

ESTABLISHMENT OF THE FIRST ASSOCIATION OF CO-OPERATIVE MINING SOCIETIES (ACOMS) IN GHANA FORMED IN MARCH 2018

HISTORICAL BACKGROUND/INFORMATION

Historical evidence of development of indigenous mining, smiting of gold now small scale mining dates back to over two thousand (2000) or more years in Africa including Ghana. With particular reference to our country Ghana, a brief historical fact abounds to show our determination to pursue such a chamber for future government policy for generations yet unborn. Gold mining and smiting technology, a pre-colonial undertaking was in existence in Ghana in AD 300 – 1600 (Anquanda, 1989). The commercial capital of Begho in Brong Ahafo set up between 1400 and 1700 AD was the largest ancient iron smiting “factory” in West Africa. In 1900, the Akan produced 1.5 million kilograms involving an average of 40,000 miners at the peak of production in 1700 (op. cit). In fact, value was added to the raw gold produced as expressed in the variety of gold ornaments in use during the period (op. cit).

Colonialism, instead of improving upon the pre-colonial technology substituted a superior one for it in its exploitative scheme of things in the absence of value addition.

Throughout the over hundred year period of colonial rule, huge quantities of our raw gold, diamond and other minerals were exploited using cheap local labour and exported to imperial industrial enclaves where they were refined. The prices of our precious metals were not fixed by Ghana’s traditional authority. That functioned the preservation of grabbing colonial over lords. The fate of our cash crops(cocoa, coffee, etc) and timber was not different.

OTHER HISTORICAL INTERNATIONAL SOURCES

To buttress our point, it is heartening to mention that several international publications attest to the facts indicated.

We reference a few of such sources:

1. World renowned Mining minerals and sustainable development report in contextual review of the Ghanaian small scale mining industry by Gavin Hilson of Imperial College Centre for Environment Technology, London-UK in partnership with the world business council for sustainable development in their September 2001 report.

<http://www.Lied.org>

2. Canadian Gold Mining Interests involved in Police Shootings in Ghana, West Africa.

<http://www.mining.ca/canadian-gold-mining-interests-involved-police-shootings-ghana-west-africa>

3. Women and Artisanal Mining: Gender Roles and the Road Ahead

<http://sitesources.worldbank.org/INTOGMC/Resources/336099-1163605893612/hintonrolereview.pdf>

4. The Impact of Foreign Direct Investment on the Development of the Ghanaian Mineral Industry.

http://www.ajbms.org/articlepf/ajbms_2011_1129.pdf

5. Trends in the small-scale mining of precious minerals in Ghana: a perspective on its environment impact

<http://www.ddiglobal.org/login/upload/Trends%20in%20the%20smallscale%20mining%20of%20precious%20minerals.pdf>

GHANA'S ATTEMPT TO REDISCOVER ITS PAST IN PERSUANCE OF FURTHER DEVELOPMENT OF THE SSM INDUSTRY

The PNDC law 218 of 1989 still remains one of the positive attempt to regulate the upsurge of Small Scale Mining in major mining areas in some regions where **SURFACE MINING** took place in Ghana in the mid 80's with the Minerals Commission given the legal authority to regulate or determine the operations of Multi National Mining Companies access to large Scale Mining activities under IMF and World Bank conditionalities when Ghana adopted the ERP, ASAP, etc.

The collapse of underground mining under State Gold Mining Company (SGMC) which hitherto employed thousands of our youth and manpower and around the same period saw more illegal mining operation in the surface level just as the NEW surface mining in Ghana. The obvious reasons are :

1. Massive lay down of labour and increase in youth unemployment
2. Due to maximization of profit by MNMC
3. Only a handful of manpower and introduction of sophisticated machines through mining services companies

**QUANTITATIVE DEVELOPMENT OF COMMITTEES ON
REVISION OF REGULATORY FRAMEWORK OF PNDC LAW
218 AND FORMATION OF ASSOCIATIONS, CO-OPERATIVE
AND CIVIC SOCIETY ORGANIZATION ON SSM.**

Early 90's and mid 90's various committees were set up. Notably was Prof. Alilakpa Sawyer's 7 (seven) member committee of August 1995 to scrutinize draft guidelines of mining companies in Ghana and small scale mining regulatory framework was a matter of course. Formation of various SSM Associations, groups, co-operatives, Civic Society Origination and SSM companies and of course REMWOF. The concerns of many spirited individuals and religious groups were all very important steps and directions to streamline the SSM supported by invasion of Chinese and other nationalities industry ,to curb the illegalities and its prominent destruction of the country's environment, including land and water bodies and the TOTAL destruction of our Landscape.

