

**PUBLIC-PRIVATE-PARTNERSHIP APPROACH TO CONFLICT  
MANAGEMENT AND MITIGATION: A REVIEW OF NEWMONT AHAFO  
MINE'S GRIEVANCE MANAGEMENT SYSTEM IN THE ASUTIFI  
DISTRICT IN THE BRONG AHAFO REGION.**

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## ABSTRACT

Research undertaken by the World Bank and others suggests that developing countries, particularly those in sub-Saharan Africa's high dependence on mineral and other natural resources is correlated with an increased incidence of poor governance and conflicts. Though mining in Ghana dates back to the 15<sup>th</sup> and 16<sup>th</sup> centuries, relations between mining companies and affected communities have grown increasingly tenuous over the years a condition Carson et al (2006) attest has the potential to escalate to unimaginable heights as is evident by other resource endowed African countries such as the D.R. Congo, Sierra Leone, Liberia and Angola among others. Studies have however shown that Public-Private-Partnerships have the potential to effectively manage conflicts through extractive companies' engagement with civil society and public sector actors.

This study therefore sought to review NGGL's Grievance Management System which employs a Public-Private-Partnership approach to conflict management to assess its effectiveness, relevance as well as its immediate impact and challenges. The study was carried out using a combination of Participatory Rural Appraisal (P.R.A.) tools including semi-structured questionnaires, focus group discussions and interview guides. These were used to collect information from the various stakeholders on their perceptions about the causes of conflict in the study communities and their views on the PPP approach to conflict management and mitigation in the study communities.

Key findings from the research included the fact that, communities' high expectations of the spin-offs from mining, NGGL's seemingly skewed pattern of engaging stakeholders, the inability of community members to find employment with the mining company and the largely top-down nature of NGGL's partnerships have often been the foundation of most of the conflicts that persist in the Asutifi District. The study further found that all the PPPs being undertaken were very relevant as they were very much in harmony with the needs of the people. However, their effectiveness varied depending on the mode of implementation. Regarding the sustainability of PPP programmes, financial sustainability cannot be assured however the involvement of the Assembly, chiefs and the community at large in programmes guarantees their institutional sustainability even with the exit of NGGL.

Recommendations made based on the findings of the research and meant to further strengthen NGGL's Grievance Management System included, the need to revise the legal framework on mining as well as auditing mineral royalties accruing to the District Assembly and Traditional



Authorities. The need to attach micro-credit to Alternative Livelihood Programmes as well as reconstituting the Resettlement Negotiation Committee (RNC) to address broader stakeholder issues was also recommended. Finally, employing a bottom-up approach to partnerships to promote stakeholder participation was recommended to guarantee community ownership and sustainability of the programmes.



## DECLARATION

I hereby declare that this submission is my own work towards the M.SC. Development Planning and Management Programme and that to the best of my knowledge, it contains no material previously published by another person nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

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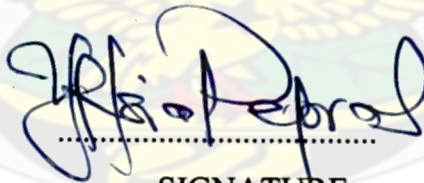
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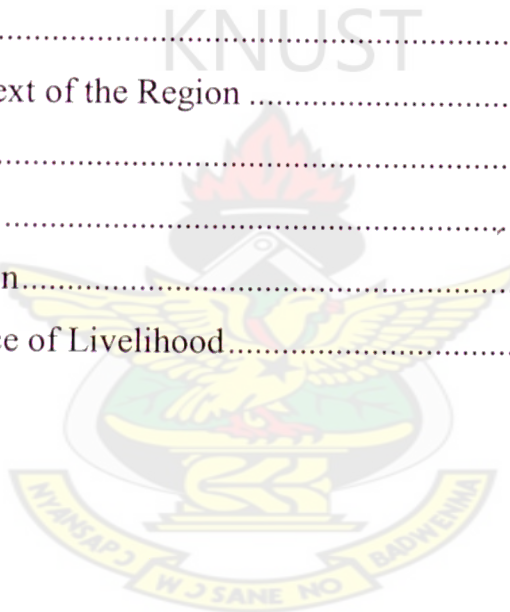
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## ACRONYMS

ADA	Asutifi District Assembly
ASM	Artisanal and Small Scale Miners
CA	Community Assistance
CD	Community Development
CSR	Corporate Social Responsibility
DA	District Assembly
DCD	District Coordinating Director
DCE	District Chief Executive
EOCDF	Eastern Obolo Community Development Foundation
EPA	Environmental Protection Agency
EPNL	Elf Petroleum Nigeria Limited
GMS	Grievance Management System
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
ICDP	Integrated Community Development Project
ILO	International Labour Office
LVB	Land Valuation Board
MP	Member of Parliament
MPN	Mobil Producing Nigeria
MPNCN	Mobil Producing Nigeria Community News
NDDC	Niger Delta Development Commission
NGGL	Newmont Gold Ghana Limited
NGO	Non-Governmental Organisation
OASL	Office of the Administrator of the Stool Lands
OECD	Organization for Economic Cooperation and Development
OICI	Opportunities Industrialisation Centres International
PPP	Public-Private-Partnership
PRA	Participatory Rural Appraisal
SCD	Sustainable Community Development
SPDC	Shell Petroleum Development Company of Nigeria
STDS	Sexually Transmitted Diseases
UNDP	United Nations Development Programme
USAID	United States Agency for International Development

# CHAPTER ONE

## A GENERAL OVERVIEW OF THE STUDY

### 1.1 Background of the Study

Evidence across many developing countries, particularly those in sub-Saharan Africa, shows that high dependence on mineral and other natural resource endowments is correlated with an increased incidence of poor governance, under-development, human rights abuse, and violent conflict; a phenomenon scholars refer to as the “resource curse” (Ross, 2001, Bannon and Collier, 2003).

