

3.51 GHANA

All existing Ghanaian mines are in the process of rehabilitation, with market opportunities for Canadian firms in the supply of winding systems, conveyors, pumping machinery, physical concentrators, crushers, earth moving machinery and equipment for underground mining in general. Demand also exists for consumables such as explosives, chemicals (activated carbon, sodium cyanide, grinding balls) but this may change with coming on stream in near future of local explosives plant. Opportunities for consultancy contracts in institutional strengthening and research exist.

To enter the market, common practice is to send an expression of interest to the mine indicating the area of interest and asking to be invited to participate in future tenders. The use of local agents is recommended but the Canadian High Commission in Accra will continue to be of service to Canadian companies.

Projects funded by International Financial Institutions (IFI's) are usually subject to international competitive bidding (ICB).

There is potential for joint ventures with both the Government of Ghana and the private sector. By law, the Government is entitled to acquire a minimum of 10 percent share with an option for a further 20 percent. The 1986 Mineral Law permits foreign exchange transfer of dividends, payments in respect of loan servicing and remittance of foreign capital.

Ghana is a stable country. The business environment is favourable for mining, with well-defined policies, programmes and incentives. Industry continues to receive support of IFI's. Competitors come from U.K., U.S.A., Japan, Sweden and Australia.

The Africa and Middle East Trade Development Division of External Affairs and International Trade Canada has a list of active agents and companies on file which are available upon request.

3.52 IRAN

OVERVIEW

Iran has vast mineral resources which include ferrous and non-ferrous metals such as iron ore, copper, bauxite, chromate, lead and zinc, titanium, magnesium and gold. Major non-metallic minerals include coal, sulphur, kaoline, perlite, mica and construction and decorative stones.

The Ministry of Mines and Metals is the government authority responsible for the mining industry in Iran with the exception of the oil and gas sectors. The mining sector currently accounts for approximately 1% of the GDP of the country. Target growth rate for the mining sector is set for 20% per annum and it is hoped that its share in the GDP will grow to 5% by the end of the current five-year economic development plan (1990-94) and to 10% by the middle of the next five-year plan. US \$3 billion in hard currency has been allocated in the 5 year development plan for the importation of various machinery, equipment and technical know-how needed by the mining sector.

There are currently some 1600 mines in the country, of which 985 mines are active. Roughly 40% of mines are operated by the government, 20% privately and the rest by cooperatives. Total number of the work force is approximately 60,000. The government is encouraging the private sector to become more active and foreign financing is increasingly welcomed.