education. Unlike in agriculture, where farm workers often receive organised training and continued extension, miners learned on the job, but not from those using modern and sustainable practices. Insufficient education is a massive barrier for any sectoral reform at the local level, and was seen as a crucial driver in any improvements.

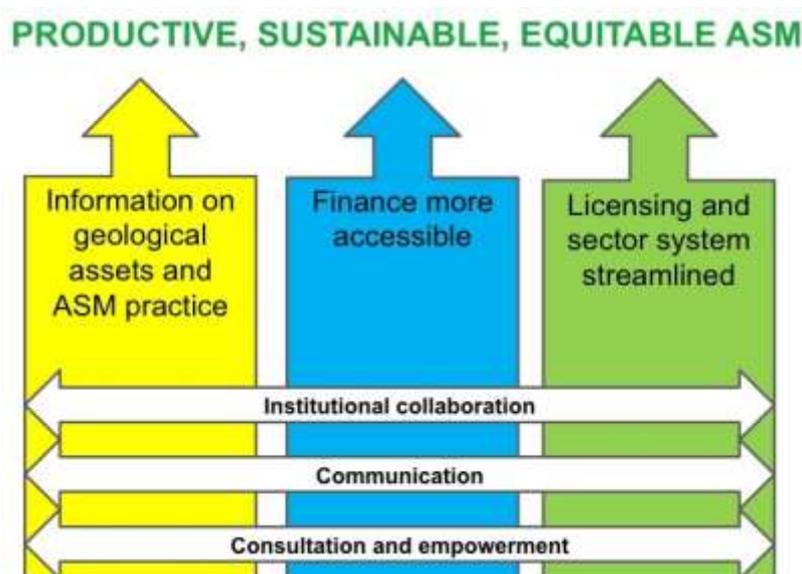
The impacts of the field visits on participants were encouraging and demonstrated the value of listening to miners. The visits took the focus away from potential backward-looking, abstract reflection towards thinking about the future of local people’s lives and landscapes. Most importantly, the engagements in the field put everyone on an equal footing and helped to focus subsequent discussions on joint solutions and joint leadership.

Workshop Days: 21-22nd January 2016

Moving towards solutions

Following feedback from the field days, it was clear that the inclusive, rights-based formalisation of Ghana's ASM sector was a significant, timely and pressing developmental opportunity to be realised. Participants were challenged as to how miners might move from being exploited to empowered; from unorganised to organised; from being in a state of indebtedness to surplus cash to invest; and from clashing land uses to synergies with other livelihood activities. In short, what were some of the solutions to these challenges?

After an open plenary discussion, consensus began to build around a 'roadmap' for ASM in Ghana. This roadmap – the beginnings of a tangible, implementable and integrated development plan – was seen as a way to work together better, recognising that no single institution has the financial or political clout to improve the prospects for ASM. A roadmap could help attract stakeholders, both domestic and international, funding, and much-needed positive media attention. But most importantly, a roadmap was a way to realise the group's long-term vision of ASM in Ghana: a sustainable, equitable and attractive business sector, with rights *and* responsibilities.



Initially, unpacking what participants meant by a more productive, equitable and sustainable sector was a daunting task. Background research undertaken led by Professor Gavin Hilson, from the University of Surrey in the UK, provided an overview and explanation of the key issues, perspectives, and policy framework of the sector and helped shaped these discussions. Formalisation was seen as the only viable means to achieving this goal and, after a closing plenary on the second day, the group collectively agreed on three critically-linked components.

1. **Information on geological assets and ASM practice**
2. **Making finance more accessible**
3. **Streamlining licensing and the sector system**

Participants also acknowledged that formalisation is not purely a technical task. Through discussion, the group identified three crosscutting themes that would need to be integrated throughout any formalisation process:

- a. **Institutional collaboration** (institutions with mandates touching on ASM need to work collaboratively, building from what is being done currently);
- b. **Communication** (communication and awareness of ASM's potential and successes should be improved as an engine for development among all stakeholders); and
- c. **Consultation and empowerment** (ASM, ASM organisations and notably women involved in ASM need to be empowered to achieve any lasting change).

The third day was spent in small working groups fleshing out the three primary components:

1. Increasing information on geological assets and ASM practices – so that ASM miners are directed to suitable areas, and the sustainability of their use of them is monitored

All groups agreed that without geological data on deposits and access to relevant information, ASM would be unable to access much-needed financial support.

Whilst the Geological Survey Department is mandated to provide exploration services to the state, the main issue was deciding who would finance wide-scale geological prospecting in Ghana. Participants from various stakeholder groups agreed sources of funding would have to be diverse in order to be sustainable. Initial start-up capital from multilaterals could drive government contributions while GNASSM could increase membership fees to help subsidise activities. Participants stressed that if the data was properly packaged and branded then it could be paid for.

Participants found that access to information was another huge issue. Exploration data for ASM was not readily available or transparent under current practice. Adding to the problem, such data was often very complex. Deciding what kinds of information are needed, and how best to package it, was seen as critical. At the very least, participants noted that when companies are not operating on the concession (i.e. inactive licenses), the data should be made publically available. Whilst this would involve changing laws, a more immediate solution would be integrating civil society groups into the process to improve transparency. Participants also noted that developing partnerships with universities could aid data collection and dissemination.

All groups raised what they felt to be a bigger question, which was whether raising awareness amongst miners of the long-term negative effects of ASM on miners and the environment would be a way to ensure they operated in a more sustainable manner. While all agreed that education and training would play a critical role in any positive change in the sector, groups acknowledged that subsistence and securing a livelihood would always be the top priority for miners. Participants discussed how to support the technical training programmes developed by UMAT and GNASSM and also discussed the creation of 'district mining committees', which could train miners at the local level.

