

THE DECLINE OF THE MINING TOWN OF OBUASI IN GHANA

PRESENTATION BY
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OUTLINE OF PRESENTATION

- ▶ Brief background of Obuasi
- ▶ Situational Analysis
- ▶ Coping Strategies
- ▶ Recommendation
- ▶ Conclusion




PHYSICAL FEATURES

- ▶ Rocks formations : Tarkwain (Pre-cambrian) and Upper Birimian formation noted for their rich mineral bearing potentials
- ▶ The Municipality has an undulating terrain with most of the hills rising above 500 meters above sea level
- ▶ The Obuasi Municipality experiences semi-equatorial climatic conditions with a double maxima rainfall regime
- ▶ Vegetation is mostly a degraded semi-deciduous forest. The forest consists of limited species of hard wood, which are harvested as timber


ECONOMIC ACTIVITIES

- ▶ The main preoccupation of majority of the people is farming.
- ▶ It is the youth who are engaged in the illegal mining activities popularly called 'galamesay' in the area.
- ▶ Mining and its related activities is the mainstay of the Municipal economy
- ▶ Major industrial activities : forest/wood and related industries, blacksmithing and metal based industries, construction and quarrying, mining and allied industries and agrobased industries.


MINING IN OBUASI

- ▶ Commercial mining in Obuasi has been on-going for about 117 years.
 - ▶ The Obuasi mine has been under the management of AngloGold Ashanti, the world's third largest gold producer since 2004.
 - ▶ Mining in Obuasi is also dominated by illegal miners and there are usually clashes between them and commercial miners (AngloGold Ashanti).
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MINING IN OBUASI

- ▶ The mine's total output in 2005 was about 400,000 ounces (worth about 200 mio. USD). Total output dropped to 200,000 ounces in 2013 (worth about 400 mio. USD).
 - ▶ Having been on limited operations since the end of 2014, Obuasi was placed on care and maintenance in 2016. The cost of Obuasi's care and maintenance programme is approximately \$70m a year.
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EFFECTS

- ▶ Most of the businesses have collapsed. Many interviewees explained that they cannot make a living anymore in Obuasi
 - ▶ Farmlands have also been contaminated through toxic water pollution resulting in lost of livelihoods for farmers.
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COPING STRATEGIES

- ▶ Migration : Vulnerable groups begin to save some money and relocate to other areas for greener pastures
 - ▶ Armed Robbery
 - ▶ Illegal Mining (galamsey) : Inhabitants defend their indulgence in 'galamsey' with the claim that the environment is no longer viable for farming and fishing due to the contamination of streams and farmlands
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COPING STRATEGIES



▶ Sanso, Obuasi, 18/06/2017

ILLEGAL MINING (QUOTES)

- ▶ Rufus Bory, secretary of Obuasi's Small-Scale Miners' Association, said then: "Our only crime is that we want to survive in a country where our government is unable to provide jobs for the teeming youth.
- ▶ "Poverty is gradually killing the people of Obuasi so the government should act now by allowing the small-scale miners to work so that they can take care of their families."

Recommendations: Economy

- ▶ Diversification of the economy of Obuasi
- ▶ Need to encourage foreign investors to invest more in Agriculture- Citrus Fruits.
- ▶ Need to add more value to the raw gold produced before exporting it.
- ▶ Obuasi has tourism potential :
 - Internal Shaft
 - Bona Festival celebrated by the People of Adanse could be used to boost tourism.
- ▶ Need to explore more stone quarrying sites for economic ventures.

Recommendations: Health

- ▶ Need to ensure that the standard of facilities at the AGA Ltd Hospital is maintained in order to keep up the provision of quality health care in the Municipality.
- ▶ AGA should be made to continue with the Malaria Control Program.

Recommendations: Vulnerable groups

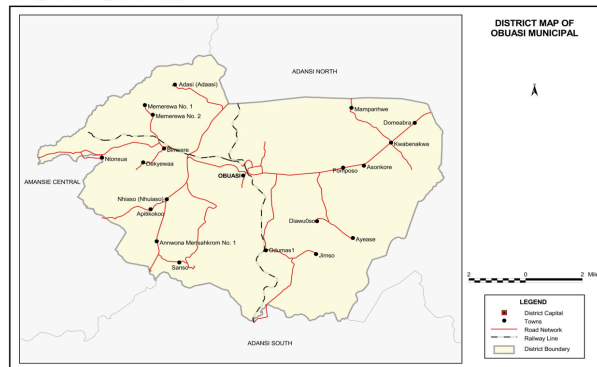
- ▶ AGA did not implement the local content law to the benefit of the communities. Workers were sacked due to their low level of education.
- ▶ The Municipal Assembly should organise capacity workshops for vulnerable groups.
- ▶ Need to understand the needs of these people in the communities (Needs assessment).

Recommendations: Education

- ▶ The municipal assembly should have a maintenance culture for the educational infrastructure developed by the AGA
- ▶ Scholarship for students of retrenched mine workers should not be terminated.



DISTRICT MAP OF OBUASI MUNICIPAL



EFFECTS

- ▶ Creation of wealth, social infrastructure such as roads, schools, hospitals, electricity and water supply (positives)
- ▶ The mine produces noise, smoke and dust coupled with constant disruption to the land surface amid vibration and tremors. These vibrations cause cracks in houses, schools and other facilities in the Municipality
- ▶ Rivers and local streams have been contaminated in the Obuasi Municipality