

**P.N.D.C.L. 218****SMALL-SCALE GOLD MINING ACT, 1989**

## ARRANGEMENT OF SECTIONS

*Registration and Licensing of Small-scale Gold Miners*

## SECTION

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**P.N.D.C.L. 218****SMALL-SCALE GOLD MINING ACT, 1989<sup>1</sup>**

**AN ACT to provide for the licensing of small-scale gold mining operations and for related matters.**

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1. This Act was issued as the Small-scale Gold Mining Law, 1989 (P.N.D.C.L. 218) made on the 19th day of April, 1989 and notified in the *Gazette* on 2nd June, 1989.

*Registration and Licensing of Small-scale Gold Miners***1. Licensing of small-scale gold mining**

(1) Despite any other law to the contrary, a person shall not engage in, or undertake, a small-scale gold mining operation unless there is in existence in respect of the mining operation a licence granted by the Minister responsible for Lands and Natural Resources or by an officer authorised in that behalf by the Minister.

(2) An application for a licence under subsection (1) shall be made in the prescribed forms, to the relevant district centre of the designated area and shall be accompanied by the prescribed fee.

(3) A person shall not be granted a licence under subsection (1) unless that person is registered under section 9.

**2. Qualifications of applicant for a licence**

Subject to subsections (1) and (2) of section 75 of the Minerals and Mining Act, 1986<sup>2</sup> a licence for a small-scale gold mining operation shall not be granted to

- (a) a person who is not a citizen, or
- (b) a person who has not attained the age of eighteen years, or
- (c) a person who is not registered by the district centre in the designated area under subsection (1) of section 9.

**3. Conditions for the grant of a licence**

Except otherwise provided in this Act, a licence granted by the Minister is subject to the conditions specified in the licence.

**4. Duration of a licence**

(1) A licence granted under section 1 to a person or group of persons, other than a co-operative society, is valid for a period not exceeding three years from the date of issue in the first instance and may be renewed for a further period that the Minister may determine.

(2) A licence granted to a co-operative society is valid for a period not exceeding five years from the date of issue and may be renewed for a further period that the Minister may determine.

(3) The Minister may, by legislative instrument, prescribe the fees that may be paid for the grant and renewal of a licence under this Act.

**5. Areas covered by a licence**

The size of the area in respect of which a licence may be granted under this Act shall not exceed

- (a) three acres, in the case of a grant to one person or group of persons not exceeding four in number;

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2. P.N.D.C.L. 153.

- (b) five acres, in the case of a grant to a group of persons not exceeding nine in number; or
- (c) twenty-five acres, in the case of a grant to a co-operative society of ten or more persons.

#### **6. Revocation of a licence**

The Minister may revoke a licence granted under this Act where

- (a) the Minister is satisfied that the licensee has contravened or failed to comply with any of the terms and conditions of the licence or a requirement of this Act or of the Minerals and Mining Act, 1986<sup>3</sup> applicable to the licensee,
- (b) the licensee is convicted of an offence relating to the smuggling or illegal sale or dealing in gold, or
- (c) the Minister is satisfied that it is in the public interest to revoke the licence.

#### **7. Licence not transferable**

A licence granted under this Act is not transferable.

#### **8. District centres and their functions**

(1) The Minerals Commission shall for the purposes of monitoring small-scale mining operations established in an area designated as a small-scale gold mining operation area under subsection (1) of section 77 of the Minerals and Mining Act, 1986<sup>4</sup> (P.N.D.C.L. 153) a centre to be known as the district small-scale gold mining centre.

(2) A district centre in respect of its designated area

- (a) shall compile a register of the small-scale gold miners and prospective small-scale gold miners specifying the particulars determined by the Minister,
- (b) shall supervise and monitor the operation and activities of the small-scale gold miners and prospective small-scale gold miners,
- (c) shall advise and provide the necessary training facilities and assistance for the effective and efficient small-scale gold mining operations, and
- (d) shall submit to the Minerals Commission in the form and at the intervals directed by the Commission, reports or other documents and information on small-scale gold mining activities within the district.

#### **9. Registration of prospective licensees**

(1) A person engaged in or wishing to undertake a type of small-scale gold mining operation shall register with the district centre of the designated area where that person operates or intends to operate.

(2) On the registration of a person under subsection (1), the district centre shall issue a certificate of registration to that person.

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3. P.N.D.C.L. 153.

4. P.N.D.C.L. 153.

**10. Small-scale gold mining committees**

(1) There shall be established in every designated area a small-scale gold mining committee.