2. Greatly increasing investment in the sector, improving access to finance – so that miners can shift from perpetual indebtedness to capitalisation based on the value of the resource

All groups agreed that access to finance was dependent on a licence to mine, as no financial institution would invest in a sector, regardless of its potential, without assurances, responsibilities, and accountabilities.

Participants noted that ASM needed to be seen as a credible business sector and accessible information would be the basis for any financial support. To demonstrate good business, participants drew up a shortlist of criteria that might peak investor interest. This included: demonstrating regular record keeping, compliance with regulatory standards, geological data on deposits, economic forecasts and a general project evaluation framework. Creating appropriate documentation, including 'bankable' geological assessments, using past receipts to show off sales, etc., was seen as a crucial first step. Organisation was seen as another critical driver. Participants wondered if 'partnership applications' for collective finance might be a more viable means of procuring investment than individual applications (but this would depend on the government enabling collective/communal licensing).

Participants also emphasised the responsibilities of the finance community, suggesting that institutional investors have an obligation to start educating staff on ASM. Without a proper understanding of ASM, banks cannot produce an accurate risk-assessment of ASM operations. A tiered system of financial assistance to ASM, tailored to complement the mechanisation and classification of ASM operations, was seen as a way for the finance community to show initiative (and would complement current efforts by the Minerals Commission to re-categorise licenses). The media, too, had a big part to play. Re-branding ASM in the public domain was seen as an important way to boost investor confidence.

3. Streamlining licensing procedures and sector regulation – so that licensing is accessible and provides 'bankable documents' for raising finance and marketing support

All groups agreed that a more streamlined and integrated licensing process was in the best interest of the government and miners, and would help encourage investment in the sector.

Nearly all participants agreed that current procedures were too costly and bureaucratic. Moreover, environmental permitting, granted and enforced by the Environmental Protection Agency, meant that

there were two streams of licensing miners had to comply with in order to operate. The majority of participants, if not all, agreed the current licensing process needed decentralising further to enable local level agencies to award concessions and licenses. Specifically, vesting the decision-making powers and sign-off to the district mining committees would help to expedite the process in an accountable and transparent manner.

A frustration raised by the miners in the room was the hidden costs and informal payments necessary to obtain a license. Miners expressed their frustration in having to pay chiefs and landowners prior to applying for the appropriate permits to mine and felt this could too be addressed by through greater decentralisation.

While cost and who would shoulder the burden remained an issue, most participants noted that reduced bureaucracy, and more collaboration or merging of functions between different agencies would enable the government to capture growth quicker. Taxation and productivity would only come through a streamlined licensing system. A particularly popular idea was to create a Ghana Minerals Authority, merging the local arms of agencies (i.e. EPA, Geological Survey, Minerals Commission) into a 'one-stop-shop'.

Participants recognised there was already a lot of good work out there and that any streamlining should build on current initiatives, such as the AusAID e-licensing and cadastre system. Participants also wondered if the private sector could provide certain mine services to reduce pressure on government.

Agreeing next steps

On the last day of the dialogue, the group agreed that a key next step would be to refine and finalise the proposed roadmap developed during the dialogue. Participants concluded by asserting that stakeholders now need to work more closely together, supported by a 8-member 'Learning and Leadership Group for Sustainable ASM', which will jointly and transparently convene and drive the proposed work of ASM sector reform in close collaboration with the main ASM sector institutions. In particular, participants agreed that a LLG would focus research and consultation on how to shift from 'spirals' of mutual interference to new synergies and pioneer better governance of the sector through:

- **Improved communications** – so the inclusive green growth potentials of ASM are clarified by the media (which currently sees it only in a negative light) and by government policy
- **Increased institutional collaboration** – so that ASM and women's associations, professional miners and government work together on a strategy for a professional, sustainable sector
- **Empowerment and capacity** – so voices are heard and jobs and livelihoods are modernised and secured

Participant List

NAME	ORGANISATION
Rashid Abrobrah	Ahantaman Rural Bank
Edward Akuoko	Artisanal & Small Scale Mining-Africa Network (ASMAN)
Nii Adjetey- Kofi Mensah	ASMAN
Kwaku Treveh	ASMAN
Samuel Anku	Dakete Mines
Philip Carthy	Dakete Mines
Charles Baah Aboagye	Denkyira East Municipal Assembly
Moreno Padilla	Department of Foreign Affairs, Trade and Development Canada (DFATD)
Major (Rtd) Logochura	Department of National Security
Charles	Dunkwa Municipal Assembly/Solar FM
Nana Esi Aidoo	Environmental Protection Agency (EPA)
Prince Yaw Asare	EPA
Emmanuel Ntiako	Forestry Commission
Solomon Kusi Ampofo	Friends of the Nation (FoN)
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Theophilus Boachie-Yiadom	FoN
Philip Prah	FoN
Anthony Agee-kum	FoN
Donkris Mevuta	FoN
Daniel Boamah	Geological Survey Department
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David Johnson	Goldfields Ghana Ltd
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Faustin Debang	Rural Environmental Care Associates
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Kwaku Secretary	Small-scale Miner, Japa
Joe Asare	Small-scale Miner, Japa
Emmanuel Quarm	Small-scale miner, Prestea
Yaw Britwum Opoku	Solidaridad
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Caroline Digby	University of the Witwatersrand
Georgette Barnes	Women in Mining
Amina Tahiru	Women in Mining/ GNASSM