AUDITOR GENERAL'S DEPARTMENT OF JAMAICA

Licensing, Monitoring and Enforcement Actions by the Mines and Geology Division of the Ministry of Agriculture, Fisheries and Mining (MoAfM)

Performance Audit Report

Dated: July 2026

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This report was prepared by the Auditor General's Department of Jamaica for presentation to the House of Representatives.

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A better country through effective audit scrutiny

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This report contains the
findings from the performance audit
of Licensing, Monitoring and Enforcement Actions
of the Mines and Geology Division of the
Ministry of Agriculture, Fisheries and Mining.

AUDITOR GENERAL'S OVERVIEW

Jamaica's mining and quarrying sector supports export earnings, infrastructure development, manufacturing, and public revenue through royalties, taxes, licence fees, and dividends from the Government's equity in mining companies. The Mines and Geology Division (MGD), within the Ministry of Agriculture, Fisheries and Mining (MoAFM), is responsible for regulating the sector under the Mining Act 1947 and the Quarries Control Act 1984, to ensure that mining and quarrying operations are properly authorised, monitored, and enforced in keeping with the law and the public interest. The MGD's mandate is relevant to the achievement of Sustainable Development Goal 15 (SDG-15): "Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss", and to Jamaica's Vision 2030 Plan, namely Goal 4 ("Jamaica has a healthy natural environment") and National Outcome 13 ("Sustainable use and management of environmental and natural resources").

I commissioned an audit to assess whether MGD's licensing, monitoring, and enforcement arrangements were effective in supporting orderly and compliant mining and quarrying operations. We found that MGD's regulation of the sector was effective in part. MGD continued to process applications, conduct inspections, collect revenue, and respond to some instances of non-compliance. However, mining lease renewals were not always supported by key documents; and one operator continued mining and six continued quarrying activities after their leases or licences had expired, without evidence of timely enforcement action.

The audit also found that quarry inspections were not guided by a documented risk-based methodology and that enforcement records were incomplete. Further as at December 2025, three mine lessees owed penalties totalling US$13.7 million for failing to rehabilitate 264.14 hectares of mined-out land, and MGD's March 2026 Schedule identified US$828,000 in royalty principal and US$2.58 million in interest and penalties outstanding from two operators. In addition, no formal arrangement existed between MGD and the relevant authorities setting out response times, escalation procedures, and notification protocols.

As a first step, MGD should implement written pre-approval and renewal checklists for mining leases and quarry licences. To protect public revenue and uphold the polluter-pays principle, MGD should also adopt a documented risk-based inspection methodology, establish routine royalty and quarry-tax reconciliations, enforce rehabilitation obligations using the statutory tools available, and formalise coordination arrangements with the relevant authorities.

I wish to thank the management and staff of MoAFM and MGD for their cooperation and assistance, as well as courtesies extended to the audit team throughout the period of the audit.

Pamela Monroe Ellis, FCCA, FCA
Auditor General

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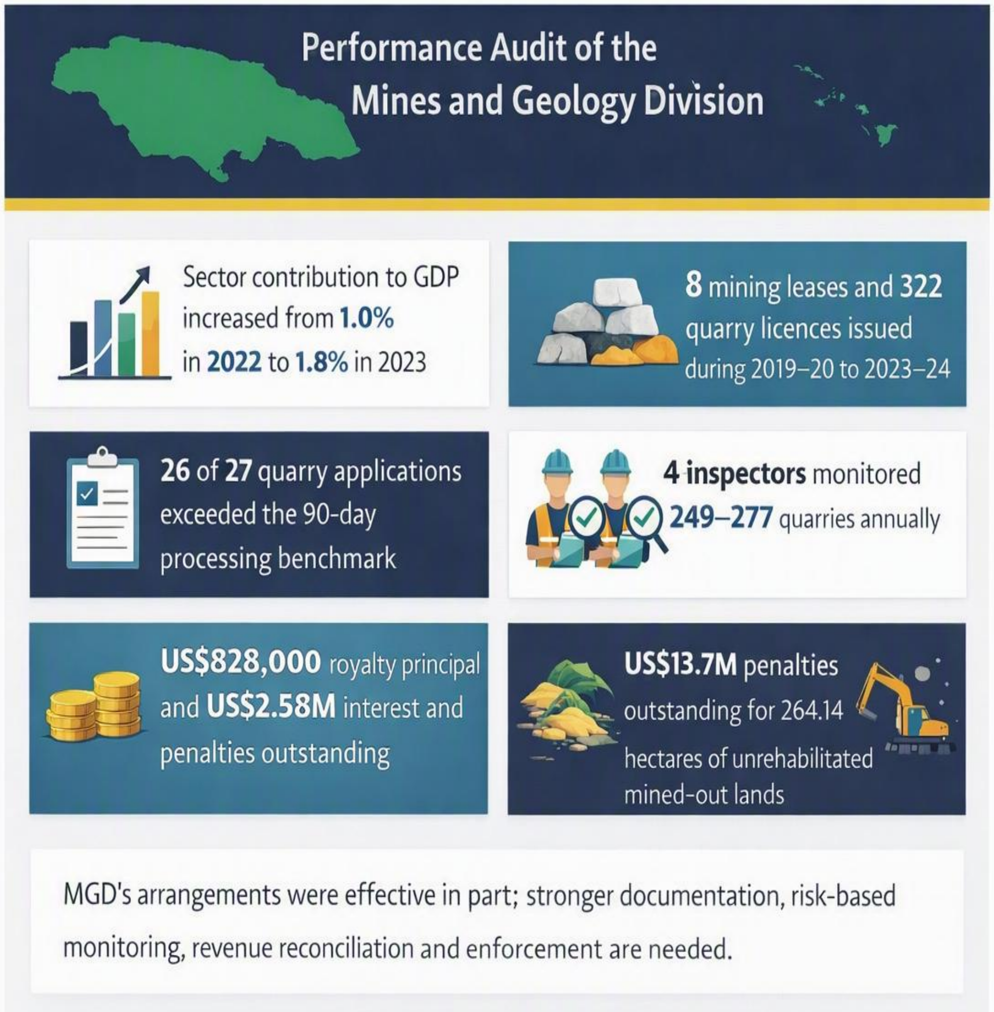
AT A GLANCE


Performance Audit of the
Mines and Geology Division
Sector contribution to GDP increased from 1.0% in 2022 to 1.8% in 2023
8 mining leases and 322 quarry licences issued during 2019–20 to 2023–24
26 of 27 quarry applications exceeded the 90-day processing benchmark
4 inspectors monitored 249–277 quarries annually
US$828,000 royalty principal and US$2.58M interest and penalties outstanding
US$13.7M penalties outstanding for 264.14 hectares of unrehabilitated mined-out lands
MGD's arrangements were effective in part; stronger documentation, risk-based monitoring, revenue reconciliation and enforcement are needed.

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Executive Summary

Introduction

Jamaica's mining and quarrying sector supports export earnings, infrastructure development, manufacturing, and public revenue through royalties, taxes, licence fees, and dividends from Government's equity in mining companies. The sector's contribution to Gross Domestic Product (GDP) increased from 1.0 per cent in 2022 to 1.8 per cent in 2023. The Mines and Geology Division (MGD), within the Ministry of Agriculture, Fisheries and Mining, is responsible for regulating the sector under the Mining Act 1947 and the Quarries Control Act 1984.

Audit Objective and Scope

The audit assessed whether MGD's licensing, monitoring, and enforcement arrangements were effective in supporting orderly and compliant mining and quarrying operations for the period 2019-20 to 2023-24. In particular, the audit examined whether applications were properly assessed before approval, inspection activities were adequately planned and targeted, breaches were followed up in a timely and consistent manner, and whether MGD maintained reliable records to support regulatory decisions.

Key Findings

Finding 1: Some operators continued after licences or leases expired

Sections 25 and 31 of the Mining Act and Section 8 of the Quarries Control Act require operators to hold a valid mining lease, prospecting licence, or quarry licence at all times, with renewal applications submitted within the timeframe prescribed by the relevant regulations to permit continued operations pending renewal. Notwithstanding, one mining operator continued activities for approximately six years after its mining lease had lapsed, and six quarry operators continued operations after their quarry licences had expired; five submitted renewal applications between 30 and approximately 607 days after expiry, while one submitted no renewal application. MGD also did not consistently issue reminder notices before licences ended or take timely enforcement action after expiry. Continued operation beyond the authorised licence period weakened the licensing regime, reduced the deterrent effect of enforcement, and increased risks related to revenue collection, environmental oversight, and public confidence in the regulatory system.

Finding 2: Mining leases were renewed without key documents, and the resulting risk materialised in unenforced rehabilitation obligations.

The Mining Act and the Mining Regulations require that mining lease renewals be supported by current financial statements, evidence of public notice to allow objections, and security deposits or letters of guarantee sufficient to protect the Government against rehabilitation or restoration costs. The Regulations also require mined-out lands to be rehabilitated within the prescribed timeframe, with statutory tools such as security deposits, restoration bonds, and penalty assessments to be used to enforce rehabilitation obligations.

Of the eight active operators reviewed, only four submitted up-to-date financial statements; two submitted none and two submitted outdated statements. Further, there was evidence of public notice being issued for only four of the eight leases. In addition, four of the operators that were non-bauxite entities did not provide the required security deposits. MGD advised that the security deposit requirement had been relaxed to promote investment but did not provide documented approval for this concession.

As of December 2025, three mine lessees owed penalties totalling US$13.7 million for failing to rehabilitate 264.14 hectares of mined-out land, with one lessee accounting for 169.68 hectares (64 per cent of the unrehabilitated area) and US$9.89 million (72 per cent of the total monetary exposure). The weaknesses in enforcement were linked to the absence of a single auditable rehabilitation register, non-use of the security deposit mechanism during the review period, and the absence of finalised rehabilitation guidelines for quarries. Consequently, MGD could not demonstrate that all lease renewals were supported by the required information, reducing assurance that operators had the financial capacity to meet their obligations and that Government had adequate protection, through the security deposit, against future rehabilitation or restoration costs. The long-outstanding rehabilitation obligations remained unresolved, and MGD could not demonstrate that the polluter-pays principle embedded in Sections 53A–55 of the Mining Regulations was being effectively enforced.

Finding 3: MGD did not meet it Established standard for processing Licences and Leases

MGD's standard required that quarry licence applications be processed within 90 days, with input from relevant authorities provided within 60 days. Of 27 applications reviewed, 26 exceeded the 90-day benchmark, with delays ranging from 2 to 517 days. The delays were driven mainly by late or missing responses from Municipal Corporations and the Ministry of Health and Wellness, delays in dispatching consultation requests, and the absence of binding response deadlines or a clear escalation process. As a result, applicants experienced prolonged waits for licensing decisions, the risk of operations continuing without valid licences increased, and the credibility of MGD's 90-day service standard was undermined.

Finding 4: Quarry inspections were not guided by a documented risk-based approach

Good practice for regulatory oversight requires that inspection activities be guided by a documented risk-based methodology. MGD's own operational plans and the Quarries Control Act envisage inspection frequency and priorities being determined by risk factors such as size of operation, environmental sensitivity, compliance history, and complaints, with inspection targets assigned and monitored.

MGD did not have a documented method for prioritising quarry inspections. The Group A and Group B categories introduced in FY2022/23 did not have clear assignment criteria, and in that period, MGD completed 243 inspections against a target of 400. Before FY2021/22, work plans did not assign inspection targets to individual officers, and inspection results were kept mainly in individual files rather than a central register. Although Survey123 was introduced in January 2023 and performance improved in FY2024/25, gaps remained in risk prioritisation, inspection planning, and performance monitoring.

Consequently, MGD could not demonstrate that inspection resources were focused on the highest-risk operations, and it was difficult to identify recurring issues, update risk ratings, plan follow-up inspections, and support enforcement action.

Finding 5: Royalty arrears and quarry-tax obligations were not systematically tracked

MGD did not maintain accurate records on the status of royalty payments and quarry taxes, and the records were not reconciled in a timely manner. In March 2026, MGD submitted royalty schedules which identified US$828,000 in royalty principal and US$2.58 million in interest and penalties outstanding from two operators for the period January 2019 to December 2025. MGD advised that it did not maintain an aged receivables listing for quarry tax and did not demonstrate that periodic reconciliations were performed to validate the balances or confirm the accuracy of penalties and interest assessed. As a result, the risk of revenue leakage, misstated arrears, and uncollectable balances increased, and MGD could not quantify outstanding quarry-tax balances, determine ageing, or identify delinquency rates.