Gold, one of the common natural resources in Africa is one such resource whose extraction is imbedded in conflicts. Not noted for a glorious history, several gold mining and other extractive companies have often been criticised, since colonialism, for their use of mercenaries, warlords and corruption to gain access to lucrative oil and mineral deposits, resulting in a well-documented history of intrigue and abuse in Africa and in other developing countries (Dansereau, 2005).

According to Carsons et al, (2006) the contemporary sources of conflicts in mining communities in Ghana revolve around but not limited to the management and distribution of mining revenue, compensation and resettlement, poverty, environmental issues, sustainable alternative livelihoods, illegal artisanal mining, and security.

Localized conflicts and tensions arising from mining as a result of the sources cited have the potential to spread to higher levels if left unattended to. Focus has thus been placed on the role that mining companies can and do play in promoting or inhibiting peace, security and development at the operational level. Indeed, ill-designed and inappropriate business practices in the mining sector – coupled with the underlying instability created by weak governance and a lack of livelihood alternatives – often contributes to the resource curse phenomenon. At the same time, as part of their wider embrace of Corporate Social Responsibility (CSR) and attempts to learn from negative past experiences, an increasing number of mining companies are seeking to develop practical policies that contribute to sustainable development, peace, and human rights in the communities and countries where they invest and operate.

Public-Private-Partnerships (PPPs) – forged among private sector companies, governments, development organizations, and communities in recent times is gradually becoming the norm and is believed can contribute positively to the management and mitigation of mine-related conflicts. Companies are therefore increasingly motivated to pursue these types of partnerships for various reasons, including the negative effects of conflict on company operations, pressure from Non-Governmental Organisations, and lessons learned from past failures to obtain social licenses to operate. PPPs have thus emerged as a potentially powerful mechanism for harnessing the expertise and skills of other development actors or stakeholders in managing and mitigating conflicts in mining communities.

The rationale for this study was therefore to assess the potential of PPPs in managing and mitigating conflicts in mining communities. The focus of the study was however on reviewing Newmont Gold Ghana Limited's Grievance Management System which employs a Public-Private-Partnership approach to conflict management and mitigation in the Asutifi District.

This study examined the problem of mining and conflicts and sought to review NGGL's approach to conflict mitigation by examining the key sources of mine-related conflicts, analysing the relevance of PPPs and their immediate impact as well as assess the challenges of the approach in conflict management and mitigation in the study area.

The research which was a review adopted a case study approach to specifically study NGGL's Grievance Management System through the PPP approach to conflict mitigation. Both quantitative and qualitative techniques were employed in collecting and analysing data.

## **1.2 Problem Statement**

The tradition of mining, particularly in gold, dates back to the 15<sup>th</sup> and 16<sup>th</sup> centuries, when Ghana accounted for nearly 36 percent of the world's total output in gold under British colonial rule. Ghana is currently Africa's second largest gold producer, with gold exports accounting for over 40 percent of total export earnings, and there are now currently at least 37 officially recognized mining companies in Ghana and several other smaller, informal actors. This increased reliance on minerals has been noted by many prominent scholars, including Collier and Hoeffler, among others, as being associated with a higher risk for conflict (Awudi 2002).



Experience from within the West African Region, such as in neighbouring Côte d'Ivoire and Sierra Leone, has shown that conflicts can breed even in seemingly stable environments when left unchecked. For example, there are an estimated 300,000 illegal artisanal miners in Ghana – a migratory, mostly male population that creates a range of destabilizing effects for communities and mining companies, and which have shown a propensity for breeding conflict (Obara and Jenkins, 2006).

In spite of the fact that there is evidence on the ground that relations between mining companies and communities have grown increasingly tenuous, with reports of Ghanaian communities revolting against various mining company policies, on issues of compensation, displacement, and environmental degradation, strategies employed over the years to address these conflicts have proven not to be sustainable. These strategies which in most cases were initiated and spearheaded by mining companies themselves were viewed more as impositions than collaborative measures and as such did not enjoyed the cooperation of affected community members (Carsons et al, 2006).

Studies have however shown that Public-Private-Partnerships have the potential to effectively manage conflicts through extractive companies' engagement with civil society and public sector actors. As these partnerships open opportunities for dialogue and confidence-building among actors with disparate interests; for pooling resources and sharing responsibilities; and for developing common principles and strategies for promoting conflict- and development-sensitive business practices, as well as the broader consensus for pursuing them (Carsons et al 2006).

The relevance of incorporating PPPs into the operational activities of companies, governments and mining communities cannot be downplayed. This is because apart from reducing the incidences of conflicts and ensuring sustainable conflict management, PPPs also promote community development in the operational areas while affording companies a congenial atmosphere to conduct business thus creating a win-win situation for all parties in the partnership.