Although activities of illegal mining is now gaining roots due to huge unemployment deficit on the part of the youth, the difficulty in curbing the menace is not a matter of using the military, police and state security agencies to resolve but a SCIENTIFIC APPROACH and the POLITICAL WILL of the government to achieve result. A well-organized SSM industry would create sustainable employment of close to 2 million unemployed youth in our country.

(COSSMIG)

TOWARDS ESTABLISHMENT OF ACOMS IN THE SMALL SCALE MINING INDUSTRY IN GHANA

Main objectives: - The brief historical background has facilitated the need to establish ACOMS for the small scale industry to factor in all the concerns of various ideas, goodwill and government determination to find lasting solution to the industry. ACOMS unlike the original Ghana Chamber of Mines which is geared towards welfare of Multinational Mining Companies and link with government of Ghana through Minerals Commission has historical significance. That of SSM have similar aims and objectives but there are peculiarities and specific challenges as it unfolds and cannot be tailored along that of Ghana Chamber of Mines. The following are the major aims in establishing the SSM Chamber:

- To develop a scientific approach through laid down structures in the pursuit of lasting solutions towards a viable and sustainable development of small scale mining industry in Ghana. In order to achieve this, the need to adopt an amicable and state-endorsed solution to bridge the gap between small scale miners and stakeholders in the mining industry.
- Modernize small scale mining as an attractive vehicle for sustainable and honorable employment devoid of stigmatization and conflicts and to systematically transform amorphous artisanal mining groups into small scale mining cooperative and companies. To package small scale mining as an attractive medium for employing middle level manpower through decentralized policy making and operational guidelines for small scale mining whilst devolving community improvement interventions to local chapters of small mining concerns.

- To bring together fragments of small scale mining groups into a recognized, formal body to foster solidarity and adopt a united front on matters of welfare and standardize the operations of small scale mining.
- To train small scale mining groups in modern mining operations, environmental management and community responsibilities.

1.0 MEMBERSHIP OF ACOMS.

Although on record two (2) major organization namely, Retired Mine Workers Foundation (REMWOF CONSULTANCY / MANAGEMENT) a service provider for the youth in mining community module now Youth Employment Agency (YEA) and Association of co-operative mining societies (ACOMS), Membership is open to :

- (a) Civic Society Organizations on Small Scale Mining development
- (b) Cooperative SSM Societies under Department of Cooperatives
- (c) SSM groups in communities strictly under control of specific district or municipal assemblies
- (d) Developed Small Scale Mining Groups
- (e) Strategic investors who have accepted REMWOF strategic implementation business plan and
- (f) Other spirited and professional Ghanaians interested in formulating new policies and idea to develop the industry as a vehicle for job creation of all manpower levels in the country.

1.1 LEGALITIES

ACOMS Registration with Registrar General's Department

1.2 OPERATION

The main activities of ACOMS shall be consultancy, equipment hire, education, employment, responsible mining, advocacy and member welfare. It shall also oversee the Industrial Complex set up by ACOMS and coordinate with Vanguard Insurance Company to run the pension scheme for small scale miners. Review SSM Regulatory framework and laws since 1989, various committees, mineral law of 2006, existing minerals commission guidelines on SSM license acquisition and relevant legal document on SSM and make suggestions for improvement in the future.

1.3 AN INDUSTRIAL COMPLEX/TRAINING UNDER ACOMS

A facility for processing gold ore and serving as training grounds for small scale miners that will help them in modern and responsible mining practices and ensure efficiency, economy, environmental protection, community development and mining safety for all small scale miners at all Youth in Mining Project sites and that of associations etc.

