



REPUBLIC OF SIERRA LEONE

ARTISANAL MINING POLICY FOR SIERRA LEONE

November 2018

Contents

Foreword.....	3
Acknowledgements	5
Definitions	6
Acronyms	9
1 INTRODUCTION	10
1.1 History and Evolution of Artisanal Mining in Sierra Leone	10
1.2 Artisanal Mining in Today’s Market	11
1.3 Rationale for the Artisanal Mining Policy	12
1.4 Scope of the Artisanal Mining Policy	12
2 ARTISANAL MINING AND LOCAL DEVELOPMENT IN SIERRA LEONE.....	13
2.1 Artisanal Mining in Sierra Leone	13
2.2 Artisanal Mining and Local Linkages	14
3 POLICY GOAL AND OBJECTIVES	15
3.1 Policy Goal.....	15
3.2 Policy Objectives	15
4 POLICY STATEMENTS AND STRATEGIES	16
4.1 Artisanal Mining Governance	16
4.1.1 Legislative Framework	16
4.1.2 Institutional arrangements.....	17
4.1.3 Award and management of artisanal mineral rights	18
4.1.4 Legal reconciliation of artisanal mining operations	19
4.1.5 Transparency and Accountability	21
4.1.6 Disclosure of Beneficial Ownership.....	22
4.2 Artisanal Mining Business Structures.....	23
4.3 Poverty Reduction.....	25
4.4 Geo-data Information	26
4.5 Community and Occupational Health and Safety	27
4.6 Environmental Protection.....	29
4.7 Land Access and Use.....	30
4.8 Mine Workers.....	32
4.9 Benefits Sharing	34
4.10 Monitoring Artisanal Mining Operations	35
4.11 Women and Children in Artisanal Mining.....	37
4.12 Conflict Mitigation and Dispute Resolution	37
4.13 Mineral Production and Marketing Discrepancies	38
4.14 Capacity building	40
4.15 Local Linkages, Investments, Value added and Diversification	41
4.16 Post-mining Livelihoods	42

4.17	Public Information, Outreach and Consultation	43
5	STRATEGY TO GUIDE AM POLICY IMPLEMENTATION.....	44
5.1	Institutional arrangements	44
5.2	NMA Capacity	44
5.3	Miners and supporters	45
5.4	Diggers and Tributors	45
5.5	Legal framework, dispute resolution and enforcement mechanisms.....	45
6	MONITORING AND REVIEW	45

Foreword

The discovery of diamonds in the Kono district in the 1930s announced Sierra Leone as a mineral rich country but artisanal gold mining commenced much earlier. The Artisanal Mining Policy for Sierra Leone has been prepared as part of a series of reforms introduced by the Government to ensure that Sierra Leone maximizes gains from the exploration and exploitation of its mineral resources. These reforms include: the establishment of the National Minerals Agency (NMA), the adoption of the Mines and Minerals Act 2009, and clarification of mineral agreement requirements, improved environmental protection, direct financing of mining community development projects and many more. In furtherance of these reforms, a new Sierra Leone Minerals Policy 2019 has been prepared to replace the Core Minerals Policy of 2003.

Whereas the Sierra Leone Minerals Policy remains the primary mining policy for Sierra Leone, the preparation of an artisanal mining policy as a separate policy is underpinned by three overarching factors. First, Government's overarching policy commitment to domesticate the African Mining Vision (AMV) which was adopted by African Heads of States in 2009 with the view of positioning the mining sector of Sierra Leone at the center of economic diversification and growth, industrialization, and sustainable development. The country's long-term development and transformation goals announced in the NEW DIRECTION are consistent with the AMV. Second, positioning the country's artisanal mining sector as a primary driving force of local economic development and rural livelihood. Third, responding to the economic, social, health, safety, and environmental protection issues arising from artisanal mining makes a strong case for the preparation of a separate policy document to guide Government's action to formalize the sector. This Artisanal Mining Policy therefore captures issues that relate to the formalization of the artisanal mining sector, respond to challenges that threaten the viability of the sector and situates the artisanal mining sector at the heart of enhancing economic diversification, value addition, sustainable community livelihood and local economic development.

The artisanal mining sector in Sierra Leone provides livelihood opportunities for hundreds of thousands of citizens and other nationals from the West African sub-region and the sector is a huge contributor to Government revenues. The local economy of many mineral-rich regions is dependent on the artisanal mining sector as

it directly and in some cases, indirectly, influences the growth and sustainability of almost all other sectors. It is therefore important for all stakeholders – government, investors, mine workers, mine communities, civil society – to know and understand Government’s policy and its economic, environmental, and social implications for Sierra Leone.

It is our hope that through this Artisanal Mining Policy for Sierra Leone, all stakeholders will get a better understanding of Government’s efforts to formalize the artisanal mining sector and optimize benefits that can be gained from artisanal mining for miners, investors, and local communities.

.....

Hon. Morie Komba Manyeh (Ph.D)

Minister

Ministry of Mines and Mineral Resources

Acknowledgements

I would like to express my profound gratitude to the political leadership of the Ministry of Mines and Mineral Resources for providing political guidance and necessary support required to successfully get this policy adopted by Cabinet.

On behalf of the Ministry, I would like to thank the Consultants, Ing. Andrew K. Keili and Mary Louise Vitali for leading the research and preparation of the final draft of this policy. We would like to also thank Daniel Gbondo for conducting high-level technical and nationwide community consultations that led to the finalization of this Artisanal Mining Policy.

We are indebted to members of the Technical Working Group comprising professionals in government, investors in the mining sector, academic institutions and civil society who contributed to the validation of this policy.

This policy furthers the domestication of the AMV for improved governance and management of mineral resources in Sierra Leone. In this regard, we would like to thank the African Minerals Development Centre (AMDC) team in Addis Ababa, Ethiopia for helping us shape this document to align with the AMV.

Let me thank our colleagues at the National Minerals Agency for assisting with the organization of nationwide consultative meetings for the validation of this policy. Our profound gratitude to the hundreds of mining community leaders including and civil society representatives for their comments and feedback during our consultative and validation workshops.

We are grateful to the World Bank for providing financial and technical support for the preparation of this Policy.

Thank you.

.....

Brima Munda Sowa
Permanent Secretary
Ministry of Mines and Mineral Resources

Definitions

“**Artisanal mining**” means mining operations that do not exceed a depth of ten meters and conducted using rudimentary hand-held tools. The use of motorized machines excepting water pumps is not permitted in artisanal mining operations. (Note: a policy recommendation is to revisit this definition as part of legal review).

“**Deposit**” means any naturally or artificially occurring concentration of minerals.

“**Digger**” means a type of laborer typically engaged in artisanal mining whose role it is to recover the mineral, clear vegetation, and boulders, removing overburden and extracting and transporting gravel. In Sierra Leone is also referred to as a “tributor”.

“**Dredging**” is the act of bringing up or clearing up something from a river, stream, harbor, shoreline, or other waterway using equipment or processes.

“**Exploration**” means any activity carried out to discover minerals to demarcate the quality and quantity of the mineral deposits contained within a license area, or to evaluate the possibilities of their exploitation.

“**Extractive Industries Transparency Initiative (EITI)**” means an international convention in which Sierra Leone is a participant comprised of representatives from government, private sector and civil society to monitor mineral revenues.

“**Forced Labour**” means any work or service not voluntarily performed, that is exacted from an individual under threat of force or penalty.

“**Large-scale mining**” means mining that is conducted by mine companies and requires large investment and a high-level of mechanization. By law, large-scale mining may be conducted by Sierra Leonean or foreign operators with no prescribed hectare limitations for up to twenty-five years, renewable for up to fifteen-year terms. (Note: a policy recommendation is to revisit this definition as part of legal review).

“**License**” means the legal rights to conduct reconnaissance, exploration and/or mining (exploitation/production) of minerals granted pursuant to the provisions of the law.

“**Lifecycle**” means the entirety of an artisanal mining investment including prospecting and exploration, actual mining, processing and value-added activities, and mine closure.

“**Local Development Plan (LDP)**” means a set of goals and actions prepared by Local Councils that detail three-year development plans that guide the development activities of Local Councils and are annually updated.

“**Mining**” may also be referred to as “exploitation” or “production” and means any activity by means of which feasibility studies, pre-production development, extraction and processing of minerals take place from an identified deposit.

“**Mining activity or mining operation**” means the prospecting, exploration, pre-production, exploitation, processing, transformation, transportation, export, marketing or sale of minerals whether on surface or sub-surface or in water courses.

“**Processing**” means ore dressing and/or metallurgical processes applied to ore or other minerals substances which results in obtaining of products for sale including but not limited to smelting, crushing, concentration, beneficiation, washing, and refining.

“**Miner**” means the legal artisanal mineral rights holder, or a person engaged in physical labour at the artisanal mine.

“**Mine worker**” means any individual engaged in any activity as part of artisanal mining operations including but not limited to clearing, digging, removing, moving, constructing, transporting.

“**Panner**” means a worker who pans for gold as part of an artisanal mining gold production process.

“**Protected Area**” means a location that receives legal protection because of its recognized natural, ecological, or cultural values.

“**Quarry**” means a place where industrial minerals such as aggregate (“construction materials”) or dimension stone are extracted in surface excavations and may include processing of these products and for purposes of this policy is not considered to be an artisanal mine.