This study was therefore an attempt to build on prior studies, which concluded that improved outcomes can be achieved when extractive companies engage with civil society, public sector actors and affected communities in the form of public-private partnerships (PPPs) in conflict management and mitigation. The study specifically reviewed Newmont Ahafo Mines



Grievance Management System which employs the Public-Private-Partnership approach to conflict mitigation in the Asutifi District to assess its relevance and effectiveness.

Among other things, the study sought to find answers to these pertinent questions:

1. What is the relationship between NGGL and the key stakeholders in the community?
2. What are the mine-related issues that lead to tensions and conflicts in the study area?
3. How relevant and effective is the use of PPPs in addressing these sources of conflicts?
4. What has been the immediate impact and challenges of the approach in the management of conflicts in the study area?
5. How sustainable is the approach in terms of financial, socio-cultural, and institutional arrangements?

### **1.3 Objectives of Study**

The broad objective of the study is:

To examine NGGL's Grievance Management System with regard to how it engages the various stakeholders in managing conflicts in the Asutifi district as well as assess the immediate impact and challenges of this system.

From the above, the following specific objectives were set:

1. To examine NGGL's relationship with the key stakeholders in the community,
2. To examine the key sources of mine- related conflicts in the study communities,
3. To analyze the relevance and effectiveness of PPPs in addressing these sources of conflict,
4. To assess the immediate impact and challenges of the approach in the management of conflicts in the study area, and
5. To examine the sustainability of the approach in terms of financial, socio-cultural and institutional arrangements.

### **1.4 Significance of Study**

Resource endowed communities are also considered conflict- laden communities. Over the years efforts to manage and resolve these conflicts mostly spearheaded by mining companies have often been revolted against by community members who have considered them as impositions and not reflecting the interests of all affected parties. The PPP approach which

builds on the premise of stakeholder participation and collaborations stands a better chance of being a more sustainable measure of conflict management and mitigation.

Based on the fact that the PPP approach being employed by NGGL is an on-going process, findings and recommendations from the research will serve as feedback to improve the content and process of the approach to enhance the delivery and impact of the approach in the district.

Results of the study will also provide useful insights into how the PPP approach works and lessons learnt could serve as a blueprint that would inform and direct other mining companies and in fact other extractive industries on how to ensure sustainable conflict management and mitigation through the PPP approach in their operational communities.

Again, findings from this research if found particularly laudable could lead to a policy reform where mining companies and other extractive industries would be required by law to form PPPs in their operational communities comprising the District Assembly, Civil Society Groups and NGO's and the affected communities to manage and mitigate conflict situations.

Finally, the study would add up to the stock of literature on Public-Private-Partnership approach to conflict management and mitigation.

### **1.5 Scope of the Study**

Contextually, the study focused on conflict management with emphasis on the PPP approach to conflict management and mitigation. The study focused on reviewing NGGL's Grievance Management System which employs the PPP approach to assess its relevance, effectiveness, impact, challenges and sustainability in managing conflicts in the Asutifi District.

Though the study area is the Asutifi District, geographically, the field work was limited to communities directly affected by Newmont mining activities. These communities are: Ntotroso, Kenyasi No. II, Kwakyekrom now Ntotroso Resettlement Camp and Kodiwohiakrom now Kenyasi Resettlement Camp.

In terms of the time scope of the study, data was gathered and reviewed from 2004 when NGGL's Grievance Management System was set up till April 2009.

## 1.6 Organisation of the Report

The study report has been organized into five chapters. The first chapter of the study gives a background understanding to the study, its goal and objectives as well as the significance of the study.

Chapter two contains a review of literature on the study topic. This chapter sought to review relevant issues pertaining to the study. These include literature on the concept of conflict management, sources of mine-related conflicts, Public-Private-Partnerships and a review of some case studies from the oil industry. Finally, the chapter closes with a conceptual framework which seeks to highlight the relationship between the various stakeholders in the mining industry.

Chapter three is devoted to the research approach and methods employed in conducting the study. It presents in-depth information on the sources of data, sampling techniques and tools of analysis.

Chapter four consists of presentation and analysis of data. This chapter explains and analyses data collected from the survey. This is done in relation to the objectives of the study. The chapter is preceded by a brief profile of the study area and the mining company- NGGL.

Chapter five provides a summary of the findings, recommendations and a general conclusion to the study.



## **CHAPTER TWO**

### **MANAGING CONFLICTS IN MINING AREAS: THE THEORY AND PRACTICE OF PUBLIC-PRIVATE-PARTNERSHIPS**

#### **2.1 Introduction**

This chapter focuses on the examination and review of existing literature on the subject matter and related issues. It examines the concepts of conflict and conflict management, sources of mine-related conflicts, approaches to managing mining conflicts, Public-Private-Partnerships as a means of managing conflicts with case studies from the Nigerian oil industry and concludes with a conceptual framework of the interaction between key stakeholders in the mining environment as well as guidelines to operationalising PPPs in conflict management. The division of the chapter into sections is to make for easy discussions and understanding.

#### **2.2 The Concept of Conflict**

Conflict is as old as human existence itself. Conflict exists wherever there is social interaction. It emerges as an outcome of interdependencies and interactions between and among people. Historical evidences indicate that conflict existed even in prehistoric times when man was at the stage of *Homo erectus* evolving to be *Homo-sapien*, on the path to become a modern man (Rummel, n.d.).

