

**Guidelines E4**



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

# **Conduct of Artisanal Mining Operations Guidelines**

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## **1. INTRODUCTION**

This document provides a simplified guidance on “Conduct of Operations” under an Artisanal Mining Right. It assists the artisanal mining right applicant or license holder with complying with the laws and regulations that govern the operation of Artisanal Mine. The main law applicable is the **Mines and Minerals Act of 2009 (MMA)** and the attendant regulations entitled “**Mines and Minerals Regulations of 2009**” (MMR). The MMA requires that anyone who wants to conduct artisanal mining comply with provisions set therein.

## **2. SCOPE**

This document is intended for use by applicants for an Artisanal Mining Right as well as licence holders operating an Artisanal Mine. This is a mining right only available to Sierra Leone citizens.

## **3. PURPOSE**

The purpose of this document is to:

- Assist applicants by providing information that is required by the MMR in a simple language and to compile documents for supporting application of an artisanal mining right
- Assist Artisanal Mining license holders to run an operation in compliance of the law and regulations

## **4. USE OF DOCUMENT**

This document will be used mainly in conjunction with several other forms which are used to compile supporting documents as well as those used as management tools by the Ministry officials are also referred to.

## **5. CONDUCT OF OPERATIONS**

The main activities of an Artisanal Mining operation are illustrated in Fig. 1. The activities begin with mining, followed by mineral processing and beneficiation and, ending marketing of the final product.

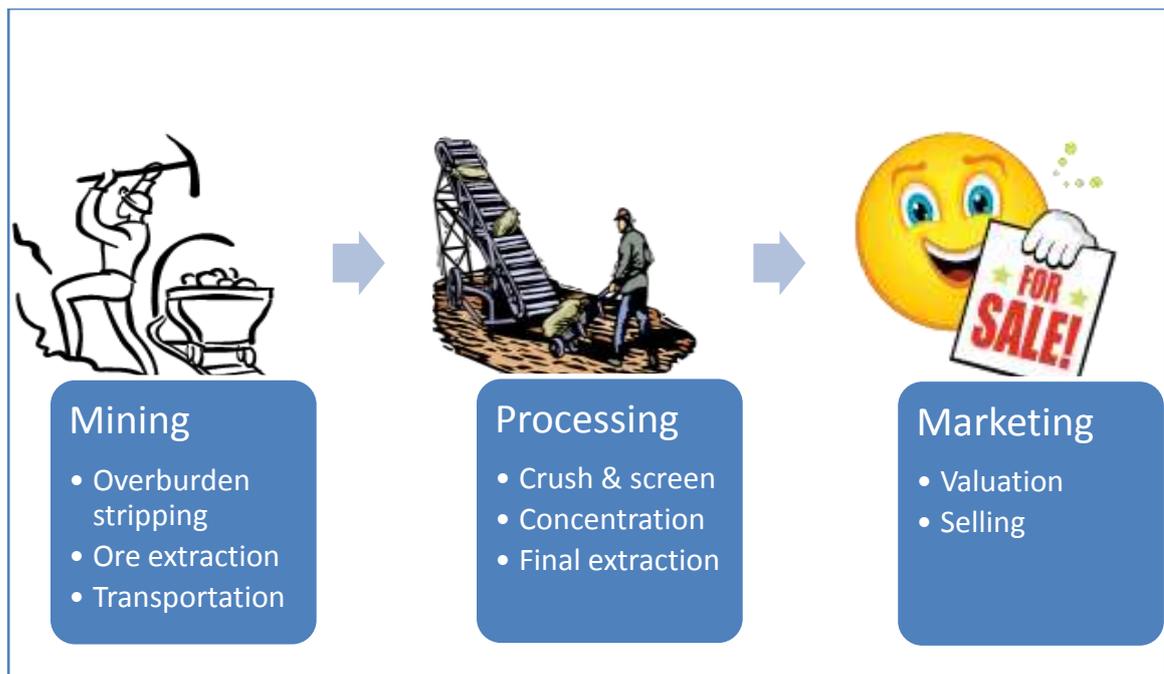


Fig. 1: Mining value chain showing the different activities of each stage of the process.

The regulations related to the Conduct of Operations on an Artisanal Mine relate to these activities. These are put into broad areas that are described below, together with guidelines and tools on how each area could be managed to ensure compliance with the law.