“**Regulation**” means rules prepared as part of the legislative framework that are legally enforceable by appropriate government agencies.

“**Rush mining**” means artisanal mining that is often triggered by sudden mineral discoveries, and where work is urgently required to generate income due to some economic disaster, i.e., civil conflict, Ebola crisis, natural disaster, and is typically not legally conducted.

“**Seasonal mining**” means a situation in which intensity of mining operations is determined by weather patterns. a market in which mining is conducted based on acceptable weather conditions. In Sierra Leone, this generally refers to “dry season” as a period during which workers engage in intensive mining and “rainy season” as a period during which workers combine mining activities with non-mining work particularly subsistence agriculture. Artisanal miners do more of washing gravel during the dry season than digging.

“**Small-scale mining**” means the intentional mining of minerals in mechanized operations not exceeding twenty meters in depth or involving the sinking of shafts, driving of adits, or other various underground opening.(Note: a policy recommendation is to revisit this definition as part of legal review).

“**SMART mining**” means sustainable mining by artisanal miners.

“**Standard**” means officially approved criteria designed to guide how certain activities are implemented in mining activities to safeguard specified issues such as environment, labor, social protection, equipment.

“**Supporter**” means a person or company financing an artisanal mining operation. (Note: a policy recommendation is to include this definition as part of legal review).

“**Tailings**” *means* materials remaining from the processing of minerals such as any solid or liquid residues derived from them.

“**Tributor**” means a person engaged in physical labour at an artisanal mine.

Acronyms

ADMS	Artisanal Diamond Mining Scheme
AMV	African Mining Vision
AM	Artisanal mining (may also refer to artisanal mine)
CDA	Community Development Agreement
CDF	Community Development Fund
DACDF	Diamond Area Community Development Fund
EIRU	Extractive Industry Revenue Unit
EITI	Extractive Industries Transparency Initiative
EPA	Environment Protection Agency
FESS	Foundation for Environmental Security and Sustainability
GDO	Government Diamond Office
GGDO	Government Gold and Diamond Office
GIMS	Geological Information Management Systems
GRNP	Gola Rainforest National Park
LDP	Local Development Plan
MDA	Minerals Development Agreement
MDAs	Ministries, Departments and Agencies
MMMR	Ministry of Mines and Mineral Resources
MMO	Mines Monitoring Officer
MoF	Ministry of Finance
MRU	Mano River Union
NGO	Non-Government Organization
NMA	National Minerals Agency
NRA	National Revenue Authority
ONS	Office of National Security
SLEITI	Sierra Leone Extractives Industry Transparency Initiative
SLST	Sierra Leone Selection Trust
STI	Sexually Transmitted Infection
TIN	Tax Identification Number

1 INTRODUCTION

1.1 History and Evolution of Artisanal Mining in Sierra Leone

Diamonds were first discovered and mined through artisanal mining methods in Eastern Sierra Leone in the 1930s. Artisanal gold mining in Sierra Leone however commenced much earlier. At the beginning of the 1950s, artisanal mining emerged as a major source of livelihood for residents of rural communities. The low-cost, rudimentary nature of artisanal diamond mining coupled with its relative profitability attracted young Sierra Leoneans to the diamond mining fields of Tongo and Kono. Other West Africans and citizens from the Middle East, predominantly Lebanese and Syrians, migrated to the country primarily to operate as diamond brokers and dealers. The mad rush into the alluvial diamond fields resulted in illicit diamond mining and population explosion which caused social and security concerns to Government. To mitigate this rise in illegal artisanal diamond mining and stem the flow of young people into the alluvial diamond fields, mineral rights for the mining of alluvial diamonds, particularly in Kono and Tongo, were granted to the Sierra Leone Selection Trust (SLST) by the mid-1950s. The Alluvial Diamond Mining Scheme was introduced in 1956 as a mechanism through which rights for alluvial diamond mining in the rest of the country were awarded but these awards were limited to Sierra Leoneans exclusively.

The 1970s marked a surge in poor sector governance. In 1985, the Government Diamond Office (GDO) was established to improve sector governance. The outbreak of a bloody civil war in 1991 that lasted until 2002 created opportunities for increased smuggling of diamonds. Evidence at the UN backed Special Court for Sierra Leone show that diamonds mined from Sierra Leone financed the civil war. As part of reforms to regain control of the artisanal mining sector and increase revenues, Government established the Government Gold and Diamond Office (GGDO) to buy, market, and export gold and diamond at competitive prices. By 2006, it was estimated that more than 80% of diamond mining was through artisanal methods.

While artisanal mining continues to serve as a viable economic activity for most rural populations in Sierra Leone, the depleting near ground surface of mineral deposits have meant a reduction in artisanal mining operations and an increase in small-scale and large-scale mining operations. Hence, in the post-conflict period in Sierra Leone, significant emphasis has been given to large-scale/industrial mining primarily of

Sierra Leone's diamonds, iron ore, bauxite, and rutile. Artisanal gold mining is minimal and sufficient efforts have not been made to capture the full benefits from the artisanal gold mining sector.

Historically, all types of mining – including artisanal – have threatened flora and fauna throughout the country including protected areas. The main threats to Sierra Leone's remaining forests have been assessed to include agricultural expansion, logging, charcoal and firewood production, wildlife trade for bush meat, and mining.

To date, the impact of artisanal mining operations on the environment has not been fully understood. Illicit artisanal operations and corrupt practices are perceived to be rampant. Lifecycle approaches that consider best mining practices and mine monitoring of artisanal mining operations are not pursued in the current governance and management of the sector. Consequently, there are abandoned mines, open pits, deforestation, degraded soil and polluted water in mining communities. Mine workers are subjected to hazardous conditions and operate without meaningful labor and occupational health and safety protection.

1.2 Artisanal Mining in Today's Market

Artisanal mining is ongoing in more than half of the country's 190 Chiefdoms. Artisanal mining is primarily for diamonds and gold although some coltan and zircon are mined. Most diamonds and gold are found in varying gravel concentrations ranging from 6-10 meters in depth throughout the north, south and eastern provinces of Sierra Leone; located in high and low terraces, hard rock, watercourses, and riverbeds.

Alluvial diamond deposits are depleting; artisanal miners experience diminishing returns as they nonetheless continue to mine areas in hope of finding diamonds. Many have shifted to gold mining. Also, the emerging motor-cycle taxi business is attracting young men away from artisanal mining. Although no empirical data on the number of people involved in artisanal mining has been published, it is estimated that artisanal mining and related activities provides livelihood support to at least 300,000 Sierra Leoneans and that upwards of 10% of Sierra Leoneans are impacted by artisanal diamond mining operations.

To date, Government policy and public oversight have focused on large-scale mineral investments leaving artisanal operations to function with considerably less regulatory oversight at remote, local levels. Artisanal mining operations are characterized by untrained miners with limited technical and financial capacity, non-mechanized technology, and ad hoc mining methodologies. A segmented approach to artisanal mining wherein workers, traders, dealers, and exporters operate as non-integrated parts of the mining cycle means a loss of potential value-added and value chain opportunities.

The contribution of the artisanal mining sector to the Sierra Leone economy has not been formally captured but practically is of demonstrable impact, primarily in the creation of employment and generation of income in rural and remote communities. Recent statistics indicate that close to 40% of all diamond exports are mined through artisanal operations. As alluvial diamond deposits are depleted, this figure is expected to reduce.

Despite the opportunities presented by artisanal mining throughout the country, poverty rates are extreme and the economic benefits of artisanal mining (notably from production) are not captured to reduce the upward poverty trajectory, provide sustainable livelihoods, and improve quality of life.

1.3 Rationale for the Artisanal Mining Policy

To effectively harness the potential financial, livelihood and other gains of artisanal mining in Sierra Leone, this Policy has been prepared to complement the Sierra Leone Minerals Policy, 2018. Specific AM governance issues are addressed, and policy principles are stated, by which the economic and social contributions of AM to economic growth and development of Sierra Leone may be effectively captured for the benefit of citizens.

1.4 Scope of the Artisanal Mining Policy

This Artisanal Mining Policy covers the governance and management of artisanal mining of minerals conducted on or under land or water, and related value chain aspects.

This policy *does not* cover large-scale or small-scale mining of minerals, the oil and gas sector, quarrying (i.e. aggregate, construction materials) and ground water resources.

2 ARTISANAL MINING AND LOCAL DEVELOPMENT IN SIERRA LEONE

2.1 Artisanal Mining in Sierra Leone

Currently, 100% of gold and coltan production is from artisanal mining operations. Artisanal mining has and continues to be an important livelihood activity across Sierra Leone. The definition of artisanal mining in law means that artisanal mining is permitted:

- a. only as being conducted on ½ hectare of land or less;
- b. a one-year duration license that may be extended three times, one year each;
- c. up to a depth of ten meters;
- d. only by use of non-mechanized tools (i.e., shovels and machetes); and
- e. for Sierra Leone citizens, exclusively.

Given the emerging reality of depleting alluvial deposits of diamonds and gold and the application of levies that are unhelpful to artisanal mining operations, there has been an increase use of excavators and washing plants by artisanal mineral rights holders; a practice that is clearly in violation of the mining law. In relation to other countries where the use of machinery is permitted in artisanal mining operations, there is a need for the review of the legal definition of artisanal mining in Sierra Leone and the imposition of appropriate environmental and social protection safeguards

AM is typically recognized as a form of “self-employment” and is primarily conducted by residents who have no formal mine training or the benefit of modern mining methodologies and technologies. Although artisanal miners are typically indigenous from the locality or nearby, ethnic diversity is tolerated as mining migration is common. Until recently, the focus of artisanal miners had been diamonds but due to the noticeable depletion of alluvial diamond deposits, there is an increase mining of gold deposits using artisanal mining methods.

