

THE GHANA CHAMBER OF MINES

Factoid 2008

1.0 THE GHANA CHAMBER OF MINES

Est. 1928

1.1 Brief History

The first offices of the West Africa Chamber of Mines, which gave birth to the Ghana Chamber of Mines, were set up in 1903 with the principal objective of advancing and protecting the mining interests of the shareholders. The Chamber was composed of directors of the Mining Companies in London who, among other functions, had power to promote or oppose any legislative measures or petition government and administrative bodies in the colony on many matters, which directly affected mining interests.

On 6th June 1928, the Gold Coast Chamber of Mines was incorporated as a private Company and operated at Tarkwa in the Western Region. On Ghana's attainment of independence on 6th March 1957, the name of the Chamber was altered to the Ghana Chamber of Mines. By a special resolution on 6th May 1960, the form of the objects of the Chamber was also altered, and on 14th February 1964, the Chamber was converted under the Companies Code 1963 (Act 179) into a Company Limited by Guarantee. In 1967, the registered offices of the Chamber moved to the national capital, Accra.

The Chamber has since remained a voluntary private sector employers' association representing companies and organizations engaged in the minerals and mining industry in Ghana. Programmes and activities of the Chamber are funded entirely by its Member Companies, which are largely responsible for producing almost all of Ghana's minerals.

1.2 Vision

To be a respected, effective and unified voice for the mining industry.

1.3 Mission Statement

To represent the Mining Industry in Ghana using the resources and capabilities of its members to deliver services that address members, government and community needs, in order to enhance development.

1.4 Core Values:

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The principles that will guide decision making which the members of the Chamber will not compromise whilst achieving the mission and pursuing the vision are:

- ❖ Honesty
- ❖ Transparency
- ❖ Good Governance
- ❖ Good Corporate Citizenship
- ❖ Commitment
- ❖ Unity

1.5 Objectives of the Chamber

The objectives of the Chamber taking into consideration the strategic challenges for achieving its vision are:

- Promote and protect the interests of the Mining Industry
- Promote and protect the image of the mining industry
- Establish and maintain effective membership governance
- Provide leadership for the solution of national issues related to mining

2.0 GHANA IN THE GLOBAL MINING ARENA

2.1 TOP 20 GOLD PRODUCING COUNTRIES PRODUCTION (tons)

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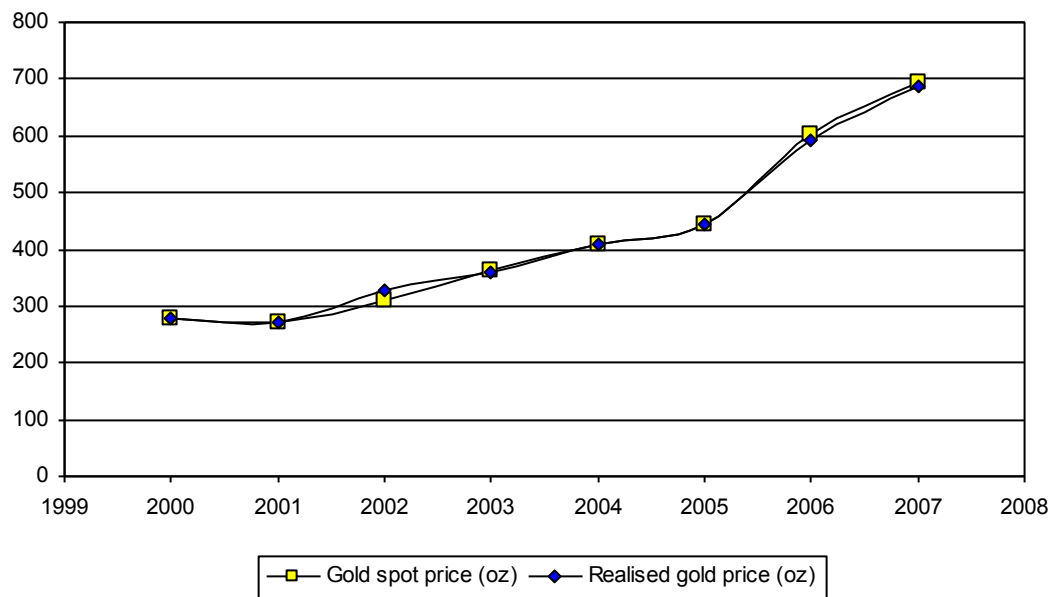
COUNTRY	2001	RANK	2002	RANK	2003	RANK	2004	RANK	2005	RANK	2006	RANK	2007	RANK
South Africa	417.3	1	418.9	1	398.3	1	363.3	1	315.1	1	295.7	1	269.9	2
United States	334.5	2	298.7	2	280.8	3	260.3	2	262.3	3	251.8	2	239.5	4
Australia	285.0	3	266.4	3	283.4	2	258.1	3	263.0	2	247.1	4	246.3	3
China	192.8	4	201.9	4	210.6	4	217.3	4	229.8	4	247.2	3	280.5	1
Russia	165.1	6	180.6	5	182.4	5	181.6	5	175.4	6	172.8	6	169.2	6
Indonesia	182.9	5	157.9	6	163.7	7	114.2	8	166.4	7	116.3	7	146.7	7
Peru	134.0	8	157.3	7	171.6	6	173.2	6	207.8	5	202.0	5	169.6	5
Canada	157.4	7	153.0	8	140.5	8	128.5	7	119.5	8	103.5	8	101.2	8
Uzbekistan	83.4	9	82.6	9	80.0	9	83.7	9	75.5	9	75.1	9	75.3	9
Ghana	71.7	10	70.3	10	68.9	10	57.8	11	62.5	11	69.9	10	75.1	10
Papua New Guinea	68.1	11	65.1	11	68.6	11	74.5	10	69.2	10	60.5	11	61.4	11
Mali	44.6	13	55.6	12	47.2	12	39.6	15	46.1	13	56.9	12	52.3	13
Brazil	50.7	12	46.0	13	43.0	14	42.9	13	45.2	14	49.3	13	56.5	12
Tanzania	33.8	15	38.6	15	44.6	13	47.9	12	49.3	12	44.8	14	40.1	17
Chile	39.8	14	38.7	14	38.0	15	40.0	14	39.6	15	40.4	16	40.9	16
Philippines	32.2	16	33.1	16	33.6	16	31.7	16	31.6	16	36.1	18	38.8	18
Argentina	30.9	17	32.5	17	29.7	17	28.5	17	27.8	18	44.1	15	42.2	15
Mexico	23.5	18	21.3	20	n/a	n/a	n/a	n/a	30.6	17	39.0	17	43.0	14
Colombia	20.2	20	22.2	18	25.3	18	23.6	19	24.8	19	24.0	20	24.0	20
Zimbabwe	22.1	19	21.5	19	20.6	20	24.3	18	n/a	n/a	n/a	n/a	n/a	n/a
Kyrgyzstan	n/a	n/a	n/a	n/a	23	19	22.1	20	n/a	n/a	n/a	n/a	n/a	n/a
Venezuela	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	21.1	20	26.5	19	24.4	19
Rest of the World	255	-	256	-	267	-	280	-	285.4	-	283.1	-	278.9	
	2,645		2,618		2,621		2,493.2		2,548.0		2486.2		2475.9	

SOURCE: Gold Fields Mineral Survey

Ghana has consistently ranked 10th in terms of world production of gold except in 2004 and 2005 when it ranked 11. It however maintained its enviable position as the second largest gold producer in Africa.

