

Guidelines E3



**Government of Sierra Leone
Ministry of Mineral Resources
Mines and Minerals Act 2009**

Guidelines for applying for an artisanal mining licence

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1. INTRODUCTION

This document provides a simplified guidance on how to apply for an Artisanal Mining Right. It assists the applicant with following the steps of complying with the laws and regulations that govern the granting of Artisanal Mining Rights. The main law applicable is the **Mines and Minerals Act of 2009 (MMA)** and the attendant regulations entitled “**Mines and Minerals Regulations of 2009**” (MMR). The MMA requires that anyone who wants to conduct artisanal mining apply for a licence in accordance with provisions set

2. SCOPE

This document is intended for use by applicants for an Artisanal Mining Right. This is a mining right only available to:

- Sierra Leone citizens or
- Cooperatives registered in Sierra Leone and made up of Sierra Leone citizens only or,
- Partnerships registered in Sierra Leone and made up of Sierra Leone citizens only.

This document also covers the process of renewal of an Artisanal Mining Licence

3. PURPOSE

The purpose of this document is to:

- Assist applicants by providing information that is required by the MMR in a simple language and to complement the use Form B12 for Application of an Artisanal Mining Right
- Assist Regional Offices to obtain information required for the evaluation of artisanal mining right application

4. USE OF DOCUMENT

This document will be used mainly in conjunction with Form B12 prescribed for the Application of an Artisanal Mining Right. Other forms which are used to compile supporting documents as well as those used as management tools by the Ministry officials are also referred to.

5. APPLICATION PROCESS

The process of application for Artisanal Mining Rights is detailed in a process flow diagram (see Fig. 1). The six stages to the application process are described below

Stage 1: Application

Applicant submits application package to the Government Area Mining Engineer (GME) Regional Office of the Ministry of Mineral Resources. *Offices: Bo, Makeni and Kono

The application package consists of:

A: Application Form B12, fully completed and signed. The application form can be obtained from Regional Offices

B: Supporting documents:

- Complete application - Form B12
- Surface rent agreement – Form C12
- Environmental Management Plan (EMP) – Form C13
- Registration of Cooperative & Partnership – Form B13
- Supporter and tributer agreements – Form D15 and D16
- Mining work programme – Form C14

Stage 2: Application Receipt and Vetting

The Government Area Engineer (GME) allocates the processing of application to a Mine Warden who:

- 1) Acknowledges receipt of the application
- 2) Checks that all the supporting documents are there, and that each document has the required information
- 3) Registers the application in the Mining Cadastre and initiates the application tracking system using Form F8
- 4) Checks the availability of land on the Mining Cadastre
- 5) Arranges for a public notice of the application using Form D19
- 6) If the land is not available or additional information is required from the applicant, the Mine Warden notifies the applicant

Stage 3: Demarcation and Survey of Land

The Mine Warden does a site inspection and keeps a record on Form C9, for the following:

- 1) Assessment to ensure that the land is permissible for mining
- 2) Evaluates the suitability of Environmental Management Plan (EMP) submitted with the application
- 3) Surveying and demarcation of the land according to guidelines
- 4) If the land is not suitable for granting of an Artisanal Mining Right the Mine Warden notifies the client
- 5) All information is uploaded onto the Mining Cadastre system

Stage 4: Disposal of Application

- 1) Mine Wardens recommends to the Government Area Mining Engineer the licence be awarded to the applicant
- 2) Government Area Engineer endorses the decisions for licence to be awarded to the applicant
- 3) Mine Warden requests the applicant to pay of Artisanal Mining Licence annual charge, by way of an “Notice to Pay” Form D20
- 4) Applicant pays the Artisanal Mining Licence and presents proof of payment to the Mine Warden

- 5) Mine Warden enters proof of payment into Mining Cadastre system

Stage 5: Licence Issuance

- 1) Mining Cadastre issues original and duplicate of Artisanal Mining Licence Certificate
- 2) Mine Warden prepares original and duplicate of Terms and Conditions of Artisanal Mining Licence
- 3) Government Area Mining Engineer signs originals and duplicates of Certificate and Terms and Conditions of Artisanal Mining Licence
- 4) Mine Warden notifies applicant to collect Certificate and Terms and Conditions of Artisanal Mining Licence