Finding 6: Enforcement records were incomplete

MGD's standard operating procedures require the maintenance of complete and reliable records of enforcement action, including reported breaches, investigations, referrals, corrective action, and outcomes. We reviewed the 22 complaints recorded in the MGD complaints register, of which 15 related to illicit quarrying and seven to other matters such as dust, noise, pollution, and damage to property and crops. In addition, seven complaints found in other records were not included in the register. We could not confirm that enforcement action was consistently pursued for 14 of the 15 illegal quarrying cases recorded in MGD's complaints register. Nine police reports were reviewed; however, only one matched an entry in the register and showed evidence of follow-up actions. These gaps were driven by the absence of a centralised system to record reported breaches, investigations, referrals, corrective action, and enforcement outcomes. As a result, MGD could not reliably track enforcement trends, demonstrate accountability for regulatory action, or ensure timely follow-up on reported breaches.

What Should Be Done

The table below sets out the key recommendations, together with measurable targets, deadlines, priorities and responses from the Mines and Geology Division (MGD) and the Ministry of Agriculture, Fisheries and Mining (MoAFM).

No.	Recommendation	Measurable target	Deadline	Priority	Management Acceptance (Yes/No)
1	Strengthen pre-approval checks for mining leases and quarry licences. The Commissioner of Mines should issue and implement a written pre-approval checklist requiring MGD to confirm that all required inputs and responses from relevant authorities are on file before any lease or licence is advanced for approval. Any exception should be documented with reasons and authority, and compliance reported to the Permanent Secretary.	*Pre-approval checklist approved and issued by the Commissioner of Mines. *Completed checklist on file for 100 per cent of leases and licences advanced for approval. *Exceptions register maintained, with documented reasons and approving authority for every exception. *17 of 27Quarterly compliance report submitted to the Permanent Secretary.	Checklist issued by 30 Sep 2026; 100 per cent compliance from Q3 FY2026/27	**High**	Yes.

No.	Recommendation	Measurable target	Deadline	Priority	Management Acceptance (Yes/No)
2	Adopt a documented risk-based inspection methodology. MGD should adopt a written risk-rating methodology for mining and quarry operations that considers size of operation, environmental sensitivity, compliance history and complaints. Annual inspection targets should be based on a complete and reconciled register of licensed mines and quarries and assigned to inspectors through their work plans, with performance reported to the Permanent Secretary.	*Documented risk-assessment matrix approved and applied to 100 per cent of licensed mines and quarries. Central register of licensed mines and quarries reconciled and maintained. *Inspection targets assigned to named inspectors in 100 per cent of annual work plans. *At least 90 per cent of planned inspections completed annually (against 243 of 400 achieved in FY2022/23).	Risk-assessment matrix by Q4 FY2026/27; full application from Q1 FY2027/28	High	Yes
3	Apply enforcement action consistently, including for expired authorisations. MGD should establish a written enforcement procedure setting out how breaches are recorded, followed up, escalated and resolved, including clear steps for expired mining leases, prospecting licences and quarry licences, timely notices to operators, site verification, and referral for enforcement action where operations continue without valid authority.	*Written enforcement procedure approved and in use. *Renewal reminder notices issued at least four months before expiry for 100 per cent of leases and licences, in line with s.8(6) of the Quarries Control Act. *Nil operators active on an expired or absent authorisation (baseline: one mining and six quarry operators). *All reported breaches recorded in a central register and first enforcement action taken within 30 days.	Tracking system and central register operational by Q1 FY2027/28; nil expired-authorisation operations by 31 Mar 2027	High	Yes
4	Strengthen coordination with relevant authorities. MGD should work with the Permanent Secretaries to establish formal service-level arrangements with the relevant authorities, setting response deadlines, escalation procedures for delayed responses, and protocols for consultation before closure notices, warning notices or other enforcement actions are issued. Performance should be reported to the Quarries Advisory Committee.	*Signed service-level arrangements with all relevant authorities under the Quarries Control Act, including the Municipal Corporations and the Ministry of Health and Wellness. *Binding 60-day response deadline and documented escalation route in every arrangement. *At least 90 per cent of consultation requests answered within 60 days (baseline: 17 of 27 non-responses from Municipal Corporations and 21 of 27 from MoHW). *Quarry licence applications processed within the 90-day standard in at least 90 per cent of cases (baseline: 26 of 27 exceeded, by 2 to 517 days).	Arrangements executed by end of Quarter 2, 2027/2028; reporting to the Quarries Advisory Committee each quarter thereafter	Medium	Yes

No.	Recommendation	Measurable target	Deadline	Priority	Management Acceptance (Yes/No)
5	Establish routine royalty and quarry-tax reconciliation. MGD should implement documented quarterly reconciliations of royalty obligations and maintain monthly aged receivables for quarry-tax obligations. The process should identify arrears, explain movements in balances, and set clear escalation triggers for overdue amounts. The reconciled position should be submitted quarterly to the Permanent Secretary.	*Documented quarterly royalty reconciliation completed for 100 per cent of lessees. *Monthly aged receivables listing maintained for quarry tax, with ageing and delinquency rates reported. *Recovery plan issued for the US$828,000 royalty principal and US$2.58 million in interest and penalties outstanding from two operators (US$3.38 million total as at March 2026). *Escalation triggers applied, including withholding of export permits under s.40(4) of the Mining Regulations, for 100 per cent of delinquent lessees.	Arrears recovery plan by 31 Mar 2027; first documented reconciliation and aged listing by 31 Dec 2026	**High**	Yes
6	Enforce rehabilitation obligations and financial assurance requirements. MGD should maintain a single auditable rehabilitation register showing, for each relevant mining area, the area mined out, date mining ended, certification status and penalties accrued. Penalty assessments should be issued where rehabilitation has not been certified within the required timeframe, and recovery pursued through security deposits or restoration bonds where operators remain non-compliant. The aggregate position should be reported to the Permanent Secretary every six months.	*Single auditable rehabilitation register covering 100 per cent of mined-out areas. *Penalty assessments issued for all uncertified areas beyond the prescribed timeframe, addressing the 264.14 hectares and US$13.7 million owed by three lessees as at December 2025. *Guidelines for the Rehabilitation of Quarries finalised and approved. *National Restoration Committee reinstated and meeting at least four times a year (last documented meeting 30 Jun 2016). *Aggregate rehabilitation and penalty position reported to the Permanent Secretary every six months.	Register by 31 Dec 2026; guidelines finalised and NRC reinstated by Q2 FY2027/28; penalty assessments issued by 31 Mar 2027	**High**	Yes
7	Strengthen documentation for mining lease renewals. MGD should implement a renewal checklist requiring evidence of current financial statements, public notice and objection periods, and security deposits or letters of guarantee before lease renewals are advanced. Any waiver or concession should be authorised in writing, with reasons placed on file, and MGD should report quarterly on renewals processed, exceptions granted and waiver approvals issued.	*Renewal checklist approved and applied to 100 per cent of lease renewals. *Current financial statements on file for 100 per cent of renewals (baseline: four of eight operators). *Documented evidence of public notice for 100 per cent of renewals (baseline: four of eight leases).	Checklist by 31Dec 2026; 100 per cent compliance from Q4 FY2026/27	**High**	Yes

No.	Recommendation	Measurable target	Deadline	Priority	Management Acceptance (Yes/No)
		*Security deposit or letter of guarantee held for 100 per cent of non-bauxite operators (baseline: four operators without). *Written, reasoned authorisation on file for every waiver or concession granted.			

Audit Conclusion

MGD has established arrangements to license, monitor, and enforce aspects of Jamaica's mining and quarrying sector. However, these arrangements did not operate consistently during the period reviewed. In licensing, applications were generally not processed within the 90-day service standard, and some renewals were not supported by all required documentation. In monitoring, inspections were conducted but were not guided by a fully documented risk-based approach. In enforcement, MGD did not consistently document follow-up action, use available enforcement tools, or maintain complete records of breaches and outcomes.

The audit also found weaknesses in revenue monitoring and rehabilitation enforcement. Royalty arrears were not consistently pursued, quarry-tax receivables were not supported by an aged listing, and penalties for unrehabilitated mined-out lands were not supported by a single auditable register. As at March 2026, outstanding royalties and related interest and penalties from two operators totalled US$3.38 million, while unenforced penalties for unrehabilitated mined-out lands totalled US$13.7 million. These weaknesses limited MGD's ability to protect public revenue, ensure operators met their obligations, and demonstrate timely enforcement action.

A recurring issue across the findings was the reliance on informal or incomplete processes in areas that required documented controls. These included approval checklists, licensing records, risk-based inspection plans, revenue reconciliations, rehabilitation registers and enforcement records. Collectively, these gaps reduced assurance that the regulatory framework was achieving its intended objectives of orderly sector development, revenue protection, environmental stewardship, and effective enforcement. The recommendations are intended to strengthen MGD's control environment by improving documentation, clarifying accountability, targeting inspections based on risk, improving revenue and rehabilitation monitoring, and formalising coordination with key public authorities. Implementing these actions should help MGD provide stronger assurance that mining and quarrying activities are properly authorised, monitored, and enforced in keeping with the law and the public interest.

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Part One
Introduction

Establishment of Mines and Geology Division (MGD)

1.1. MGD has undergone several organisational changes since its first establishment in 1973. Initially, the Geological Survey Department and the Department of Mines were merged to form the MGD. However, in 1978, the division was split into two separate entities: the Geological Survey Division (GSD), which specialised in geological research, and the Mines and Quarries Division, which managed mining and quarrying regulations. As part of public sector modernisation efforts in 1996, the two divisions were reunited to re-establish the Mines and Geology Division, consolidating their functions under a single administrative body. As of May 2023, MGD transitioned from the Ministry of Transport and Mining (MTM) to the Ministry of Agriculture, Fisheries and Mining (MoAFM). MGD is entrusted with the regulatory oversight of Jamaica's mining and quarrying sector which includes ensuring adherence to environmental and safety regulations, as well as managing the country's mineral resources, as mandated by the Mining Act 1947 and the Quarries Control Act 1984.

Mission and Vision Statements

1.2. MGD's mission reads, "To develop a comprehensive scientific understanding of the geology of the island and to direct the orderly development of the country's mineral industry, ensuring all activities proceed in accordance with the mining legislation and in harmony with the environment."

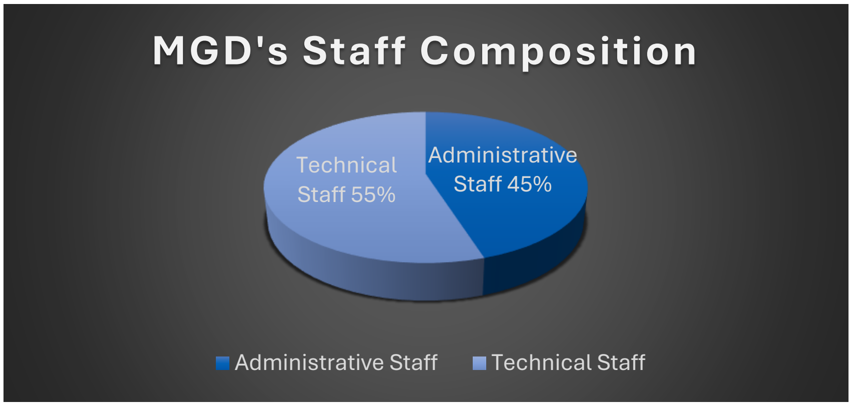
1.3. MGD's vision is to become, "a center of excellence equipped with the capacity to ensure the optimum exploitation of the mineral resources of the country in a sustainable manner and reducing vulnerability to geological hazards and natural disasters through integrated solutions."

1.4. MGD's mandate is aligned to Vision 2030 National Goal 4 ("Jamaica has a healthy natural environment") and National Outcome 13 ("Sustainable use and management of environmental and natural resources") highlighting the importance of responsible mineral resource development, environmental stewardship, and community engagement. MGD's operations also align with SDG 15, emphasising the need for sustainable economic activity, land rehabilitation, and conservation of natural ecosystems to ensure long-term environmental and economic resilience.