To train participants in exploration, feasibility, planning and design, construction, operations, closure and decommissioning of all registered Youth in Mining Groups and associations, co-operatives, companies, etc.

1.4 OTHER SECTIONS OF THE COMPLEX

Ball Mine Construction

Treatment Plant

Washing and Disposal

1.5 COST OF ESTABLISHMENT

The facility is estimated to cost \$1,000,000 with unlimited lifespan and the source of funding.

1.6 AMENITIES

The Complex will have facilities like an office, clinic and day care center.

1.7 CONSTRUCTION OF THE COMPLEX

The process of setting up the complex shall involve:

- Site clearing
- Excavation
- Grading
- Sewer lines
- Utilities
- Concrete
- Dams
- Pipelines
- Road



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1.8 PLANT POOL

The complex shall maintain a pool of excavators, bulldozers, graders and other mining equipment for hiring to SSM at specific regions.

1.9 ENVIRONMENTAL GOVERNANCE

The facility will ensure protection of water sources and ecology, revegetation reclamation, afforestation, sustainable mining, industry best practice, pollution avoidance, biodiversity management, water management planning, tailing management, redirection of water bodies.

1.10 SKILLS CENTER

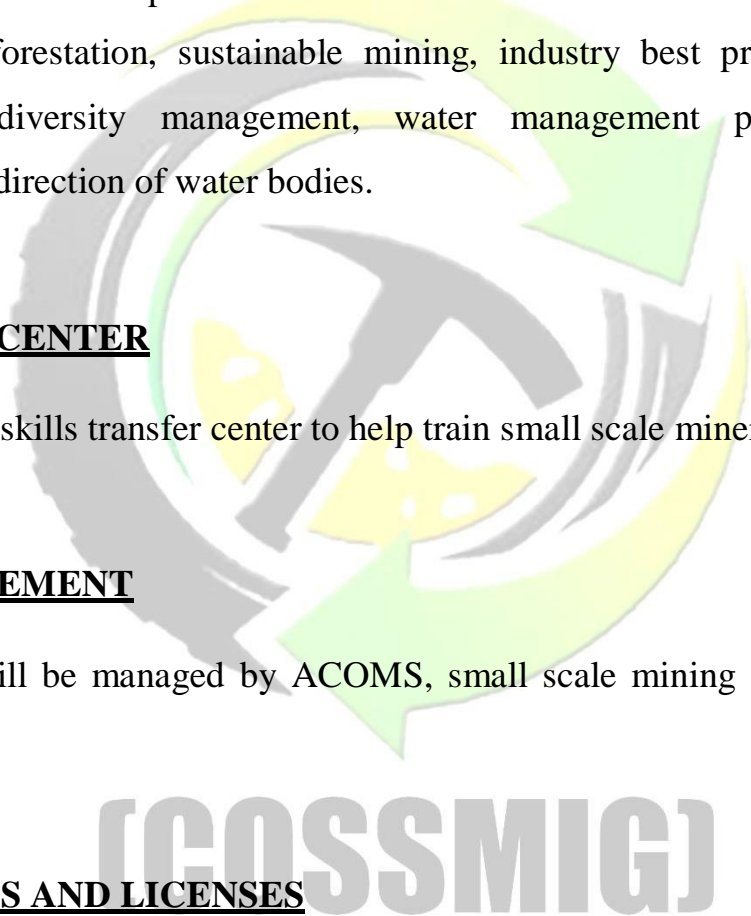
There shall be a skills transfer center to help train small scale miners.

1.11 MANAGEMENT

The complex will be managed by ACOMS, small scale mining group and the community.

1.12 PERMITS AND LICENSES

All permits and licenses shall be acquired by ACOMS for associations for their respective SSM/Members.



1.13 ACCIDENTS AND DISASTER MANAGEMENT

There shall be a resident medic and an ambulance on standby to treat any emergency and refer cases to medical centers.