2.2 GOLD PRICE 2000-2007

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Source: www.kitco.com and The Ghana Chamber of Mines

2.3 NATURAL DIAMOND: ESTIMATED WORLD PRODUCTION, BY COUNTRY AND TYPE^{1, 2, 3}

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Country and Type ⁴	2000	2001	2002	2003	2004	2005	2006
Gemstones:							
Angola ^e	3,880 ^r	4,640 ^r	4,520	5,130	5,490	6,300 ^r	7,000
Australia	11,956 ^s	11,779 ^s	15,136	13,981	6,058	8,577 ^r	7,305
Botswana ^e	18,500	19,800	21,297	22,800	23,300	23,900	24,000
Brazil ^e	1,000	700	500 ^s	400	300 ^s	300	300
Canada	2,534 ^s	3,716 ^s	4,937	10,756	12,618	12,300 ^e	12,350
Central African Republic ^e	348 ^r	340 ^r	312	250	263	285 ^r	315
China ^e	230	235	100	100	100	100	100
Congo (Kinshasa)	3,500	3,640	4,223	5,381	6,180	6,100 ^{r,e}	5,600
Cote d'Ivoire	210	207	205	154	201 ^e	201 ^e	200
Ghana	792	936	770	724^r	725^r	850^r	780
Guinea	278	273	368	500 ^r	555 ^r	413 ^r	355
Guyana	82 ^s	179 ^s	248	413	445 ^r	340 ^{r,e}	300
Liberia ^e	100	100	52 ^r	26 ^r	7 ^r	7 ^r	7
Namibia	1,450	1,487 ^s	1,562	1,481	2,004	1,902 ^r	2,200
Russia ^e	17,500 ^r	17,500 ^r	17,400	20,000	21,400	23,000	23,400
Sierra Leone ^e	58	167	162 ^s	233	318	395	360
South Africa	4,320	4,470	4,351	5,144	5,800 ^{r,e}	6,400 ^{r,e}	6,240 ^e
Tanzania ^e	301	216	204 ^s	201	258	185 ^r	195
Venezuela	29 ^s	14 ^s	46	11	40 ^e	46 ^e	45 ^e
Zimbabwe	8	--	--	--	--	--	--
Other ⁶	24	25	42	131 ^r	186 ^r	241 ^r	236
Total	67,100 ^r	70,400 ^r	76,400	87,800 ^r	86,200 ^r	91,800 ^r	91,300
Angola ^e	431 ^r	516 ^r	502	570	610	700 ^r	800
Australia	14,612 ^s	14,397 ^s	18,500	17,087	18,172 ^r	25,730 ^r	21,915
Botswana ^e	6,160	6,600	7,100	7,600	7,800	8,000	8,000
Brazil ^e	--	--	600	600	600	600	600
Central African Republic ^e	116 ^r	113 ^r	104	83	88	95 ^r	105

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China ^e	920	950	955	955	960	960	965
Congo (Kinshasa)	14,200	14,560 ⁵	17,456	21,600	24,700	24,200 ^{r,e}	22,400 ^e
Cote d'Ivoire	110	102	101	76	99 ^e	99	99 ^e
Ghana ^e	198	234	193	180^r	180^r	213^r	190
Guinea ^e	91	91	123	167 ^r	185 ^r	138 ^r	118
Liberia ^e	70	70	28	14 ^r	4 ^r	4 ^r	4
Namibia	106	--	--	--	--	--	--
Russia ^e	11,700 ^r	11,700 ^r	11,600	13,000	14,200	15,000	15,000
Sierra Leone	19	56	190	274 ^e	374	274 ^r	252
South Africa	6,470	6,700	6,526	7,540	8,500 ^e	9,400 ^{r,e}	9,130
Tanzania ^e	53 ⁵	38 ⁵	36	36	46	35 ^r	35
Venezuela	80 ⁵	28 ⁵	61	24	60 ^e	69 ^e	70 ^e
Zimbabwe	15	--	--	--	--	--	--
Other ⁷	64	66	81	82	121	190	189
Total	55,400 ^r	56,200	64,200	69,900	76,700 ^r	85,700 ^r	79,900
Grand Total	122,000 ^r	127,000	141,000	158,000	163,000 ^r	178,000 ^r	171,000

^eEstimated. ^rRevised.

¹World totals and estimated data are rounded to no more than three significant digits; may not add to totals shown.

²Table includes data available through July 5, 2007.

³In addition to the countries listed, Nigeria, and the Republic of Korea produce natural diamond and synthetic diamond, respectively, but information is inadequate to formulate reliable estimates of output levels.

⁴Includes near-gem and cheap-gem qualities.

⁵Reported figure.

⁶Includes Cameroon, Congo (Brazzaville), Gabon (unspecified), India, Indonesia, Togo (unspecified) and Zimbabwe.

⁷Includes Congo (Brazzaville), India, Indonesia and Zimbabwe.

Source: United States Geological Survey Mineral Resources Program

2.4 MANGANESE ORE: WORLD PRODUCTION, BY COUNTRY^{1, 2}

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(Thousand metric tons)

Country ³	Mn content, percentage, ⁴	2002	2003	2004	2005	2006	
Australia: ⁵							
Gross weight		2189 r	2564 r	3431 r	3136 r	4556	
Mn content	37-53	983	1247	1570 r	1500 r	2192	
Brazil: ⁶							
Gross weight		2529	2544	3143	3200 r	3128	p
Mn content	37-51	1095	1286	1346	1370 r	1370	p
China: ^{e, 7, 8}							
Gross weight		4500	4600	5500	7500 r	8000	
Mn content	20-30	900	920	1100	1500 r	1600	
Gabon: ⁹							
Gross weight		1856	2000	2460	2859 r	3000	
Mn contente	45-53	810	873	1090	1290	1350	
Ghana:							
Gross weight		1136	1509	1597 r	1715 r	1700	e
Mn contente	32-34	363	528 r	559 r	600 r	600	
India: ¹⁰							
Gross weight		1553 r	1650	1776.153 r	2386.396 r	2003.474	p
Mn content	10-54	601 r	620	630	926.876 r	811.407	p
Kazakhstan, crude ore:							
Gross weight		1792.2	2361	2318	2207.7	2250	
Mn contente	20-30	440	580	570	540	550	
Mexico: ¹¹							
Gross weight		245	320	377	369 r	370	e
Mn content	36-37r	88.358	114.55	135.893	132.872 r	133	e
South Africa: ⁹							
Gross weight		3321.645	3500.638	4282	4612.099	5213.328	
Mn content	30-48+	1503.9	1585	1905	2100	2300	
Ukraine:							
Gross weight		2469.9	2590.9	2362	2260	2400	

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Mn contente	30-35	840	880	810	770	820
Other:e, 12						
Gross weight		525.544 r	528.687 r	695.912 r	828.958 r	749.572
Mn content	XX	149.02 r	143.734 r	198.462 r	250.034 r	212.69
Total:						
Gross weight		22100 r	24200 r	27900 r	31100 r	33400
Mn content	XX	7770 r	8780 r	9910 r	10980 r	11900

eEstimated. pPreliminary. rRevised. XX Not applicable.