Organisation and Staffing

1.5. The Commissioner of Mines, appointed under the Mining Act 1947 and Quarries Control Act 1984, is tasked with supervision of all prospecting, mining, and quarrying activities throughout Jamaica. MGD is organised into two operational branches, namely Geology and Mining, each managed by a Deputy Commissioner who reports directly to the Commissioner. As at September 2025, MGD's staff establishment comprised 71 employees: 39 technical officers (55 per cent) and 32 administrative personnel (45 per cent), as illustrated in **Figure 1**.

Figure 1: MGD's Staff Composition



Source: MGD Records

1.6. MGD is funded from the Consolidated Fund, with a total allocation of $1.279 billion spanning from 2019-20 to 2023-24. **(Table 1)**. During this period, the overall budget increased by over 64 per cent, growing from $222.5 million in 2019-20 to $365.1 million in 2023-24. In relation to its monitoring and enforcement activities, our analysis showed that activity related to the inspection of mines and quarries was stable between 2019-20 and 2020-21; the allocation decreased by 8 per cent in 2021-22, increased significantly by 105 per cent in 2022-23, and then decreased by 20 per cent in 2023-24. Quarry zoning services saw a slight increase of 3 per cent between 2019-20 and 2020-21, followed by a steep decline of 68 per cent in 2021-22 and a further decline of 13 per cent in 2022-23; this activity was removed for the 2023-24 financial year.

Table 1: Budgetary Allocation

Figures shown in "000"					
Components	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**
Direction and Administration	$ 90,032.00	$ 95,297.00	$ 80,614.00	$ 89,262.00	$ 155,993.00
Inspection of Mines and Quarries	$ 52,323.00	$ 52,722.00	$ 48,366.00	$ 99,293.00	$ 79,417.00
Quarry Zoning Services	$ 4,762.00	$ 4,920.00	$ 1,600.00	$ 1,400.00	$ -
Metallic Minerals Exploration	$ 16,090.00	$ 12,490.00	$ 4,390.00	$ 13,450.00	$ 27,760.00
Non - Metallic Minerals Exploration	$ 3,195.00	$ 3,095.00	$ 2,356.00	$ 3,884.00	$ 9,360.00
Geological and Geotechnical Assessments	$ 56,120.00	$ 55,750.00	$ 55,228.00	$ 67,414.00	$ 92,545.00
Total	**$ 222,522.00**	**$ 224,274.00**	**$ 192,554.00**	**$ 274,703.00**	**$ 365,075.00**

Source: GoJ's Estimates of Expenditure

Audit Rationale

1.7. Jamaica's mining and quarrying sector plays an important role in the economy, contributing to GDP and foreign exchange earnings; the sector's contribution to GDP increased from 1.0 per cent in 2022 to 1.8 per cent in 2023. For the first ten months of 2023, Jamaica significantly increased its export earnings from mining and quarrying compared with the same period in 2022. The Statistical Institute of Jamaica indicated that the sector exported goods valued at US$473.3 million, up from US$216.5 million for the same period. The surge was largely driven by alumina, whose earnings rose by US$250.2 million, reaching US$395.7 million compared with US$145.5 million during the same period in 2022. Despite its economic importance, the sector faces several challenges including slow global economic growth, high vulnerability to price fluctuations of essential inputs like fuel and caustic soda and climate change which further exacerbates risks, with severe weather events capable of disrupting operations and damaging critical infrastructure.

Audit Objective

1.8. The audit sought to assess whether MGD's licensing, monitoring, and enforcement arrangements were effective in supporting orderly and compliant mining and quarrying operations. We also assessed the effectiveness of enforcement by examining the extent to which mining and quarrying regulations were enforced, focusing on inspection schedules, the response to violations, and the implementation of corrective actions.

Audit Scope and Methodology

1.9. Over the period 2019-20 to 2023-24, MGD issued 8 mining leases and 322 quarrying licences (new and renewal applications), which required periodic monitoring to ensure compliance with conditions of the licence agreement. We planned and conducted the performance audit in accordance with our Performance Audit Manual (2017), as well as standards issued by the International Organization of Supreme Audit Institutions (INTOSAI). Our assessment covered the period April 2019 to March 2024, augmented by updated information received up to March 2026, where post-period reconciliations submitted by MGD in November 2025 and March 2026 superseded earlier figures.

1.10. We selected a judgmental, risk-based sample of 30 quarries (approximately 11 per cent of the population of 249–277 licensed quarries) for inspection-coverage analysis, weighted toward operations with prior compliance issues and higher community-complaint volumes; results from this sample are illustrative rather than projectable to the full population. The audit relied on records provided by MGD which varied in completeness; certain files held at the former parent ministry could not be retrieved during the audit period. Quality control was provided through independent in-team review and supervisory sign-off in accordance with our Performance Audit Manual (2017).

1.11. We assessed MGD's performance against criteria derived from the Mining Act 1947 and its Regulations; the Quarries Control Act 1984 (as amended in 2015); Sections 8, 9, and 10 of the Natural Resources Conservation Authority (NRCA) Act 1991 and the Natural Resources Conservation (Permits and Licences) Regulations 1996 (as amended 2015); the MGD/MTM Documentation and Approval Procedures (January 2017); and MGD's published Corporate and Operational Plans. Specific criteria applicable to each finding are summarised in the 'At a Glance' panel at the start of each Part.

1.12. Our findings and conclusions are supported by document review, file inspection, structured interviews with MGD officials, and quantitative analysis of licensing, revenue, inspection, and enforcement records.

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Part Two

Licensing Arrangements

At A Glance			
Systems and Practices	**Criteria**	**Key Findings**	**Assessment Against Criteria**
Licence Issuance	To verify that mining and quarry licences are issued only after all regulatory and procedural requirements are met.	Inconsistent compliance with regulatory and procedural requirements for issuing of licences, such as absence of required financial statements, security deposits and evidence of public notice.	
Revenue Collection	To ensure that mining royalties and quarry taxes due to the GOJ are accurately assessed, collected, and recorded.	MGD did not maintain proper records on the status of royalty payments, and the records were not reconciled in a timely manner. In March 2026 reconciliations indicated that US$828,000 was for royalties due and US$2.58 million in interest and penalties for the period January 2019 to December 2025. MGD did not maintain an aged listing of its quarry taxes; therefore, we were unable to determine the amount outstanding and the rate of delinquency for quarry taxes.	
\ **MET the criteria**	**Partially met**	**Did not meet the criteria**	

In this Part, we examined MGD's licensing arrangements, including:

i. Application review and approval process for mines and quarry (review by Quarries Advisory Committee (QAC) & Ministerial approval),

ii. Mining lease and quarry agreements included terms and conditions to protect Government of Jamaica's (GOJ's) interests (security deposit, restoration bond). MGD requires that the Mining Lease is drafted and reviewed by the Commissioner or Deputy Commissioner and then sent to the Permanent Secretary for review and submission to the Minister responsible for mining approval.

iii. Issuance of licence.

iv. Record - The Registrar enters the application into the Mining Lease Register, assigns a reference number, and opens a file.

v. Correct and prompt payment of mining royalties and quarry taxes.

2.1. The Mining Act 1947 grants the relevant Minister the legislative authority to grant, renew, transfer, or revoke mining leases for the extraction of bauxite and laterite deposits. Under the Act, leases are categorised as: mining leases, special mining leases, additionally, the Act provides for Exclusive Prospecting Licences (EPL) and Special Exclusive Prospecting Licences (SEPL). Also, the Quarries Control Act 1984 permits the Minister to issue or reject quarry licences, and revoke licences for breaches of the Act or special conditions of the licence. The Mines and Geology Division (MGD) of the Ministry of

Agriculture, Fisheries and Mining (MoAFM) is headed by the Commissioner of Mines, who is appointed under Section 5 (3) of the Mining Act 1947 and is responsible for general supervision over all prospecting and mining operations in Jamaica. The Commissioner of Mines is also empowered to execute the Quarries Act's provisions, including licensing administration, monitoring and enforcement. MGD also processes applications for mining leases, maintains records and monitors and enforces compliance with the Act and the lease terms.

Application review and approval for mining leases

2.2. During the period 2019-20 to 2023-24, the MGD received a total of nine mining applications; however, one mining operator subsequently withdrew their application, and the other eight applications were reviewed and approval granted by the Minister of Mining. Of the eight, two operators previously held special exclusive prospecting licences (SEPL), and six were mining lease renewals. **(Table 2 and Appendix 3)**.

Table 2: Mining Leases granted for the period 2019-20 to 2023-24

Lease No.	Company	Parish	Mineral	Date Granted	Expiry Date	Period (Yrs)
ML129	Company 1	Clarendon	Marble	14/7/2022	24/10/2047	25
ML131	Company 2	St. Ann	Calcium Carbonate	24/2/2022	24/02/2037	15
ML146	Company 3	Clarendon	High Purity Limestone	30/7/2021	26/03/2046	25
ML156	Company 4	St. Elizabeth	Silica Sand	4/5/2024	04/05/2034	10
SML174	Company 5	St. Ann	Bauxite	14/7/2022	14/7/2042	20
SML175	Company 6	St. Elizabeth	Bauxite	1/12/2022	1/12/2032	10
SML176	Company 7	St. Ann	Bauxite	1/12/2022	1/12/2042	20
SML172	Company 8	St. Ann	Bauxite	16/5/2022	16/5/2027	5

Source: MGD Records

2.3. The Mines & Geology Division and Ministry of Transport and Mining Documentation and Approval Procedures (January 2017) require prospective mining operators to hold a valid Prospecting Right and/or Licence, pay the applicable fee, and submit key documents including the Memorandum of Association (for companies), a Statement of Financial Position to demonstrate financial capability, a topographic map marked with the proposed area, and possess an Environmental Permit from NEPA. Once received, the Mining Registrar enters the application into the Mining Lease Register and forwards the file to the Commissioner for review. Thereafter, public notices are issued in a daily newspaper and the Gazette. If no objections are raised within three weeks, the lease documents are sent to the Permanent Secretary for review and then submitted to the Minister for approval. Following approval, the applicant must submit a Letter of Guarantee as a security deposit within one week. **(Appendix 1).**

Mining Lease Agreements

2.4. We expected MGD to prepare mining lease agreements for review and approval by the Minister, which comply with the Mining Act and serve to adequately protect the Government of Jamaica's (GOJ) interests. Our review of the eight mining lease agreements indicated that the terms and conditions were developed in accordance with stipulations outlined in Sections 33 to 37 of the Mining Act 1947. However, MGD did not consistently monitor and enforce all legislative, health and safety compliance, and financial safeguards for land restoration as indicated in Appendix 8. In particular, only four of the eight operators submitted up-to-date financial statements (two submitted none and two submitted outdated statements); there was evidence of public notice for only four of the eight leases; and the four non-bauxite operators did not provide the required security deposits. MGD advised that the security deposit requirement had been relaxed to encourage investment, but no written documentation was available to support any waiver of the requirement **(Appendix 3 and Appendix 8)**.

Mining operations continued without a valid mining lease in place

2.5. Company 1 operated Mining Lease ML129 for marble mining for approximately six years, without the required mining lease agreement. The prior mining lease expired on October 24, 2016, yet the company continued mining operations. Our review of MGD's records showed that the operator applied to National Environmental and Planning Agency (NEPA) for the required environmental permit on December 22, 2021, and the permit was granted on April 7, 2022. Company 1 then applied to renew the lease on April 13, 2022, and the renewal was granted on October 24, 2022. Our review of the quarterly returns submitted by the operator and routine health and safety inspection reports for the period November 2016 until October 2022 confirmed that the mine operated throughout this six-year period without a formal mining lease agreement. In February 2026, MGD stated that *"Going forward: 1) Applicants will be pre-notified prior to the expiration of the lease. 2)On expiration of a lease, if no renewal application is submitted steps will be taken to formally terminate the licence. 3) If performance clauses are not met, steps towards revocation will be taken"*.

Relevant authorities did not respond to MGD's request for input in granting quarry licences

2.6. MGD established a benchmark of 90 days for the granting of quarry licences with 60 of the 90 days allotted to obtaining objections or non-objection from the relevant authorities[1]. This is in accordance with the Quarries Control Act 1984, which requires relevant authorities to provide non-objection in writing and the requirement for approval by the Quarries Advisory Committee.

2.7. In 26 of the 27 quarry licences reviewed, MGD exceeded the stipulated 90-day turnaround time, by 2 to 517 days. **(Table 3)**.