Within Sierra Leone, AM is often classified by mine site location (e.g. terrace mining or swamp/lowland mining) or type of workforce (e.g. “gado mining” or “licensed Artisanal Mining Policy 2018

mining”). Work is labour intensive, wages are unregulated and clear standards for mine worker benefits, entitlements and overtime pay are not adequately in place. Increasingly, as alluvial diamond deposits are mined, artisanal mine workers are migrating to other artisanal operations, some shifting to gold mining. “Rush” mining irregularly occurs throughout the country and is generally unregulated.

For the most part, artisanal mine work is seasonally conducted by residents who are also engaged in subsistence agriculture, i.e., much of artisanal mining in Sierra Leone is “locally/community-based” and has been ongoing for decades, providing complementary income to farming. Environmental impacts of artisanal mining are underestimated. Where mining is conducted in or near water, environmental impacts can be significant. It has also been assessed that artisanal mining in and around the Lake Sonfon in the north-western region has reduced the size of Lake Sonfon as well as resulted in ecosystem destruction. Protected areas and national parks have already been impacted by illicit artisanal mining. Degradation of soil and deforestation of AM areas is problematic as trees, shrubs and brush have been removed and used for fuel, to construct poles, fences and tools.

2.2 Artisanal Mining and Local Linkages

AM is considered by Government to be an essential contributor to poverty reduction, notably in rural communities. AM jobs include miners who apply and are legally awarded an artisanal mining license, to “diggers” (sometimes referred to as “tributors”) who mine the minerals, to “gang leaders” (sometimes referred to as “masters” and “financial supporters”) that link artisanal mineral production to “dealers” who buy and sell the minerals and “exporters”.

It is important to recognize that Government does not generate revenues from artisanal mine production but rather from the sale and export of minerals mined through artisanal mining methods. Quantified data on social and economic impacts and their sustained benefit or detriment for AM communities are not available. Information linkages are generally limited to local networks resulting in differing levels of sector understanding.

3 POLICY GOAL AND OBJECTIVES

3.1 Policy Goal

The goal of this AM Policy is to set out a clear framework that will guide actions leading to the improvement of artisanal mining sector governance and management and promote alternative livelihood skills for miners, improve sustainable artisanal mining practices, enhance environmental protection, community and occupational health and safety safeguards, ensure that miners get a fair deal for their winnings; and strengthen linkages between artisanal mining and other sectors of the economy of Sierra Leone.

3.2 Policy Objectives

The main objective of this Policy is to define and clarify governance of the Artisanal Mining sector as a sub-sector of the overall minerals sector of Sierra Leone. The specific AM Policy objectives are to:

- i. Provide legitimate employment for the rural poor and contribute to poverty reduction;
- ii. Improve AM financial benefits for miners and AM communities;
- iii. Formalize Artisanal Mining operations to be legally compliant;
- iv. Reduce incentives for illegal AM operations;
- v. Introduce and promote the use of modern mine safety and worker health practices for lifecycle of AM operations including the introduction of modern methodologies and technologies to further improve and develop the AM sector;
- vi. Recognize AM environmental impacts and adopt practical environmental protection measures to mitigate impacts;
- vii. Promote fair trade practices that benefit all actors;
- viii. Reconcile legal gaps through strengthened institutional and staff capacity for improved monitoring and clarified legal guidance;
- ix. Ensure that geo-data and related mapping become integral aspects of AM operations;
- x. Improve access to finance for AM operations; and
- xi. Ensure timely, regularized communications and outreach amongst miners, mine workers, and mine communities.

4 POLICY STATEMENTS AND STRATEGIES

4.1 Artisanal Mining Governance

4.1.1 Legislative Framework

Current status

The Mines and Minerals Act 2009 creates the legal framework for artisanal miners to operate. In addition, there are operational, social and environmental regulations that guide AM operations. Sierra Leone subscribes to international and regional conventions and standards that impact the AM operations. Despite existing legal and regulatory frameworks as well as international conventions and standards, insufficient attention has been given to regulatory oversight of artisanal mining in Sierra Leone. Mineral sector regulatory oversight has predominantly focused on large-scale mining with some attention to small-scale mining operations; leaving artisanal mining with no regulatory oversight beyond licensing procedures and processes.

Despite a clear legal framework, AM governance is interspersed with an array of localized approaches that have become entrenched in artisanal mining operations. These include the use of Mining Committees and of Supporters (not recognized in law) to fund artisanal mining operations where artisanal mineral rights holders are financially unable. Unregulated chain of custody, sale and export of artisanal mined minerals and related value chain opportunities have not been sufficiently captured thereby reducing benefits for local livelihoods and other value-added gains.

Sierra Leone is a member of the Extractive Industries Transparency Initiative (EITI) which does not comprehensively assess AM operations but some aspects of AM production, exports and AM community benefits have been addressed. The Kimberley Process Certification Scheme is being implemented in Sierra Leone, in alignment with the African Mining Vision (AMV), to ensure that diamond exports are traced to their countries of origin in compliance with global efforts to prevent conflict diamonds finding their way into legitimate diamonds trade. However, these initiatives have proven to be insufficient to end smuggling of minerals.

Policy statement and implementation strategy

As a matter of overall minerals sector policy, Government is committed to reinvigorating AM operations. Increased attention will be given to AM institutional

arrangements, legal and regulatory guidance that clarifies award and utilization of artisanal mineral rights, including the entrenched yet illegal role of Supporters. Regulation of the entire AM value chain will be strengthened in ways that will reduce smuggling and corrupt practices, enhance revenues, and improve sustainable mining practices. To improve local knowledge of AM operations, an easy to read and understand guidebook on AM legislations and regulations will be prepared and distributed to all AM stakeholders including local councils and civil society groups.

4.1.2 Institutional arrangements

Current Status

The Ministry of Mines and Mineral Resources (MMMR) is primarily responsible to provide policy guidance for AM operations while the National Minerals Agency (NMA) has primary regulatory responsibility for the sector. The Ministry of Finance (MoF) and the Environment Protection Agency (EPA) have critical roles to play in AM governance and management.

Compliance Officers responsible for monitoring of AM operations are severely constrained by lack of transport, technology, and training and are largely unqualified to carry out the range of monitoring activities required for proper functioning of AM operations. Limited government and donor-funded AM assistance programs have not resulted in institutional portfolios, clear processes, or adequate capacity to monitor and regulate AM sector operations.

Formal and informal structures in AM governance are in many ways not fully understood and require clarification and support for more transparent and predictable sector operations throughout the AM lifecycle.

Mining Committees operating at the Chiefdom level have gained considerable power and funding through artisanal mining operations. There is also the emergence of unofficial “District” Mining Committees for which roles are not legally defined.

Policy statement and implementation strategy

Government will clarify institutional arrangements and reinvigorate institutional engagement relevant to the AM sector at central and local government (district, city councils and chiefdoms), and agency levels. Starting with the MMMR, NMA, MoF,

EPA, and community level leadership, staff capacity building and institutional restructuring and strengthening measures will be implemented. To ensure that AM regulatory oversight is comprehensive, efficient and practical, topic areas to be considered include: mining, environment, geo-data, lands, forests, labor, human rights and social protection. The role and operating procedures of Mining Committees that presently operate at the Chiefdom level- and unofficially at the District level - will be clarified. Harmonized guidelines for licensed AM operations including pre-licensing activities, the award of mineral rights, issuance of license, reporting requirements, application of fees and monitoring practices shall be issued by the NMA. The positions of mines wardens and mines monitoring officers will be reconciled and right-sized; and capacity strengthening activities pursued.

Current institutional arrangements regarding training, payment, mine monitoring and inspection will be reviewed and restructured. In addition, informal structures that have demonstrated results, notably at community levels, will be reviewed and where found to be useful, actions will be pursued to strengthen and regularize them. Less or non-effective structures will be assessed and may be disbanded and replaced with effective AM operational and management structures.

4.1.3 Award and management of artisanal mineral rights

Current Status

Acquisition of artisanal mining license is an exclusive reserve for Sierra Leone citizens. AM rights are awarded on a first come, first served basis using a two-tier system involving Chiefdom Mining Committees which manage pre-license procedures; and the NMA that issues artisanal mining license. Legal restrictions on AM license eligibility are in place but not always enforced especially on issues of mining operations in towns and settlements; a practice that is illegal in law. Different licenses are required through the AM value chain and include: artisanal mining license, dealer/dealer agent license, exporter agent certificate, and exporter license. In the case of water-based mining, dredging permits are also legally required. Business registration license is required to conduct mineral processing activities within Sierra Leone.

However, despite clear licensing guidelines, the role of local community authorities and guidelines for their activities and payment requirements at the pre-licensing stage

are unclear and vary from chiefdom to chiefdom. Each local community authority implements different pre-licensing AM procedures resulting in uncertainty for AM miners and considerable local authority discretion particularly with respect to required payments to be made by artisanal miners to complete pre-license procedures. There is evidence of abuse of discretion in the allocation of land for artisanal mining in some communities.