1World totals and estimated data are rounded to no more than three significant digits; may not add to totals shown.

2Table includes data available through July 29, 2007. Data pertain to concentrates or comparable shipping product, except that, in a few instances, the best data available appear to be for crude ore, possibly after some upgrading.

3In addition to the countries listed, Cuba, Panama, and Sudan may have produced manganese ore and/or manganiferous ore, but available information is inadequate to make reliable estimates of output levels.

4May be average content of each year's production rather than for content of typical products.

5Metallurgical ore.

6Production of beneficiated ore as reported in Mineral Summary, Brasilia, Brazil.

7Includes manganiferous ore.

8The International Manganese Institute estimated Chinese manganese ore production, in gross weight and Mn content, respectively, to be in metric tons, as follows: 2004—8,500,000 and 1,700,000; 2005—12,000,000 and 2,400,000; and 2006—11,000,000 and 2,200,000.

9Calculated metal content includes allowance for assumed moisture content. Includes ore and sinter.

10Reported on a fiscal year-basis. Much of India's production grades below 35% Mn; content averaged 38.3% Mn for fiscal years 2002-03 through 2006-07.

11Mostly oxide nodules; may include smaller quantities of direct-shipping carbonate and oxide ores for metallurgical and battery operations.

12Category represents the combined totals of Bosnia and Herzegovina, Bulgaria, Burkina Faso, Burma, Chile, Colombia, Egypt, Georgia, Hungary, Indonesia,

Iran, Italy (from wastes), Morocco, Namibia, Romania, Russia (crude ore), Thailand, and Turkey.

Source: [United States Geological Survey Mineral Resources Program](#)

2.5 BAUXITE: WORLD PRODUCTION, BY COUNTRY^{1,2}

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Country	(Thousand metric tons)							
	1999	2000	2001	2002	2003	2004	2005 ^e	2006 ^e
Australia	48,416	53,802	53,799	54,135	55,602	56,593	59,959 ³	62,307 ³
Bosnia and Herzegovina ^e	75	75	75	113	573 ^r	480 ^r	480	1,000
Brazil	14,372	13,866 ^r	13,032 ^r	13,260 ^r	17,363 ^r	19,700 ^r	19,800 ^P	21,000 ^P
China ^e	8,500	9,000	9,800	12,000	13,000	15,000	18,000	21,000
Ghana	355	504	678	684	495	498	734^P	886 ^P
Greece	1,883	1,991	2,052	2,492	2,418	2,444	2,450	2,450
Guinea ⁴	15,590	15,700	15,100	15,300 ^r	15,000 ^r	15,000 ^r	15,000	15,200
Guyana ⁴	2,359	2,471	1,950	1,690	1,701 ^r	1,466 ^r	1,500	1,400
Hungary	935	1,047	1,000	720	666	647	511	500 ³
India	6,712	7,562	7,864	9,647	10,414	11,285	11,957 ³	12,732 ³
Indonesia	1,116	1,151	1,237	1,283	1,263	1,331	1,400	1,502 ³
Iran	912	400	274 ^r	57 ^r	366 ^r	420 ^r	500 ³	500
Jamaica ^{4,5}	11,688	11,127	12,370	13,120	13,444	13,296	14,118 ³	14,851 ³
Kazakhstan	3,607	3,730	3,685	4,377	4,737	4,706	4,800	4,800
Malaysia	224	123	64	40	6	2 ^r	2	5
Mozambique	8	8	9	9	12	7	10 ³	12
Pakistan	11	9	9	8	8	8 ^r	9	7
Russia ^e	3,750	4,200	4,000	4,500	5,500	6,000	6,400	6,600
Serbia and Montenegro	500	630	610	612	540 ^r	486 ^r	610	550 ³
Suriname	3,715 ^r	3,610	4,394	4,002	4,215	4,052	4,584 ³	4,750
Turkey ⁶	208	459	242	287	364 ^e	366	365	500
United States	NA	NA	NA	NA	NA	NA	NA	NA
Venezuela	4,166	4,361	4,585	5,191	5,446 ^e	5,842 ^r	5,900	5,500
Total	129,000	136,000	137,000	144,000	153,000	^r 160,000 ^r 169,000		178,000

^eEstimated. ^PPreliminary. ^rRevised. NA Not available.

¹World totals and estimated data are rounded to no more than three significant digits; may not add to totals shown.

²Table includes data available through August 3, 2007.

³Reported figure.

⁴Dry bauxite equivalent of crude ore.

⁵Bauxite processed for conversion to alumina in Jamaica plus kiln-dried ore prepared for export.

⁶In June 2006, Montenegro and Serbia formally declared independence from each other and dissolved their union. Mineral production

Source: [United States Geological Survey Mineral Resources Program](#)

3.0 MINING IN GHANA

Mining remains a key industry for the growth and development of the country. The historical performance of Ghana's mining industry is well-known; especially, the production slump in the three decades prior to 1986 when as part of the country's Economic Recovery Program the Minerals & Mining Law of 1986 was promulgated to attract investment into the sector and to improve production.

The passage of the law did not only catalyse investment to improve production in the sector, but also increased inflow of foreign exchange from mineral proceeds required to address the balance of payment crunch the country faced. Since the revival of the industry, its structure has remained the same with the sector credited with bringing in significant amount of foreign exchange earnings, employment generation, mineral royalties, employee income taxes payments etc.