1.14 INSURANCE

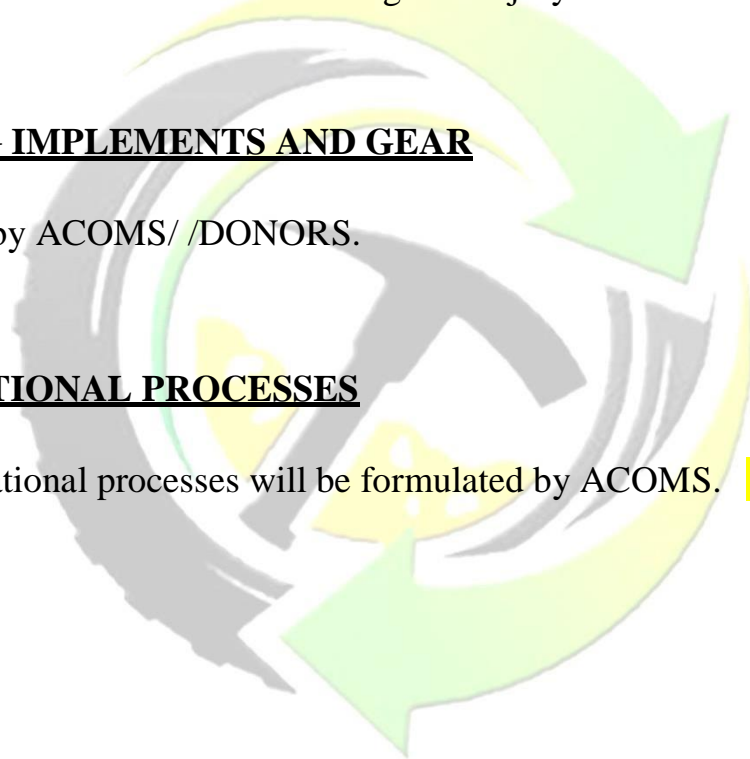
The facility and its staff shall be insured against injury.

1.15 MINING IMPLEMENTS AND GEAR

To be supplied by ACOMS/ /DONORS.