The use of artisanal mining licenses is increasingly abused. In order to adequately finance AM operations, some small-scale operations are being formulated through the accumulation and financing of several AM licenses – often supported by foreign operators. Following this illegal accumulation of AM licenses legally reserved for Sierra Leoneans, the small-scale operator (that may be foreign) formally applies for – and is issued - a license covering the accumulated license areas. The financing role of Supporters is illegal but has become an entrenched practice, essential for many AM operators to function.

An increasing concern is that due to the lack of alluvial deposit information and accurate geological maps, artisanal mining licenses are issued over depleted and non-productive areas; a common outcome being wasted and sometimes dangerous mining activities and expanded environmental degradation.

Policy statement and implementation strategy

Mineral rights for artisanal mining operations is an exclusive reserve for Sierra Leone citizens. No foreigner is permitted to acquire artisanal mining license.

Clear guidelines and procedures for AM pre-licensing and licensing including fees will be developed and applied throughout the country. Applications for small-scale license will be assessed to determine whether land area covering the application are not illegally accumulated artisanal licensed land. No small-scale license will be issued on illegally accumulated artisanal mining license land. Effective monitoring of the management of artisanal mining license will be instituted and capacity of AM regulatory institutions will be strengthened.

4.1.4 Legal reconciliation of artisanal mining operations

Current status

Legal provisions guiding AM operations are in place but considered to be inadequate. Monitoring and enforcement of these provisions have been compromised by illegal practices which have directly diminished economic and other benefits from AM operations, jeopardized worker safety, human rights and compromised environmental protection. Though proven to be critical to AM operations and trading, the “Supporter” ring in the AM value chain is neither fully understood nor covered in management regimes. Smuggling of minerals is illegal but several factors including ineffective policy, laws and regulations increased incentive for mineral smuggling.

With improved license management systems, there has been considerable reduction in incidences of overlap of similar or different mineral rights.

Policy statement and implementation strategy

Reconciliation of legal provisions included in the Mines and Minerals Act, 2009 on how actual AM operations are defined and conducted will be done. Government is committed to updating and clarifying legal definitions and certain implementation aspects of artisanal mining which will be achieved through legal and regulatory reviews. Expanding the definition of artisanal mining beyond gold and diamonds, to ensure that zircon, coltan and other artisanal-mined minerals are authorized under law will be pursued. Issues of license overlapping, pre-licensing requirements and procedures, duration and size of AM licenses will be reviewed and updated to be in line with modern mining practices. Efforts to record AM operations (legal and illegal) as part of the cadastral map and include review to confirm that 100% artisanal mining licenses are held by Sierra Leoneans will be supported.

Gaps in the law, institutional processes, and overall award of AM rights that (1) result in the accumulation of artisanal mining licenses that collectively in fact represent small-scale operations as well as (2) the use of Supporters in AM operations, will be carefully reviewed and revised toward eliminating these illegal activities while addressing the gaps that have resulted in the emergence and acceptance of these practices.

Government will introduce limits on the number of artisanal licenses that a person may hold at any given time and in one given location. Clear guidelines for work with supporters and practical interventions for community-based implementation, commencing with critical AM mining areas will be produced and enforced.

Government will assess quarry operations that in many locations in Sierra Leone effectively constitute artisanal mining operations that may benefit from the AM regulatory framework, i.e., fiscal, labor and environmental aspects.

4.1.5 Transparency and Accountability

Current status

Generally, there is considerable improvement in transparency and accountability of the minerals sector in Sierra Leone. The country remains EITI compliant and has strengthened transparency and accountability institutions.

However, transparency and accountability efforts have mostly focused on mineral trading at export, leaving lots of opaque practices between production from the pit to the dealer and eventually to the exporter.

While AM license requirements are clear, pre-license procedures by Chiefdom Mining Allocation Committees remain unregulated with opportunities for abuse of discretion. There is limited accountability by Chiefdom Mining Allocation Committee regarding utilization of fees received from pre-license processes.

Policy statement and strategy

Government will improve oversight of AM operations through regularized reporting by AM operators, NMA and EIRU on AM revenue generation. Monitoring inspections in coordination with Chiefdoms and Local Councils to promote transparency of operations will be pursued. Government will work with existing local structures to regularize AM operations.

Government will undertake a review of fiscal regime provisions to improve on revenue generation from the AM sector to ensure greater financial benefits for mining communities.

The role of “Supporters” in the AM value chain will be assessed, clarified, and formalized. Effective monitoring of dealers to comply with accurate recording and reporting of minerals purchased will be pursued and enforced. Capacity strengthening activities of artisanal mining actors including Chiefdom administrations will be

conducted to enhance transparency and accountability in the AM sector. A simplified EITI monitoring mechanism may be developed and introduced.

MMMR will work with key stakeholders to identify areas where fiscal incentives may be introduced to improve the AM sector.

Government will work with the Mano River Union (MRU) and regional counterparts to strengthen border controls to reduce mineral smuggling. Inter-agency coordination and collaboration will be strengthened to reduce smuggling of minerals.

4.1.6 Disclosure of Beneficial Ownership

Current Status

No legal requirement is in place for the disclosure of AM beneficial ownership. The majority of AM financing is conducted through financiers (companies or individuals) referred to in Sierra Leone as “Supporters” who are in effect, “beneficial owners” of artisanal mining rights. Though not recognized in law, AM Supporters are recognized by sector regulators and their activities are monitored, though not effectively, due to human capital and logistical constraints. This lack of Government oversight creates opportunities for exploitative relationships between “Supporters” and AM rights holders on the one hand, and AM rights holders and diggers on the other. In most cases, financing arrangements between financiers that effectively become beneficial owners of artisanal mining operations and mineral rights owners are undocumented and unclear; this ongoing lack of transparency makes it impossible for government to determine actual production, investment levels, revenues generated, and benefit sharing, if any.

Further, the lack of disclosure of AM beneficial owners creates opportunities for persons prohibited by law from investing in AM operations.

Policy statement and implementation strategy

As part of sector reform, legal requirements will be amended to address disclosure of beneficial ownership. AM rights holders will have the obligation to disclose all financiers of their operations and to report any change of beneficial interests. Government is committed to implementing the new EITI standards which include ensuring the mandatory disclosure of beneficial ownership of all mineral rights - including artisanal - in Sierra Leone by 2020. Government will work with all relevant

stakeholders to prepare investment guidelines that will include disclosure of beneficial ownership requirements and guidelines. Beneficial interests of all relevant actors will be protected. Until expanded to include the AM sector, beneficial ownership requirements for large scale operators will not apply to beneficial owners of AM operations.

4.2 Artisanal Mining Business Structures

Current status

Sierra Leone does not have a formal system of AM cooperatives, umbrella organizations, or other specific AM business structures. AM workers are typically organized as individuals and groups (“gangs”); some are family units that include husband, wife, children and other close family relations. Especially for diamond mining, groups of diggers are required for this labor-intensive work. In addition, some artisanal workers “mine” tailings from various mines.

Financing of artisanal mining operations in Sierra Leone is problematic. Inadequate access to finance has resulted in the emergence of an entrenched but not completely legal hierarchical system that includes “diggers” to “miners” to “supporters” to “dealers” and “exporters”; all based on financial capability. The system is exploitative by which diggers are largely impoverished, yet there is no financial plan in place to directly assist the miners and diggers; leaving them on their own to deal with their specific situation as individuals, on a mine-by-mine basis, often unsuccessfully. This hierarchical system results in uneven and unfair production-based profits as the core strategy which is harmful to worker safety and the environment.

There are no formalized financing or credit mechanisms which AM miners could access to improve mining methodologies, equipment, or expand their investments. Earlier practice to consolidate minerals buying, particularly of gold, is not currently in place. Cross-border smuggling activities continue to inhibit the sound development of AM business structures.

Policy statement and implementation strategy

Government is committed to developing a systematic approach for financing artisanal mining operations. Informal financing mechanisms that are currently in place will be

assessed, modified, and formalized to assure optimal benefits to all actors in the AM sector. Current financing practices that legitimize the illegal participation of “supporters” in the AM market will be reviewed. Regulatory guidelines to support the development of AM downstream linkages including assaying/processing, marketing and sale of minerals will be prepared and implemented. Government will work with critical stakeholders to reconcile informal arrangements currently used throughout the sector and to identify business structures through which revenues from artisanal mining, including improved integration of value chain activities, may be increased without jeopardizing local employment.

MMMR will work with AM operators and key stakeholders to identify value-chain approaches to AM operations that include improved assaying/processing, valuation, and marketing of minerals. MMMR will work with other MDAs and private sector actors to identify improved and legitimate access to financing, credit and equipment leasing where practical. Lending standards for AM operations will be developed to include innovative collateral requirements, simplified accounting, and assist AM business planning. Government will explore options to improve AM business structures that will promote good business practices and instigate sustainable artisanal mining investments.

Through the MRU, harmonization of taxation and other handling of artisanal exports should improve Sierra Leone AM opportunity to increase its market sales, which are lost to neighboring countries due to lesser tax requirements. Under the AMV, consideration of the risks and benefits in the promotion and use of cooperatives and umbrella organizations will be further investigated and pursued.