What then is conflict? In simple words, conflict may be understood as collision or disagreement. Conflict may be within an individual when there is incompatibility between his own goals or events; may be between two individuals, when one does not see eye to eye with another, and in the process tries to block or frustrate the attempts of another; or between two groups in an organization or within a community (Rummel, n.d.). Conflict arises when individuals or groups encounter goals that both parties cannot obtain satisfactorily. Though intra-personal conflict is not made explicit in the definition, the first sentence implies intra-individual conflict as well.

Dewi (2005) attests that conflict is not synonymous with violence as widely perceived but rather is a normal phenomenon which has been an integral part of human interactions – two people or different groups may perceive one thing from two different perspectives and may have different interests and goals over the same issues. Therefore, the most important thing is to address these differences in a constructive manner at the early stages to prevent the



outbreak of violence. She further asserts that in the context of development, when managed tactfully, conflicts can become a source of innovation.

### 2.2.1 Functional and Dysfunctional Conflict

According to Rummel (n.d.) conflicts can be looked at from two dimensions, these are the functional and dysfunctional conflicts. Functional conflict refers to confrontation between two ideas, goals and parties that improve employees and the organization's performance. Well-managed conflict helps workers anticipate and solve problems, feel confident, strengthen their relationships, and be committed to the organization. Constructive conflict is crucial for effective functioning of organizations. Specifically, potential benefits of conflict are that, they increase awareness of what problems exist, who is involved, and how to solve them.

He further asserts that conflict motivates organizational members to analyse problems. They are energized and psychologically focused on the problems and motivated to put plans into action. Conflicts also promote change and make persons more aware of injustices, inefficiencies and frustrations, and see the need to correct them. Conflict enhances morale and cohesion. Organizational members deal with and clear up their frustrations and resentments. They conclude that their relationships are strong enough to withstand stress and to handle difficulties. They also learn about each other's needs, styles, and values through conflict. High quality decisions result when persons express their opposing views and perspectives. They share their information and check each other's reasoning to develop new decisions.

In conclusion, Rummel (n.d.) opines that conflicts are inevitable in communities and organizations and also desirable. However without an effective means for handling it, conflict can tear relationships apart and interfere with the exchange of ideas, information and resources in groups and between departments within an organisation. This is what is referred to as dysfunctional conflicts and this can hinder and prevent organizational goals from being achieved.

### 2.2.2 Meaning and Dimensions of Conflict Management

Conflict Management is a dynamic, interdisciplinary field, constantly evolving as a response to problems in human societies and relationships. Conflict management can be functionally understood by what it seeks to accomplish. According to The Johns Hopkins University

School for Advanced International Studies (SAIS) Conflict Management Toolkit 2008, Conflict Management aims to:

- Prevent the eruption of destructive conflict,
- Facilitate a move from violent to spoken conflict, and
- Enable a transformation from conflict situations to lasting peace by addressing root causes and effects of conflict.

The SAIS Conflict Management Toolkit, 2008 further attests that there are five main dimensions of conflict management. These are Conflict Prevention, Peacemaking, Peacekeeping, Peacebuilding and Statebuilding.

According to the SAIS Conflict Management Toolkit, 2008, it may be difficult or even undesirable to come up with exact definitions of these concepts. Trying to define the tasks that go into each "dimension" would risk limiting rather than expanding the means by which conflicts can be managed. It is therefore useful to look at these concepts in terms of their goals and aims, the targets of particular actions, and in terms of the specific problems that need to be addressed.

The SAIS Conflict Management Toolkit, 2008 therefore briefly explains Conflict Prevention as an approach that seeks to resolve disputes before violence breaks out; Peacemaking on the other hand transforms the conflict from violent to spoken, and further, toward the definition of a common peaceful solution; Peacekeeping missions are however often required to halt violence and preserve peace once it is obtained. If successful, those missions can strengthen the opportunity for post-conflict Peacebuilding, which should function to prevent the recurrence of violence by addressing the root causes of conflict and creating a stable and durable peace. Finally, Statebuilding is the process of reconstructing weak or collapsed infrastructure and institutions of a society - political, economic and civil - in order for civil society and politics to begin to function normally.

It concludes that different phases of a conflict require different dimensions of conflict management since each strategy or dimension addresses specific problems that occur during the conflict process.

### **2.3 Sources of Mine-Related Conflicts**

Across the globe, commonly identified problems and complexities stemming from the extractive industry include: human rights abuses; disagreements over resettlement and

compensation of indigenous peoples; armed groups; corruption; and lack of social investment, stakeholder engagement, and transparency (Carsons et al, 2006). This section of the study discusses seven key sources of conflicts in Ghana as identified by Carsons et al (2006).

### 2.3.1 Management and Distribution of Mining Revenue

A key source of conflict associated with mining in Ghana is the issue of the disproportionate distribution of mining revenue. Over the years, tax revenue from mining including royalty payments and corporate taxes has averaged 12 percent of total tax revenue. However the distribution and management of mining revenue has been a major source of conflict.

