

MINERALS AND MINING (SUPPORT SERVICES) REGULATIONS, 2012 (LI 2174)

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MINERALS AND MINING (SUPPORT SERVICES) REGULATIONS, 2012 (LI 2174)

IN exercise of the powers conferred on the Minister responsible for Mines by sections 59 and 110 (1) of the Minerals and Mining Act, 2006 (Act 703), these Regulations are made this 20th day of March 2012.

Regulation 1—Registration

- (1) A person may on an application to the Minerals Commission be registered to provide support services in accordance with these Regulations to a holder of a mineral right.
- (2) An application for registration shall be in writing as set out in Form One of the First Schedule and shall be accompanied with
 - (a) a profile of the applicant;
 - (b) particulars of incorporation in Ghana;
 - (c) the annual reports of the applicant, if the applicant is an existing company;
 - (d) a business plan of the applicant;
 - (e) curriculum vitae of key personnel available to the applicant;
 - (f) a copy of the applicant's contract with the mineral right holder, if any;
 - (g) the particulars of machinery and equipment to be used by the applicant;

- (h) evidence of the applicant's financial resources;
 - (i) the tax clearance certificate of the applicant;
 - (j) the Social Security and National Insurance Trust (SSNIT) Clearance Certificate;
 - (k) the Value Added Tax Registration, and
 - (l) the applicant's programme for the employment and training of Ghanaians in accordance with the Minerals and Mining (General) Regulations, 2012 (L.I. 2173).
- (3) An applicant may be registered as a "Class A" or "Class B" support service provider as defined in regulation 2.
- (4) On registration, the Commission shall issue the applicant with a certificate and the certificate is valid for one year from the date of issue.
- (5) A registered person who provides contract mining support services to a small-scale mining licence holder shall give notice of the provision of the services to the relevant District Office of the Commission, and the District Assembly Office by submitting a copy of that person's certificate.
- (6) A certificate issued under these Regulations shall be renewed annually, and the renewal is subject to compliance with the terms and conditions of the certificate and these Regulations.

Regulations 2—Support service provider

- (1) A Class A support service provider means a person who provides
- (a) contract mining services which include topsoil and waste removal, drilling and blasting, excavating and haulage of ore to plant on turnkey basis;
 - (b) mining and ancillary construction services or works which are provided specifically and exclusively for the mining industry, which include
 - (i) civil works;
 - (ii) topsoil and waste removal;
 - (iii) construction of heap leach pad;
 - (iv) construction of haulage roads;
 - (v) construction of tailings storage facility; and
 - (vi) construction of water storage facility;
 - (c) assay laboratory services;
 - (d) drilling and blasting services;
 - (e) mining consultancy services;
 - (f) mineral exploration services for a mineral right holder;

- (g) supply of mining equipment and spare parts;
 - (h) fabrication of equipment and manufacturing of components and consumables specifically and exclusively for the mining industry which include manufacturing of explosives and hydraulic components, and production of activated carbon, sodium cyanide and lime; and
 - (i) any other service that is specifically and exclusively related to mining, which the Commission consider necessary for the effective and sustainable development of the mining industry.
- (2) A Class B support service provider means a person who is a Ghanaian and provides the following services specifically and exclusively to a mineral right holder:
- (a) contract mining services for small scale mining, which include mining and processing of ore, reclamation revegetation and management of mining operations;
 - (b) haulage services to and from mine sites including the transportation of personnel; and
 - (c) any other service that is specifically and exclusively related to mining, which the Commission considers necessary for the effective and sustainable development of the mining industry.
- (3) A person who is not a Ghanaian and is registered to provide contract mining services to small scale mining licence holders before the commencement of these Regulations, shall be permitted to do so until otherwise determined by the Minister.

Regulation 3—Benefits

- (1) The concessions that may be granted to a person who is registered as a support service provider are
- (a) in respect of a Class A support service provider:
 - (i) concessionary rates of customs import duties in respect of plant, machinery, equipment and accessories as provided in the Mining List, imported specifically and exclusively for mining-related activities as provided in regulation 2;
 - (ii) immigration quota in respect of the approved number of expatriate personnel;
 - (iii) receipt of part of the payment for that person's services in foreign currency from that persons mining sector customers, for the purpose of acquiring machinery, equipment, spare parts and mining supplies for services specifically and exclusively provided to a mineral right holder or for servicing debts or paying dividends as approved by the Bank of Ghana on the recommendation of the Commission; and
 - (b) in respect of a Class B support service provider, on the recommendation of the Commission to the Bank of Ghana, receipt of part of the payments for its services in foreign currency from its mining sector customers for the purpose of acquiring machinery, equipment, spare parts, and mining supplies for services specifically and exclusively provided to a mineral right holder, or for servicing debts or paying dividends.

