

Technical and Financial Criteria

Section 11(a) (b) of Act 703 mandates the Minerals Commission to enter into agreements with requisite technical competence and financial capability.

It requires all applications for a mineral right submitted to the Minerals Commission to show evidence of financial and technical resources available to the applicant for the proposed mineral operations as well as an estimate of the amount of money proposed to be spent on the operations.

There are, therefore, financial criteria which require Minerals Commission to carry out financial checks on the licensee and, where appropriate, on the corporate group to which the licensee belongs.

The evaluation of technical and financial capabilities prescribed by the Minerals and Mining (Licensing) Regulations, 2012, L.I 2176 are based on the following

Technical requirement

❖ Geology, Resource and Reserve Estimation

The company at this stage should possess a reserve of the mineral to be mined, the reserve estimation should have been done using internationally acceptable method, eg JORC code, detailing proven and probable resources.

The company should indicate the qualifications of either an in-house Geologist(s) or a consultant. The Geologist/Consultant must confirm availability to undertake the assignment.

The Geologists/Consultants must be professional geoscientists and members in good standing with the Ghana Institution of Geoscientists (GhIG) and/or any other recognized analogous institution. A copy of their professional membership certificate should also be attached to the work programme.

❖ Mining Technology & Equipment

The process of mining out the reserve and the type mineral processing technology and machinery to be employed.

❖ Infrastructure Required

The infrastructure required include the road for haulages; Electric power generations, telecommunications, engineering workshops and offices. Where these are not unavailable, prove of financial capability to undertake these projects before the commencement of mining activities shall be required.

❖ Technical competence of the management team

Qualifications and experience of Management Staff must be stated. Experience in similar working environment would be an advantage,

- ❖ Environment, Risk Assessment & Management.
- ❖ Prior to the commencement of actual field activity, the applicant must obtain an Environmental Permit from the EPA
- ❖ Evidence of measures undertaken to enter the land lawfully (forest zones, etc.)
- ❖ Consultations with stakeholders before and during the execution of programme
- ❖ Risk Assessments and Management
 - Community and Social agitations
 - Illegal mining operation
 - Speculative activities

Financial Requirements

- ❖ Project Cost for both Development & Operations.
- ❖ Costing will have to cover the whole period of the license
- ❖ Basis for the costing should be provided
- ❖ Costing should be done in either local or foreign currency together with the applicable exchange rate
- ❖ Costing should be itemized and classified into operating and capital expenses i.e. salaries, wages, equipment, supplies, services including consultancy, assays, surveying etc., overheads (office running, travel cost etc.)
- ❖ Costing should be done along time schedule chart (quarterly) to reflect the estimates for the work to be undertaken in each specific period.

The Minerals Commission does not apply weightings to the criteria for granting of Mineral Rights. It is a qualitative assessment on First- come- first -served basis.