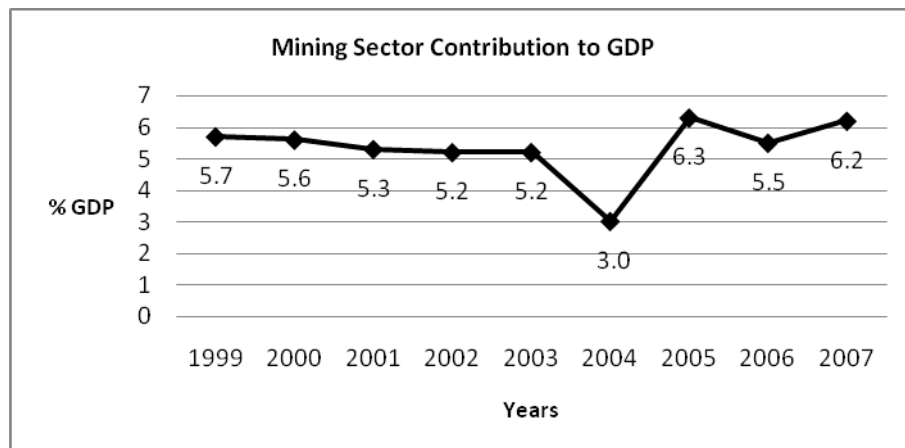
It is noteworthy that mining's contribution to GDP increased from 1.3% in 1991 to 6.16% in 2007. In 2007 minerals' contribution to gross export earnings was about 41%, a significant contribution to the country's balance of payments regime.

The sector continues to be one of the highest contributors to the Internal Revenue Service through the payment of mineral royalties, employee income taxes, corporate taxes and ancillary levies. Indeed in 2007, the mining industry contributed about GH¢123million to the IRS collection. This represents 13.65% of IRS' total collection. By this the mining industry was only outperformed by the Financial Intermediation and Public Administration & Defence sectors of the economy.

The responsiveness of mining companies to their social responsibilities motivates them to contribute both in cash and kind to the development of their host communities. Indeed mining companies' interest in their host communities have in recent times been expanded to include social investments projects where they collaborate with the communities to fund projects that yield both social and economic returns to the communities.

3.1 Gross Domestic Product (GDP) - Mining Sector (1999-2007)

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Data source: Minerals Commission, Statistical overview of Ghana's Mining Industry (1999-2006)
Ghana Statistical Service (2007)

3.2 Gross Domestic Product (GDP) by Sectors in 2006 & 2007

Sectors	Contribution (%)	
	2006	2007
Mining and Quarrying	5.5	6.16
Cocoa Production and Marketing	4.4	3.97
Forestry and Logging	3.4	3.31
Crop and Livestock	23.2	22.68
Manufacturing	8.8	8.05
Fishing	4.4	4.36
Electricity and Water	3.1	2.47
Construction	8.6	9.28
Services	30.0	31.07

Data source: Ghana Statistical Service

3.3 Contributions to IRS by Sectors 2007-2008

CONTRIBUTIONS TO IRS 2007-2008		

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SECTOR	CONTRIBUTION 2007		CONTRIBUTION 2008	
	GH¢	% to total Ghana	GH¢	% to total Ghana
Agriculture, hunting and forestry	6,702,316.20	0.74	9,829,413.91	0.80
Fishing	1,682,775.67	0.19	2,202,377.53	0.18
Mining and Quarrying	123,021,866.25	13.65	179,978,382.76	14.72
Manufacturing	109,763,699.53	12.18	103,771,220.46	8.49
Electric Gas and water	21,618,693.88	2.40	29,366,902.01	2.40
Construction and Construction equipment	31,742,453.00	3.52	33,981,073.61	2.78
Wholesale and retail	66,810,506.19	7.41	93,542,555.36	7.65
Hotel and Restaurant	13,560,599.96	1.50	12,732,124.69	1.04
Transport	18,710,363.07	2.08	21,867,163.31	1.79
Storage	21,145,008.79	2.35	32,259,560.79	2.64
Communication	103,942,294.08	11.53	143,136,107.15	11.71
Fin. Intermediation	129,122,830.29	14.33	188,560,959.67	15.43
Real Estate and renting activities	4,781,666.90	0.53	7,659,914.15	0.63
Computer, Reg. and Development	4,860,338.34	0.54	7,722,304.55	0.63
Other Professions and business activities	46,382,620.86	5.15	75,930,405.12	6.21
Public Administration and Defence	132,848,053.40	14.74	192,498,690.06	15.75
Education	27,795,300.44	3.08	31,225,426.50	2.55
Health and Social work	6,516,667.34	0.72	7,477,270.23	0.61
Other Social and personal service activities	26,203,046.42	2.91	42,195,803.84	3.54
Private Household Employment	478,406.03	0.05	112,121.97	0.01
Extra Territorial Org. and Bodies	3,552,833.73	0.39	6,222,399.33	0.51
TOTAL	901,242,340.38	100.00	1,222,272,177.00	100.00

Data source: Internal Revenue Service

3.4 CONTRIBUTIONS TO CORPORATE TAX COLLECTION BY SECTORS (2007-2008)

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CONTRIBUTIONS TO IRS 2007-2008				
SECTOR	CONTRIBUTION 2007		CONTRIBUTION 2008	
	GH¢	% to total Ghana	GH¢	% to total Ghana
Agriculture, hunting and forestry	2,452,946.92	0.59	4,717,439.00	0.85
Fishing	1,183,876.96	0.28	1,508,696.79	0.27
Mining and Quarrying	47,415,690.33	11.33	73,554,696.84	13.25
Manufacturing	77,138,460.96	18.42	63,919,601.30	11.52
Electric Gas and water	6,972,782.31	1.67	8,229,675.02	1.48
Construction and Construction equipment	17,345,249.82	4.14	16,652,482.67	3.00
Wholesale and retail	31,879,432.55	7.61	45,411,392.70	8.18
Hotel and Restaurant	9,213,346.54	2.20	6,422,885.52	1.16
Transport	4,625,730.04	1.10	4,693,602.21	0.85
Storage	7,285,512.94	1.74	9,975,577.54	1.80
Communication	91,886,532.24	21.95	127,609,739.91	22.99
Fin. Intermediation	79,072,158.82	18.89	116,332,502.26	20.96
Real Estate and renting activities	1,088,638.73	0.26	1,303,162.33	0.23
Computer, Reg. and Development	1,302,128.46	0.31	2,770,889.87	0.50
Other Professions and business activities	20,115,644.13	4.80	42,137,503.12	7.59
Public Administration and Defence	2,982,756.83	0.71	666,104.56	0.12
Education	2,790,281.21	0.67	2,264,879.32	0.41
Health and Social work	1,852,711.42	0.44	1,727,524.89	0.31
Other Social and personal service activities	10,570,961.50	2.52	22,123,930.83	3.99
Private Household Employment	461,747.98	0.11	45,530.59	0.01
Extra Territorial Org. and Bodies	1,032,560.85	0.25	2,925,143.63	0.53
TOTAL	418,669,151.54	100.00	554,992,960.90	100.00

Data source: Internal Revenue Service

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3.5 CONTRIBUTION TO PAYE COLLECTION BY SECTORS (2007-2008)