1.16 OPERATIONAL PROCESSES

The entire operational processes will be formulated by ACOMS. |



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ORGANIZATIONAL STRUCTURE

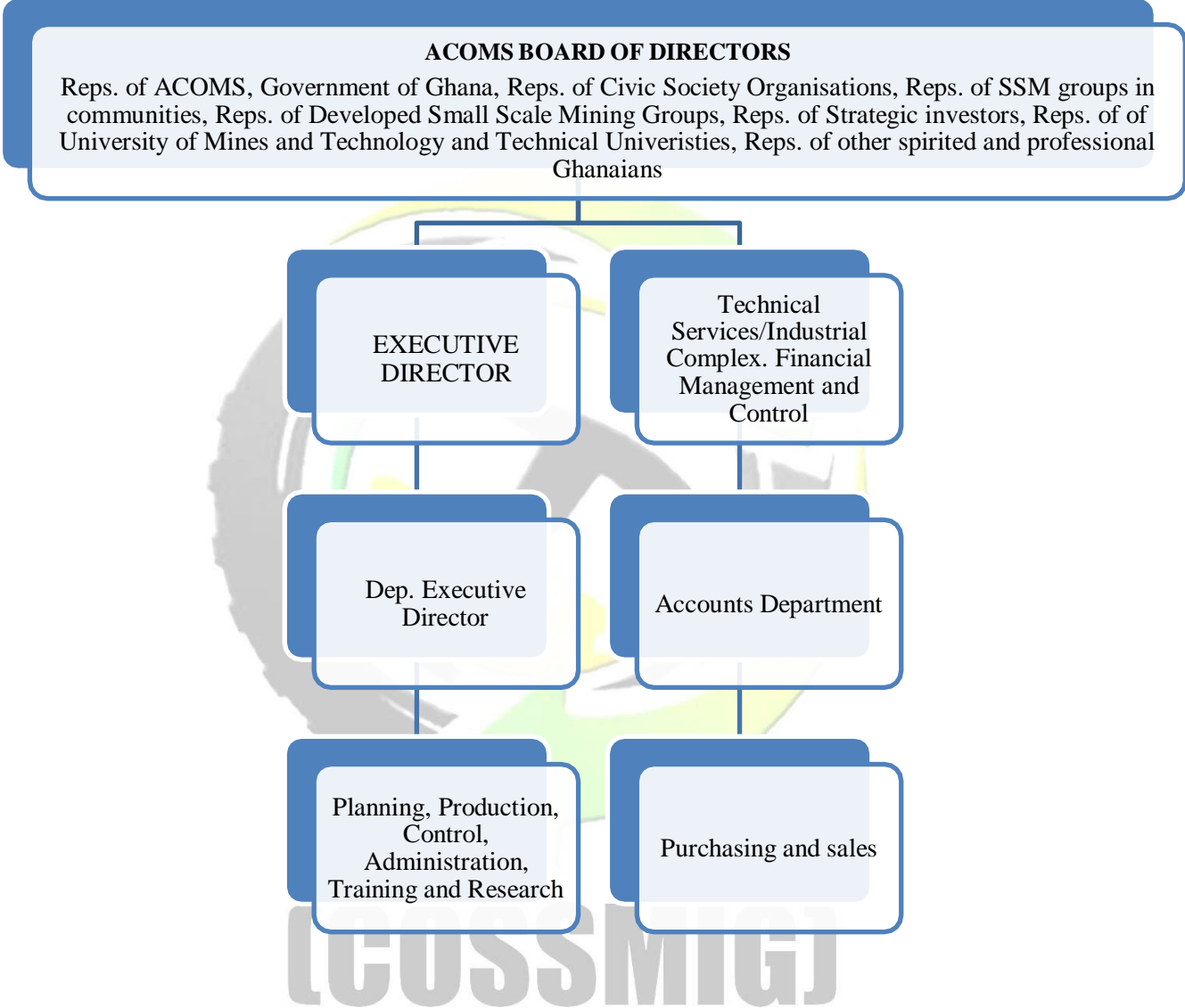
ACOMS identifies itself as “government – private partnership” with a defined organizational structure in terms of departments, officers and their duties and responsibilities. For now the agreed partnership is between the Government of Ghana and the Association of Co-operative Mining Societies. The actual operational structure, however, is rather complicated. It involves different forms and various levels and includes formal, semi-formal and informal arrangements.

The hierarchy starts with **Board of Directors** which is proposed to be comprised of representatives of Government of Ghana, ACOMS and the University of Mines (UMaT), Tarkwa, University of Energy and Natural Resources (UENR) and other technical Universities. The Board will be the policy making body of the organization. It is envisaged that the two representatives of ACOMS who will be on the Board will be the Executive Director and the Deputy Executive Director of ACOMS as well. The Board will be accountable to the Board membership, Government of Ghana, donor support groups and other authorities.



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SYSTEMATIC ORGANIZATION CHART OF
ACOMS IN GHANA



BOARD OF DIRECTORS

ACOMS shall comprise representative of Government of Ghana, CSOs, SSM groups, Developed Small Scale Mining Group, other spirited and Professional Ghanaians, University of Mines (UMaT) and other Technical Universities, etc. The Board will be the policy making body of the Chamber. The Executive Director and the Deputy Executive Director of the chamber will be the nominees of REMWOF on the Board.

EXECUTIVE DIRECTOR

The Executive Director will be responsible for the implementation of the board's policies and the day to day administration of the Board's policies and the day to day administration of the entire system. He will be directly in charge of financial management and control, and the accounts department, the purchasing and sales departments will be directly under his control. He will also be directly in charge of Technical Service Management.

DEPUTY EXECUTIVE DIRECTOR

The Deputy Executive Director will assist the Executive Director in the implementation of the Board's policies and in the day-to-day administration of the chamber and in addition he will be in charge of planning, production, control, training and research activities of the chamber.