Consultation on systems of AM cooperatives, umbrella organizations, and other specific AM business structures will be conducted to identify possible AM business structures appropriate for Sierra Leone that will improve AM operations. Some level of grouping artisanal operations that will reduce and eliminate exploitive practices and inhibit the operation of illicit investments may be tested and formalized for improved transparency, worker safety and revenue generation.

Review of mineral buying centers and other consolidated marketing activities will be conducted by Government in consultation with key stakeholders including miners, dealers, and exporters. MMMR will immediately collaborate with donors to identify

programmatic linkages with credit, financing, and leasing facilities to benefit AM and AM value chain investments.

4.3 Poverty Reduction

Current status

In Sierra Leone, artisanal mining is poverty-driven. Most AM workers receive low pay despite working in labor intensive and often dangerous conditions. There is no reasonable certainty of long-term job security in artisanal mining. While year-round employment is referred to as “permanent”, most AM workers are engaged in “seasonal” mining that is dependent on the dry season for mine work. In the rainy season, many AM workers are engaged in petty trading and farming. In addition, “short-term”, “temporary” or “rush mining” is often triggered by sudden mineral discoveries. The policy link to strengthen working conditions for artisanal miners and diggers is directly linked to poverty reduction for these workers and surrounding communities.

Policy statement and implementation strategy

Government is committed to supporting alternative livelihood skills for artisanal miners as an integral part of its poverty reduction strategy; this includes post-mining promotion of sustainable livelihoods. Government will work with AM operators to develop clear and practical legal guidance to ensure that artisanal mine workers financially benefit from their labor, whether seasonal, short-term, temporary, rush, or long-term. Government will work with stakeholders to facilitate and assist AM workers establish and operationalize mining cooperatives through which support services including alternative livelihood support will be provided. Government will take advantage of value chain opportunities to improve community benefits from AM operations.

Government will encourage and pursue efforts to assist AM operators who are desirous of becoming small- scale mining operators and promote investments using more efficient and sustainable mining methodologies.

Government will work with operators to prepare a template of basic contract terms that include minimum living wage requirements, overtime, and other appropriate

entitlements in line with the scale of AM mine work. Evaluation of the impact of AM operations on miners and mining communities will be pursued and progressive steps taken to improve AM governance and management.

4.4 Geo-data Information

Current status

Geological mapping of Sierra Leone is in development and that includes airborne geophysical survey work. Existing maps primarily define large-scale deposit areas with lesser indication of small-scale and virtually no definite information on artisanal deposits. Still, hundreds of AM licenses have been issued in addition to credible reports of expansive yet illicit AM operations.

“Open mining” occurs in at least 80 of the 190 Chiefdoms; this means that artisanal miners mine blindly because of the paucity of geological information. This results in considerable waste of time and non-productive earth moving, resulting in no economic benefits, and causing environmental degradation.

The NMA presently has offices in five of 12 districts; its staff is spread thin and artisanal mining inspectorate capacity to conduct advisory and monitoring work is limited.

Policy statement and implementation strategy

Government will build NMA training capacity to provide AM training on “SMART mining” approaches that includes improved AM exploration methods to better assess mineral deposits so as not to waste time mining earth and to generate at least rudimentary mapping.

Technical and financial capacity of the NMA to conduct geological surveys for various minerals, especially precious minerals, will be strengthened. With the right geological information, areas known for alluvial deposits of minerals will be reserved for artisanal mining. Government will work with artisanal miners and local authorities to improve geo-science tracking and understanding of the AM sector. Inspectorate capacity specific to artisanal mining will be strengthened using a certification appointment system for Inspectors (compliance monitors) to ensure technical competency to

monitor operational (and financial) aspects of AM. Practical aspects such as provision of inspectorate transportation, GPS and other tools will be addressed.

In addition, Government will seek AM leadership and miner cooperatives to assist in improved geo-science data collection. Careful review of airborne geophysical study findings and of available satellite images will contribute to building the AM maps.

4.5 Community and Occupational Health and Safety

Current status

Mineral rights' holders have primary responsibility for the occupational health and safety of mine workers as well as to ensure that mine operations do not pose health and safety risks to communities. Despite legal requirements for mine health and safety, uneven application and enforcement of AM health and safety regulations persist while the use of "SMART mining" approaches are limited. Illegal artisanal mining exacerbates health and safety concerns. AM mine workers function with limited to no personal protective gear, health testing and clinics are virtually non-existent at AM operational areas and regularized health screenings are not in place. Though the use of mercury in AM operations is not common, there is growing and legitimate concern that strong cultural, linguistic and migratory links between Guinea (where the use of mercury in AM gold production is widespread) and Sierra Leone could aid the introduction of widespread use of mercury in artisanal gold mining thereby posing well known health and safety risks to miners and mining communities.

Sexually Transmitted Infections (STIs) typically emerge in and around AM areas, a result of migratory work that removes workers from their partners. Lack of awareness of personal health habits contributes to the spread of STIs and other health risks.

Policy statement and implementation strategy

Government is committed to immediate transformation of artisanal community and ensuring that artisanal mines are safe, and workers are not exposed to health hazards. Public health and occupational health and safety laws and regulations will be reviewed to respond to the unique threats that artisanal mining poses to the health and safety of mine workers and mining communities. Capacity of regulatory

institutions will be strengthened to enforce and effectively monitor compliance with public health and occupational health and safety regimes.

AM license holders will be introduced to improved mine-specific health and safety planning to identify potential health and safety hazards and establish mine safeguards, develop response plan for mine related accidents and deploy appropriate equipment to deal with such hazards. Enhanced mine safety and worker health standards and regulations will be prepared and enforced. Consequences of not only mining but also of mineral processing (i.e. gold processing using mercury) will be addressed through regulation and training.

Consultations on community and occupational health and safety standards and regulations will be conducted with mine operators, diggers, and other key stakeholders. Mine wardens and monitors (inspectors) will be trained on the regulations and an improved system of monitoring AM health and safety will be supported including review of night mining. Capacity building for informal but relevant players such as the Chiefdom (and District) Mining Allocation Committees on AM health and safety will be pursued and supported. Simple templates to record and track accidents and injuries occurring at artisanal mines shall be introduced as part of monthly AM reports to the NMA Inspectorate.

NMA will institute regularized inspection and testing regimens for AM operations coupled with simplified but regularized reporting requirements for AM miners. Each AM license holder must identify a “health and safety officer” with whom NMA can liaise. Where protected areas (i.e., GRNP) or areas of extreme hazards are identified, those areas shall be marked by the NMA and recorded on the cadastral map as “no go” mining areas on which no license shall be issued. Anonymous grievance mechanisms shall be instituted allowing mine workers to report mine danger without risking employment.

As part of a concerted Government effort to assist artisanal gold miners further described under Section 4.14 herein, alternatives to mercury use will be introduced as part of Inspectorate, community, and gold mine operator training. Ultimately, legal prohibition against the use of mercury in Sierra Leone’s minerals sector will be pursued.

Government will work with AM communities and relevant health agencies to identify opportunities to support and expand health care to AM workers and mine-affected communities; inclusion of funded health clinics and supplies as part of Local Development Plans (LDPs) will be highlighted. Government will solicit support for improved AM health and safety equipment, supplies and training.

4.6 Environmental Protection

Current status

While the NMA is responsible for monitoring compliance with AM land rehabilitation provisions in law, in practice, there are virtually no government sponsored mine rehabilitation activities conducted in Sierra Leone. Nonetheless, AM operations, notably alluvial diamond mining, have considerable impact on the country's environment. Diversion of waterways, use of water for washing and other processing, piling of waste, increased erosion and use of additives including mercury have negative consequences on Sierra Leone's soil, water, air, flora and fauna. Clearing of trees and shrubs, "brushing" without a replanting strategy has left the country in a severe state of deforestation and the removal of soil, sand and gravel with no actions to fill in holes is unsafe and results in land degradation.

Current artisanal mine methodology is primarily characterized by "terrace mining" which is conducted on land. Where mining is done away from rivers and streams, water is pumped to process the ore and extract the minerals. Protected areas remain in jeopardy: primarily "rush" artisanal mining has occurred in the Gola Forest region, Outamba Kilimi National Park and around Lake Sonfon.

Artisanal miners complain that adding environmental reporting requirements to their operations may be burdensome. To date, there is no requirement for artisanal miners to submit mine rehabilitation plans. Government collects fees for the rehabilitation of mined out lands but experience by some Non-Governmental Organizations show that the fees collected are inadequate to reclaim all land damaged by artisanal mining. Weather patterns in Sierra Leone significantly impact AM operations. Most artisanal diamond mining occurs during Sierra Leone's dry season (November to May) and "washing" – the process by which diamonds and gold are sifted from mineral-bearing gravel—typically occurs in May and June. Rainy season (June to November) would require considerable investment as lowland mines are flooded and would require

increased housing, labor, fuel to operate. Gold mining can provide more full-time employment but is similarly challenged by the rains.

Policy statement and implementation strategy

Government is committed to formalization and harmonization of environmental monitoring and enforcement to the AM sector and supporting simplified requirements for the sector that are likely to be more practical for effective implementation.

Government will work with miners and mining communities to increasing awareness about the approaches and benefits of formalized artisanal mining operations that includes simplified license requirements for mine rehabilitation, mine closure activities and lifecycle environmental mitigation and reclamation measures. Rehabilitated land will be protected from all mining operations.