CONTRIBUTIONS TO IRS 2007-2008				
SECTOR	CONTRIBUTION 2007		CONTRIBUTION 2008	
	GH¢	% to total Ghana	GH¢	% to total Ghana
Agriculture, hunting and forestry	3,848,093.38	1.03	4,697,007.59	0.92
Fishing	451,258.12	0.12	663,887.56	0.13
Mining and Quarrying	34,587,596.96	9.29	47,139,242.31	9.19
Manufacturing	31,391,272.16	8.43	38,201,918.29	7.45
Electric Gas and water	14,590,074.42	3.92	20,987,600.99	4.09
Construction and Construction equipment	10,495,879.45	2.82	12,747,848.22	2.49
Wholesale and retail	18,705,387.10	5.03	23,872,267.76	4.66
Hotel and Restaurant	3,643,559.66	0.98	5,225,147.09	1.02
Transport	6,506,740.34	1.75	9,102,610.08	1.78
Storage	6,045,362.20	1.62	8,296,008.60	1.82
Communication	11,601,191.22	3.12	14,892,988.45	2.90
Fin. Intermediation	45,705,359.90	12.28	67,386,604.27	13.14
Real Estate and renting activities	1,227,547.68	0.33	2,609,638.37	0.51
Computer, Reg. and Development	3,346,902.08	0.90	4,560,735.08	0.89
Other Professions and business activities	7,862,858.70	2.11	9,461,426.95	1.85
Public Administration and Defence	129,697,728.61	34.84	191,616,208.02	37.38
Education	23,595,268.57	6.34	27,083,584.52	5.28
Health and Social work	4,086,709.31	1.10	4,663,070.41	0.91
Other Social and personal service activities	12,326,400.05	3.31	16,325,586.68	3.18
Private Household Employment	3,603.99	0.00	20,496.90	0.00
Extra Territorial Org. and Bodies	2,501,932.79	0.67	3,125,960.71	0.61
TOTAL	372,220,726.69	100.00	512,679,838.85	100.00

Data source: Internal Revenue Service

THE GHANA CHAMBER OF MINES
Factoid 2008

3.6 MINING'S CONTRIBUTION TO TOTAL ROYALTIES (1993-2008)

YEAR	MINERAL ROYALTIES ('000)	TOTAL ROYALTIES ('000)	% MINING CONTRIBUTION
1993	7,485,121	7,578,993	98.8%
1994	12,783,689	12,889,288	99.2%
1995	20,911,926	21,165,378	98.8%
1996	35,527,027	36,554,637	97.2%
1997	34,594,950	34,892,890	99.1%
1998	49,841,242	51,246,019	97.3%
1999	48,620,419	49,904,743	97.4%
2000	118,736,935	120,402,330	98.6%
2001	127,358,386	128,658,185	99.0%
2002	153,452,471	154,282,756	99.5%
2003	200,867,945	202,377,432	99.3%
2004	215,743,706	219,754,239	98.2%
2005	235,951,903	245,129,408	96.3%
2006	316,254,789	357,167,242	88.5%
2007*	40,882	41,844	97.7%
2008*	59,005	62,915	93.8%
TOTAL			

Data source: Minerals Commission, Statistical overview of Ghana's Mining Industry (1993-2003)
 Internal Revenue Service (2004-2008)

* Contributions for 2007 & 2008 are in GH¢. All others are in cedis, (¢10,000: GH¢1)

3.7 Investments in the Mining Sector

INVESTMENT INFLOW INTO THE MINING SECTOR (1983-2007)	
A. MINING COMPANIES	

THE GHANA CHAMBER OF MINES
Factoid 2008

	EQUITY	SNR. DEBT	SHAREHOLDER DEBT	TOTAL
	US\$m	US\$m	US\$m	US\$m
1983	6.00	-		6.00
1984	-	58.04	-	58.04
1985	93.80	81.22	-	175.02
1986	-	-	-	-
1987	1.00	5.90	-	6.90
1988	-	-	-	-
1989	6.06	197.25	1.93	205.24
1990	18.51	159.10	90.91	268.52
1991	9.90	18.31	59.02	87.24
1992	152.95	155.00	113.35	421.30
1993	1.06	5.70	-	6.76
1994	3.00	7.07	-	10.07
1995	7.32	2.44	14.21	23.97
1996	11.02	-	68.75	79.77
1997	19.93	60.84	137.46	218.23
1998	27.60	131.76	13.43	172.79
1999	35.33	41.19	77.31	153.84
2000	7.76	15.09	6.25	29.09
2001	28.50	50.13	30.00	108.63
2002	40.50	45.00	25.00	110.50
2003	40.58	160.19	15.00	355.80
2004	23.42	152.35	-	175.77
2005	69.78	377.00	-	446.78
2006	50.20	260.00	-	310.20
*2007	48.00	379.00	-	427.00
TOTAL	702.22	2,362.57	792.64	3,857.43

Data source: Minerals Commission, Statistical overview of Ghana's Mining Industry

* Provisional values

3.8 Investments for prospecting companies

EXPENDITURE FOR PROSPECTING COMPANIES (1990 - 2005)			
	OPERATING	CAPITAL	TOTAL

THE GHANA CHAMBER OF MINES
Factoid 2008

	EXPENDITURE	EXPENDITURE	
	US\$m	US\$m	US\$m
1990	99.61	30.11	129.73
1991	133.18	58.90	192.08
1992	121.54	52.56	174.10
1993	228.36	28.78	257.13
1994	72.21	16.05	88.25
1995	46.83	94.16	140.99
1996	50.06	644.93	649.99
1997	33.51	288.52	322.03
1998	37.90	25.34	63.24
1999	14.66	9.53	24.19
2000	170.20	9.20	179.40
2001	130.20	15.01	145.21
2002	180.05	50.44	230.49
2003	188.54	60.13	248.67
2004	200.51	75.36	275.86
2005	165.35	41.05	206.40
2006	115.85	61.43	177.28
*2007	185.00	97.50	282.50
TOTAL	2,173.56	1,658.99	3,832.55

Data source: Minerals Commission, Statistical overview of Ghana's Mining Industry

* Provisional values

3.9 CAPEX

Producing mining companies made a Capital Expenditure of about US\$538,432,312 in plant machinery equipment in 2007.

3.10 Percentage Export Merchandise

**THE GHANA CHAMBER OF MINES
Factoid 2008**

Mineral exports by Chamber members in 2007 amounted to \$1,793,343,307. The country's total export merchandise for the same period was about \$4,292.61 million. The producing members of the Chamber therefore accounted for about 41.78% of gross export revenue.

Income terms-of-trade multiplier arises from the positive impact that mineral export earnings have on the balance of payments, foreign reserves, monetary policy and ultimately upon the general level of business activity in the country.