Table 3: MGD Quarry Licence Processing Times Against Prescribed Turnaround Standards

Turnaround Standard	Licences Reviewed	Number Exceeding Standard	% Exceeding Standard	Extent of Delay (Days)
90 days — MGD's issuance of the quarry licence	27	26	96%	2 – 517

Source: MGD Records

[1] Section 8(3) of the Quarries Control Act 1984 stipulates that on receipt of an application for a licence the Minister shall consult with the relevant authorities and shall, subject to the provisions of section 9, either grant or refuse the application. Section 8(7) further defines the relevant authorities as; the local authority of the parish in which the quarry is to be operated or operated; the Natural Resources Conservation Authority; the Permanent Secretary, Ministry of Agriculture; the Water Resources Authority; any statutory body or agency appearing to the Minister to have an interest in or likely to be affected by the issuing of a licence **(Appendix 2 and Appendix 4)**.

2.8. Our analysis showed that MGD took an average of 13 days to send requests for approving agencies to submit their approval or non-approval for quarry operations. In practice the agencies would normally do their own inspection and assessment of the quarry environment then provide a letter to MGD stating their objection or non-objection.

2.9. Municipal Corporations and the Ministry of Health and Wellness had the highest non-responses among the relevant authorities with 17 and 21 non-responses respectively, despite interventions by the QAC **(Table 4)**. Our review indicated that the respective Municipal Corporation did not provide responses, indicating non-objection or objection for 17 (63 per cent) of the 27 quarry applications submitted by MGD. Based on the 10 responses received, the Municipal Corporations took an average of 47 days to respond. The MoHW did not respond to 21 (78 per cent) of the 27 quarry applications assessed; for the six responses received, it took an average of 52 days to respond. Our review showed that the Water Resources Authority (WRA) and National Works Agency (NWA) responded to MGD's request for non-objection in all instances. Also, NEPA took an average of 55 days to respond to MGD regarding its objection or non-objection to the granting of 25 of 27 quarry licences. The Commissioner of Mines wrote to the Municipal Corporations and the MoHW in a letter dated August 15, 2023, citing significant delays in the application process and requiring them to adhere to the 60-day application processing timeframe, which would allow them a 90-day turnaround time in submitting documents to the Quarries Advisory Committee.

Table 4: Relevant Authorities Average Time Taken

Agency	No of Application Selected	Non-Responses	No. of responses	Average time taken (days)	MGD Performance Standard (days)
National Environment and Planning Agency	27	2	25	55	60- 90
Water Resources Authority		0	27	14	
National Works Agency		0	27	19	
MoAFM		0	27	42	
Municipal Corporations		17	10	47	
Ministry of Health and Wellness		21	6	52	

Source: MGD Records

Six active quarries conducted operations with expired licences/without valid licences

2.10. We found that five quarry operators submitted renewal applications between 30 days and approximately 607 days after the licence expired **(Appendix 9)**. For the remaining operator, no renewal application was on file, and there was no inspection report to indicate that MGD conducted a physical examination of the quarry to determine its operating status. Section 8(A) of the Quarries Control Act stipulates that 'where a licence granted under section 8 has expired and an application for renewal thereof is made in accordance with section 8(6), the applicant may continue to operate the quarry pending receipt of the renewed licence, unless it is communicated to the applicant in writing by the Minister that the application for renewal is refused.' However, as the renewal applications were not submitted at least four months before expiry as required by Section 8(6), the operators could not rely on Section 8(A) to continue operating pending renewal.

2.11. It was also not evident that the five quarry operators submitted the required renewal application to MGD, within the stipulated four months before expiration in keeping with Section 8(6) of the Quarries Control Act and the terms and conditions in their quarry licences. MGD responded, *"for the electronic system to be developed, a tracking system with the requisite trigger mechanisms is to be included to tag licences due for renewal prior to the 4 months renewal application window stipulated in Section 8(A) of the Quarries Control Act."*

2.12. From our sample of 30 quarries examined for the period 2019-20 to 2023-24 we found that 11 quarry licences were up to date, 18 had expired, and the status of the remaining one was not known. Additionally, the terms and conditions of the 29 quarry operators' licences reviewed (excluding the one quarry whose licence status was not known) were aligned with the Quarries Control Act 1984, including requirements to record material volumes, maintain production and sales records, and conduct quarrying safely for employees, citizens and the environment. Furthermore, of the 18 quarries with expired licences, six were active, eight were inactive, three were closed, and the status of the remaining one was not recorded.

Weaknesses in royalty calculation and timely reconciliation processes

2.13. Section 40(1) and (2) of the Mining Regulations stipulate that a royalty of US$0.50 per metric tonne is payable on bauxite and laterite. MGD's standard operating procedure (SOP) requires that the tonnage exported with each shipment from each company must be determined through a draft survey conducted by an inspector from its Evaluation and Revenue Unit. This is to allow for the calculation of the royalty payable and the billing of the mining companies, given that payments are to be made quarterly.

2.14. We requested that MGD provide a schedule of royalties calculated, including amounts due, paid and outstanding for the review period. The schedules were submitted in November 2025 and March 2026. The March 2026 schedule reported US$828,000 in royalties (principal) and US$2.58 million in interest and penalties as outstanding for the period January 2019 to December 2025 **(Appendix 10).**

2.15. We found no evidence of timely, systematic, and documented reconciliations to explain movements between arrears and credit balances or to support the accuracy of penalties and interest assessed. The schedule for Company 11 showed no royalty payment in 2020 despite royalties due of US$1,488,110.50, as well as underpayments in 2019, 2023 and 2025 totalling US$581,489, US$867,532 and US$131, 770 respectively. Penalties and interest due from Company 11 totalled US$1.86 million for 2019 to 2025, including amounts recorded in 2021, 2022 and 2024, years in which royalties were overpaid. Similarly, the schedule presented for Company 9 showed outstanding royalties of US$348,736.15 and associated penalties and interest of US$731,260.36 as at December 2025. However, MGD did not demonstrate that periodic reconciliations were performed to validate the balances. As a result of the absence of timely and documented reconciliations for both Company 11 and Company 9, MGD would not have reasonable assurance that royalties, penalties, and related fees were accurately determined.

2.16. MGD has the legal authority to enforce various measures to recover outstanding royalties. Section 40(4) of the Mining Regulations empowers the Commissioner of Mines not to issue export permits to delinquent mining lessees unless the royalty payments for the preceding quarter have been paid[2].

[2] Section 40(4) of the Mining Regulations.

However, MGD provided evidence of only one instance where this measure was applied. Correspondence dated January 2, 2024, indicated that Company 11 had outstanding royalties totalling US$962,675.40 for the period January 2023 to December 2023. However, MGD records did not demonstrate that this enforcement mechanism was applied consistently or systematically to address outstanding royalty arrears which as at December 2025 stood at US$0.828 million in royalty principal and US$2.58 million in related interest and penalties, per MGD's March 2026 schedules. MGD stated it ***"will rigidly enforce the legal provisions for withholding trade/shipment of material without proper proof of all royalties being fully paid up. In support of this, MGD commits to continually updating the database to ensure proper management and accountability for royalties."***

Incomplete Records for Quarry Tax Obligations

2.17. Whereas MGD provided data showing quarry tax collections of $863 million and penalties of $15.3 million for the period 2019–20 to February 2026, it was unable to provide records of quarry taxes assessed (due) and the related outstanding balances. This was attributed to the absence of an aged listing of quarry tax receivables. Consequently, we were unable to determine the total amount outstanding or assess the extent of delinquency **(Table 5)**. We expected MGD to maintain comprehensive records that clearly identify quarry taxes assessed, amounts paid, outstanding balances, and the age of arrears, supported by periodic reconciliations to enable effective monitoring. The absence of a structured record-keeping system for quarry tax obligations contributed to incomplete information.

Table 5: Quarry Taxes Collected

	2019-20 ($)	2020-21 ($)	2021-22 ($)	2022-23 ($)	2023-24 ($)	2024-25 ($)	2025-26* ($)
Quarry Taxes Collected	82,633,708	96,811,462	109,396,243	122,183,999	125,251,247	152,344,424	174,362,369
Penalty	510,819	2,820,560	3,288,012	2,597,821	3,940,544	1,386,092	812,480
Quarry Taxes Owing	Not Provided						

*April 2025 to February 2026
Source: MGD Records

2.18. MGD indicated that, going forward, it intended to use the Compliance Log in conjunction with licensees' historical filing patterns to project amounts due on returns yet to be filed. MGD also stated that arrangements would be put in place to compute amounts collectable annually from its existing database.

Part Three
Monitoring Activities and Enforcement Actions

At A Glance

Systems and Practices	Criteria	Key Findings	Assessment Against Criteria
Monitoring Strategy	Proactive monitoring strategy (embedded in Strategic/Operational Plan).	MGD's monitoring activities are outlined in its four-year corporate plans and annual operational plans, which set inspection targets and reporting requirements to the Parent Ministry. However, MGD did not provide a documented risk-based methodology for prioritising inspections based on factors such as quarry size, environmental sensitivity, past non-compliance, or community complaints.	Partially met
Resources	Adequate resources to conduct monitoring activities.	MGD's staffing structure comprised 45 per cent administrative personnel and 55 per cent technical officers. Four inspectors were tasked with monitoring 249–277 quarries annually, resulting in high inspector-to-quarry ratios of 62:1 to 69:1. Survey123 (ArcGIS) was implemented in January 2023 to digitise and streamline inspection reporting, replacing manual processes.	Partially met
Quarry Inspection Targets	A system for inspections of mines, quarries and other high risk/illegal mining areas.	Between 2019–20 to 2023–24, MGD did not meet its annual targets for inspecting licensed quarries or consistently conduct required safety and housekeeping inspections. A review of 117 inspection reports for 30 quarries showed significant gaps, with 53 per cent of sampled quarries uninspected in 2019–20, 50 per cent in 2020–21, and 56 per cent in 2023–24. Furthermore, MGD provided no evidence that illegal mining hotspots or high-risk areas were included in inspection schedules.	Partially met
Enforcement Mechanism	MGD should apply enforcement options, including penalties and prosecution, to ensure compliance.	No evidence of enforcement actions in relation to three mine lessees' failure to rehabilitate mined-out lands. MGD also failed to collect associated outstanding penalties totalling US$13.7 million.	Did not meet the criteria
Complaints System	Complaints system to provide a mechanism for stakeholders to report violations.	A formal complaints system exists. We noted 22 recorded complaints from 2019–20 to 2023–24, primarily related to illicit quarrying. However, complaints were not always recorded in the register and follow-up documentation was incomplete, resulting in difficulty determining enforcement action.	Partially met
MET the criteria	**Partially met**	**Did not meet the criteria**	

In this PART we sought to determine whether MGD had in place:

I. Proactive monitoring strategy (embedded in Strategic/Operational Plan);
II. Adequate resources (staffing, ARCGIS system) to conduct monitoring activities,
III. Structured risk-based monitoring activity (monitoring list/schedule)
IV. A system for inspections of mines, quarries and other high risk/illegal mining areas (Quarry inspection targets), and
V. Status of compliant and non-compliant mines/quarries and licences necessary to inform enforcement actions.
VI. Enforcement mechanism and Complaints system to provide a channel for stakeholders to report violations.

MGD has a proactive monitoring strategy for assessing licences' compliance

3.1 The Mines and Geology Division of the Ministry of Agriculture, Fisheries and Mining (MoAFM) is charged with evaluating applications leading to the granting of mining leases and quarry licences in accordance with the Mining Act 1947 and Quarries Control Act 1984, verifying that applicants possess the requisite permits and environmental approvals from other regulatory bodies; and preparing recommendations for the Minister responsible for the Mining portfolio. The MGD also has the responsibility to provide assurance that the mine and quarry operators are compliant with the terms and conditions of the licence agreement/requirements to operate the mines and quarries.

3.2 MGD's monitoring activities for the mining and quarrying sector are developed at the strategic level, under the guidance of its Parent Ministry, and are carried out in accordance with the Mining Act 1947[3], Mining Regulations 1947(amended 2004) and the Quarries Control Act 1984[4] (amended 2015) **(Appendix 11)**. One aspect of effective governance is to set key performance objectives and employ effective and efficient mechanisms to monitor their achievements. Performance targets should be specific, measurable, achievable, relevant and timely. MGD prepared four-year corporate plans and annual operational plans, which in turn support the Ministry's broader corporate and operational planning for the mining and quarrying sector **(Appendix 11)**. At the operational level, MGD is required to submit quarterly performance reports to its parent ministry, outlining actual performance against the targets set out in its operational plan.