Stage 6: Licence Collection

- 1) Applicant signs originals and duplicates of Certificate and Terms and Conditions of Artisanal Mining Licence
- 2) Mine Warden hands over to the new licence holder duplicates of Certificate and Terms and Conditions of Artisanal Mining Licence
- 3) Mine Warden hands over to the Mining Cadastre the originals of Certificate and Terms and Conditions of Artisanal Mining Licence
- 4) Mining Cadastre registers the licence on the system and files the originals of Certificate and Terms and Conditions of Artisanal Mining Licence

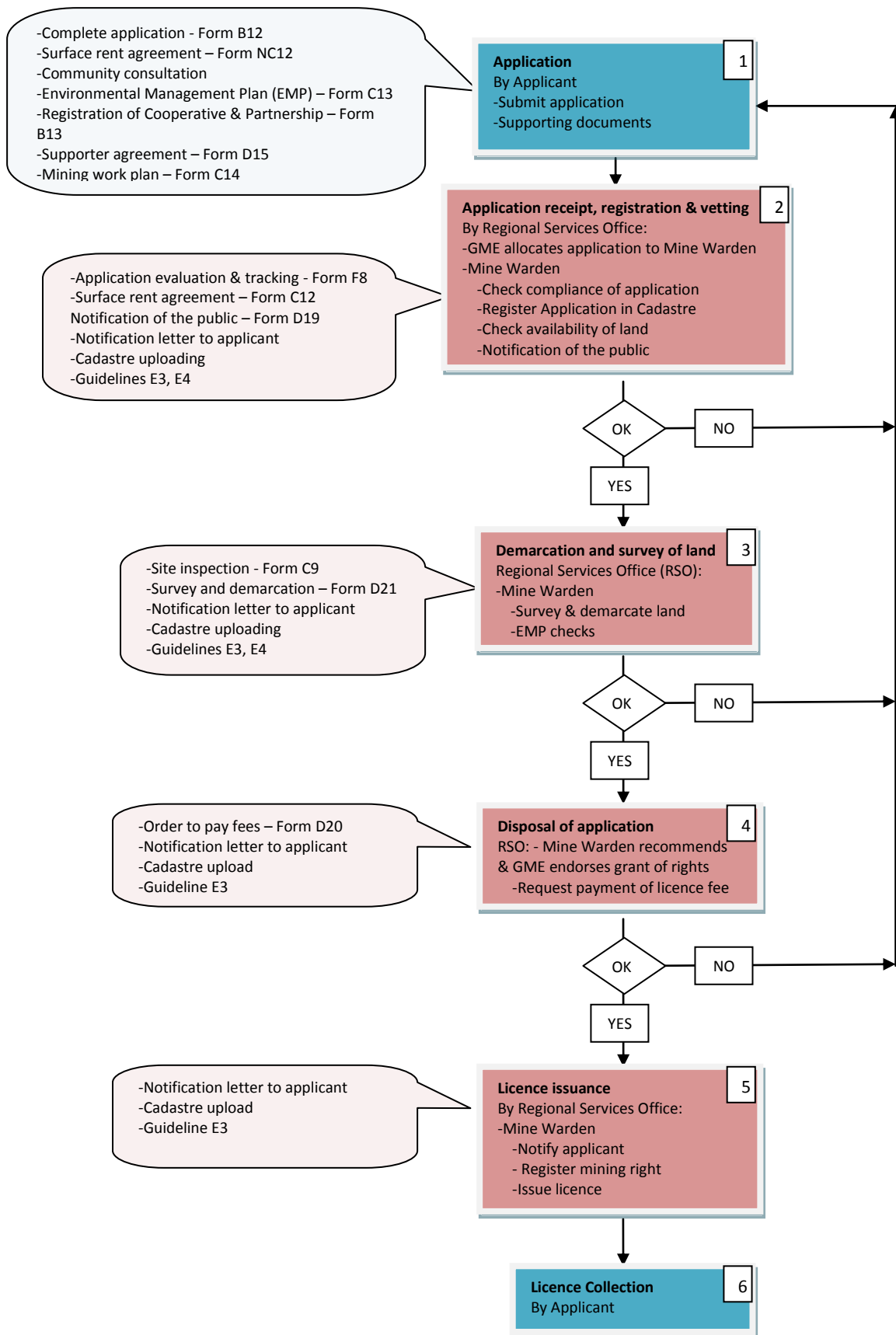


Fig. 1: Application for an Artisanal Mining Right process flow.