Government and community-based monitoring and enforcement capacity will be strengthened including practical AM-specific training, purchase, and dissemination of testing equipment (for soil and water quality). Environment inspectors will receive training on modern AM methodologies with the view of inspecting and passing on knowledge to AM operators that would not otherwise have an opportunity to learn of such methodologies.

Increased AM environmental monitoring, reporting, transparency, education (for Government, operators and citizens), outreach and enforcement will be strengthened, and environmental requirements restructured to practically accommodate size, scale and scope of mining operations. In partnership with local institutions, assessment and reconciliation of AM operations will be conducted to identify environmental impacts resulting from gold-washing. Government will promote the mining and sale of “ecological gold” that is processed without any chemicals.

4.7 Land Access and Use

Current status

AM operators typically require consent from land owners to access and use land for mining purposes. However, considerable illicit AM operations persist. In some cases, miners mine without license from the NMA but with acquiesce from traditional authorities and or legal or beneficial land owners. Although incorrect, surface rent

payments may in some instances be used to address land access and use concerns. In both legal and illegal scenarios, rules for compensation of land access and use are not clear.

A critical community issue is Government's issuance of exploration licenses on existing artisanal mining areas. The law clearly prohibits the overlapping of artisanal and small-scale mining license areas atop one another unless explicit permission from a holder is given. In fact, implementation of overlapping restrictions is less formal and artisanal mining is overlapping other license areas without permission. Throughout AM operations, land disputes revolving around access, use, remediation, and payments occur. Grievance resolution mechanisms are generally undefined in which case relatively ad hoc and locally-driven resolutions emerge which are most times ineffective.

Government institutional coordination and collaboration with respect to land and minerals management is weak. There is limited coordination with respect to mapping, resolution of land disputes, land use guidelines, resettlement, and compensation policies.

Policy statement and implementation strategy

Government will reconcile land access and use with respect to all mineral rights holdings that will identify land use and access issues relevant to artisanal mining for speedy resolution including the harmonization of surveys.

Issues impacting access to land for mining will be identified and practical approaches, including adequate compensation, to addressing them established. Regulatory efforts to update Sierra Leone's geological, minerals and cadastral maps will be accelerated to incorporate AM information to safeguard cultural, protected, and other reserved areas. Training and provision of hand-held GPS trackers will be provided to locally-based mine wardens.

Through multi-stakeholder coordination group established under the Sierra Leone Minerals Policy and regularized consultations, Government will explore options to improving co-existing mineral rights and practical measures to monitor overlapping mining areas where consent has not been obtained. A regularized, strengthened consultation process will be developed. Government will work with appropriate

central and local agencies to develop clear AM consultation, land access, and use guidelines including rules for compensation.

Reconciling AM operations within exploration and large-scale mining areas is a priority. Where applicable, opportunities for the co-existence of large scale and artisanal mining will be explored and efforts to make such arrangements mutually beneficial will be encouraged and pursued.

4.8 Mine Workers

Current status

MMMR is charged with improving overall AM capacity. Artisanal mining is generally seasonal (i.e., February-June active mining months) and results in a somewhat hidden work force. Generally, shallow mining, predominantly for gold, is conducted by able-bodied persons, while labor-intensive diamond mining is primarily conducted by 18-35-year-old males.

As part of updating AM governance, review of terminology used to describe mine workers is important to clearly recognize and legally prescribe rules for nationality, conducting business including wage and entitlement. These include:

Mine development and mining

- *Supporters* –have emerged as “financiers” of AM operations but are illegal and operate without legal guidelines. They pay for equipment, pay wages, provide housing, food, etc. In exchange, these “supporters” receive a huge percentage of the AM revenue.
- *Miners* –may include AM mineral rights holders, mine managers and/or foreman and should be better defined.
- *Diggers/Tributors* – are the actual mine workers, carrying out mine labor and in other AM markets referred to as “miners”. Where a group of diggers, may be referred to as a “gang”.
- *Panners*– the least paid AM workers, often women and are exclusively involved in artisanal gold mining.

Minerals sales and processing

- “*Buyer*” is the person purchasing the mineral, in many cases the supporter is also the buyer; this arrangement compromises the valuation of the mineral and pricing for same.
- “*Dealer*” is a formal buyer and seller of minerals; “informal dealer” refers to those conducting the same function without license.

AM workers/diggers are not formally trained and typically receive wages paid by day, food and some percentage of production value. The payment scheme is not formalized and does not comply with labor laws. There is a mutually agreed sharing mechanism which is often unfair to the miner/digger. Mine workers/diggers share a certain percentage, often broken up by the gang leader and payment is based on how much is produced. There are illegal purchasers (*nyikonyiko*).

Policy statement and implementation strategy

Government will work to establish clear and predictable levels of wage and entitlements for different categories of AM work which will not only be production-based payment but also take time worked into consideration. Forced labor will not be tolerated.

In partnership with key stakeholders, and working with vocational and academic staff and institutions, easy-to-read and understand AM operating guides will be prepared and disseminated to relevant government offices, local councils, Chiefdoms, Districts, miners, diggers and others that provide basic mining rules, facts and information. Inspectorate training for mine monitors and mine wardens that include license holders and mine workers will be conducted.

Government will work with stakeholders including mine workers to strengthen artisanal miners’ cooperatives and develop collective terms to be included in a mine workers’ agreement and used as a minimum labor agreement for all AM operations. Government will convene an annual meeting of artisanal miners for which at least one representative of each artisanal operation will be invited to exchange information and through which MMMR will update its records on artisanal mine assets, workers and overall AM operations.

Government will work with AM operators to establish savings schemes and entitlement requirements for longer-term mine worker security.

4.9 Benefits Sharing

Current status

Where they exist, AM benefits sharing arrangements are informal and not legally required. Unlike large- and small-scale mineral rights holders, AM rights holders are not required to enter into Community Development Agreements (CDA). AM contributions to mining community development is through the Diamond Area Community Development Fund (DACDF). 0.75% of all diamond export duty is paid into the DACDF which is then transferred to diamond mining communities through a formula based on artisanal mining licenses issued by chiefdoms.

Originally intended to serve as a fund to finance post-war reconstruction, the DACDF has grown into a solid source of funds for development projects in chiefdoms.

Policy statement and implementation strategy

Government recognizes that AM is essential for local livelihoods and is committed to sustaining and improving direct financing of community development projects with mining revenues. Government will identify opportunities to promote direct and indirect benefits sharing of artisanal operations which may include, i.e., technology development and transfer, training, sustainable mining techniques and sharing of local infrastructure

In addition to the DACDF which has proven to incentivize legal artisanal diamond mining, review of a similar program for gold, zircon, coltan (and other minerals that may be mined using artisanal methods) will be done. Simultaneously, where the DACDF or other benefits sharing schemes have had negative impact (i.e., issuing mining licenses for virtually mineral depleted areas), local leaders will be encouraged to stop such practices. In partnership with Local Councils, Government will pursue land reclamation programs to rehabilitate mined-out lands and transform them into viable land for agriculture.

Government will create mechanisms to ensure that financial transfers to mining community within the CDA/CDF and DACDF framework and other channels of direct community development financing are utilized for local development activities to compliment funds provided for the implementation of local development plans.

4.10 Monitoring Artisanal Mining Operations

Current status

Unlike large-and small-scale mining where a more centralized government monitoring role can be effective, AM governance traditionally relies on localized monitoring and enforcement mechanisms. By law, AM licenses require review and approval of Chiefdom Mining Allocation Committees. Though thousands of AM licenses have been issued, the opaque nature of some artisanal mining processes obstructs Government's collection of accurate information about mining locations and production figures. This results in public rumor and intrigue that commonly inflates or overlooks actual mining revenues or misleads investors and policy-makers.

Tracking illegal artisanal mining is difficult because of its dynamic nature. Despite legal protection for the award of artisanal mining rights to Sierra Leone citizens exclusively, citizens from the Middle East particularly of Lebanese descent and other MRU and ECOWAS member states are actively involved in the production and marketing chain in the artisanal mining sector. In addition, to financing artisanal operations, AM mineral rights holders are often unable to cover operational costs and rely on "supporters" who are legally not defined to finance or otherwise engage in such operations.

Monitoring artisanal mining exports poses extreme challenge. Porous borders as well as more attractive tax regimes in neighboring countries provide incentive for smuggling. With respect to diamonds, the Kimberley Process Certification Scheme (KPCS) remains in place but does not counter smuggling activities. There are efforts at the MRU for tax policy harmonization.

Regional Engineers, Mine Wardens and Mines Monitoring Officers are tasked in each mining region with the monitoring and inspection of AM operations. Due to the nature of artisanal mining and gaps in sector governance, voluntary governance structures have emerged at township, section and chiefdoms as "Mining Committees" that in effect perform monitoring and dispute resolution functions have been established.

Policy statement and implementation strategy

Government is committed to restructuring mine inspections and will strengthen the technical compliance capacity of regulators. To be effective, Mine Wardens and Mines Monitoring Officer positions will be harmonized into a single role under the NMA inspectorate. Inspectorate staff will not only have a technical inspection role but a role in “knowledge transfer” through capacity building for AM operators. Capacity strengthening of regulatory agencies will be done.