3.11 MINING SECTOR CONTRIBUTIONS (1990-2008)

YEAR	CORPORATE TAX	MINERAL ROYALTIES	PAYE	RECONSTRUCTIONAL LEVY	TOTAL MINING	TOTAL IRS	%MINING/TOTAL
1990	2,825,941,158	1,893,436,000			4,719,377,158	52,818,068,300	8.94%
1991	821,844,979	3,021,277,000			3,843,121,979	61,485,625,496	6.25%
1992	455,051,883	4,545,804,000			5,000,855,883	74,931,531,366	6.67%
1993	4,393,447,293	7,485,121,000	2,649,306,000		14,527,874,293	113,236,997,000	12.83%
1994	7,214,082,000	12,783,689,000	4,810,802,000		24,808,573,000	166,595,941,000	14.89%
1995	20,392,973,000	20,911,926,000	7,951,763,000		49,256,662,000	275,513,201,000	17.88%
1996	9,160,528,000	35,527,027,000	16,834,543,000		61,522,098,000	424,491,908,000	14.49%
1997	9,868,796,000	34,594,950,000	25,022,023,000		69,485,769,000	605,782,577,000	11.47%
1998	14,450,773,000	49,841,242,000	31,016,506,000		95,308,521,000	785,436,693,000	12.13%
1999	31,117,108,000	48,620,419,161	27,839,260,000		107,576,787,161	901,663,758,000	11.93%
2000	15,789,167,000	118,736,935,173	59,243,800,000		193,769,902,173	1,409,445,273,000	13.75%
2001	24,812,893,000	127,358,386,430	76,111,678,000	4,251,467,579	232,534,425,009	1,950,162,751,000	11.92%
2002	23,501,158,000	153,452,471,032	101,457,668,000	26,474,633,878	304,885,930,910	2,757,747,781,032	11.06%
2003	68,137,702,000	194,387,579,429	141,049,450,000	16,785,882,702	420,360,614,131	3,824,078,389,429	10.99%
2004	100,331,114,000	215,743,706,000	134,357,711,000	36,346,622,100	486,779,183,100	5,333,114,704,000	9.13%
2005	269,889,639,000	235,951,903,000	194,058,939,000	22,957,004,700	722,857,485,700	6,446,385,048,000	11.21%
2006	404,361,775,000	316,254,789,000	216,525,776,000	11,085,262,400	748,227,602,400	7,333,916,866,000	10.20%
2007*	47,415,690	40,882,042	34,587,597	-	123,021,866	901,242,340	14%
2008*	73,554,697	59,004,892	47,139,242	-	179,978,383	1,222,272,177	15%

Data source: Minerals Commission, Statistical overview of Ghana's Mining Industry (1990-2003) ; Internal Revenue Service (2004-2008)

* Contributions for 2007 & 2008 are in GH¢. All others are in cedis, (¢10,000: GH¢1)

12 Social Security Contributions

An amount of GH¢9,563,180 as statutory contributions was made by producing mining companies on behalf of their employees in 2007. These are long-term funds which assists the country’s capital formation drive.

Indeed the mining industry contributes to capital formation multiplier which arises from mining companies’ influence in attracting foreign capital to the country and in domestic capital formation.