6. COMPLETING SUPPORTING DOCUMENTS FOR APPLICATION

This section describes the process of completing supporting documents for application of an Artisanal Mining Right.

Form D15 – Supporter agreement

This form represents a model agreement between an Artisanal Mining Licence holder and potential supporter. The supporter undertakes to provide certain financial requirements of the mining operation in return for a share in the proceeds of the mine. The objective of the form is:

- Ensure an equitable agreement between the licence holder and the supporter
- Safeguard against illegal dealings
- Safeguards against exploitation

The form contains the following information:

- particulars of both the licence holder and the supporter
- mentions whether the supporter is a licenced buyer of precious minerals
- details of the financial assistance which will be given to the licence holder for the running of the mining operation
- mentions the formula for sharing of proceeds arrangement
- mentions whether tributers will be part of the arrangement and,
 - what the proceeds sharing formula will be with the tributers
 - what level of effort the tributers will be putting
 - whether the tributers will receive social support, e.g. food, medical care, housing
 - the monetary value of the effort of the tributers

Form B13 – Registration of cooperative, partnership, body corporate to apply for an Artisanal Mining Right

This form is used by cooperatives, partnerships and body corporate to apply for authorisation to apply for an Artisanal Mining Right. The objective of the form is to:

- Allow the Director to do a due diligence on the potential applicant to determine its eligibility for an Artisanal Mining Right
- Allow the Director to weed out non-eligible entities that might be trying to exploit this category of mining right

The form captures the following information:

- Registration or articles of association of the potential applicant with the details of the members
- Particulars of the person submitting the application on behalf of the entity
- The minerals that the entity is interested mining

Form C12 – Surface rent agreement

This form represents a model agreement between an applicant for Artisanal Mining Right and the lawful owner or occupier of land to which the application relates. Its objective is to:

- Ensure equitable agreement of the two parties
- Ensure that neither party is exploited by the other
- Record transaction for future reference of the two parties
- Record transaction for public scrutiny if necessary

It contains the following information:

- Particulars of applicant for Artisanal Mining Right
- Particulars of lawful owner or occupier of the land to which the application relates
- Details of the disturbance of the rights of the lawful owner or occupier of the land
- Details of the compensation due to the lawful owner or occupier of the land, including amounts and timelines
- Surface rights conferred to the applicant

Form D16 – Tributer Agreement

This form represents a model agreement between an Artisanal Mining Licence holder and potential tributer. The tributer undertakes to provide his labour to the operating requirements of the mining operation in return for a share in the proceeds of the mine. The objective of the form is:

- Ensure an equitable agreement between the licence holder and the tributer
- Safeguard against illegal dealings
- Safeguards against exploitation of the digger
- Ensure reasonable working conditions for the tributer

The form contains the following information:

- Particulars of both the licence holder and the tributer
- The rights and obligation of the tributer
- The rights and obligations of licence holder
- Details of the social support which will be given to the tributer while working in the mining Operation, e.g. food, medical care, housing
- Details of the level of effort that the tributer will put towards the mining operation
- The monetary value of the effort of the tributers
- Mentions the formula for sharing of proceeds arrangement
- Mentions whether a supporter will be part of the arrangement and, what the proceeds sharing formula will be with the supporter

Form C13 - Environmental Management Plan

This form provides a guideline for the compilation of an environmental management plan (EMP) for an Artisanal Mining Right. Its objective is to:

- Simplify the process of compiling an EMP for an Artisanal Mining Right

- Record the environmental (biophysical) baseline of the land to which the application relates, through the environmental impact assessment component of the EMP
- Record the commitment of the applicant to environmental protection and management
- Provides a document against which the Ministry of officials can measure performance of environmental activities expected of the mining licence holder, once the right is granted
- Provide the Ministry of officials with insight into the technical capacity of the applicant to operate an artisanal mine

The form contains the following information:

- Location of the land to which the application relates
- Description of the terrain and biophysical features of the land to which application relates
- Assessment of possible environmental impacts
- Mitigation and management of environmental impacts
- Details of decommissioning of mine and reclamation plan at the time of mine closure
- Estimate of the cost of the environmental management plan
- A plan for monitoring and assessment of the environmental management plan

