

For Ghana to derive the best from its mineral resources the Chief Executive of the Ghana Chamber of Mines, Dr. Joyce Aryee is advocating the creation of a national vision to guide the use of these resources. This vision, she said, would tie the country to a definite objective for which it wants to apply the proceeds from the natural resources.

Dr. Aryee, who was contributing to the debate on "*Overcoming Africa's Addiction to Foreign Aid: the Alternatives*", observed that the continuous exploitation of these resources without any vision is the cause of the problems associated with mining in country. She warns that without this vision the country is likely to repeat in the oil and gas sector its mistakes in the other mining sectors. She was speaking at a roundtable discussion organized by the Institute of Economic Affairs (IEA) and which was attended by a cross-section of the public including politicians, academics, traditional rulers, financial experts, Ministers of State, Members of Parliament and diplomatic corps.

Mineral exports have a long history of importance in the economy and export trade of Ghana. Over the last 46 years the mining sector has been one of the key targets of policy reforms in the country and has experienced 6 major boom.

The industry accounts for about **5% of the country's GDP** and minerals make up **37%** of total exports, of which gold contributes over 90% of the total mineral exports. Thus, the main focus of Ghana's mining and minerals development industry until the commencement of production of oil and gas last December focused mainly on gold. Ghana is Africa's second largest gold producer, producing 80.5 tons in 2008. Production is dominated by AngloGold Ashanti. Ghana is also a major producer of bauxite, manganese and diamonds, The country has 23 large-scale mining companies producing gold, diamonds, bauxite and manganese, and, there are also over 300 registered small scale mining groups and 90 mine support service companies. Other mineral commodities produced in the country are natural gas, petroleum, salt and silver.

In spite of this vast resource many parts of the country remain poor with most of the mining communities experiencing the worse form of lack of development. This situation has led many Ghanaians to grapple with the question as to what the country has been doing with the proceeds from the exploitation of its vast mineral wealth over the years. But Dr. Aryee still believes that the sector holds the answer to the Country's problems, particularly as it seeks alternative sources of funding to the national budget, following the rebasing of the economy and the subsequent declaration of the country as a Middle Income Country last year. This new status means that the country's development partners are likely to cut down or stop their aid to

the country.

According to her, what has to be done is the development of proper linkages spelt out in a long term vision, "Without such elaborate programme there will be no point in undertaking mining ventures in the country. There are certain things that must be done once we decide to explore our resources, In Ghana, we think first of the revenue Stream—taxes and royalties; about 86 percent which goes into current Expenditure"

She said that for instance the development of a mine comes with advantages such as electricity, water, roads and financial institutions and the vision should spell out how to link the local economies of the mines' fringe communities to these forms of infrastructure.

Source: Public Agenda