## 5.1 Mining work plan

Each artisanal mining licence holder has a mining work plan which he submitted with his application for a licence. This document is to be used to guide the viable running of the operation. It is compiled using Form C14 as a guide.

## 5.2 Mine manager

An artisanal mining licence holder who will not be running the operation themselves is required by law to employ and register a Mine Manager. Even though the Mine Manager represents the licence holder at the mining site, the licence holder remains ultimately liable for execution of all requirements of the law and regulations. To register a mine manager the licence holder needs to submit an application to the Director of Mines with the following:

- Completed application Form B24
- Copy of artisanal mining licence
- passport size photograph and national identity card of the prospective manager,

The licence holder is issued with a certificate of registration (Form D18) and an Artisanal Mine Manger's ID card (Form D21).

The Mine Manager represents the licence holder in all administrative issues at the mine and is responsible for:

- Planning overseeing all operational activities
- Security of the mine operations
- Worker conditions
- Health, safety and environmental issues
- Record keeping at the mining operation

### **5.3 Tributer relations**

An artisanal mining licence holder who would like to use tributers on his mining operation must enter into a formal agreement with them. This is done through model contract (Form D16). A record of this agreement must be kept and made available for inspection by relevant government officials. This provision was put in place in recognition of the innovation by players in the ASM sector to deal with the challenge of accessing finance. Government is now providing guidelines for a healthier relationship which is fairer and reduces exploitation of either part.

In the Act, a tributer is defined “.....as a person who directly or indirectly is allowed to win minerals receiving in return for the minerals so won, remuneration paid directly or indirectly by the person who permitted them to win the mineral.....”. This person gives their labour as an investment in partnership with the licence holder. The agreement may have following elements:

- A share in the mineral winnings resulting from their labour. In this case the tributer will pay for their own upkeep and will received higher proportion of the winnings
- A share in the mineral winnings that may result from the labour plus social support which may include housing, food and medicine. The share of winnings in this arrangement will be of a lower proportion

The relationship between an artisanal mining licence holder and a tributer also has the following components governed by the Act and the regulations:

- The tributer is entitled to basic conditions of work
- The tributer may not sell any of the proceeds from the mine
- The tributer is only allowed to handle minerals from the mine only with the limits of the production area of the mine

Payment of the tributer may not be in the form of minerals

### **5.4 Supporter relations**

An artisanal mining licence holder wanting to go into a financing arrangement with a supporter must enter into a formal agreement with them. This is done in the form of Form D15.

A supporter is a person or an entity that finances an artisanal mining operation in lieu of a share in the winnings of the operation. This is another innovation in the ASM sector to deal with issues of lack of access to finance for running artisanal mining operations.

The investment from the supporter usually takes the form of:

- Hiring pumps and other equipment
- Paying for labourers
- Other operational costs such as fuel, chemicals etc.

The relationship also has the following components governed by the Act and the regulations:

- The supporter may not buy the minerals from the operation unless he is a licence buyer
- The supporter may not receive minerals from the operation in lieu of his share of the proceeds

The supporter may only handle minerals from mining operation in the boundary limits of the mining operation. Unless he is a licenced buyer and has legally acquired the minerals he may not remove the minerals from the mining operation

This agreement may also be a tripartite arrangement involving a licence holder, a supporter and tributers to address the lack of access to finance. To ensure a transparent and equitable relationship, the regulations now provide for a model agreement between the three parties. An artisanal mining licence holder wanting to have such a financing arrangement must enter into a formal agreement with the supporter and tributers concerned. This agreement is in the form of Form D15. The conditions described above for the agreements with both a supporter and tributers would also apply.