OTHER ACTIVITIES OF EXECUTIVE

- To facilitate the acquisition of mine concessions for the purpose of establishing ACOMS throughout the country.
- To maintain legal ownership of all the properties of ACOMS by complying with registration and licensing requirements, and to renew chamber permits when due.
- To insist on the respect for government rules and regulations that govern the conduct of ACOMS
- To liaise with appropriate government agencies, donor agencies and other organization on behalf of ACOMS
- To mobilize start-up capital for the initial operations of ACOMS and to mobilize logistics and funds from appropriate sources to facilitate the rapid growth and development of ACOMS.
- To coordinate activities for mobilization of funds for the provision of infrastructure and social services in the mining communities.
- To coordinate group activities of ACOMS especially in relation to environmental protection such as tree planting and forest fire prevention and
- To settle disputes that may arise within and between the memberships of ACOMS.

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MAIN DIVISION OF ACOMS

NATIONAL HEADQUARTERS – ACOMS will comprise a National Headquarters most likely to be located at Accra. The national headquarters will function as the Management and administrative headquarters of the chamber and will be responsible for implementing policies and programs nationwide. It will be the quarters responsible for the day to day administration of the entire system. The national headquarters will not only be an administrative headquarters but will also advise management Board on national policy issues and function as the administrative headquarters for finance, technical services, research and development, training and security activities. The national headquarters will be accountable to the Management Board.

REGIONAL HEADQUARTERS – The regional headquarters of ACOMS will be in the Regional Headquarters of the National Youth Employment Program in the region. Regional Chamber Advisory Committees will be established in each regional headquarters to serve as advisory and monitoring bodies. They will be in charge of monitoring and reporting regularly to the Executive Director and advising management on mining policies on the regions. The Regional Chamber Advisory Committees will be made up of representatives from the National Youth Employment Program, representatives from ACOMS, representatives from SSM groups in the communities, representatives from developed SSM group, representatives from CSOs, etc. The Regional advisory committees will be accountable to the executive director or any person acting in his absence.

DISTRICT HEADQUARTERS – The district headquarters of ACOMS will be located in the district offices of the National Youth Employment Program. The District chamber advisory committees will perform advisory and monitoring roles in the districts. The district chamber advisory committees will be reporting to the regional advisory committees on regular basis. Their membership will be made up of representatives of the National Youth Employment Program, representatives of ACOMS, representatives from SSM groups in the communities, representatives from developed SSM group, representatives from CSOs, etc. They will be directly accountable to the regional mines advisory committees.

ADMINISTRATION AND TRAINING – The administration department will be responsible for personnel and management of human resource. This department will be centralized but it will be responsible for the organization of training programs for the chamber throughout the country. It will also be responsible for the establishment of mining training schools at localities it will deem fit in the regions and districts. Training programs may be organized either at the national headquarters, the regional level, or at the districts depending on the peculiar training needs of miners in the regions, districts or branches.

FINANCIAL MANAGEMENT – The financial management department will be responsible for the financial management and financial administration of ACOMS. Under it will be accounts offices, purchasing and sales units which will have branch (concession) offices through the country. The financial management officers on the concessions will be accountable to the financial management office in the national headquarters. The department will be responsible for accounts and records keeping of all production outputs, sales volumes and all purchases done in the mines on daily basis.

RESEARCH AND DEVELOPMENT – The research and development department will not be decentralized. It will be based at the national headquarters and will be solely responsible for all research and development activities. Research areas of interest will be determined by the head of this department in consultation with the top management of ACOMS. This department will cooperate with the University of mines and Technology and other Technical Universities on various research projects.