Mining revenue accrued to the state is divided between the Central Government and the Mineral Development Fund (MDF), with the former receiving 80 percent of total royalties while the latter receives 20 percent. According to 1992 Constitution 267 (6), the 20 percent is further divided into two: half (or 10 percent of total royalties) goes to the Minerals Commission and the Department of Mines, while the Office of the Administrator of the Stool Lands (OASL) which is charged with overseeing collectively owned land, also known as Stool land receives the remaining 50 percent.

Of OASL's royalty revenue, 10 percent (or 1 percent of total royalties) is retained for administrative purposes, while the remaining 90 percent (9 percent of total royalties) is distributed by the OASL to the district level or the sub-district structures to fund community development projects, or to compensate local communities for the dislocations caused by mining. This 90 percent is divided in the following fashion: 25 percent (2.25 percent of total royalties) is given to the Stools through traditional authority structure, 20 percent (1.8 percent of total royalties) is given to the chiefs or other traditional authority while the remaining 55 percent (4.95 percent of total royalties) is given to the District Assemblies.

Obviously, the current procedures governing the distribution of mineral royalties are inherently biased toward the Central Government and away from the mining communities who enjoy only 9 percent of mining revenue. This systematic diversion of revenue contributes to a variety of negative outcomes at the local levels. Local communities, who receive little development funds or projects, are left with the perception that mining companies return little or nothing to the community. This perception underlies a sense of anger and entitlement toward mining companies.



### 2.3.2 Compensation and Resettlement

Issues arising from the current land tenure system create numerous potential sources of conflict, some of which embroil mining companies. The most relevant issues with respect to the Mineral rights ownership as enshrined in the 1992 constitution (Section 257(6)) which states, "Every mineral in its natural state in, under or upon any land in Ghana ... is the property of the Republic of Ghana and shall be vested in the President on behalf of and in trust for the people of Ghana." Thus, the Government of Ghana can sell or lease mineral rights without the permission of those who own the surface rights. This leaves the mining company to negotiate with land owners for surface rights.

Ultimately, because of usufructuary rights, resettled individuals and families may lose the ability to farm permanently, because their former land has been destroyed by surface mining. Meanwhile, population constraints and pre-existing usufructuary rights prevent them from acquiring new land within their Stool.

Increasingly also, those farmers who are active on Stool lands are migrant farmers and have no claim to the land they cultivate. Instead, they must pay for the right to farm, either by renting from the OASL or through sharecropping. When surface rights are leased to a mining company, migrant farmers at best receive compensation for the land they have cultivated, and at worst they receive nothing.

With respect to compensation, the levels of compensation in Ghana are too low (Carsons et al, 2006). Additionally, persistent inflation in Ghana – averaging well over 10 percent per year since 1984 – has eroded the real value of compensation levels established by the Land Valuation Board (LVB). This has further weakened the land compensation system by reducing the real value of compensation and by increasing the returns to rent-seeking.

While the LVB compensation levels represent the most persistent flaw within the system, there are several other challenges which include issues about compensation for fallow land which are ignored by mining companies since compensation is only paid for standing crops ignoring fallow land's economic value.

Again, mining companies do not pay for loss of future income since current policies require mining companies only to pay for the one-time disruption of land/crops and not for the net present value of the productive life of the land. This deprives farmers from future income and





ventures. These factors create an urgent development problem that often leads to conflict between companies and surrounding communities.

There are several barriers to providing alternative sustainable livelihoods in Ghana. First, there is a lack of government resources and attention to development in mining communities. This derives from an assumption that the mining company will provide various public goods and services for its immediate mining community. Second, there is tension between the companies' desire to provide social investment and the companies' aversion to creating a culture of dependence (Carsons et al, 2006).

### 2.3.5 Illegal Artisanal Mining

Illegal artisanal mining is widespread in mining communities. Locally referred to as "galamseys", illegal miners according to Obara and Jenkins (2006) as at the time of their research, number approximately 300,000 in Ghana. A major source of conflict between illegal miners and mining companies is their alleged illegal operations on company concessions and stealing of companies' equipment and explosives which brings them in contact with companies' private security forces. This has led to conflicts with local law enforcement, often resulting in deaths and severe injuries. Tensions also exist between illegal miners and local communities in some districts, due to the negative environmental and social consequences of galamseys' work practices and activities, including water contamination and increased crime rates and increased rates of diseases in particular Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome (HIV/AIDS).

Two factors that make illegal mining so widespread and conflictual, are widespread poverty and ineffective security and judicial sectors which have deep-rooted structural development challenges that needs to be solved. Otherwise efforts by stakeholders to alleviate the "galamsey" issue by, for example, funding alternative livelihood projects, will be severely constrained in delivering a quick impact.

### 2.3.6 Security Effects

The Galamsey problem raises issues of policing and security for mining companies. Galamseys do not only intrude the mining concessions owned by companies, but also cause destabilization by stealing equipment and importing arms into communities. In addition, mining tends to spur sudden and dramatic increases in the population density in the area, stressing the public infrastructure in multiple ways, including raising crime rates. Since

Ghanaian law does not permit private security forces to be armed, companies rely on public security forces and guard dogs to protect their plant and personnel.

However, community activist groups such as Third World Network and WACAM have consistently decried the physical abuse that detained galamseys receive at the hands of private and public security personnel. The human rights abuses result in the distrust of security staff by the local community. This can sometimes increase the companies' risk of becoming implicated in abuses of human rights and criminal law, reducing their reputation and deteriorating their relationships with local communities.