(2) The committee shall consist of

- (a) the district secretary or the representative of the district secretary who shall be the chairman,
- (b) the officer-in-charge of the district centre,
- (c) one representative of the town development and planning committee of the district, and
- (d) *omitted*.<sup>5</sup>

(3) The committee shall assist the district centre to effectively monitor, promote and develop small-scale gold mining operations in the designated area.

(4) The members of the committee shall hold office for the periods and on the terms and conditions determined by the Minister.

*Operations of Small-scale Gold Miners***11. Operations of small-scale gold miners**

A person licensed to mine gold under this Act may win, mine and produce gold by an effective and efficient method and shall in the operations observe good mining practices, health and safety rules and pay due regard to the protection of the environment.

**12. Compensation for use of land**

Where a licence is granted in a designated area to a person other than the owner of the land, the licensee shall pay to the owner of the land the compensation for the use of the land that the Minister may in consultation with the Minerals Commission and the Lands Valuation Board determine.

**13. Use of explosives prohibited**

A small-scale gold miner shall not use explosives in the operations of that mine.

**14. Purchase of mercury**

A small-scale gold miner may purchase from an authorised mercury dealer quantities of mercury reasonably necessary for the purposes of the mining operations.

**15. Exemptions from income tax and royalties**

For a period of three years from the date of the coming into force of this Act, persons engaged in small-scale gold mining operations shall be exempted from the payment of income tax and royalties in respect of those mining operations.

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5. The Committee for the Defense of the Revolution does not now exist, and thus the reference to two of its representatives is omitted.

*Miscellaneous Provisions***16. Licence to buy and deal in gold**

Without prejudice to an enactment empowering a person or body to purchase and deal in gold the Minister may in consultation with the Minerals Commission in writing, license a person the Minister considers fit, to buy and deal in the types and forms of gold, and under the terms and conditions specified in the licence.

**17. Sale of gold**

(1) A licensed small-scale gold miner or a person in possession of gold may sell the gold in the possession of that miner or person to an authorised buyer only.

(2) A person shall be presumed to be lawfully in possession of gold until the contrary is proved.

**18. Sale of jewellery**

This Act or any other enactment shall not be construed as precluding a person from dealing with or disposing of the gold jewellery, gold artefact or gold coin of that person to an authorised dealer or to any other person.

**19. Offences and penalties**

(1) A person who buys or sells gold without a licence granted under this Act or without a valid authority granted under an enactment commits an offence and is liable on conviction to a fine not exceeding two hundred and fifty penalty units or to a term of imprisonment not exceeding five years or to both the fine and the imprisonment.

(2) A person who

- (a) without a licence granted by the Minister undertakes a small-scale gold mining operation contrary to subsection (1) of section 1, or
- (b) acts in contravention of any other provision of this Act in respect of which an offence has not been prescribed,

commits an offence and is liable on conviction to a fine not exceeding one hundred penalty units or to a term of imprisonment not exceeding two years or to both the fine and the imprisonment.

(3) A Court before which a person is convicted under this Act may in addition to the penalty that it may impose order the forfeiture to the Republic of the gold or other mineral in respect of which the offence was committed.

(4) Where an alien is convicted of an offence under this Act the alien is liable after paying the fine or serving the imprisonment imposed to deportation under the Immigration Act, 2000 (Act 573).

**20. Regulations**

The Minister may on the advice of the Minerals Commission and the chief inspector of mines make Regulations for the effective implementation of this Act.

**21. Interpretation**

In this Act, unless the context otherwise requires,

“**authorised buyer**” means a person authorised by the Minister to buy gold;

“**citizen**” has the same meaning as provided in section 84 (1) of the Minerals and Mining Act, 1986<sup>6</sup> other than a public corporation;

“**committee**” means a small-scale gold mining committee established under section 10;

“**designated area**” means an area designated as a small-scale mineral operation area by the Minister by a notice published in the *Gazette*;

“**district centre**” means the centre established by the Minerals Commission under section 8;

“**gold**” means gold dust, gold bullion, retorted gold, gold, ore gold amalgam, gold alloy, precipitates containing gold, slag, concentrates, tailings and residue containing gold;

“**licensed small-scale gold miners**” means a person licensed under this Act to win and mine gold;

“**Minister**” means the Minister responsible for Lands and Natural Resources;

“**prescribed**” means prescribed by or under the Act or by or under the Regulations;

“**Regulations**” means Regulations made under this Act;

“**small-scale gold mining operations**” means the mining of gold by a method not involving substantial expenditure by an individual or group of persons not exceeding nine in number or by a co-operative society made up of ten or more persons.

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6. P.N.D.C.L. 153.