



PRESS RELEASE

GGMC IS INSTITUTIONALLY UNFIT FOR ENVIRONMENTAL PROTECTION

Any Guyanese concerned with the climate crisis could only be appalled at the virtually non-existent land restoration programme of the Guyana Geology & Mines Commission (GGMC) revealed in an article in the *Guyana Chronicle* dated July 31. Superficial understanding of restoration, non-enforcement, coupled with opaque finances, all point to an Agency unfit to protect the environment from the ravages of gold-mining. In light of this situation the Policy Forum Guyana (PFG) is calling for fundamental re-structuring of legal, technical and administrative approaches to land restoration in which the GGMC should have a reduced role, operate more transparently and be subject to more rigorous oversight.

GGMC Commissioner, Newell Dennison, was reported as stating that “*Reclamation is done by to making land usable again by planting trees, refilling mining pits and clearing waterways which were blocked*”. This is startlingly superficial. Such activities ought to be routinely undertaken by every miner and rigorously enforced by GGMC, not carried out by that agency. Abandoned mine-sites are silent bio-diversity graveyards; insect life is gone forever, animal species are hunted to extinction, water sources are polluted for years, communities life-styles are affected permanently. Their restoration is a major undertaking, far beyond the Commissioner’s description, which does even do justice to the limited work his Agency actually carries out.

The G\$100mn spent reclaiming of 44 acres of land over the past three years mentioned by the Commissioner Dennison appears to refer to the two pilot restoration schemes in Dakouria (Region 10) and Olive Creek (Region 7). This is not restoration *per se*, these demonstration schemes are intended to test methods of physical restoration and to arrive at actual costs in order to implement more realistic environmental bonds and develop good practice among miners. An earlier pilot scheme at Frenchman’s Cove in Bartica established that small-scale restoration projects will cost a minimum of six million dollars. Despite the fact that both schemes demonstrate that real restoration is a very expensive undertaking, the *Chronicle* article reported the Agency as still ‘mulling over’ whether the bond should be raised.

Financing Restoration

In accordance with Guyana’s Mining Regulations a bond requirement applies to “all categories of large, medium and small mining” (225(1) applicable to every holder of a mining license, prospecting permit or mining permit 271 (3). Since the 1990s the environmental bond for medium-scale properties (up to 1200 acres in size) has been set at \$100,000.

According to the *Guyana Extractive Industries Transparency Initiative Report for Fiscal Year 2017* 1,329 persons were allocated a total of 3,792 medium-scale permits between them covering some 5.7 million acres. Multiplying the G\$100,000 bond by this number of permits results in the ensuing total which should have been collected for 2017 of G\$379,200,000. Assuming the same calculations apply for the past three

years, the total sum available for restoration should have been in the vicinity of G\$1 billion. The cumulative figure since the 1990s would be enormous. Similar calculations for small-scale properties which attract a lower bond would produce smaller, but equally impressive figures, providing another sizable income to be dedicated to restoration.

Mining losses due to Forest Degradation and De-Forestation

In addition to the failure to require adequate restoration from mining operators, mining and mining infrastructure are the biggest direct contributors to lost revenue under the REDD+ programme. In 2017 alone mining and mining infrastructure were responsible for degradation of 7,115 hectares of forest. Using the formulae set out in the Guyana-Norway Agreement, mining-induced losses average at USD983 per hectare placing the losses for that year in the vicinity of USD\$7mn.

Mining in all Regions, including indigenous lands must be subject to rigorous regulation. There can be no exceptions to restoration requirements regardless of the ownership of lands. Damage to rivers, wildlife, bio-diversity and forests are not ring-fenced to the affected site, nor restricted to the current generation.

The need for an eco-system landscape approach to restoration is further reinforced when sand-mining and quarrying are taken into account. The consequences, for example, of sand quarries along the length of both sides of the Linden highway, which combined with the massive logging trucks on the highway itself create rippling effects that will become calamitous.

PFG believes responsibility for environmental protection should be moved from GGMC to another agency charged with eco-system rehabilitation. This is much broader than reclamation and would include river ecosystems, sand and loam pits and access roads leading to mining intensive areas. The mandate of such an Agency would be to professionally assess environmental consequences of all kinds of mining activity so that realistic economic costs of restoration can be levied. This information should then feed into revised environmental requirements by the EPA which should be progressively implemented by miners over the life of the mine from the on-set of mining activity, not when it's finished. In this scheme of things the role of GGMC would then be to enforce compliance and technical quality assurance. The bond and whatever fine is imposed for non-compliance should be adequate for GGMC to finance the out-sourcing of the restoration work to licensed contractors.

In view of the challenges posed by the global climate crisis and the critical role to be played by tropical forests it is difficult to escape the conclusion that GGMC with respect to environmental protection, is not fit for purpose.

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