Form C14 – Artisanal Mining Work Plan

This form provides a guideline for the compilation of a Mining Work Plan (MWP) for an Artisanal Mining operation. Its objective is to:

- Simplify the process of compiling an Mining Work Plan for an Artisanal Mining operation
- Provide the Ministry officials with insight into the technical capacity of the applicant to carry out an Artisanal Mining operation
- Record a production plan that allows the Ministry to evaluate the performance of the mining operation
- Record the commitment of the applicant to running a viable mining operation

The form records the following information:

- Details of applicant
- Details of the mining method and equipment to be used for ore extraction
- Details of the mineral processing method and equipment to be used
- Details of projected finances of the operation
- Mine plan which details the ore extraction plan
- The number of people that will work on the mining operation
- What structures will be put up in the production area, e.g. toilet
- Health and safety considerations

7. SUBMITTAL CHECKLIST

The documents that will need to be submitted together with the application Form A, in support of the application are listed in the table below.

| Document | Format |
|---|--|
| 1. Surface rent agreement | Form C12 |
| 2. Proof of financial capacity | Contract, bank statement, Form D15 (supporter agreement) |
| 3. Mining work program | Form C14 |
| 4. Environmental Management Plan | Form C13 |
| 5. Proof of community consultation | Letter from a community leader |
| 6. Identity of applicant | Photocopy |
| 7. Registration or Articles of Association document of applying if other than an individual | Photocopy |
| 8. Identity document of agent | Photocopy |
| 9. Map/sketch of area applied for | Description, map/sketch |

8. REQUIRED INFORMATION FOR RENEWAL

Whether a renewal of an Artisanal Mining right is granted or not will be dependent on some of the following:

- Performance of the current/previous licence, that is:
 - Keep required records
 - Making timely reports to the Director
 - Environmental management, i.e. reclamation etc.
 - Health and safety issues
 - Productivity of the operation
- That the time to expiry of the current licence is more than 60 days

If there has been no change in area the renewal of an Artisanal Mining Right will be the almost the same as that of the original application, as previously described. If there has been a change in the area (i.e. reduction), then a new plan and re-demarcation will have to accompany the application, in addition to the other documents as submitted with the original application.

9. TOOLS FOR MANAGING THE APPLICATION PROCESS

Ministry officials use the forms described in this section as tools for the management of the application process.

Form C9 – Site inspection form for recording demarcation and survey information

This form is a tool to be used by Ministry officials to collect information at the site of an artisanal prospective artisanal mining right application. Its objective is to:

- Ensure that all the relevant information is collected

- That information is collected in a format that makes it easier to upload onto the Mining Cadastre system
- That the information is in a format that aids evaluation of application for an artisanal mining right

The form captures the following information:

- A plan of the land to which the application relates
- Coordinates and boundaries of the land to which the application
- Key environmental features of the land to which the application relates
- Key topographical features of the land to which the application relates
- An assessment of the environmental management submitted by the applicant
- An assessment of the suitability of the land to artisanal mining
- Basic information on mineral deposit to which the application relates

Form F8 – Tracking and evaluating application process

This form is a tool used by Ministry officials to track and evaluate an application for artisanal mining rights

Its objective is to:

- Ensure speedy processing of the application
- Fair and transparent processing of all application

It contains the following information:

- Tracking number for the application which is used for registration of the application on to the Mining Cadastre system
- The route which the application follows
- The comments from each official as required

Form D19 – Notifying public of an artisanal mining licence application

The objective of the form is to notify the public of a pending application for an artisanal mining licence. It contains information on the applicant and the land to which the application relates. It is displayed in place accessible to members of the public. It invites comment from members of the public to be lodged with a relevant government official.

Form D20 – Notice to pay annual charge

The objective of the form is to:

- Ensure smooth process of payment of fees required for the different stages of licencing and compliance
- To ensure that there is a record of all payment transaction
- To provide proof of payment that will ensure that appropriate actions are taken at the appropriate time

The form contains the following information:

- A tracking number which will be recorded in the Mining Cadastre system

- The person given the instruction for payment to be made and the date on which the request is made
- The amount of money to be paid and the purposes for which it is being paid
- Record of the person making the payment and the date on which the payment is made
- The person who receives the money and confirmation of receipt

10. FEES TO BE PAID

Please refer to Tables A1 and A2 of the First Schedule