A Government partnership with local leaders and AM operators to optimize monitoring of AM operations, legal and informal, throughout the AM lifecycle will be encouraged. Reporting of monies received by Chiefdom Mining Committees and other local authorities will be enhanced. Review of informal structures will be made to assess opportunities to integrate them into the formalized institutional framework for AM operations. For community-based, seasonal, temporary, and rush AM monitoring, Government seeks to strengthen local and community monitoring capacity and linkages with the NMA inspectorate. A more streamlined, country-wide approach to AM fees and payments will be sought while review of how the role of Chiefdom Mining Committees may be formalized with respect to clear monitoring responsibilities will be conducted. Identification and strengthening of local NGO monitoring capacity as well as academic institute tracking will be explored. Monitoring of community-based AM activities will be assessed and should be conducted at local levels. A role for a formal multi-stakeholder “local oversight committee” will be developed.

Capacity building and public awareness for community members and NGOs on sustainable mine operations, environmental protection and how to improve linkages between AM activities to community development will be promoted. Regularized public consultation at the mine community level will be pursued. A “co-management” AM approach where communities regularly communicate with mine operators that ensure mutually beneficial outcomes of AM activities and improved development of AM value chain will be supported. This co-monitoring mechanism will monitor and highlight forced labor and child labor issued in artisanal mining operations. For protected areas, appropriate area authorities will be invited to coordinate with NMA inspectors and AM operators to minimize expanding and migrating AM activities in these areas; some security personnel to assist may be required.

With respect to artisanal mining exports, NMA will strengthen its collaboration with customs authorities and develop pro-active regulatory approaches to mitigating smuggling incentives that may include whistleblower rewards, immediate and lifetime forfeiture of license rights if caught smuggling and increase in mine warden staffing. Sierra Leone's engagement with the MRU will more actively include discussions on how to harmonize tax regimes and to strengthen border authorities to monitor border crossings and mitigate AM smuggling that should engage national security and police.

4.11 Women and Children in Artisanal Mining

Current status

Artisanal diamond mining is a male-dominated sector while artisanal gold mining is predominantly conducted by women. Women have dynamic roles in artisanal mining operations including as license holders, diggers, panners, cooks and mineral traders. Some women are engaged in mining but also play roles in mineral trading and local farming. Gender-based discrimination impact women's rights in these mining areas.

Child labor is prevalent in AM operations. Due to lack of alternative care, most mothers bring their babies to mine sites. It is reasonably presumed that children working or being looked after at artisanal mines are missing out on education but the economic benefit of their work or presence is essential for family life. Similarly, AM-related work for women in rural areas has been beneficial.

Policy statement and strategy

Cultural and traditional practices that restrict or negatively impact women's involvement in AM operations will be dismantled. Women in AM operations as well as value-chain activities will be supported. Safety of women in the mine work environment will be included as part of the AM development strategy. Government will raise awareness of risks to children working in mines. Child labor will not be tolerated, and Government will work with key stakeholders to ensure that subsidiary support is available to children and their families where children's income is removed. Included as part of improving AM linkages to community development, greater attention and funding will help to improve education and healthcare for children in mining communities.

4.12 Conflict Mitigation and Dispute Resolution

Current status

Most AM disputes whether involving land, payments or other issues are resolved at the community and local level. The use of informal dispute resolution mechanisms is common among miners and diggers. The official system for addressing disputes relevant to AM is that a grievance should be indicated to both the Mines Monitoring Officer and the Mines Warden, followed by the Mining Superintendent, and finally the Area Mining Engineer. In fact, where disputes have risen to levels where miners and workers do not anticipate local resolution, the MMR and NMA are typically contacted often requiring urgent action. Additional conflicts arise between artisanal miners and small or large-scale mining operators with respect to overlapping rights. Timing for mitigation and resolution efforts is critical; where grievances are ignored, violent outcomes result. There is no systemized arbitration or mediation mechanism in place to address AM-related disputes.

Policy statement and implementation strategy

Government will encourage and promote alternative dispute resolution mechanisms as a sustainable method for the resolution of mining related conflicts with litigation as the very last resort. Government will work with established formal and informal mediation and arbitration structures to develop simple and trusted conflict mitigation and dispute resolution processes.

Community-based conflict resolution mechanisms will be reviewed and strengthened. The capacity of relevant regulatory institutions will be improved to assist miners and mining communities settle disputes amicably with fair and just outcomes for all parties.

Reporting on AM activities for local public review will be enhanced. Activities leading to raising awareness of community leaders, AM operators and even the media on the rights and responsibilities of AM operators will be promoted.

4.13 Mineral Production and Marketing Discrepancies

Current status

Artisanal gold mining in Sierra Leone is increasing but there is no comprehensive policy on gold trading. In the past, Government established gold buying centers in major gold producing regions, but mismanagement of resources and smuggling rendered the scheme unprofitable, resulting in its abandonment. While there is relatively improved knowledge of diamond valuation and trading, years of policy neglect of the gold mining sector resulted in extremely limited expertise in assaying and trading in gold. Regulatory agencies and miners alike lack the information, assaying and valuation expertise to gain insights into the dynamics of gold trading. Miners and NMA staff lack gold valuation expertise and information to gain insight into market developments.

Opportunities to get accurate gold trading information on the internet are lost due to (i) limited knowledge of the use of the internet and (ii) unreliable internet connection. As experienced in the diamond trade, trading in gold can be exploitative and miners normally do not get fair price for their gold.

Unregulated gold buying practices and discrepancies in gold royalty payments in the sub-region create incentive for gold smuggling.

Policy statement and implementation strategy

Specific policy attention shall be given now to ensure that artisanal gold mining financial and development benefits are adequately captured and that mine safety, worker health and environmental protection requirements are in place. Government will work with international development partners to develop one or more pilot project on “fair trade” or “green gold” through which modern artisanal gold mining methodologies will be introduced to promote good mining practices that include formalized operations, no child labor, maintenance of good health and safety standards, and regulated use of toxic chemicals in gold production, where its use cannot be avoided. Depending on the success and viability of the pilot, a more programmatic approach to implementing these frameworks may follow.

Access to information and training for miners and dealers on gold valuation, value-added techniques, environmental protection as well as consideration of the establishment of gold buying centers and value chain development, and other assistance to gold miners and gold dealers will be development and implemented.

Government seeks to timely capture Sierra Leone’s opportunity to operate as a Fairtrade gold mining jurisdiction and will strengthen regulation of gold exports. Government will actively seek to participate in “Fair mined” gold; a gold certification program conducted by the Alliance for Responsible Mining. The certification system will be piloted to promote an AM certification program as has been established for diamonds through the Kimberley Certification Process. The process will ensure that miners certified under the FAIRMINED standard receive a fair price as well as an additional premium that is democratically invested in the community. Government will also instill provisions that ensure fair pay to diggers and other mine workers.

Capacity of gold trading and regulatory agencies related to gold valuation, environmental safeguards and mining methodologies will be strengthened. As part of the Geological Survey lab, development of assay services will be funded; chemical tests that verify gold and the gold content are essential for operators to value their gold. Government will work with gold miners to establish information systems and training materials through which miners can easily access market prices, market interest, and modern mining methodologies. Outcomes of earlier

gold support programs that included participation of the Bank of Sierra Leone in the establishment of the Precious Minerals Office to (1) assay gold dust; (2) market gold; and (3) smelt gold as part of a consolidated assistance program for gold miners will be pursued. Security requirements and provisions for storing gold will also be assessed and improved.

4.14 Capacitybuilding

Current status

AM miners in Sierra Leone have not been exposed to modern mining methodologies and technologies. There are minimal training opportunities for artisanal miners. A critical issue in today's competitive AM minerals market is trying to understand the quality of minerals as well as the value of the minerals. Just as miners forfeit profit when minerals are smaller in size or contain excessive rock material, so too is profit lost when miners underestimate the value of their minerals. Poor AM methods have resulted in severe environmental degradation. There is a general lack of awareness about the dangers of land degradation and biodiversity loss as a result of unregulated artisanal mining thus exposing mining communities to security risks and health and safety hazards. Many artisanal miners are unaware or unwilling to formalize operations. Despite decades of artisanal mining, neither AM communities nor educational institutes have a significant role in how AM operations are developed and implemented. The MMMR, NGOs and universities, often with international donor support, have introduced occasional mining and minerals-related training and capacity building programs but these have not been harmonized or regularized.

Policy statement and implementation strategy

Government will work with relevant non-state and private sector actors to increase research and knowledge about improved and sustainable mining techniques. Government will support programs that seek to increase access to accurate information about minerals trading as well as initiate capacity strengthening programs for regulatory agencies and miners. Opportunities for capacity building that formalization brings will be pursued. Targeted programs on mineral valuation will be conducted for relevant actors in the artisanal mining sector.

Targeted business materials will be prepared for artisanal miners that clearly explain license requirements, tax and environmental responsibilities and institutional contacts for guidance. Government will include as part of AM licensing, guidelines for efficient mining methodologies, provision of scales and magnifying glasses, and other tools to enhance valuation. "Train the trainer" programs as well as on-site valuers shall be developed as part of Government's regulatory and minerals trading strategy.

Capacity strengthening efforts of miners and government officials to understand optimal mineral value shall be strengthened through the design, publication and distribution of simple awareness raising and educational materials. Specifically, for AM diggers, targeted training will be conducted as part of licensed activities. Linkages with health and safety, grievance processes, and general labor issues will be promoted. Where MRU and other regional initiatives promote AM training, Sierra Leone will actively seek to participate and to bring lessons learned to AM miners.