MGD's monitoring was not informed by adequate risk assessments to ensure effective use of resources

3.3 MGD's monitoring processes were not underpinned by transparent, data-driven assessments of key risk factors, including the scale of operations, history of non-compliance, and environmental or public complaints. Review of MGD Corporate Plans for 2019-20 to 2024-25 indicated the development of annual inspection targets intended to provide quarterly coverage of all licensed quarries. For 2019–20 to 2021–22, MGD established variable inspection targets, ranging from 480 to 800 inspections per year. Commencing 2022–23, the approach was revised to categorise quarries into Groups A and B, with 200 inspections planned for each group annually, for a total of 400 inspections **(Table 6)**. Given the inspector-to-quarry ratio of 69:1 in 2023–24 **(Table 6)**, and the environmental and health impacts associated with illegal quarrying, effective deployment of inspectors depends on MGD's capacity to undertake robust risk assessments and prioritise oversight in the most vulnerable areas of the mining and quarrying sector.

[3] Section 7, 37 and 62 of the Mining Act 1947
[4] Section 12,14,15 and 20 of the Quarries Control Act 1984

However, this approach was yet to be instituted. In June 2026, MGD provided a schedule which identified inspection areas for the 2026–27 period based on the tiered system.

Table 6: Quarry Inspection Ratio

FY	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Total No. of Quarries	259	277	249	269	276	231*
Planned Inspection – Operational Plans	800	480	480	400	400	480
Mining and Quarrying Unit (Inspector)– Staff Establishment	4	4	4	4	4	4
Ratio	65:1	69:1	62:1	67:1	69:1	58:1

*Up to February 2025
Source: MGD Records

3.4 MGD did not have a documented risk-based inspection strategy. The risk-based approach is important for the optimal allocation of resources, considering the ratio of inspectors to quarries as shown in Table 6. Further, MGD indicated that it did not formally categorise the quarries into groups, instead relying on inspectors to check past inspection records in a central database to avoid duplication. Nonetheless, MGD indicated that it adopted an informal tiered system based on licence status, quarry proximity to sensitive areas, and complaints received. Our review could not validate this assertion, as there was no evidence in the records to support it. At the time of the writing of this report, MoAFM responded that it was working with MGD to establish a risk register.

Management Response- February 26, 2026
We recognize that medium- and large-sized quarries are susceptible to higher levels of risk. These, along with the mines and mineral processing plants are monitored by Safety Inspectors. Going forward the risk assessment methodology/ approach will be fully documented. A Risk assessment matrix will be prepared by the fourth quarter of the 2026/2027 financial year in keeping with industry standards for categorization.

MGD did not consistently achieve its annual targets for inspection activities

3.5 MGD developed annual performance targets for its inspection activities and set these out in its operational plans **(Appendix 12**). However, we could not determine MGD's actual performance against most of these targets, because the information in its records and quarterly reports was recorded inconsistently; reported targets and achievements often contradicted one another, and some reports were missing altogether **(Table 7)**. To its credit, MGD surpassed its 2024–25 annual quarry inspection target by 24 per cent (115 inspections). Nonetheless, the gaps and contradictions in MGD's reporting weakened accountability to its parent Ministry, which relies on this information to assess results and design strategies for improvement. MGD acknowledged the observation, noting that some records remained with a previous parent ministry, and committed to maintaining both physical and electronic records to preserve and improve access to historical information.

Table 7: Summary of MGD Inspection Activities and Target Discrepancies (2019–20 to 2024–25)

FY	Source of Reporting	Inspection Target Reported	Inspections Reported as Done	Issues Identified
2019–20	PowerPoint: Operational Plan Annual Report	800	706	Conflict with Operational Plan, which stated 480 as the target.
	Operational Plan Status Reports – Q2 & Q4	120 (each)	120 (each)	Both reports identical content duplicated, only the title changed.
	Q1 & Q3 Reports	Not provided	Not provided	Missing documentation. Annual report not supported by quarterly data.
2020–21	Ministry of Transport and Mining Quarterly Reports	480	320	Target not met; full quarterly reports received. Likely impacted by COVID-19.
2021–22	Ministry of Transport and Mining Quarterly Reports	480	144-Not fully available	Q1 report missing; Q4 report does not mention inspection targets.
2022–23	Ministry of Transport and Mining Quarterly Reports	400	243-Not fully available	Q1 report lacks inspection target reference.
2023–24	Ministry of Agriculture, Fisheries and Mining Quarterly Reports	400	449	The fourth quarter report stated that the achievement at that date was 449 inspections for the year, however our analysis indicated that 462 inspections were completed.
2024-25	Ministry of Agriculture, Fisheries and Mining Quarterly Reports	480	595	None

Source: MGD Records

3.6 At the unit level, we could not confirm that MGD's targets were being met. MGD set a target to inspect each licensed quarry at least once every quarter, but our review of 117 inspection reports for a sample of 30 licensed quarries showed that this target was not consistently achieved; in some years, half or more of the sampled quarries had no record of any inspection **(Table 8)**. Similarly, although MGD exceeded its safety and housekeeping inspection targets for medium and large quarries over the period 2020–21 to 2024–25, it did not meet its targets for other categories of health and safety inspections, and missing reports and inconsistent recording; which MGD attributed partly to the differing reporting formats required by successive parent Ministries and to the impact of the COVID-19 pandemic; prevented a full assessment of its performance. We also saw no structured system for tracking breaches identified during inspections and verifying that operators took corrective action. MGD has committed, from financial year 2026–27, to preparing a working list of active licences to schedule and prioritise inspections under a tiered system, and to fully documenting its risk assessment approach, including a risk assessment matrix, by the fourth quarter of 2026–27.

Table 8: Quarry inspections based on AuGD Sample

FY	Inspected nil	Inspected 1 time	Inspected 2 times	Inspected 3 times	Inspected 4 times or more	Total quarry	Remarks
2019-20	16	6	4	2	2	30	
2020-21	15	12	2	1	0	30	
2021-22	12	10	3	3	0	28	Two quarries were closed
2022-23	12	7	4	2	2	27	One quarry closed
2023-24	15	9	2	1	0	27	

Source: MGD Records

Performance Management of certification of mined out lands.

3.7 Mining leases require operators to restore mined-out lands. As soon as practicable after mining operations are concluded in any section, the land must be restored to as near as practicable its original level of vegetation, and Section 53 of the Mining Regulations 1947 (amended 2004) requires this restoration to be completed within three years. MGD's operational plans for 2019–20 to 2023–24 therefore set targets to inspect rehabilitation work at each mining site twice per year and to certify land as satisfactorily rehabilitated. MGD did not meet this target: it certified 591 hectares over the period 2019-20 to 2023-24, 26 per cent below its target of 800 hectares of land.

3.8 We were also unable to ascertain how MGD determined the number of hectares of land to be certified as rehabilitated each year. In November 2025, MGD explained that certification exercises were done upon completion of rehabilitation, supported by inspections and advice on readiness from the mining companies, and that annual targets were usually determined by the quantity of lands certified as mined-out three years prior.

3.9 As at December 2025, our review of MGD's records showed that three mine lessees owed penalties totalling US$13.7 million for failing to rehabilitate 264.14 hectares of mined-out lands **(Table 9)**. Section 55(1)– (2) of the Mining Regulations 1947 (amended 2004) sets out financial penalties for non-compliance with the rehabilitation timeframe, including a penalty of US$25,000 per hectare and an additional US$2,500 per hectare for each year the area remains uncertified. However, MGD did not maintain an accurate and up-to-date database of rehabilitation status and related penalties, and we saw no evidence that follow-up and enforcement actions were applied consistently. This was evidenced in November 2025 when MGD advised that the amount owing had been amended to US$11.4 million following updates to its databases. In March 2026, MGD advised that "the adjustment in the figure relates to: 1) Some orebodies being granted extensions, due to successive issues experienced e.g., fire at [*name redacted's]* refinery, and the penalty was deferred to the end of the extension period. 2) Some orebodies were rehabilitated and certified. Therefore, the penalty no longer applied. Documentation on these is provided" As a result, MGD could not reliably demonstrate the accuracy of penalties assessed. In March 2026, the updated database showed the amount owing had increased to US$13.7 million.

Table 9: Rehabilitation amounts and hectares outstanding for bauxite companies

Company	Hectares Not Rehabilitated	Initial Ore Body (area disturbed) Mined out date	Recent Ore Body (area disturbed) Mined out date	Penalty Amount (US$)
Company 7	64.76	22-2-2017	23-9-2019	2,109,400.00
Company 9	28.69	16-1-2007	14-6-2019	1,641,900.00
Company 6	169.68	15-02-2005	29-05-2020	9,893,277.50
Company 10	1.01	7-11-2019	Not Shown	30,300.00
TOTAL	**264.14**			**13,674,877.50**

Source: MGD Records

3.10 In November 2025, MGD stated that "The MGD has started dialogue with the mining companies where they have been informed of the ore bodies due for certification by December 31, 2025 (these orebodies were mined out three years prior to December 31, 2025)". MGD further indicated that fines and penalties would be applied for ore bodies not certified as restored by this date (that is, those that did not meet the criteria of being satisfactorily rehabilitated), and that further arrangements would be made for the collection of penalties for ore bodies mined out prior to 2022 that had not been certified as restored. However, while MGD has developed similar rehabilitation guidelines for quarries, these guidelines remain in draft form.

Management Response-February 26, 2026
In the case of limestone quarries, the restoration bond collected during the application process can be utilised for rehabilitation works where necessary. The restoration bond is a requirement of the application process.

3.11 MGD inspectors identified non-conformities to quarry licence conditions and quarry regulations but did not follow up to verify whether corrective actions were undertaken by quarry operators. Our review of inspection records for the period 2019-20 to 2022-23 indicated that ten inspections identified non-conformities with the Quarries Control Act 1984 and specific conditions within the individual quarry licences **(Appendix 6)**.

3.12 In cases of multiple inspections where non-conformities were initially noted, subsequent inspections often simply marked the previously noted issue as "acceptable," without any indication of the nature of the corrective action undertaken. The inspection sheet design allows for marking conditions as "acceptable," "concerning," or "unacceptable." However, the inspection sheets lacked documentation of follow-up to confirm that the required corrective actions had been implemented. For the non-conformities identified it was not seen where a follow-up inspection deemed the issue as being further resolved or in an acceptable state. Therefore, we were unable to ascertain how MGD inspectors satisfied themselves that the non-conformities were addressed. The absence of documented follow-up not only reduced the reliability of inspection results but also limited the assurance available over the enforcement process. MGD indicated that "this will be addressed by the proposed tracking system mentioned prior. This will be further reinforced by ensuring that there is proper documentation of the breaches, the recommendation made, and the follow up action taken, and that there is a clear process owner(s)."

MGD and the National Restoration Committee (NRC) did not effectively oversee the implementation of restoration works.

3.13 The National Restoration Committee (NRC) was formed in October 2009 to ensure that all lands disturbed for mining and quarrying are satisfactorily restored in accordance with an approved end use agreed on by the Commissioner of Mines and the Local Planning Authority and to develop guidelines to be adopted for the rehabilitation of land disturbed for mining and quarrying. Review of NRC Minutes (2016) showed that the then committee was chaired by the Commissioner of Mines with representatives from several agencies of government including Jamaica Bauxite Institute and Forestry Department, the bauxite/alumina sector, and tertiary institutions.

3.14 MGD's Corporate Plans outlined a target to convene two committee meetings annually from 2019–20 to 2022–23, increasing to four meetings in 2023–24. However, our review of the quarterly performance reports did not provide any evidence that these meetings were held. Furthermore, records from the NRC indicated that the last documented meeting occurred on June 30, 2016. MGD had not provided any documentation to confirm whether the committee was formally disbanded or to clarify how its responsibilities were subsequently reassigned. MGD responded that "The NRC will be reinstated by the second quarter of the 2027/2028 financial year. Note that the NRC has no regulatory functions. It was a committee established to help with the development of best practices for the rehabilitation of mines and quarries." Review of the June 2016 minutes showed that members were asked to review guidelines for the rehabilitation of lands disturbed for limestone quarrying and provide feedback. However, MGD provided undated draft rehabilitation guidelines in March 2026 for quarried lands to aid in the effective restoration efforts.

Management Response- February 26, 2026

The draft guidelines were prepared based on our experience with the pilot project at Flanker, St. James several years ago where lessons learned were to be replicated. The Guidelines for the Rehabilitation of Quarries (draft) is provided.

