



PRESS RELEASE

THE CONTROVERSY BETWEEN MINISTERS OVER EXTON CUBIC'S MINING LEASE IS EMBARRASSING

Accra, 24th August, 2017. The current controversy surrounding Exton Cubic Group Limited's mineral licence in the Tano Offin Forest Reserve is a big embarrassment to government and completely exposes the loopholes in the mineral rights allocation. This needless confusion does not bode well with natural resources governance and sustainable development of the country.

The transaction around the granting of lease and entry permit to Exton cubic raises too many questions which requires answers from the government. We recall that on 10th June 2016, the Forestry Commission granted Exton Cubic Group an entry permit to carry out prospecting activities in the Tano Offin Forest Reserve against the advice of senior officials. This happened at a time when the President of the Republic of Ghana was and still is the co-chair of the Sustainable Development Goals (SDG) with responsibilities to uphold efforts to protect biodiversity. On this basis on 1st August 2016, Forest Watch Ghana (a civil society coalition of 35-member organisations and several other NGOs in the natural resource sector) petitioned the then President, John Mahama, to intervene in the issuance of prospecting licence to Exton Cubic due to environmental concerns; more than 60% of this forest reserve is a Globally Significant Biodiversity Area (GSBA), which means that the area is protected for its unique ecology and diversity of species of flora and fauna. There was however, no response to our petition.

Although the entry permit issued by the FC was to expire on 23rd December 2016, information gathered by FWG indicated that Exton Cubic Group pulled out of the Tano Offin Forest Reserve and went into Fure River Forest Reserve in Western Region sending the signal that our forest reserves are under threat from people with political connections in high places. (Records available show that Michael Mahama, a close relative of the then President Mahama is a 50% shar holder of Exton Cubic Group.)

What due diligence was done between 23rd and 29th December, 2016 to warrant the issuance of full scale mining permit on 29th December, 2016. FWG is, therefore, compelled to question the rationale and political appropriateness of an outgoing Minister of Lands and Natural Resources to issue a mining lease on 29th December, 2016, after his party had lost elections. We as well seek to know how a mining lease and mining right can be granted when no Environmental Impact Assessment Report and Environmental Management Plan has been made publicly available for comments and more so when the communities likely to be affected by the activities had not been engaged.

It would be illegal for Exton Cubic to start mining in Tano Offin Forest Reserve when EIAs and EMP has not been subjected to public scrutiny and the permit has not been ratified by Parliament. We believe it is in this regard that the Ashanti Regional Minister is asking for all documentations. It is not surprising that the youth of the area opposed to efforts to mine the reserve and we encourage government to listen to the public outcry on this issue. The fringe communities are the ones who will be most impacted by the negative effects of the mining.

We are also surprised that the CEO of the Forestry Commission will grant an entry permit for full scale mining in Tano Offin Forest Reserve when his own senior officials have opposed the entry permit for prospecting.

The recent misunderstanding between the Ashanti Regional Minister & the Minister of Lands and Natural Resources and the position of the EPA suggests due statutory provisions were not complied with in the granting of this mineral right. It also suggests that there is weak co-ordination and collaboration of work between two ministries who are directly responsible for our natural resources – a backbone of Ghana’s economy. Therefore we ask, “could it be because of the personalities involved in Exton Cubic?” (Michael Mahama, Ibrahim Mahama, both siblings of the Ex-President, HE. John Dramani Mahama).

Forest Watch Ghana reaffirms its opposition to mining in forest reserves and particularly to this mineral right. At a time when we are fighting against irresponsible mining, which has further decimated our forests and water bodies, it is inappropriate to allow questionable mining permits which are likely to reduce the resilience of intact forests.

Forest Watch Ghana challenges the Minister of Lands and Natural Resources to be consistent with the 2012 Forest and Wildlife Policy (and the Forest Development Master Plan; the vehicle for implementing the 2012 FWP) which commits to:

“Reduce by 90% by 2030 the prospecting and mining of mineral resources in gazetted forest reserves.”

We declare our support for the contestation of the granting of this mining right currently at the Supreme Court.

We call on the Hon. Minister of Lands and Natural Resources to make public all the necessary documents in connection with the granting of a mining lease to Exton Cubic to mine in Tano Offin Forest Reserve in spite of all the public concerns raised on this matter in July 2016.

Signed

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