It is generally agreed that improved policing should be the responsibility of the state and undertaken by the state. The more fundamental problem, then, is that the state itself lacks the necessary capacity, will and resources to provide an effective solution to this problem.

### 2.3.7 Government Capacity

Most literature on the resource curse points to government capacity as the critical intervening variable for defining the extent to which the extractive industry generates conflict. Whether mining promotes better or worse outcomes depends overwhelmingly on the quality of governance structures that monitor environmental impacts, manage local development, represent constituency interests, implement effective judiciary systems, and establish effective regulatory environments (Bannon and Collier, 2003). The capacity of national and local government bodies is therefore critical for the effective management of mining activities, the equitable and efficacious distribution of mine revenues, and the resolution of conflicts that may arise. As such, addressing government capacity constraints is a fundamental component for devising solutions to the challenges posed by the mining sector.

However most of the national bodies responsible for monitoring and managing the mining sector like the Minerals Commission, the Commission on Human Rights and Administrative Justice (CHRAJ) and the Environmental Protection Agency (EPA) have a clear need for additional funding to perform monitoring and research on mining sector issues and to increase the quantity and quality of staff (Carsons et al, 2006).

The obvious challenges embedded in government's capacity are mainly under-funding of the district assemblies, inadequate human resources and conflict of interests. Concern about the independence of politicians who sit on the boards of gold-mining companies is high among communities, activists, and government civil servants. It is therefore perceived that the



central government and the District Assemblies do not represent communities effectively, provide the required services, or respond to their concerns regarding the impact of mining. This becomes a source of negative relations among communities, district assemblies, and mining companies.

## **2.4 Approaches to Managing and Mitigating Mining Conflicts**

Despite the complexity of the links between minerals and conflict, many development initiatives by aid agencies like USAID, NGOs and the private sector are having a positive impact in managing and mitigating mining conflicts. The USAID with its vast experience and extensive work in mine related conflicts have identified six key approaches or mechanisms for managing and mitigating conflicts in its toolkit for intervention. These approaches are briefly discussed below.

### **2.4.1 Easy Access to Information by Local Communities**

Information, it was identified is key to ensuring a transparent and peaceful working environment. Timely information from the company to the community helps to build the confidence and trust of the people in the company's activities. On the other hand, lack of information creates the sense of mistrust and suspicion. Thus easy flow of information from the company on the progress of its work, social responsibility programmes undertaken, and incidences of environmental degradation such as cyanide spillage or blasting could be transmitted to the community through the establishment of information centres, through the use of information vans or on notice boards erected within the community. This way the community will be constantly informed of what is happening and when not pleased with any happenings in the company, easily draw the attention of the mining company for an amicable resolution. Development actors can play an important role by fostering the flow of data by supporting watchdog groups and information activities.

USAID (2005) cites an example of an independent hydrological impact assessment and community referendum in Tambogrande, Peru, that gave voice to the marginalized local population when a proposed mine threatened environmental pollution, diversion of the nearby Piura River, and forced relocation of about nine thousand (9,000) townspeople and fruit growers. Strengthened stakeholder participation in the decision-making process helped keep local citizens: informed and provided a platform for communication with decision-makers.



#### 2.4.2 Increase Stakeholder Participation and Partnership

Beyond sharing information, USAID (2005) advocates that local communities and miners should actively participate in decisions that affect their lives. Participation and involvement diminish grievances and the potential for conflict in two important ways:

- Locals can voice concerns that might be unknown or ignored by decision-makers located elsewhere; and
- Consensus-based decisions meet needs of all stakeholders and distribute responsibility.

USAID (2005) intimates that, for participatory decision-making to foster agreement and dialogue rather than exacerbate existing differences, all stakeholder groups must be involved, with gender and ethnic groups represented proportionally. Participation is a key characteristic of democracy, and even small-scale efforts to encourage dialogue can foster stability.

Evidence of this is shown in the Las Cristinas tri-sector partnership in Venezuela which successfully resolved conflicts among local communities, artisanal miners and a large-scale mining group. The project constructed a communal health service centre, which improved both public health and relationships among the groups. The partnership model combined participatory decision-making with benefit-sharing to resolve conflicts among the local community and industrial and artisanal mining. An independent evaluator concluded that there are no longer any mining-related conflicts in Las Cristinas, unlike other areas of Venezuela (USAID, 2005).

#### 2.4.3 Create Sustainable Livelihoods for Artisanal and Small Scale Miners (ASM)

USAID (2005) recognizes that banning or ignoring unsustainable ASM is counterproductive. It therefore advocates for its root causes which are poverty and lack of sustainable livelihoods to be tackled. ASM has been largely viewed as negative, with unregulated ASM linked to severe environmental degradation, high crime rates, poor social and health conditions, increased Sexually Transmitted Diseases (STDs) and HIV/AIDS, prostitution, and child labour.

According to USAID (2005), international organizations have launched initiatives that explore ASM, poverty, and subsistence. There is an emerging consensus that ASM plays a vital role in local life, provides employment, and supports development goals when it is officially recognized, regulated, and supported. The relative lack of knowledge and analytical

tools in the area of ASM underscores the need to increase its visibility, facilitate more effective ASM policy design and implementation, and monitor assistance efforts to help prevent poverty traps and conflicts associated with small-scale mining activities.

