

---

## [Ghana: The World Bank in the gold scenario](#)

Decades of deforestation and forest degradation have left less than two percent of Ghana's native forest intact. These forests have been the source of livelihood for forest dependent people, providing them with fuel wood, charcoal, building materials, fodder, fruits, nuts, honey, medicines, dyes. They also play an environmental role regarding prevention of soil erosion, watershed protection, soil fertility/shade, shelter from wind, prevention of floods and landslides, water retention and maintenance of water purity. They are also home to 2,100 plant species, over 200 mammal species including buffalo, leopard, golden cat, chimpanzee, forest elephant and pygmy hippopotamus, 200 bird species including the African grey parrot, and butterflies, all internationally recognized as in danger of extinction, thus designating them as Special Biological Protection Areas and Globally Significant Bio-diversity Areas.

In 1994, some efforts to protect the remaining savanna and moist tropical forests gave way to a Forest and Wildlife Policy Draft. However, the prevailing economic theory that binds Southern countries to the depletion of their natural resources in order to develop --a path which has brought about pollution, displacement of communities, misery and hunger for the majority, while huge profits just for a few companies and local elites-- presses hard through the multilateral instruments of power (World Bank, International Monetary Fund).

For Ghana, they have set its gold mining fate (see WRM Bulletin N° 68). The country stands as Africa's second largest gold producer, at the expense of nature and human rights (see WRM Bulletin N° 41 and 54). Mining operations in Ghana have displaced more than 50,000 indigenous people without just compensation, employed less than 20,000 Ghanaians (due to over-reliance on expatriate workers), burned villages, illegally detained activists, raped women and continually denied the local culture. But this a well established pattern common to almost all mining communities.

At a time when international gold prices were at a six-year high due to investor caution surrounding the impending war with Iraq, the government indicated that it was ready to open the protected forest to mining, thus handing over the country's biological wealth. Newmont --a gold producing firm and a leader in processing technology and exploration headquartered in Denver, Colorado in the United States-- and other mining companies had issued veiled threats of lawsuits, or complete closedowns and relocations to Tanzania in order to "convince" the government to follow through on the permits after exploration had started.

Mining operations within pristine forest ecosystems will speed mass deforestation and environmental degradation in the country and pollute the fragile freshwater systems and topsoil with cyanide and arsenic. "Just look at this country's forest estate. We had about 8.3 million hectares; now we are left with only 1.2 million hectares and we still want to give out some more for mining when we know very well that after the mining there will be no forests," said Friends of the Earth's Abraham Baffoe. "Our villages have already been so rapaciously deforested by mining and the health and the quality of remaining forests continue to decline and now they are asking for the forest reserves; do they think Ghanaians wash their faces from their chin upwards? Please write all that I have said and tell the authorities that I said so," said Akosua Birago a sixty-two year old farmer at Abekoase in Ghana's

---

Western Region.

Though the Minister of Mines Cecilia Bannerman had denied having given out mining permits to any mining company to mine in any portion of the forest reserves, the President has assured Newmont that his government is willing to support the company to enable it to smoothly operate in the country.

On January 14, 2004, the Ghana National Coalition of Civil Society and Community Groups against mining in forest reserves, which includes more than 17 NGOs and community groups, sent a second letter to the President of the World Bank Group, James Wolfensohn. In the letter, they reminded him of the sign-on letter they had sent to him last year, demanding that the Government of Ghana rescind any permission already granted to mine in the country's forest reserves and calling upon the World Bank Group to clearly state that it does not and will not support the authorization of mining in Ghana's forest reserves and also requesting a formal response from the Bank to the Coalition's appeal (see WRM Bulletin N° 71). Up to date, no response has still been received from the World Bank.

Instead, the gold mining companies have gone ahead with processes leading to mining in some of the forest reserves. The Government of Ghana and Newmont Mining signed an investment agreement last December 2003. In January 2004, Ghana's Environmental Protection Agency (EPA) advertised the Environmental Impact Assessment (EIA) of Chirano Gold Mines project in the Tano-Sraw forest reserve, in the Western Region of Ghana. Canadian diamond explorer PMI Ventures announced this year that the next phase of diamond drilling has started on the nine exploration concessions and applications, which comprise its Ashanti II Gold Plate located in southwestern Ghana.

The social organizations feel the World Bank Group (WBG) is aware and fully behind the government and the companies, which explains the long silence and apparent neglect of their letter. The WBG has a long history of involvement in Ghana's mining and forestry sectors, providing technical assistance on policy and institutional reform, as well as investments in and support for private sector mining operations.

This happens at a time when the WBG is considering its response to the Extractive Industries Review (EIR) report which recommended the vigorous pursuit of good governance, respect for community rights in mining projects and full implementation of the Natural Habitat Policy as a basis for clear No-Go-Zones.

The World Bank's silence is thus a clear answer that it is willing to support mining companies in the destruction of the country's remaining forests; that it will continue assisting in the destruction of local peoples' livelihoods and that it does not care about the fate of any endangered species.

Article based on information from: "Newmont Meets Media", Isaac Essel, Accra Mail, <http://allafrica.com/stories/200403030502.html> ; "Newmont Moves In to Open Ghana's Closed Forest Reserves", Charity Bowles, who worked with Friends of the Earth, Ghana, on the National Coalition on Mining, sent by Mike Anane, e-mail: [lejcec@ghana.com](mailto:lejcec@ghana.com) ; "Newmont Boss Presents Straight-Faced Joke to Ghana's President", Allan Lassey, Third World Network, [http://twnafrica.org/event\\_detail.asp?twnID=438](http://twnafrica.org/event_detail.asp?twnID=438) ; "Canadian explorer starts drilling at Ghana gold project", Creamer Media (Pty) Ltd, <http://www.engineeringnews.co.za/eng/utilities/search/?show=46618>

