EXPERTS WANT LAWS TO CONTROL MINING DEALS

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Mining experts have cautioned the government against signing mineral extraction agreements before the creation of a formidable regulatory framework.

Haphazard permission of firms into the country's rich-mineral lands, they argue, could open channels for conflict between the mineral developers and the surrounding communities, resulting to strife.

"Currently we do not have a sound regulatory framework on the extraction of minerals. This is a new venture and the government must be extremely cautious in the way it enters into any kind of agreement to avoid future disagreements," said Wild Wide for Nature country director Mohammed Awer.

Transparency, accountability and community participation in the whole process of mineral prospecting, he observed, would ensure fair sharing of resources accruing from the extraction of the minerals.

However, Mr Awer warned, the absence of a law guiding on the percentage of resource sharing between the national, county and the community, is a danger to the sustainable exploitation of the available mineral resources.

"Largest sovereign fund in the world is drawn from the extractions, which call for the need of the Kenyan government to put in place proper mechanisms to maintain high value transparency," he added.

Among recommendations the National Environment Civil Society Alliance of Kenya (Nesca-K) has made to the establishment of the Geology, Minerals and Mining Bill, 2012 and Policy, is the involvement of the Commission on Revenue Allocation in regularly determining percentages of sharing the accrued benefits.

The lobby added that, the basis of arriving at the percentages which must include the value of the minerals and the poverty index of the surrounding communities, be developed and gazetted accordingly.

“This will ensure equity and fair distribution of wealth between the community, county and the national government,” said Mr Jackson Kiplagat who heads the Nesca-K secretariat

The experts also demanded the creation of a clearly defined law on the rates for mineral royalties which they state is unavailable, risking the level of benefits the government will gain from the mineral extraction in the country.

Tanzania which is the fourth biggest gold producer in Africa, after South Africa, Ghana and Mali in its Mining Act of 2010 has clear cut rates for its entire mineral.

For precious and base metals, operators remit 4 per cent royalty to the government, diamonds 6 percent, uranium t 5 percent and all other minerals at 3percent.

According to the law, only Tanzanian citizens or companies under the exclusive control of Tanzanian citizens can be given mineral rights and licenses for small-scale operations.

“Kenya is viable for more minerals. There are some minerals in places like Mandera and Marsabit yet to be discovered and the best way we can benefit as a country is to put in place firm and applicable laws and policies,” added Mr Awer.

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