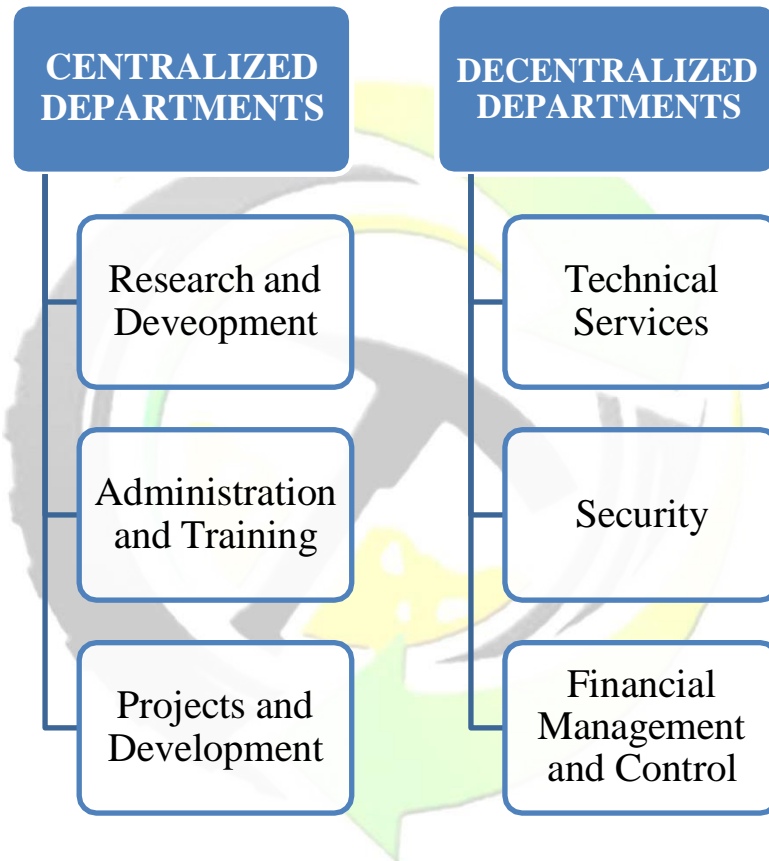
TECHNICAL SERVICES/ INDUSTRIAL COMPLEX – Technical Services Unit will be established to be responsible for selection, assembling of SSM Machines for hiring through the service companies, acquisition, repairs and maintenance of mining machines and equipment. It will be decentralized department and will have staff on every concession throughout the country. The staff on the concession will be directly accountable to the technical services departments at the national headquarters.

SECURITY – The security department will be in charge of all security issues concerning ACOMS. It will ensure the protection of the mines against illegal mining on any of the concessions in the country. It will protect the mines against any form of theft and ensure fire presentation on all the mines throughout the country. It will be a decentralized department and the officers on the mines will be accountable to the offices at the national headquarters.

PROJECTS AND DEVELOPMENT – This is a department that may not be needed immediately, but will be needed in the future and management will put it in its plans to establish it. This department will be in charge of the reclamation of mined out lands, the initiation of agricultural activities, fish farming and agro-processing in the

future. It will be the department that will be assigned with the task of adding value to the minerals produced to produce jewelry and other ornaments in the future.

DEPARTMENTS OF ACOMS



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SPECIAL POOLED FUNDING FOR SMALL SCALE MINING **INDUSTRIES**

We propose the establishment of a **SPECIAL POOLED FUNDING FOR SMALL SCALE MINING INDUSTRIES**. The fund shall have the purpose of aggregating funds for the development of SSMs. As noted else in this report, the SSM industry needs to attract and retain highly qualified professionals like geologists and metallurgists whose special skills can lead to the improvement of prospecting and mining management. By their unique contribution, these mining experts will propel the SSM industry to tremendous improvement as they bring to the organization improved environmental management skills. The fund shall be the principal source of remuneration for them so they stay motivated and well recompensed. It shall also help set up industrial complex at mining sites which shall service the needs of SSM industries.

In our well-considered opinion, the improvement of the operations of SSMs shall introduce a healthy and favorable competition in the mining industry and enable SSMs contribute more to the economy. By available stats, MNGMCs produce only 5% to the economy and are the main extractive entities in the country. By offsetting this monopoly through logistical and operational empowerment, SSM industries can offer a viable alternative to increasing the government's revenue from mining

The proposed fund shall be resourced in part by PMMC, Government of Ghana, the minerals commission, gold merchants and jewelers, and other interested identified bodies. It will be administered by stakeholders in the SSM industry which includes ACOMS, Minerals Commission, YEA etc. The beneficiaries would be identifiable and registered SSM groups.