(2) A person who provides the support services specified in paragraph (a) of sub regulation (2) of regulation 2 is entitled to the same benefits as a Class A support service provider.

Regulation 4—Records and reports

(1) A person who is registered under these Regulations shall

(a) maintain at an address in Ghana, which address shall be notified to the Commission, records, documents and information which include agreements with mineral right holders and other permits from appropriate regulatory agencies; and

(b) allow an authorised officer of the Commission, at a reasonable time, to inspect the documents and take copies of them.

(2) The Commission shall be given notice in writing of any change of office or of the record keeping address within seven days of the change.

(3) A person who is registered under these Regulations shall submit to the Commission monthly and annual reports on that person's activities as set out in Form Two of the First Schedule.

(4) A monthly report in respect of a particular month that is required to be submitted under sub regulation (3) shall be submitted not later than the fifteenth day of the following month.

(5) An annual report that is required to be submitted under sub regulation (3) shall be submitted not later than the thirtieth day of the month following the date of expiry of the company's registration.

(6) The reports shall contain a signed declaration by the Chief Executive Officer or an authorised representative of the Chief Executive Officer that the particulars contained in the reports are accurate and complete.

(7) The Commission may give notice in writing to a person registered under these Regulations to furnish the Commission, within the period specified in the, with further information as to any matters submitted in an earlier report, or as to any other matter which the Commission considers necessary for purposes of these Regulations.

Regulation 5—Contract mining services to small scale mining licence holders

(1) A person registered under these Regulation to provide contract mining services to small scale mining licence holders, shall provide services to a small-scale mining licence holder or group of small-scale mining licence holders as approved by the Commission.

(2) A person registered to provide contract mining services under sub regulation (1) shall not be permitted to work with another small scale mining licence holder unless that person has complied with the terms of the registration which include environmental requirements and that person's work is certified by the respective District Office of the Commission and the District Assembly as satisfactory.

Regulation 6—Environmental obligations of contract miners

(1) A person registered to provide contract mining services under these Regulations shall comply with the mining and environmental laws and Regulations.

(2) A person engaged by a small-scale mining licence holder to provide contract mining services shall be held jointly and severally liable with the licence holder for the restoration of any damage caused to the environment as a result of their activities.

Regulation 7—Fees

A person who applies to be registered under these Regulations shall pay the fees specified in the Second Schedule.

Regulation 8—Offences

(1) A person who

(a) fails to submit reports within the time specified in these Regulations; or

(b) fails to pay the prescribed fees in relation to any matter for which a fee is required by these Regulations,

is liable to pay to the Commission a penalty of one thousand United States dollars and a further one hundred United States dollars for each day that the default continues.

(2) A person who

(a) submits information which that person knows or ought to know is false or misleading in any material particular;

(b) fails to honour environmental obligations under the environmental laws of Ghana;

(c) fails, neglects or refuses to comply with any of the provisions of these Regulations; or

(d) fails, neglects or refuses to allow or provide reasonable facilities and assistance to an officer who exercise a power under these Regulations,

commits an offence and is liable on summary conviction to a fine of not less than one thousand penalty units and not more than one thousand five hundred penalty units or a term of imprisonment of not more than five years or to both.

(3) Where a person is convicted of an offence under this regulation, the registration of that person may in addition to any punishment that the Court may impose be cancelled or suspended.

Regulation 9—Interpretation

In these Regulations, unless the context otherwise requires,

"incorporation" includes incorporation under the Companies Act, 1963 (Act 179), the Incorporated Private Partnerships Act, 1962 (Act 152) or registration under the Registration of Business Names Act, 1962 (Act 151);

"Mining List" means the catalogue of mining machinery, equipment and consumables agreed upon by the Minerals Commission, Ghana Revenue Authority, Value Added Tax Service and the Ghana Chamber of Mines to be exempted or charged concessionary rate for customs import duties and value added tax.

SCHEDULES

FIRST SCHEDULE

Form One

Form of application to register as a mine support service provider

(Regulation 1(2))

Minerals Commission

#12 Switchback Road Residential Area, Cantonments, P. O. Box M248 Accra-Ghana Tel: 233 302 772783, 779823, 773053, 771318 Fax: 233 302 773324 Website: www.ghana-mining.org

Email: Mincom@mc.ghanamining.org

APPLICATION FOR REGISTRATION

APPLICATION

AS MINE SUPPORT SERVICE COMPANY

NO.:

SECTION 1: APPLICANT'S IDENTIFICATION DATA

NEW APPLICANT

RENEWAL OF EXISTING LICENCE

Are you applying for the first time?

Yes

No

Full Name of Applicant

Have you previously registered as a mine support service company?

