
**Nominated for the Public Eye Global Award 2009
by Wassa Association of Communities Affected by Mining (WACAM), Ghana:**

Newmont Mining Corporation

Based in: Denver, Colorado (USA)
Industry: mining
Turnover / Net Profit: USD 5'526 Mio. / USD -1'886 Mio. (2007)
CEO: Richard T. O'Brien
Owned by: shareholders
Workforce: approx. 15,000 (2007)

In Brief

The Newmont Mining Corporation is preparing for a gold rush. Sensing an opportunity for huge profits the American mining company has plans to open a 1,915-hectare goldmine in eastern Ghana. In its rush for riches the company is turning a blind eye to the social and environmental consequences of the project. If the project goes ahead some 10,000 small farmers will lose their land. Thousands more will be forced to resettle. Fair compensation, according to the company, is out of the question. Before a public hearing on location in July 2008 Newmont paid influential village elders large sums of money – supposedly for this “administrative costs”. Furthermore, Newmont is betting on cyanide to extract the gold. This type of mining produces toxic waste and causes massive pollution of soil and rivers. Agriculture will be impossible in the contaminated areas. The unique fauna and flora of eastern Ghana are also at risk if the protected forests are destroyed as planned.

Irresponsible Corporate Behavior

The American Newmont Mining Corporation has plans for a new 1,915-hectare goldmine in eastern Ghana. In 2006 the Environmental Protection Agency of Ghana turned down the initial request by Newmont and the company withdrew its application. In 2008 a subsidiary, the Newmont Ghana Gold Limited, submitted a new request to build a open-pit mine – 2.5 kilometers long, 900 meters wide and 500 meters deep – in a protected forest area. In order to exploit the soil Newmont is seeking permission to destroy 74 hectares of the Ajenjua Bepo forest reserve. The company has no intention of paying the people affected by the Akyem Project a fair price for their land, even though they are legally bound to do so. The cocoa farmers now earn more in one year from harvesting their trees than Newmont promises to pay them for one acre (4046 m²) of land planted with cocoa trees. Instead, the company is setting up a committee for harvest compensation without a legal mandate to speak for the affected farmers. In July 2008, an important public hearing took

place, but the Newmont Corporation bribed important decision-makers in the surrounding villages. The company wants to use cyanide to extract gold. The cyanide process is an efficient and lucrative method for extracting gold from rocks. However, it leaves toxic waste behind. The Akyem Mine is estimated to produce some 15 million tons of such waste. Extracting enough gold for a single wedding ring generates 20 tons of toxic waste.

Consequences

Almost 10,000 small farmers will lose their land if the Akyem Mine is built. More than 1,330 others will be resettled. In November 2005, one person was killed and several others were injured during violent clashes between demonstrators and the police and military forces. The extraction of gold produces toxic waste that will pollute nearby bodies of water sources as well as the drinking water. The affected forests are a watershed for important rivers in the region. The cyanide enriched waste also emits sulphuric acid, which in turn leads to acid rain. The destruction of the forest affects regional precipitation patterns and leads to desertification. The contaminated soil can no longer be used for cultivation. The contaminated water will kill the animals upon which the farmers depend. Cyanide will also damage the health of the people in the area. After 15 years the open-pit mine will be exhausted. Filled with water the giant pit will turn into an ideal breeding ground for mosquitoes. The risk and incidence of malaria will rise. The pit will also become a treacherous trap for wild animals and humans. The area of the future mine is home to protected plants and animals and living organisms that are unique to this forest. The people depend on the forest for food, firewood, and medicinal plants. Cutting down the forest means drying up this important source of essential products. Destroying farmland and forests in order to mine for gold, as Newmont proposes, will eventually affect the country's food security in the long term.

Current Situation and Demands

No permit has been granted for the Akyem Mine yet. According to the minister of mines who is in charge of the process, the project's use of protected forests will most likely be approved. Approval is expected at the end of 2008. The nominating organisation demands that the company abandons the Akyem mining project and refrains from mining activities in the protected areas. But Newmont has other big plans for Ghana. It intends to expand the Afaho Mine that has been operating since 2006. Another 10,000 people will stand in the way of that expansion.

For more information:

- <http://www.spiegel.de/wirtschaft/0,1518,542725,00.html>
- <http://www.fian.de/fian/index.php?option=content&task=view&id=586&Itemid=435>