In Tanzania, national dialogue on mining's contribution to poverty reduction seeks to better assess needs, vulnerability, capacity, and development alternatives; identify policies to improve ASM-sector performance; and build links with other income-generating sectors (USAID, 2005).

#### 2.4.4 Address Gaps in National Governance

According to Ross (2001), corruption can be exacerbated by mineral wealth. USAID thus attests that making aid contingent on implementing anti-corruption strategies, democratic constitutional provisions, and local-level empowerment activities can help.

Raising awareness among government officials and leaders of civil society organizations about the existence of and means of access to international regulatory mechanisms, like the Kimberley Process (The Kimberley Process is a joint government, diamond industry and civil society initiative to stem the flow of conflict diamonds through an innovative, voluntary certification scheme requiring participants to attest that shipments of rough diamonds are free of conflict stones) as well as other emerging systems that can help countries properly regulate their natural resources, provides another means to help countries address national policy gaps.

A project to help Peru's Ministry of Energy and Mines improve public sector practices for mine safety, environmental management, and poverty reduction, focuses on medium-sized underground operations, which have the highest incidence of fatalities and environmental degradation. The project trains engineers, regulators, operators, and workers on treatment and control of environmental impacts, such as acid mine drainage and mine site reclamation. Peru's mines have improved their compliance with environmental standards, and the ministry is preparing a new environmental code for transporting and handling concentrates.

#### 2.4.5 Promote Responsible Behaviour by Companies

USAID believes that promoting responsible private sector investment in regions prone to mineral-related conflict is an important element of development and peace building. This can further be strengthened if development agencies can support the adoption of voluntary international standards by companies.

The US-UK Voluntary Principles on Security and Human Rights are a good example. International Alert has also been working closely with the Organisation for Economic Cooperation and Development (OECD) in its Business and Conflict program to promote conflict-sensitive and conflict-prevention approaches to corporate investment and conduct.

These OECD guidelines recommend that governments:

- Promote the use of peace and conflict impact assessment by businesses;
- Support processes to resolve project-related claims by indigenous communities;
- Improve codes of conduct on specific issues and risk insurance;
- Explore tri-sectoral development partnerships and create fora for multi-stakeholder dialogue; and
- Identify ways to involve the private sector in the peace-building process.

If voluntary commitments are broken or insufficiently monitored, regulatory processes would be needed to back these commitments.

#### 2.4.6 Monitor and Assess Development

USAID (2005) attests that managers of development agencies have greater capacity to react to violent situations related to mineral dependence when they are aware of the risk factors. Conflict assessments at both country and program levels should include the role of potential conflict commodities. By supporting independent and grass-roots research and monitoring efforts, development agencies can enhance internal and public awareness and understanding of the mineral-conflict relationship.

NGOs have encouraged transparency in the mineral trade and garnered public attention for the problem of conflict diamonds in West Africa and contributed to the launch of the Kimberley Process. Development agencies can support independent monitoring and advocacy by NGOs that carry out rigorous, verifiable research in support of human security (USAID, 2005).

### 2.5 Public-Private-Partnerships

According to the ILO's Committee on Technical Cooperation (2008), Public-Private Partnerships (PPPs) are voluntary and collaborative relationships among various actors in both public (State) and private (non-State) sectors, in which all participants agree to work together to achieve a common goal or undertake specific tasks. Partnerships may serve various purposes, including advancing a cause, to implement normative standards or codes of



conduct, or to share and coordinate resources and expertise. While they vary considerably, such partnerships are typically established as structured cooperative efforts with a sharing of responsibilities as well as expertise, resources and other benefits.

The UNDP (2006), also defines partnerships in its broadest sense as voluntary or collaborative alliances which imply cooperation between two (or more) actors be it public, private, non-governmental organisations (NGOs) or any group of individuals which could fundamentally have different objectives, values, cultures, structures, but are sharing risks, responsibilities, resources, competencies whilst committed to common tasks which would achieve their specific individual goals.

Both definitions stress the voluntary aspect, the reciprocity in contribution, the different types of actors and most importantly the individual and specific benefits to be gained for the respective actors. Partnership may involve activities such as funding or donations in kind by or between actors in the partnership; joint development and implementation of projects or other operational activities; organization of meetings or events; joint campaigning or advocacy; cooperative research and publications; temporary exchange of staff; or arrangements concerning the exchange or pooling of knowledge and information (ILO, 2008).

According to UNDP (2006), the basic idea with establishing partnerships is simple and straightforward — to identify areas of common ground between the private and the public and to combine the enormous resources and drive found within private business with the public sector's legitimacy. The very idea of a partnership does in no way undermine the authority and legitimacy of governments; nor does it assume overwhelming self-sacrifice from the private sector; instead it focuses on the many areas, where private sector actors and public institutions could engage in a win-win relationship. This win-win situation does not imply that partners have the same measure of a win. If they are explicit and transparent about their cooperation it would also mean a mutual acceptance of what each of the partners wants to get out of it.

In mining and the extractive sector, the World Bank is calling for the establishment of public-private partnerships between mining companies and the state, arguing that stability will be derived through the establishment of a new regulatory framework in which the state will work in closer collaboration with the mining industry to address growing criticism over the industry's increased globalisation, and to enhance community participation as a means to



address environmental and community issues in the search for sustainable development and poverty alleviation (Dansereau, 2005).