Public private partnership initiatives will be pursued to support mine-related capacity building to ensure that environment, land, labor, financial, exports and other aspects critical to sustainable and safe artisanal mining are strengthened.

4.15 Local Linkages, Investments, Value added and Diversification

Current status

Poverty and artisanal mining are inextricably linked. The AM sector is dominated by rural poor people who depend on artisanal mining to make a living. AM production is structured in ways that are not significantly beneficial to miners. In many cases, miners depend on their financiers locally referred to as *supporters* to meet living expenses in turn for them (the miners) to sell their minerals to the *supporters* who in some cases are dealers. Linkages between AM and other development processes i.e., infrastructure, health, education generally does not exist. Value-added linkages are also weak. Though mineral trading is legalized and regulated, the system is exploitative and prone to shady or illicit deals. Illegal mineral sales and smuggling exists.

Policy statement and implementation strategy

Government will strengthen regulation of mineral trading with the aim of promoting value-chain opportunities, reducing illegal trading, and smuggling, and building incentives for legitimate investors to abide by AM regulatory systems. Government will define and strengthen “extension services” through which sustainable artisanal mining methodologies will be introduced. In time, regulatory requirements to ensure use of efficient methodologies and technologies including value-addition activities will be prepared. Opportunities to support small business involvement in value-addition activities will be explored and pursued.

In addition, Government will work closely with AM operators and other relevant stakeholders to identify practical measures for improved, legitimate financing, and formalized and improved linkages. More consideration will be given to linking AM revenue generation to

establishing credit and finance facilities that can assist AM operators as well as generate small businesses in mine communities.

Government will explore the establishment of pilot mineral buying centers, likely relevant to artisanal gold mining, where technically trained staff will have necessary equipment to weigh and value mineral production, compensate miners for increased production and safely store minerals for further processing or sale; some processing and refining capacity within the centers may also be established. Review of how “subsidiary” business opportunities may be pursued linking remote AM areas with other companies in-country or abroad will be made. Consideration of “branding” Sierra Leonean artisanal mineral products will be given, i.e., to be “quality” as well as “poverty reducing” products.

4.16 Post-mining Livelihoods

Current status

AM mining plays a significant economic role in localities that impacts the social and environmental setup of those areas. In many ways, revenues from artisanal mining operations helped rebuild communities destroyed during the country’s civil war in the 1990s. AM wages pay for education, contribute to community building and other construction, and provides off-season investments in agriculture and other local businesses. Capturing these investments to provide livelihood for communities once mineral deposits are depleted has not been achieved resulting in diminishing returns for artisanal miners. The casino mentality is deeply ingrained in miners who mine and waste resources in continuing hope of finding valuable minerals that are in fact no longer present.

Despite lack of official data, it is obvious that artisanal mining in Sierra Leone has significantly contributed to local economic development and prevented some level of migration to urban centers although there is economic migration from mine site to mine site ongoing throughout the country – and the viability of these mine sites is now in question.

Policy statement and implementation strategy

Government recognizes that developing a sustainable post-mining future of current mining communities is an urgent priority. To this end, consultative engagement with local communities, coordination with LDPs and strategic investments are required. Government also recognizes that pilot or short-term job creation may be required, to be followed by more sustained employment schemes. At varying levels and intensity, non-governmental organizations such as the Foundation for Environmental Security and Sustainability (FESS) and the World Bank supported Life After Diamonds project have field tested land reclamation

and alternative livelihood projects that showed that mined out lands can be reclaimed and transformed into viable agricultural fields and that artisanal miners are interested to learn new skills that will help them transition from mining to other economic activities in preparation for life outside the mines. Given these successful examples, Government commits to supporting alternative livelihood programs for artisanal miners while at the same time lead efforts to rehabilitate mined out lands that will be used for other economic purposes.

Improved access to finance, building business planning skills and promoting value-chain local infrastructure and human capacity will be supported.

4.17 Public Information, Outreach and Consultation

Current status

Despite hundreds of active AM licensed operations, reporting about production is not regularized or adequate. Public information is limited to community or mine-based information and is inconsistent throughout Sierra Leone. Historically, youths have been particularly vocal (e.g. in the Kono District) and critical of traditional government actions with respect to mining. Illicit mining and entrenched practices that endanger miners, degrade the environment, and weaken economic return of artisanal mining are not sufficiently understood or addressed. Most AM miners and diggers receive their information locally; radio announcements convey broader news coverage.

In 2016, the NMA established a Department of Community Affairs, Communications and Public Relations that will work through the NMA Regional Managers.

Policy statement and implementation strategy

Government is committed to improving on channels for the dissemination of accurate information about AM operations. Public consultations on matters related to artisanal mining are strongly encouraged and will be supported. Capacity of regulatory agencies to improve information exchange will be strengthened. Public education on AM health and safety, impacts of rush mining, consequences of minerals smuggling, and minerals trading will be promoted. Improved communications targeting youths will be encouraged.

Government will work with AM license holders to establish an AM working group that may evolve into artisanal miners' cooperatives or other group representation through which communication linkages among government, miners and communities may be regularized. University, technical and local institutes will be tasked to work with local stakeholders to monitor local AM operations. Existing locally-based communication and consultation

platforms will be assisted to include/expand coverage of AM and related livelihood topics. Public policy and regulatory institutions will strengthen their local liaison with AM communities, local media and traditional information channels and prepare and implement a public information access strategy that ensures information dissemination. Where possible, local AM regulatory offices will be provided with maps to show AM deposits in different regions.

5 STRATEGY TO GUIDE AM POLICY IMPLEMENTATION

5.1 Institutional arrangements

The Ministry of Mines and Mineral Resources (MMMR) is the Government agency responsible for policy, legal and regulatory formulation for the Artisanal Mining sector. The NMA as the regulatory agency, is specifically responsible for cadastral mapping, inspection, and overall regulation of artisanal mining operations. As part of the NMA, the Geological Survey is charged with accessing, collecting, maintaining, and storing geo-data. In addition to the MMMR Policy Directorate, strengthened capacity of the NMA Inspectorate staff, notably at the AM mine level, shall be supported. Paramount Chiefs, Mining Committees, Local Councils, the MMMR, Environment Protection Agency (EPA), and Ministry of Agriculture and Forestry, Ministry of Lands, Housing and the Environment, as well as other Government agencies have a role to play in AM governance.

Under the Minerals Policy, Government commits to the establishment of a Policy Directorate under the MMMR and a Multi-stakeholder group. In support of this sub-sector Artisanal Mining Policy, an AM committee/working group shall be established as part of the Multi-stakeholder group. Review of existing formal and informal local structures, traditional authorities, village development committees, local councils, and district level authorities to liaise with AM activities will be promoted and supported. Strong consideration will be given to formalizing a “local oversight committee” structure to link AM operations with local development plans for coordination and optimization of economic, environmental, and social benefits.

5.2 NMA Capacity

To ensure implementation of this policy, it is imperative that NMA technical and financial capacity is strengthened. This requires Government funding of transport, building NMA regional office expertise, training MMOs and bringing mine wardens under the NMA staff to form an “Inspectorate”. The NMA staff strengthening specific to artisanal mining must immediately include mapping, compliance, (Inspectorate), Precious Minerals Department,

and Community Affairs, Communications and Public Relations for improved facilitation, monitoring and enforcement of artisanal mining operations.

5.3 Miners and supporters

Though not recognized in law, supporters play a critical function in the financing of AM operations. Without Supporters, many AM operations would not exist. AM miners themselves are challenged with managing an unstable market, covering operational costs, and abiding by increasing legal requirements to safeguard environment, workers, and communities. As a result, Supporters have become an entrenched part of financing artisanal operations; it will be useful for Government to have inputs from Supporters and AM Miners on AM Policy, specifically with respect to how the role of Supporters may be legally provided for i.e. through the formal licensing and banking processes or other legitimate financial and business support mechanisms. MMMR will encourage, promote, and support the creation of miners' cooperatives through which information channels may be strengthened and opportunities to collaborate toward improved AM market conditions explored.

5.4 Diggers and Tributors

To date, diggers and tributors have not been included in policy discussions relevant to AM. MMMR will work with supporters and miners (license holders) to miner cooperatives through which information may be exchanged, health and safety training provided and identification and development of post-mining livelihood opportunities, developed.

5.5 Legal framework, dispute resolution and enforcement mechanisms

As part of its overall Minerals Policy commitment, Government will undertake to revise principal sector legislation– the Mines and Minerals Act 2009, to more clearly define AM governance and accurately reflect operations on the ground. Simultaneously, MMMR will prepare user-friendly regulations and operating standards for immediate use; build NMA inspectorate, financial and technical capacity to monitor and inspect AM operations at the local levels, and work with relevant Chiefdoms, Local Councils, and other formal and informal local structures to establish viable grievance and dispute resolution mechanisms and reasonable enforcement approaches.

6 MONITORING AND REVIEW

The AM multi-stakeholder Working Group shall conduct regular monitoring of AM Policy implementation and will conduct initial review of this policy every three years from the date of its adoption or more frequently as the AM sector may demand and provide summary

findings to the MMMR for broader review. An initial outreach program shall follow with an annual AM Policy review and report shall be prepared by the MMMR, made available on its website but made available and communicated to local mine communities impacted by AM for public comment.