As an example, the MGD has been guiding the *[name redacted]* as they rehabilitate quarried-out areas. It should also be noted that revegetation is not the only type of end-use/restoration requirement. Houses may also be built on old quarry benches such as those in Port Henderson, St. Catherine.

Restoration of quarries is guided by Quarry Plans, which are a requirement of the quarry licence application process. Rehabilitation is also an ongoing process, facilitated by adherence to the conditions of the licence.

MGD enforcement actions are guided by legislative authority

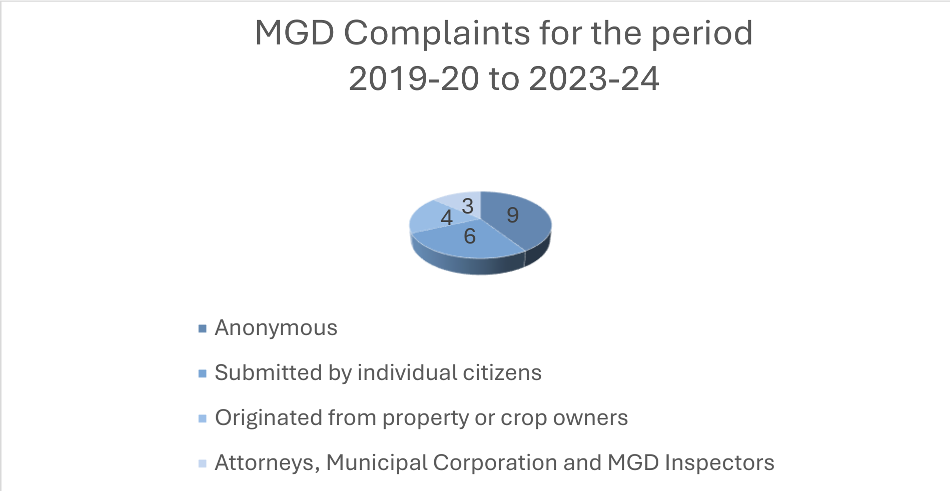
3.15 MGD enforcement actions are guided by its legislative authority under the Mining Act 1947 and the Quarries Control Act 1984, which grants the Commissioner of Mines the regulatory authority to oversee and regulate mining and quarrying operations throughout Jamaica **(Appendix 7)**. In accordance with Section 5 of the Mining Act 1947 and Section 3 of the Quarries Control Act 1984, the Commissioner is vested to grant, suspend, or revoke mining leases and quarry licences. Enforcement provisions under Section 20 of the Quarries Control Act 1984 allow for investigations, and Section 29, which grants the Commissioner powers to remedy dangerous practices. Accordingly, the legislative authority also confers powers on the Commissioner and authorised officers to conduct inspections, initiate legal proceedings, enforce royalty payments, oversee the rehabilitation of mined and quarried lands, and in the case of the Mining Act 1947, seize illegally extracted minerals.

MGD established a complaint log for stakeholders to report violations by quarry operators

3.16 MGD's website allows stakeholders to submit a complaint or concern regarding mining or quarrying activities, via email at commissioner@mgd.gov.jm[6] **(Figure 2)**. Of the 22 complaints recorded for 2019–20 to 2023–24, 15 related to illicit quarry operations, while the remaining seven concerned issues such as dust, noise, road pollution, and damage to, or threats against, property and farm crops **(Appendix 13)**. In November 2025, MGD indicated that it would use its social media platforms, website, and community meetings to better publicise the ways in which complaints can be made; however, it did not provide a timeline for implementation.

[6] https://mgd.gov.jm/lodge-a-complaint/

Figure 2: MGD Complaints for the period 2019-20 to 2023-24



Source: MGD Records

Management Response- February 26, 2026
The MGD expects to implement by the first quarter of the 2026/2027 financial year. The Mining Matters app will also facilitate the lodging and logging of complaints.

3.17 However, MGD's complaints mechanism was not complete, and MGD was not using the information gathered to guide its enforcement actions. Five complaints deliberated at Quarries Advisory Committee meetings, along with two complaints referred by the Ministry of Agriculture, Fisheries and Mining (Legal Unit) and the St. Mary Municipal Corporation, were not logged in the complaints register, and for a 2024–25 complaint of illegal quarrying, the supporting site inspection and police reports were not provided. MGD showed that it could respond to individual complaints; following a March 2024 referral concerning dust and noise nuisances, it inspected the quarry within a week, agreed dust mitigation measures with the operator, and increased its monitoring of quarries in the parish. However, without a complete register, MGD cannot demonstrate that all complaints are tracked through to resolution, and it cannot analyse complaint trends to direct its monitoring and enforcement efforts where they are most needed.

Appendices

Appendix 1: Procedure for Granting a Mining Lease in Jamaica

1. **Eligibility and Application Initiation**
    - The applicant must possess a valid Prospecting Right and/or Licence.
    - Obtain the application form from the Mines and Geology Division (MGD) Registrar or download it from the MGD website.
2. **Submission of Application**
    - Complete the application form in triplicate and submit it to the Registrar along with:
        - A fee of J$1,200 per metric square or part thereof.
        - A Statement of Financial Position to demonstrate financial capability.
        - The Memorandum of Association (for companies).
        - Four copies of a topographic map at a 1:50,000 scale showing the approximate area in square kilometres.
        - An Environmental Permit obtained from the National Environment and Planning Agency (NEPA).
3. **Location Beacon Requirement**
    - Erect a location beacon at the northwest corner of the proposed area, displaying:
        - Name of the applicant.
        - Licence number.
        - Type of mineral.
4. **Application Verification and Payment**
    - The Registrar verifies the application for completeness and ensures the area aligns with the applicant's Prospecting Licence.
    - The applicant proceeds to the Cashier to pay the application fee and returns with the receipt to the Registrar.
5. **Registration and Assignment**
    - The Registrar enters the application details into the Mining Lease Register, assigns a number, and opens a file in the applicant's name.
6. **Commissioner's Review**
    - The file is forwarded to the Commissioner for review and recommendation.
7. **Public Notification**
    - Upon the Commissioner's instructions, notices detailing the application are prepared for publication in a daily newspaper and the Gazette.
8. **Documentation Preparation**
    - Necessary documentation for the Mining Lease is prepared and sent to the Commissioner or Deputy for review.
9. **Ministerial Approval**
    - If no objections are received within three weeks of publication, the lease documents are forwarded to the Permanent Secretary for review and subsequent submission to the Minister for approval.
10. **Security Submission**
    - Within one week of lease approval, the holder must submit security in the form of a Letter of Guarantee.

Appendix 2: Procedure for Granting a Quarry Licence in Jamaica

No.	Procedure
1	Applicant collects application form from the Registry/Inspection Unit of the Mines and Geology Division (MGD), or from the Division’s website www.mgd.gov.jm.
2	Applicant lodges application with the Commissioner of Mines, comprising: a) A completed application form b) A map of scale 1:12,500 with 5 copies showing the exact location of the proposed site c) Proof of ownership in the form of a copy of registered title, or (i) copy of the Lease, Rent or Sales Agreement accompanied by a copy of the landowner’s title (ii) Affidavit from an Attorney or Justice of the Peace, indicating ownership or possession of land. d) A non-refundable fee of $25,000.00. e) A Quarry Plan f) A Resource Evaluation Report g) A Copy of the Articles of Memorandum of Association (if applicant is a Company)
3	The Registrar checks the application and if all documents are in order, the applicant is advised to take the application to the Cashier, pay the fee of $25,000.00, collect a receipt and return the application to the Registrar.
4	The Registrar then registers the application and assigns to it a quarry licence (QL) number and opens a file in the name of the applicant.
5	The Applicant is advised to post a Notice of intention to quarry at the proposed site, and other prominent places such as the Post Office, Police Station, or Court House, in the area or parish.
6	Site inspection requests are sent to Government Agencies namely: ✓ National Environment and Planning Agency (NEPA) ✓ Parish Councils ✓ National Works Agency ✓ Ministry of Health ✓ Agricultural Land Management Division In special cases, site inspection requests are sent to the Water Resources Authority (WRA). Inspectors from the MGD also conduct an independent inspection of the proposed site. (There are times when joint site inspections are conducted by the MGD and other relevant Government Agencies).
7	After responses are received from the above Agencies, an Inspection Report is prepared, and the application is taken to the Quarries Advisory Committee (QAC) for review. (The QAC is appointed by the Minister to advise him on all matters related to quarrying.). The Committee makes a collective decision to recommend the application for the Minister’s approval or refusal, or (in some instances) for its deferral pending further investigations and or provision of additional information by the applicant.
8	Once the QAC recommends the granting of a licence, the Commissioner informs the applicant and advises that a Restoration Bond should be posted. The Bond can be in the form of a Bank Guarantee, or a Manager’s Cheque issued in the name of the Commissioner of Mines. The Bond must be submitted with a TRN, and a current Tax Compliance Certificate.
9	Upon receipt of the above, the documentation for the licence is prepared and sent to the Permanent Secretary for sign off, and submission to the Minister for his approval.
10	Following the Minister’s approval, the licence is returned for the Commissioner’s signature and stamp. The licensee is then required to attend the MGD where he/she is briefed on the special conditions of the licence, obligations after which he/she signs as having received the original document.

Appendix 3: Summary of Mining Leases Reviewed for the period 2019-20 to 2023-24

Lease No.	Company	Prospecting Right/Licence	Statement of Financial Position	Topographic map	Environmental Permit	Gazette	Letter of Guarantee/Security Deposit
ML129	Company 1	Renewal of SML 129 from October 24, 2022, for 25 years	None Seen	Map Included	April 7, 2022	None Seen	None Seen
ML131	Company 2	Renewal of ML 131 From February 24, 2022, for 15 years	Not seen	Map Included	July 17 ,2018	Seen Thursday July 27, 1995	None Seen
ML146	Company 3	ML 146 March 26, 1996 (25 years)	December 31, 2008	Map included	May 18, 2021	January 15, 1996	None Seen
ML156	Company 4	ML 156-May 4, 2014 (10 years)	July 31, 2000 July 31. 1997	Map Included	October 3, 2024	December 28, 1998	Exempt under Section 8 of the Bauxite and Alumina Industries (Special Provisions) Act.
SML174	Company 5	Special Exclusive Prospecting Licence 524	December 31, 2019	Map included	June 14, 2022	None Seen	
SML175	Company 6	Special Exclusive prospecting licence (SPEL 541) to convert to mining lease SML 175.	December 31, 2020	Map included	June 20, 2022	Seen in Jamaica Observer Dated Wednesday August 24, 2022	
SML176	Company 7	Special Exclusive prospecting licence (SPEL 648)	December 31, 2020	Map included	March 8, 2023[7]	None Seen	
SML172	Company 8	SML 172- May 16, 2017 (5 year)	December 31, 2020	Map included	October 19, 2017	None Seen	

Source: MGD Records

[7] submitted approximately three months after mining lease agreement was approved by the Minister.

Appendix 4: Relevant Authorities as per the Quarries Control Act 1984

National Environment Planning Agency (NEPA)	Grant approvals based on terms and conditions as to proper care, sustainable management of the environment. They conduct environmental assessments and grant permits that allow for the consideration of specific environmental practices, concerns and regulations.
National Works Agency (NWA)	Provide technical guidance on the impact of quarrying on critical infrastructure and waterways (rivers, water courses and drains). This entity's input is geared towards training and cleaning of river channels to reinforce the riverbanks to create stability.
Water Resource Authority (WRA)	Provide technical guidance on the impact of quarrying on surface and underground water resources.
Municipal Corporation (MC)	Outline conditions for the operation of a quarry in a specified area (developed or under-developed area).
Ministry of Agriculture Fisheries and Mining (MoAFM)	Specify whether the quarry operation will have an impact on agricultural activities. The Agricultural Land Management Division is specifically tasked with this assignment on the QAC.
Ministry of Health and Wellness (MoHW)	Environmental Health Unit consults with the parish for the quarry operation health department and makes recommendations taking into consideration whether the quarry operation will have an impact on health.
Quarries Advisory Committee	The Quarries Advisory Committee (QAC) was established under the Quarries Control Act 1984. The QAC's role is to advise the minister responsible on matters of general policy with respect to quarries, including applications for licenses and any other matter referred to by the minister. The QAC consists of a maximum of 10 members drawn from both the public and private sectors. The committee assesses all applications for quarry licences and considers the recommendations of the relevant authorities, including: the National Works Agency, NEPA, the Ministry of Agricultural Land Management Division), the Ministry of Health (Environmental Health Unit), and the Water Resources Authority and Municipal Corporations). Based on the responses received from these authorities, the QAC recommends granting or refusal of an application for a licence.
Minister	Designate quarry Zone; May in writing waive requirement for a quarry licence; Consult with the relevant authorities and grant or refuse to grant a licence; Grant permission for the surrender of a licence; Suspend or revoke licence. Grant exemption from the requirement to deposit full /partial amount for rehabilitation.