Yes___

No___

If Yes please provide the following information:

Date of Previous Registration:

Name under which Previous Registration was done:

Registered Office of Applicant

Postal Address P.O. Box

Facsimile

City/Town/Village Email Address

Region Website

Fixed Phone Line # Mobile Phone

Applicant's Tax

Identification Number

(TIN) Applicant's VAT

Identification

Number

SECTION 2: APPLICANT'S FINANCIAL DETAILS

Full Name of Bankers

and/ or Financier(s)

Postal Address P.O. Box Facsimile #

City/ Town/Village Email Address

Region Website

Fixed Phone Line # Capital

Invested

Source (s) of Funding

SECTION 3: OTHER DETAILS

Key activity (ies) or Proposed activity (ies) of applicant

Whether applicant holds Contract(s)/MOU/ Letter of Intent with a Mineral right holder or Mine Support Service Company, and if so give details

Whether Applicant holds any licence, registration or permit from Ministries/Department/Agencies of Government of Ghana and if so list them.

I declare that the information provided above is true and correct. I agree to abide and be bound by the terms, conditions and contractual provisions governing the operation of the registration sought which I have received, read and understood.

Signature(s) or Seal as Datedday of 20.....

Appropriate

SECTION 4: DOCUMENTS SUBMITTED BY APPLICANT (OFFICIAL USE ONLY)

VAT Registration Certificate
Application Form

Receipt of Payment for

Tax Clearance Certificate • Evidence of Payment of Prescribed

Business Plan • Application Processing Fee (Receipt #:)

• Contract with Mineral Right Holder

For existing companies, a Social Security and National Insurance Trust (SSNIT) Clearance Certificate is required

Summary of Annual Reports over the last three (3) years including audited accounts (if any)

Registered Company - Certified True Copies of Certificate of Incorporation, Certificate to Commence Business, and company regulations

Evidence of Financial Capability:

Bank Statement over the last six months/Letter of Support from the Financier

Submission Date

Submitted by

/ ./ Checked and Received by

by

Signature of Receiving

Officer

Signature of

Applicant/Rep.

FORM TWO

Reports of mine support service provider

(Regulation 4(3))

MINERALS COMMISSION

MONTHLY REPORT ON OPERATIONS OF MINE SUPPORT SERVICE COMPANY

Registration Code Number _____

Month: _____

Year: _____

Minerals Commission — Monitoring and Evaluation Department

Form MR: MSS Monthly Report: Mine Support Service

Received at: _____

On: _____

Authorizing Officer: _____

Report is confirmed complete: _____

On: _____

Reviewing Officer _____

Note to the preparer: On this form report only matters pertinent to the registration code number reported above. Use a separate reporting form for each registered mining lease (combined reports are not permissible).

A. COMPANY DETAILS

1. Name of Company: _____

2. Address: _____

3. Telephone:.....
.....

Fax:

4.
..... Email:

5. Current date of registration as Mine Support Service
Company.....

6. Current location(s) on the field
.....

7. Name of Parent Company and Address (if
any).....

1. COMPANY DIRECTORS

Name of Director	Nationality
------------------	-------------

- | | |
|-----------|-------|
| (a) ..... | ..... |
| (b)..... | ..... |
| (c)..... | ..... |
| (d)..... | ..... |
| (e)..... | ..... |

2. COMPANY SHAREHOLDING

Name of Shareholder	Nationality	% Shareholding
---------------------	-------------	----------------

- | | | |
|----------|-------|-------|
| (a)..... | ..... | ..... |
| (b)..... | ..... | ..... |
| (c)..... | ..... | ..... |

(d).....
.....
.....

(e).....
.....
.....

3. DIRECTORS OF PARENT COMPANY

Name of Director Nationality

(a).....
.....

(b).....
.....

(c).....
.....

(d).....
.....

(e).....
.....

4. KEY SHAREHOLDERS OF PARENT COMPANY

Name of Shareholder Nationality % Shareholding

(a).....
.....
.....

(b).....
.....
.....

(c).....
.....
.....

(d).....
.....
.....

(e).....
.....
.....

B. RETURNS

(i) Volume of Contract/Client

Name of Client/Customer	Location of Client/Customer	Contract	Amount (GH¢ or \$)
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Duration of Contract

(ii) Sale of Materials/Products (equipment, consumables, etc.)