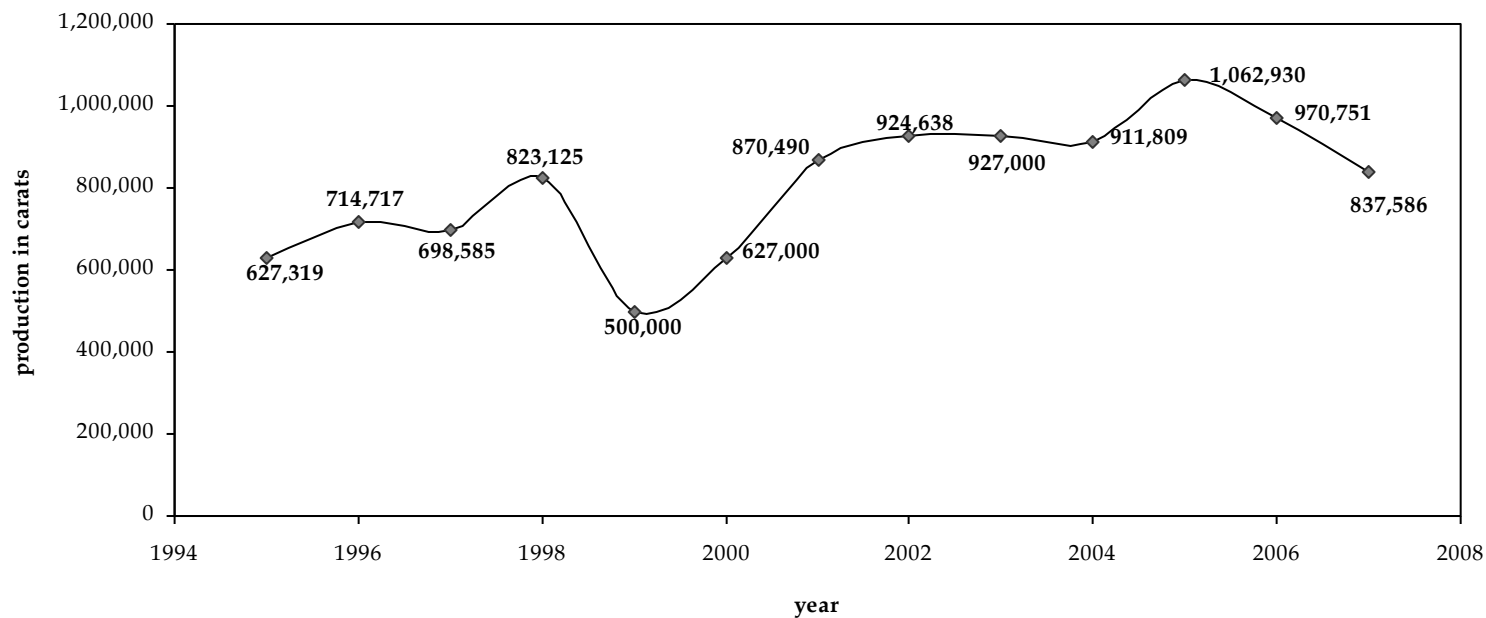
4.0 MAJOR MINERAL PRODUCTION IN GHANA

4.1 PRODUCTION TREND FOR GOLD



4.2 PRODUCTION TREND FOR DIAMOND

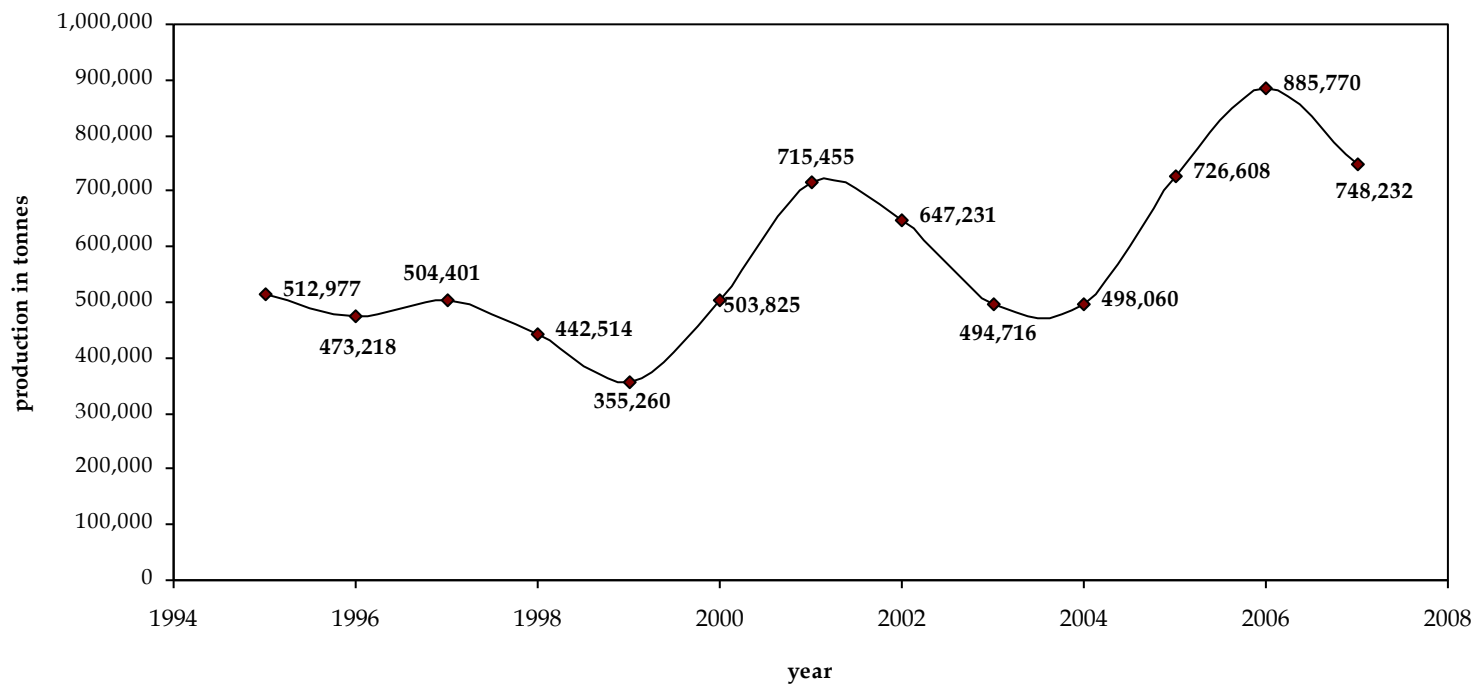
Production Trend (1999-2007)



Source: Chamber of Mines Annual Reports

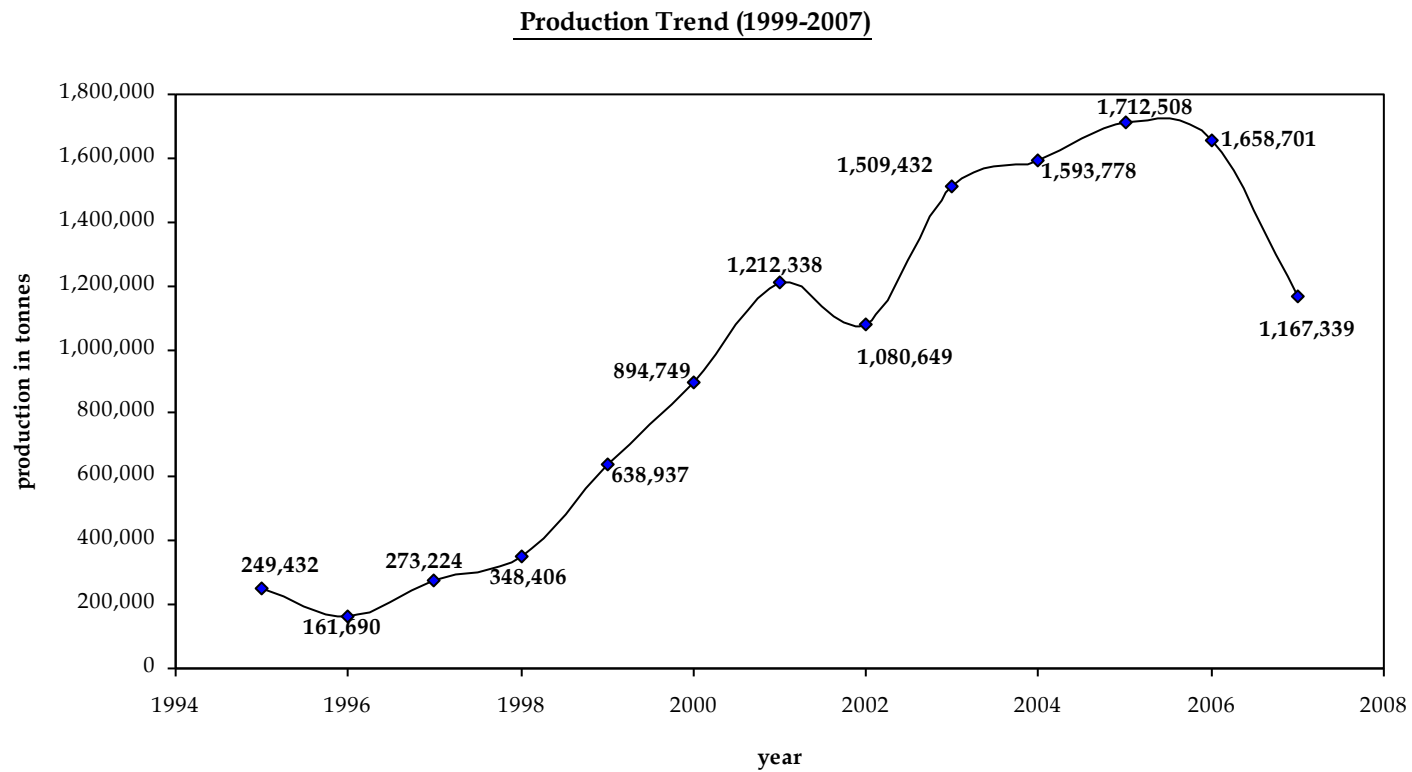
4.3 PRODUCTION TREND FOR BAUXITE

Production Trend (1999-2007)