Source: Information obtained from MGD

Appendix 5: Quarry Records Reviewed with Expired licences and No licences

No.	QL #	Name	Material	Date Granted	Expiry Date	Period	Quarry status	Comment
1	1902	Quarry Operator 1	River Aggregate	1/11/2023	1/11/2024	1 year	Active	Renewal in progress-Application submitted on December 12, 2024
2	2188	Quarry Operator 2	River Aggregate	1/11/2023	1/11/2024	1 year	Active	Renewal in progress-Application date September 20, 2024.
3	1790	Quarry Operator 3	Sand and gravel	20/9/2022	20/9/2023	1 year	Active	Renewal in progress-Application submitted June 19, 2024. Owner of land change. Renewal of lease in progress
4	1302	Quarry Operator 4	Sand and gravel	23/8/2022	23/8/2023	1 year	Active	Renewal in progress-Application submitted on the January 21, 2025.
5	2198	Quarry Operator 5	River Sand & Aggregates	10/12/2019	10/12/2020	1 year	Active	Renewal in progress-Application submitted on March 4, 2021. Licence expired December 10, 2020. Its four years since application for renewal been processing. Inspection reports in 2024 showed quarry status as active.
6	1225	Quarry Operator 6	Sand and gravel	4/10/2023	4/10/2024	1 year	Active	There was no application for renewal on file. No inspection done after expiry date to verify quarry status.
7	1759	Quarry Operator 7	Limestone	5/2/2020	5/2/2023	3 years	Inactive	Inspection done March 19, 2025, found quarry to be inactive
8	2224	Quarry Operator 8	Sand and gravel	30/4/2021	30/4/2024	3 years	Inactive	Inspection done June 21, 2023, showed quarry status as being inactive
9	2154	Quarry Operator 9	Limestone	8/7/2020	8/7/2023	3 years	Not stated	There is no application for renewal on file. No evidence quarry was inspected since expiration date. Not able to verify status
10	1601	Quarry Operator 10	Sand and gravel	1/10/2020	1/10/2021	1 year	Inactive	Inspection done December 12, 2024, noted quarry as being inactive.
11	1587	Quarry Operator 11	sand	9/4/2019	9/4/2020	1 year	Inactive	Inspection done on December 18, 2024, found the quarry to be inactive.
12	2007	Quarry Operator 12	River Aggregate	10/12/2019	10/12/2020	1 year	Inactive	Inspection done on June 21, 2023, found the quarry to be inactive.
13	1139	Quarry Operator 13	Limestone	9/4/2019	9/4/2021	2 years	Inactive	Inspection letter submitted to Senior inspector of mines on March 19, 2021, stated quarry was inactive at that time.

14	1664	Quarry Operator 14	Limestone	30/4/2021	30/4/2022	1 year	Inactive	Inspection done on August 12, 2020, stated quarry was inactive at that time. However, licence was renewed April 30, 2021, for one year. There was no evidence of inspection after that period to verify status of quarry.
15	2204	Quarry Operator 15	Limestone	3/1/2020	3/1/2023	3 years	Inactive	Inspection done on February 13, 2024, found quarry to be inactive
16	2150	Quarry Operator 16	-	-	-	-	Not stated	Operator applied for quarry licence February 17, 2017, December 12, 2021, and November 18, 2024. Correspondence on file showed he operated a quarry up until 2023 however there was no licence granted covering the period 2017 to 2024.
17	2098	Quarry Operator 17	Sand and gravel	7/5/2019	7/11/2019	6 months	Closed	Closed 08/06/2020
18	2189	Quarry Operator 18	Limestone	10/12/2019	10/12/2022	4 years	Closed	Closed 17/05/2021
19	1062	Quarry Operator 19	Limestone	10/12/2019	10/12/2022	3 years	Closed	Closed 23/03/2020

Appendix 6: Nonconformities Identified by Inspectors

Licence No.	Name	Inspection Date	Licence term	Non-conformities	Corrective action recommended by Inspector
QL 2188	Quarry Operator 2	8/31/2022	Special condition 13-Large boulders shall be used to stabilize the banks of the river	Progressive erosion along eastern riverbank	Extraction along river must be with phase of the Quarry Licence. Quarrying must be done by controlling the river channel and reinforcing the riverbanks with boulders.
QL 1790 -	Quarry Operator 3	1/22/2020	Special condition 19- No depression shall be created in the channel or flood plain of the river as a result of quarry activities -	Gauged out areas to be backfilled;	Operator instructed to backfill areas gauged out immediately.
				PPE needed	Operator instructed to ensure personal protective equipment is used by employees.
		6/5/2019	Special Condition 19- No depression shall be created in the channel or flood plain of the river as a result of quarry activities. -	Gauged out area with trenches observed along a section of river	Utilise boulders to reinforce riverbanks, backfill trenches immediately.
				PPE needed	Ensure employees wear personal protective equipment.
QL 1606 -	Quarry Operator 22	6/9/2022	Special condition 6- The licensee shall erect legible sign at the entrance of the quarry site indicating the name of licensee, quarry licence number, material being quarried.	Signs not erected	All signs must be erected
			Special condition 7- The licensee shall maintain legible signs along the main road, within 50 meters of entrance and exit of quarry site.		
			Special condition 13- Quarrying shall proceed from top slopes downwards along established benches	Quarry has several depressed areas due to lack of benching and undercutting	Established benches and backfill depressed area to level quarry floor
			Special condition 14-All benches shall run horizontal across the entire quarry face		
			Special condition 15- The height of quarry benches shall not exceed their widths		
		6/6/2019	Special condition 13- quarrying shall proceed from top slopes downwards along established benches	Undercutting observed, quarry trending below the level of surrounding areas	Restore quarry face by correcting undercutting
				Sporadic extraction of quarry material	Backfill gauged out areas along quarry floor
					Extract quarry material in a uniformed manner and maintain the integrity of proper benches
QL 1759 -	Quarry Operator 7	10/11/2022	Special condition 6- The licensee shall erect legible sign at the entrance of the quarry site indicating the name of licensee, quarry licence number, material being quarried	Signs not erected	Erect signs
			Special condition 7-The licensee shall maintain legible signs along the main road, within 50 meters of entrance and exit of quarry site		
			Special condition 13- Quarrying shall proceed from top slopes downwards along established benches	Benches not maintained	Established benches

Licence No.	Name	Inspection Date	Licence term	Non-conformities	Corrective action recommended by Inspector
			Special condition 14- All benches shall run horizontal across the entire quarry face		
		6/9/2021	Special contribution 6- The licensee shall erect legible sign at the entrance of the quarry site indicating the name of licensee, quarry licence number, material being quarried	Lack of sign	None Seen
			Special condition 7- The licensee shall maintain legible signs along the main road, within 50 meters of entrance and exit of quarry site		
QL 1601 -	Quarry Operator 10	7/22/2021	Special condition 6- The licensee shall erect legible sign at the entrance of the quarry site indicating the name of licensee, quarry licence number, material being quarried	Signs not erected;	Erect signs at quarry site
			Special condition 7-The licensee shall maintain legible signs along the main road, within 50 meters of entrance and exit of quarry site		
			Special condition 16-The longitudinal gradient of the river shall be maintained throughout the life of the quarry	Extraction not conducted to maintain longitudinal gradient to prevent erosion of banks and centralise river channel.	Extraction should be conducted to maintain longitudinal gradient to prevent erosion of banks and centralised river channel as it flows southernly.
QL 2223 -	Quarry Operator 25	11/18/2022	Special condition 13- Quarrying shall proceed from top slopes downwards along established benches	Failure to implement benches	None Seen
			Special condition 14 All benches shall run horizontal across the entire quarry face		
			Special condition 15-The height of quarry benches shall not exceed their widths		
			-	Lack of PPE use,	None Seen
			Special condition 19- Haul roads leading from the quarry shall be sprinkled as often as is necessary to mitigate dust pollution or material during mining and haulage along roadway.	High level of dust,	None Seen
		9/7/2022	Special Condition 13- Quarrying shall proceed from top slopes downwards along established benches	Area needs to be benched;	None Seen
			Special condition 14- All benches shall run horizontal across the entire quarry face		
			Special condition 15- The height of quarry benches shall not exceed their widths		None Seen

Appendix 7: Enforcement Actions

No.	**Criteria** (We expect)		**(Condition) We found**
1	Access	Guidelines on how to file a complaint should be publicly available, channels that complaints should be accepted via email, telephone, and postal mail.	MGD's website allows stakeholders to submit a complaint or concern regarding mining or quarrying activities, via email (commissioner@mgd.gov.jm)[8].
2	Record	Each complaint to be recorded and complainants receive confirmation of receipt.	MGD's complaints register indicated that 22 complaints were recorded during the period 2019-20 to 2023-24. Furthermore, 15 of these complaints were related to illicit quarry operations, while the remaining 7 complaints raised concerns regarding issues such as dust, noise, road pollution, and damage or threats to properties and farm crops. For 2024–25, two complaints were recorded, one involving illegal quarrying. We also noted that five complaints deliberated at Quarries Advisory Committee meetings, along with two complaints referred by the MoAFM Legal Unit and the St. Mary Municipal Corporation through the Permanent Secretary of the Ministry of Economic Growth and Job Creation (MEGJC), were not logged in the complaints register for monitoring and potential enforcement action.
3	Investigate/Check	Conduct site visits, interviews, and document reviews.	While MGD's complaints register includes a designated column for documenting remedial actions taken in response to reported breaches, this section was incomplete in 16 instances where site visits were conducted. The lack of consistent documentation of follow-up actions undermines accountability and would limit MGD's ability to demonstrate that complaints are being addressed in a timely and effective manner to assess overall compliance trends.
4	Action	Legal action, penalty, referral (JCF, NEPA, MC) or licence suspensions	MGD complaints register indicated that only nine of the 15 recorded cases of illegal quarrying were formally referred to the Police during the review period. MGD did not provide any evidence indicating whether the remaining six complaints, were confirmed as cases of illegal quarrying during site visits.
5	Report	Track response times, resolution rates, and recurring issues, and publish report on complaints and resolutions.	MGD is not proactively measuring its performance in responding to customer complaints as no KPI were developed.

[8] https://mgd.gov.jm/lodge-a-complaint/

Appendix 8: Mining Lease Agreements Compliance with the Act

No.	Section (Mining Act)	Terms and Conditions	Findings	Observation	MGD Response
1	Specified mineral only	The mining lease is granted for a specific mineral.	8 Mining leases reviewed showed where they were each granted for a specific mineral. These minerals include bauxite, marble, calcium carbonate, high purity limestone and silica sand.	✔	Accepted.
2	Period	Mining lease granted for a period not exceeding 25 years.	All 8 Mining leases were granted for periods between five years to 25 years. The maximum mining leases period was for 25 years.	✔	Accepted.
3	Mining Plan	Detailed Mining Plan submitted to the Commissioner of Mines within six months of the date of the mining lease covering the first five years of operation.	8 Mining Plans were submitted to the Commissioner of Mines within the stipulated period of 6 months.	✔	Accepted.
4	Monitoring and Reporting Requirements.	Quarterly returns submitted in writing to the Commissioner of Mines setting out the quantity of mineral won, its value and how it has been disposed of.	Five leaseholders submitted the required quarterly returns. Three of the five did not commence mining during the period hence no returns were submitted.	✔	Accepted.
5	Health and Safety Standards	Enforces occupational safety measures to protect workers and nearby residents.	Our review of the 8 mining leases indicated that one operator Company 6 was closed during the period and the remaining seven did not have evidence of consistent health and safety inspections over the five-year period. Furthermore, we identified that MGD conducted joint health and safety inspections for Company 4 under its Mining Lease and Quarry Licence however the reports made no mention of the Mining (Health and Safety) Regulations 1977, which indicated discrepancies with joint inspections as we identified that for operator Company 1 the reports stated both the Mining (Health and Safety) Regulations 1977 and Quarries (General) Regulations 1958.	⚠	
6	Security Deposit	Ensure financial coverage for land restoration and environmental damage mitigation.	We saw no evidence that the four non-bauxite mining leases provided the required security deposit to ensure financial coverage for land restoration and the mitigation of environmental damage, as required under the Mining Act 1947[8]. MGD subsequently informed us in March 2026 that no written documentation is available at this time to support any waiver of, or decision not to require, a security deposit. In addition, we were provided with only one example of Form No. 3, Regulation 26 (Undertaking of Principal); which reflects an understanding between the entity and	⚠	Secs. 11 - 13 of the Mining Act provides for the 'optional' application of the security deposit. These non-bauxite mining leases were originally granted in the 1980s and 1990s. Based on anecdotal evidence, this requirement for a deposit/guarantee was not exercised at that time to encourage the investment in the industrial minerals sector, especially for the development of high purity

			applicants that, although a sum was not collected at the time, the required amount would be provided if requested. The four bauxite operators that held Special Mining Leases are exempt under the Bauxite and Alumina Industries (Special Provisions) Act[9].		limestone, a high-value mineral used in manufacturing processes. This was an emerging mineral opportunity for Jamaica to diversify the country's mineral portfolio beyond the traditional bauxite mining and quarrying of low-value materials like sand, stone and marl. The local miners had internationallyrecognised parent companies which were reputable producers on the global market. Going forward, this requirement for a security deposit will be implemented as mandatory.
7	Termination and Reclamation Conditions	Outlines procedures for lease termination and post- mining land restoration.	Our review of all 8 mining leases indicated the following condition "as soon as may be practicable after mining operations are concluded in any section, restoration shall be done to bring the mined-out section to as near as is practicable to the original level of vegetation".	✔	Accepted.