Material/Product	Tonnage Sold Locally	Tonnage Sold by Export	Local Sales (GH¢ or \$)
------------------	----------------------	------------------------	-------------------------

Export Sales (\$)

TOTAL

(iii) Employment Statistics

	Expatriate	Ghanaian Senior	Ghanaian Junior	Contractors
Skilled Labour				
Unskilled Labour				
Locals Casual Labour				
Total				
Expatriate				
Male				
Female				
Total				

(iv) Brief on Operations (Attach separate sheet of paper)

(v) Environmental Issues (Attach separate sheet of paper)

(vi) Challenges and Opportunities (Attach separate sheet of paper)

(vii) Major Equipment and other capital items for project

(viii) Financial Aspect

Description of Equipment	Quantity	Total Cost (GH¢ or \$)
--------------------------	----------	------------------------

Total Cost

Average (Cedis/US\$).....	Monthly	Foreign	Exchange	Rate	Applied
FC(US\$)					
LC (GH¢) **					
i. Total Cash Cost		
ii. Total Coast		
iii. Total Cost Details:					
(a) Salaries and Wages (Gross)					
i. Local		
ii. Foreign		
(b) Bank Interest		
(c) Interest to Affiliate		
(d) Royalty Payable (¢)		
(e) Royalty paid (¢) ***		
(f) Corporate Tax		

(g) Depreciation
(h) SSF by Employer
(i) Consumables
(j) Utilities
(k) Fuel
(l) Maintenance Cost

TOTAL

* FC = Cost incurred in foreign currency for specific activities / cost item

** LC = Cost incurred in local currency for specific activities/cost item

*** Royalty Paid: Attach copy of GRA receipts

I HEREBY CERTIFY THAT THE INFORMATION AS PROVIDED ABOVE IS TRUE

Name: _____

Signature:

Designation: _____
Date: _____

MINERALS COMMISSION

ANNUAL REPORT ON OPERATIONS OF MINE SUPPORT SERVICE COMPANY

Registration Code Number: _____

Month:

Year:

Minerals Commission — Monitoring and Evaluation Department

Form MR: MSS Monthly Report: Mine Support Service

Received

at:

On: _____

Authorizing Officer: _____

Report is confirmed complete: _____

On: _____

Reviewing Officer _____

Note to the preparer: on this form report only matters pertinent to the registration code number reported above. Use a separate reporting form for each registered mining lease (combined reports are not permissible).

A. COMPANY DETAILS

1. Name of Company: _____

2. Address: _____

3. Telephone: _____ Fax: _____

4. Email: _____

5. Current date of registration as Mine Support Service Company.....

6. Current location(s) on the field _____

7. Name of Parent Company and Address (if any).....

1. COMPANY DIRECTORS

Name of Director Nationality

(a)

(b)..... ..

- (c).....
- (d).....
- (e).....

2. COMPANY SHAREHOLDING

Name of Shareholder Nationality % Shareholding

- (a).....
.....
.....
- (b).....
.....
.....
- (c).....
.....
.....
- (d).....
.....
.....
- (e).....
.....
.....

3. DIRECTORS OF PARENT COMPANY

Name of Director Nationality

- (a).....
.....
- (b).....
.....
- (c).....
.....

(d).....
.....

(e).....
.....

4. KEY SHAREHOLDERS OF PARENT COMPANY

Name of Shareholder Nationality % Shareholding

(a).....
.....
.....

(b).....
.....
.....

(c).....
.....
.....

(d).....
.....
.....

(e).....
.....
.....

B. RETURNS

(i) Volume of Contract/ Client

Name of Client/Customer Location of Client/Customer Contract Amount (GH¢ or \$)
Duration of Contract

(ii) Sale of Materials/Products (equipment, consumables, etc.)

Material/Product	Tonnage Sold Locally	Tonnage Sold by Export	Local Sales (GH¢ or \$)
------------------	----------------------	------------------------	-------------------------

TOTAL

(iii) Employment Statistics

	Expatriate	Ghanaian Senior	Ghanaian Junior	Contractors
Skilled Labour				
Unskilled Labour				
Local Casual Labour				
Total				
Male				

Female

Total

(iv) Brief on Operations (Attach separate sheet of paper)

(v) Environmental Issues (Attach separate sheet of paper)

(vi) Challenges and Opportunities (Attach separate sheet of paper)

(vii) Major Equipment and other capital items for project

Description of Equipment	Quantity	Total Cost (GH¢ or \$)
--------------------------	----------	------------------------

Total Cost

(iv) Volume of Contract/Client

I HEREBY CERTIFY THAT THE INFORMATION AS PROVIDED ABOVE IS TRUE

Name: _____ Signature: _____

Designation: _____ Date: _____

SECOND SCHEDULE

Fees

(Regulation 7)

NO. TYPE OF SERVICE FEES (UNITED STATES DOLLARS)

1. Mine Support Service Company Licence 250.00

2. Mine Support Service Company Licence

Annual Fees (Specific) 10,000.00

3. Mine Support Service Company Licence

Annual Fees (General) 6,000.00

4. Processing Fee 500.00

HON. MIKE ALLEN HAMMAH, M. P.

Minister responsible for Mines

Date of Gazette notification: 20th March 2012

Entry into force: 15th June 2012.