Source: Chamber of Mines Annual Reports

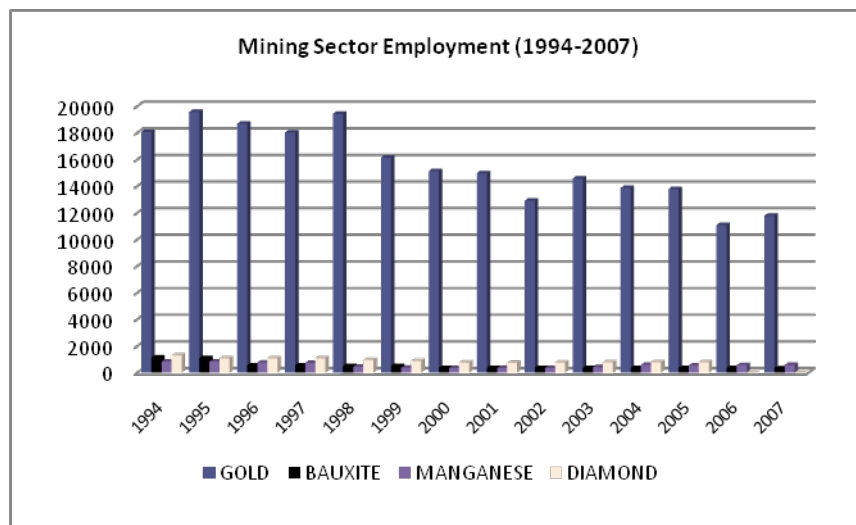
4.4 PRODUCTION TREND FOR MANGANESE



Source: Chamber of Mines Annual Reports

5.0 LABOUR IN THE MINING SECTOR

**THE GHANA CHAMBER OF MINES
Factoid 2008**



Data source: The Ghana Chamber of Mines

5.1 Employment

Direct employment by producing members of the Chamber as at 31st December 2007 was 12,658 out of which 2% were expatriates. The rest were Ghanaians. Small scale mines also employed about 600,000 people as at the end of 2006 while mine support services employed 7,500 by the end of 2006.

6.0 SOCIO - ECONOMIC CONTRIBUTIONS

6.1 Socio-Economic Contributions

The mining industry contributes to social multipliers which arise from the role of mining companies in the development of human resources and infrastructure such as schools, colleges, clinics, roads, and housing.

Socio-economic contributions	2004 (US\$)	2005 (US\$)	2006 (US\$)	2007 (US\$)
Education	486,927	603,519	1,121,061	1,010,246
Health	549,900	332,924	368,440	565,596

**THE GHANA CHAMBER OF MINES
Factoid 2008**

Electricity	140,939	65,913	176,086	458,797
Roads	75,291	692,282	399,020	609,146
Water	265,493	349,992	19,543	220,876
Housing	264,749	79,520	1,289,664	618,531
Agro-Industry	33	2,313	1,228,439	386,668
Agriculture	9,291	11,201	87,543	743,937
Sanitation	116,410	65,503	2,648,974	262,863
Resettlement Action Plan	548,496	19,780	2,648,974	4,503,381
Alternative Livelihood Projects(others)	242,215	361,685	880,441	2,897,767
Others	370,691	337,942	845,054	830,747
Total	3,070,436	2,922,573	9,802,809	13,108,554

Producing members of the Chamber voluntarily contributed about \$10 million to their host communities in 2006 and over \$13 million in 2007. This represents about 30% of mineral royalties paid by these companies in 2007.

6.2 Land Take

The total area under all mining activities both large and small scale is 31,237 km² representing about 13.1% of the country's total land area of 238,608km². Reconnaissance licenses which by definition and practice, permit concurrent economic activities such as farming covers 12,478 km². Reconnaissance license alone therefore accounts for 40% of land covered by mining activities.

6.3 Property Rates

The producing members of the Chamber, in 2007, paid a total amount of GH¢859,575 to the various district assemblies within which they work. The main beneficiaries were the Wassa West, Adansi West and the Bibiani Ahwianso district assemblies.

The property rates paid by mining companies complement the primary funds such as the District Assemblies Common Fund used in running the districts.

7. ENERGY

The mining companies' patronage of the energy sector amply demonstrates its backward linkage into the local economy.

7.1 Electric Power

**THE GHANA CHAMBER OF MINES
Factoid 2008**

In 2006, the mining industry consumed about 1,011,119,549 KW/hr of electric power. The producing members paid a total of about €200 billion to VRA and ECG for electric power consumption in 2006. In 2007, 1,316,533,729 KW/hr was used by the industry costing them GH¢121,320,758. (Note: €10,000: GH¢1)

7.2 Diesel

In 2007 the mining industry's diesel consumption of 206,866,730 litres was higher than that for 2006 which was 163,954,758 litres supplied by the Tema Oil Refinery. This amounted to US\$100,882,332 for 2006 and US\$177,493,381 for 2007.

APPENDIX A

A1: MAJOR MINERAL PRODUCTION IN GHANA (1990-2007)

Year	Gold (Ounces)	Diamond (Carats)	Bauxite (M/t)	Manganese (M/t)
1970 ¹	714,442	2,355,797	259,993	354,726
1971	693,770	2,542,100	361,038	455,253
1972	710,013	2,482,822	356,479	476,690
1973	731,711	2,375,582	330,351	533,789
1974	709,550	2,406,860	327,627	255,393
1975	583,103	2,255,227	383,087	282,291
1976	515,654	2,231,791	282,084	384,162
1977	531,084	2,085,511	271,090	343,228
1978	465,651	1,817,818	271,448	321,443
1979	387,730	1,391,058	213,679	342,051
1980	437,669	1,227,071	224,501	368,593
1981	349,870	1,016,580	179,598	260,409
1982	335,724	893,016	63,530	176,871
1983	311,707	529,767	52,676	177,154
1984	282,641	450,049	53,421	243,260

THE GHANA CHAMBER OF MINES
Factoid 2008

1985	283,819	505,295	122,512	325,905
1986	447,796	878,943	273,602	498,996
1987	328,939	435,900	196,255	295,061
1988	374,051	277,966	284,527	259,614
1989	418,070	160,729	347,065	333,743
1990	522,517	484,877	381,373	364,373
1991	946,269	702,172	352,921	325,964
1992	1,006,943	596,236	338,244	353,476
1993	1,251,010	584,848	423,747	294,789
1994	1,396,887	746,949	426,128	271,989
1995	1,630,309	627,319	512,977	245,432
1996	1,550,814	714,717	473,218	161,690
1997	1,644,622	698,585	504,401	273,224
1998	2,353,000	823,125	442,514	348,406
1999	2,257,681	680,343	355,260	638,937
2000 ²	2,315,000	627,000	503,825	638,937
2001	2,205,473	870,490	715,455	1,212,338
2002	2,115,196	924,638	647,231	1,132,000
2003	2,208,154	927,000	494,716	1,509,432
2004	1,794,497	911,809	498,060	1,593,778
2005	2,149,372	1,062,930	726,608	1,714,797
2006	2,244,680	970,751	885,770	1,658,701
2007	2,486,821	837,586	748,232	1,156,339

Source: ¹ 1970 -1999 - Minerals Commission, Statistical overview Of Ghana's mining industry

² 2000 - 2007 Chamber of Mines Annual Reports