## **5.5 Basic conditions of work**

The regulations provide for basic conditions of work which all artisanal mining operations shall provide for workers and tributers on their operations. These are summarised in the model contract (Form D16) which the licence holder signs with labourer or tributer. These include the following:

- Paying a labourer or a tributer to a fair wage
- A labourer or a tributer freedom to leave employment after a reasonable period of notice
- A working week of not more than 45 hours per week
- Entitlement of a labourer or a tributer to compensation at special overtime rates for hours beyond the stipulated 45 hours per week
- Overtime rates to be agreed upon between the artisanal mining licence holder and the labourer or tributer at the time of engagement
- A labourer or a tributer to be entitled to social support from the artisanal mining licence holder
- Social support to be agreed upon between the artisanal mining licence holder and the labourer or tributer at the time of engagement, and may include access to medicine and health facilities

## 5.6 Health and safety

An artisanal mining operation shall undertake to observe all health and safety standards set by the relevant authorities. The licence holder is expected to do a health and safety risk assessment of the operation, and put in place measures to manage and mitigate the risks. They will be expected to observe the following:

- Provide personal protective equipment for the workers
- Not exceed the working hours per week
- Provide first aid facility on site
- Train workers on health and safety practices related to their work. This could be linked to a daily exercise to remind workers of safety precautions
- Train workers on handling hazardous materials
- Control emissions
- Dispose of effluent in a responsible manner
- Provide clean drinking water for the workers
- Provide toilets for workers
- Report all accidents, injury and loss of life to the relevant authorities
- Monitoring - Routine checks on work practices of workers

## 5.7 Environmental Management Plan

All artisanal mining operations shall have an Environmental Management Plan (EMP). The plan will be compiled according to format set in Form C13. The EMP is also used as one of the supporting documents for the application for an artisanal mining licence. The environmental management and protection undertakings made in the EMP are legally binding. The licence is expected to follow the plan as closely as possible.

The EMP has the following components:

- Environmental impact assessment
  - A baseline of the environment before mining starts is recorded. This is in the form of a description of the area to be impacted by mining, i.e. terrain, water bodies if any, soil, vegetation and animals
  - Type of minerals to be mined
  - Mining and processing methods to be applied
  - Size of excavations
  - Level of deforestation
  - Infrastructure requirements
  - Duration of mining
  - Number of workers expected and their origin
  - Type and level of pollution expected
  - Impacts of the pollution and mitigation measures
  - Monitoring of impacts and mitigation measures
  - Financing of the rehabilitation
  - Closure objectives

- Environmental management plan
- Monitoring and assessment of plan

## 5.8 Records in terms of artisanal mining operation

An artisanal mining licence holder must keep records pertaining to the mining operation. These records must cover the following:

- Particulars of the licence holder
- Copy of the licence
- Record of workers employed
- Particulars of the mine manager if there is one
- Copy of mining work program
- Records of all previous production, i.e.
  - Amount of ore processed
  - Amount of product
  - Amount of product sold
  - Records of sales transactions, as prescribed by the Director
- Record of all accidents, injuries etc.
- Records of all training that the workers have received pertaining to the mining operation, i.e. technical, health and safety and environmental protection and management
- Copy of environmental management plan, including record of previous rehabilitation activities

## 5.9 Reports in terms of artisanal mining operation

An artisanal mining licence holder must submit to the Director once a month, reports pertaining to the mining operation, in the prescribed format. These reports must cover the following:

- Particulars of the licence holder
- Licence number
- Report of workers employed including manager in preceding month
- Mining camp developments of the preceding month, i.e. (shown in the mine plan)
  - Clearing of land
  - Construction of buildings, roads etc.
  - Mine plan showing the excavations
  - Construction of ore, topsoil stockpiles, waste dumps and tailings dams
- Report on production for the preceding month, i.e.
  - Amount of ore processed
  - Amount of product
  - Amount of product sold
  - Records of sales transactions, as prescribed by the Director
- Report of all accidents, injuries etc in the preceding month

- Report of environmental management and rehabilitation activities in preceding month

## **5.10 Limits of production area**

The boundaries of the production area must be marked out using beacons. The position of the beacons is located during the survey and demarcation process that takes when the licence is issued. The beacons must permanent. No mining or activities related to the mining operation shall take place outside of this demarcated area.

## **5.11 Unlawful possession of minerals**

- No tributer of supporter will be allowed to handle minerals outside of the production area. Such handling is permitted only in the course of their work.
- No supporter shall be allowed to buy the mineral product unless they are a buyer licenced by the Ministry.