✔ Fully compliant ⚠ Partially compliant ⛔ Not compliant

Source: Mining Act and MGD Records

Appendix 9: Renewals not submitted four months before expiration of quarry licences

No.	QL #	Name	Date Granted	Expiry Date	Renewal Application Date	Time taken to apply (Days)
1	1902	Quarry Operator 1	1/11/2023	1/11/2024	12/12/2024	30 days after
2	2198	Quarry Operator 5	10/12/2019	10/12/2020	04/03/2021	58 days after
3	1790	Quarry Operator 3	20/9/2022	20/9/2023	19/06/2024	188 days after
4	2188	Quarry Operator 2	1/11/2023	1/11/2024	20/09/2024	30 days before
5	1302	Quarry Operator 4	23/8/2022	23/8/2023	21/01/2025	607 days after

Appendix 10: MGD's year-by-year reconciliation for Company 11 and Company 9

Company 11					
Year (Jan-Dec)	**Royalty Due for Bauxite Shipped (USD)**	**Royalty Paid (USD)**	**Royalty Due (USD)**	**Penalty and Interest Due (USD)**	**Payment Status**
2019	1,475,634.00	894,144.99	581,489.01	231,226.63	Underpaid
2020	1,488,110.50	-	1,488,110.50	452,539.95	No Payment
2021	1,265,740.00	2,822,419.56	(1,556,679.56)	274,261.78	Overpaid
2022	1,207,419.50	1,275,860.16	(68,440.66)	279,730.78	Overpaid
2023	1,012,482.00	144,950.27	867,531.73	259,167.80	Underpaid
2024	829,560.00	1,794,000.00	(964,440.00)	184,372.52	Overpaid
2025	838,939.50	707,169.59	131,769.91	176,736.02	Underpaid
Total	**$8,117,885.50**	**$7,638,544.57**	**$479,340.93**	**$1,858,035.48**	
Company 9					
Year (Jan-Dec)	**Royalty Due for Bauxite Shipped (USD)**	**Royalty Paid (USD)**	**Royalty Due (USD)**	**Penalty and Interest Due (USD)**	**Payment Status**
2019	$2,746,876.80	$4,111,797.40	-$1,364,920.60	$253,952.69	Overpaid
2020	$2,673,518.40	$1,483,260.00	$1,190,258.40	-	Underpaid
2021	$1,863,331.20	$2,738,052.60	-$874,721.40	-	Overpaid
2022	$667,792.80	$177,964.48	$489,828.32	-	Underpaid
2023	$2,222,414.40	$1,532,543.40	$689,871.00	-	Underpaid
2024	$2,590,404.00	$2,292,124.62	$298,279.38	$250,173.36	Underpaid
2025	$2,478,700.80	$2,558,559.75	-$79,858.95	$227,134.31	Overpaid
Total	**$15,243,038.40**	**$14,894,302.25**	**$348,736.15**	**$731,260.36**	

Appendix 11: MGD Monitoring Activities per Operational Plan 2019-20 to 2023-24

MGD Policy	Objectives	Strategies	MGD Outputs
1. Monitoring of mining and quarrying activities.	To ensure the promotion of safety, health and environmental industry standards/best practices.	1. Monitor bauxite/alumina mining/processing facilities to ensure the promotion of safety, health and environmental industry standards/best practices. 2. Monitor non-bauxite mines and quarries to ensure the promotion of safety, health and environmental industry standards/best practices 3. Monitor areas in which exploration for minerals is taking place to ensure the promotion of safety, health and environmental industry standards/best practices. 4. Evaluate the reports on accidents/incidents that led to injuries to ensure they are accurately recorded.	1. Conduct safety and housekeeping (S&H) inspections at sites where active drilling is taking place twice per year. 2. Conduct audits of accident/injury data received from the 5 plants and 5 mines twice per year. 3. Conduct an inspection quarterly at each active bauxite mining location. 4. Inspect rehabilitation work at each mining location twice per year. 5. Conduct certification exercises and certify lands which are satisfactorily rehabilitated. 6. Conduct inspections of licensed quarries. 7. Conduct site visits with select quarry operators with a view to replicating the findings of research conducted in rehabilitating a limestone quarry.
2. Monitoring for Royalty and Tax.	To ensure the timely remittance of royalties payable on bauxite/ alumina, other minerals and quarry materials sold or otherwise disposed of.	1. Monitor all shipments and sale of minerals to accurately determine royalties. 2. Assess production records and volume of stockpiled and in situ quarry material to calculate the amount of tax to be collected 3. Monitor the market price for quarry material.	8. Conduct 2 deadweight surveys on all bauxite/ alumina vessels: 1 on arrival of the vessel and 1 after loading the vessel. 9. Conduct field and in-house assessments of stockpiles of quarry materials and in-situ rocks to determine the tax payable 10. Conduct market research to determine the quarry tax payable.

Appendix 12: MGD Inspection Activities Summary 2019–20 to 2024–25

<table>
<tr><th rowspan="2">Description</th><th colspan="2">2024-25</th><th colspan="2">2023–24</th><th colspan="2">2022–23</th><th colspan="2">2021–22</th><th colspan="2">2020–21</th><th colspan="2">2019–20</th></tr>
<tr><th>Target</th><th>Actual</th><th>Target</th><th>Actual</th><th>Target</th><th>Actual</th><th>Target</th><th>Actual</th><th>Target</th><th>Actual</th><th>Target</th><th>Actual</th></tr>
<tr><td>Quarry Inspection</td><td>480</td><td>595</td><td>400</td><td>449</td><td>400</td><td>243</td><td>480</td><td>144</td><td>480</td><td>320</td><td>800</td><td>706</td></tr>
<tr><td>Inspection of Active Mining Locations</td><td>16</td><td>17</td><td>16</td><td>16</td><td>16</td><td>15</td><td colspan="6">None done/developed</td></tr>
<tr><td>Safety & Housekeeping Inspections – Non-Bauxite Mines</td><td>16</td><td>18</td><td>8</td><td>10</td><td>8</td><td>5</td><td>8</td><td>7</td><td>8</td><td>7</td><td colspan="2" rowspan="4">In March 2016, MGD submitted four PowerPoint appendices as operational plans for the 2019 financial year. However, they contained no specific dates and mixed information across quarters, making it hard to attribute data and achievements to a particular quarter. This lack of clarity limits further detailed analysis.</td></tr>
<tr><td>Safety & Housekeeping Inspections – Medium & Large Quarries</td><td>80</td><td>99</td><td>40</td><td>44</td><td>40</td><td>115</td><td>40</td><td>83</td><td>40</td><td>113</td></tr>
<tr><td>Safety & Housekeeping Inspections – Alumina Plants</td><td>16</td><td>15</td><td>16</td><td>8</td><td>16</td><td>9</td><td>18</td><td>6</td><td>18</td><td>10</td></tr>
<tr><td>Safety & Housekeeping Inspections – Mines</td><td>16</td><td>16</td><td>18</td><td>12</td><td>16</td><td>11</td><td>16</td><td>8</td><td>16</td><td>11</td></tr>
</table>

Appendix 13: MGD Complaints Register 2019-20 to 2023-24

Period	No.	Date	Nature of complaint	Complainant	Remedial action	Date of remedial action	Location	Remarks
2019-20	**1**	11/4/2019	Illicit quarrying	Anonymous	None Seen	None Seen	St. Andrew	None seen
	2	30/4/2019	Illicit quarrying	Anonymous	None Seen	None Seen	St. Catherine	None Seen
	3	3/5/2019	Illicit quarrying	MGD Inspector	Complaint lodged at Seaforth police station	3/5/2019	St. Thomas	None Seen
	4	16/5/2019	Illicit quarrying	Anonymous	Inspector to visit site	None Seen	St. Elizabeth	None Seen
	5	16/9/2019	Illicit quarrying	Anonymous	none seen	16/9/2019	Hanover	None Seen
	6	25/9/2019	Illicit quarrying	Anonymous	none seen	None Seen	Not stated	None Seen
	7	7/1/2020	Damage to public roadway and increase in noise and dust pollution	Individual-citizen	none seen	None Seen	St. Ann	None Seen
	8	26/3/2020	Illicit quarrying	Anonymous	Message relayed to MGD on March 26, 2020. Inspector went to visit site on March 31, 2020.	None Seen	St. Andrew	None Seen
	9	30/3/2020	Illicit quarrying	Anonymous	None Seen	None Seen	St. Ann	None Seen
2020-21	**10**	31/7/2020	Speeding of trucks, materials falling in roadway and being left there which resulted in hazard and disruption to motorist.	Individual-Citizen	None Seen	None Seen	Manchester	None Seen
	11	19/8/2020	Dust pollution	Clarendon Municipal Corporation	MGD contacted quarry operator to address the matter.	13/10/2020	Clarendon	MGD letter on file advising the CEO for the Clarendon Municipal Corporation that the matter was reported to the quarry operator, and it will be addressed.
	12	16/11/2020	Illicit quarrying	Attorney	Inspector of MGD visited property.	18/11/2020	Clarendon	Inspector of Mines visited site on November 18, 2020, but no representative was available on behalf of the beneficiary/owner of property to carryout escort.
	13	1/12/2020	Poor conditions of road surface	Anonymous	None Seen	None Seen	Not stated	Inspector stated that they could not verify if the volume of trucks

Period	No.	Date	Nature of complaint	Complainant	Remedial action	Date of remedial action	Location	Remarks
								were due to the quarries located in the area.
	14	14/1/2021	Illicit quarrying	Property owner	None Seen	None Seen	Not stated	None Seen
2021-22	**15**	27/4/2021	Illicit quarrying	Individual-Citizen	Complainants were told to report it to the police; steps taken to verify if the activities by licensed quarry operator	None Seen	Not stated	MGD stated they will do a field inspection to investigate whether the operator is operating outside his licensed area
	16	27/4/2021	Illicit quarrying	Anonymous	None Seen	None Seen	Manchester	None Seen
	17	18/6/2021	Destruction of crops	Owner of crops	None Seen	None Seen	St. Thomas	None Seen
	18	15/7/2021	Illicit quarrying	Individual-citizen	None Seen	None Seen	Not Stated	None Seen
	19	13/11/2021	Illicit quarrying	Citizens	None Seen	None Seen	Not Stated	None Seen
2022-23	**20**	12/12/2022	Destruction of land alongside Yallahs river and disruption to farmers operating on nearby land	Individual-citizen	None Seen	None Seen	Not Stated	None Seen
2023-24	**21**	28/7/2023	Illicit quarrying	MGD Staff on behalf of property owner	None Seen	None Seen	Not Stated	None Seen
	22	2/8/2023	Quarrying activities too close to farm crops	MGD Staff on behalf of property owner	None Seen	None Seen	Not Stated	None Seen