## **5.12 Marketing of products**

All marketing of the mineral product must be done according to the process prescribed by the Ministry. For precious minerals (i.e. diamonds and gold) this will involve the following:

- Record of all sales transactions
  - Name and contact details of buyer
  - Description of the goods sold
  - Receipt of sales
  - Amounts received

## 6. COMPLETING SUPPORTING DOCUMENTS FOR CONDUCT OF OPERATIONS

This section describes the process of completing documents required for the conduct of operations.

### Form D15 – Supporter agreement

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

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

The form contains the following information:

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

This form has a section that allows for tributers to be part of the agreement in a tripartite arrangement. The conditions for tributers are informed but what is in the tributer agreement, Form D16.

### Form C7 – Mining Operations Records

The objective of the form is to assist the licence holder in compiling keeping records of his operation. The form will be a list which the licence holder must tick-off on a regular basis to confirm that the particular documents exist in his records. This list will be used by the Ministry officials during their site inspections. The following will be on the list:

- Particulars of the licence holder
- Copy of the licence
- Record of workers employed

- Particulars of the mine manager if there is one
- Copy of mining work program
- Records of all previous production, i.e.
  - Amount of ore processed
  - Amount of product
  - Amount of product sold
  - Records of sales transactions, as prescribed by the Director
- Record of all accidents, injuries etc.
- Records of all training that the workers have received pertaining to the mining operation, i.e. technical, health and safety and environmental protection and management
- Copy of environmental management plan, including record of previous rehabilitation activities

## Form C8 – Mining Operations Reports

The objective of this form is to assist the licence holder to compile reports which have to be submitted to the Ministry's Regional Office. The report will be supported by the following documents:

- Particulars of the licence holder
- Copy of the licence
- Record of workers employed
- Particulars of the mine manager if there is one
- Records of sales transactions, as prescribed by the Director (i.e. Precious Minerals sales record Form C11)
- Report of all accidents, injuries etc in the preceding month
- Report of environmental management

The form will contain the following information:

- Particulars of the licence holder
- Licence number
- Report of workers employed including manager in preceding month
- Mining camp developments of the preceding month, i.e. (shown in the mine plan)
  - Clearing of land
  - Construction of buildings, roads etc.
  - Mine plan showing the excavations
  - Construction of ore, topsoil stockpiles, waste dumps and tailings dams
- Report on production for the preceding month, i.e.
  - Amount of ore processed
  - Amount of product
  - Amount of product sold

## Form C11 – Precious Minerals Sales Record

The objective of this form is to record information pertaining to the sale of precious minerals, particularly diamonds and gold. For diamond sales this so as to comply with requirements of the Kimberley Process Certification Scheme (KPCS). For diamonds the record will include the following:

- The date the diamond was recovered at the mine
- Description of the diamond
- Proof that the recovery was reported to the Regional Office
- The date of the sale of the diamond if it has since been sold
- A copy of the receipt of the sales transaction
- The details of the person who bought the diamond:
  - Name address
  - Identity number
  - Buyers licence number
  - The amount for which the diamonds was bought

## Form C21 – Accident report

This form is for recording accidents at the mining operation. It is to be completed every time there is an accident. The information on it should be part of the report that the licence holder submits to the Ministry Regional Office every month. It will contain the following information:

- Date and place of accident
- Description of accident
- Names of people involved in the accident
- Nature and extent of injury
- Whether there has been any loss of life
- What damage has been done to property if any
- The name and designation of the person making the report
- Whether the accident has been reported to the police or other authorities

## Form D16 – Tributer contract

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

- Ensure an equitable agreement between the licence holder and the tributer
- Safeguard against illegal dealings

- Safeguards against exploitation of the digger
- Ensure reasonable working conditions for the tributer

The form contains the following information:

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

## **Form C14 – Artisanal Mining Work Plan**

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

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

The form records the following information:

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

## 7. TOOLS FOR MANAGING CONDUCT OF OPERATIONS

Ministry officials use the forms described in this section as tools for the management of the Conduct of Artisanal Mining operations.

### **Form C9 – Artisanal Mine Site Inspection**

This form will be used by Ministry officials to conduct site inspections. It will contain the following information:

- A tracking number which will be recorded in the Mining Cadastre system
- Licence number
- Claim number and coordinates
- Checklist of documents to be viewed
- Remarks of the person carrying out the inspection
- Evaluate EMP
- Check compliance with operational, environmental, health and safety requirements