The World Bank (2002), captures this succinctly when it states that "cooperation between business, civil society and government can only produce a win-win situation for all as it provides long-term benefits to the business sector while meeting the social objectives of civil society and the state by helping create stable social and financial environments". Table 2.1 summarises the benefits of partnerships.

**Table 2.1: Benefits of Public-Private-Partnerships**

General cost saving	While measuring social costs remains difficult, there is growing evidence that there are cost savings to be made across a variety of activities – for example, avoiding delays in project start-up, maintaining a good reputation, and ensuring the smooth running of a project.
Save costs by treating employees Well	Better wages, a safe working environment and health benefits are examples of enhanced human capital management which will boost morale and increase productivity among employees enabling companies to recruit and retain the best workers.
Increase revenues	Through certification, favourable mining legislations, companies enjoy generous tax breaks, flexible labour policy, unregulated repatriation of profits and cheap asset transfers. By this companies can further increase earnings. Also, Investing in the local community e.g. by improving production facilities and involving local suppliers can fuel local economy benefiting the company. By investing in hospitals, schools, infrastructure, water facilities and other public goods in the local communities, companies are strengthening the very basis from which profit and performance improvement is likely to come.
Improve stakeholder relations and obtain License to operate	By entering into dialogue with various actors such as employees, local communities, NGOs and politicians, companies can gain a deeper understanding of the surrounding perceptions, opinions and expectations. It will help create common grounds and mutual understanding which could prevent resistance from the local community, the political system and pressure groups or "license to operate". The company will enjoy continuous feedback and information which enable it to adjust to change. Not having credibility with local communities could result in project delay or even cancellation.
Reputation	Although not an end in itself, reputation could be crucial to a company in terms of the international community, the host country, and the company's ability to attract investment as well as obtaining license to operate. As focus on reputation arises and valuation methods of companies performance are becoming increasingly sophisticated, more companies will become aware of how they are perceived locally, regionally and globally in terms of environment, engagement in local issues, human rights, policies securing equal treatment regardless of gender and race etc
Learning, Innovation	Partnering offers the private sector a unique opportunity to learn from the competencies of

and Improved Quality of Decision-Making	the public sector and civil society organisations, as well as how to work in difficult but promising markets. In situations where clear rules do not apply, solutions to new challenges can only be found through imaginative approaches and a willingness to implement such unconventional approaches. Involving community members in the decision making process is viewed as being vital to the decision-making process. Project design, implementation, and operation can benefit from the local, intimate knowledge possessed by affected communities. Access to this knowledge and insights also allows companies to devise strategies which appropriately and effectively meet the needs of the communities, so that they can foster and develop a sustainable capacity.
Creating the needed infrastructure to operate locally	Ensuring adequate physical infrastructure and human capacity make it easier to operate for the mutual benefit of all stakeholders.
Other opportunities	By familiarizing local stakeholders with their operations through dialogue, regarding issues of compensation, alternative livelihoods, artisanal miners and environmental degradation, companies can foster a supportive local environment and local communities' socioeconomic development, which will in turn establish the conditions for a sustainable and long-term friendly environment.

Source: Adapted from UNDP, 2006 (Partnering for Development)

### 2.5.1 Types of Public-Private-Partnerships (PPPs)

According to the UN Global Compact (The Global Compact is both a framework for companies to align internal operations and strategies with the universal principles, and a platform for companies to engage in high-impact and effective partnerships to promote development goals), PPPs can fall into three broad categories; advocacy and awareness raising, social investment and philanthropy and core business partnerships.

In advocacy and awareness raising partnerships, the private sector partners with other stakeholders to take a leadership role in championing, advocating for, and contributing to resolving different issues. Companies can partner with governments and regulatory bodies, and participate in legitimate dialogues and collective action with stakeholders from diverse sectors of the economy.

In social investment and philanthropy partnerships, the private sector provides financial support, contribute volunteers or expertise, or make in-kind contributions, including product donations and the provision of some social infrastructure like educational and health facilities to the communities within which they operate.

In core business partnerships, partners collaborate to create employment and foster entrepreneurship, contribute to economic growth, generate tax revenues, implement social, environmental or ethical standards and provide appropriate and affordable goods and services.

This typology is useful in identifying the partnerships that are already in place in a particular setting as well as identifying areas where there may be a need for partnership development.

#### 2.5.2 Managing Conflicts through Public-Private- Partnerships: Case Studies from the Nigerian Oil Industry

Partnership initiatives forged among stakeholders do not only manage conflicts but contribute to community development. Three different forms of these partnerships undertaken by oil Transnational Corporations (TNCs) in Nigeria to manage conflicts are examined here.

Though the case studies specifically address partnerships in the oil industry, lessons learnt are nonetheless applicable to the mining sector since they both have to do with natural resource exploitation in the West African sub-region.

##### i) *Government-Business Partnership: Shell Petroleum Development Company of Nigeria (SPDC) and Niger Delta Development Commission (NDDC) in the Niger Delta*

SPDC is the pioneer oil TNC in the Nigerian oil industry and the largest and the most dominant oil TNC in Nigeria (Frynas et al. 2000 cited in Idemudia, 2007). SPDC's early strategy for contributing to Community Development (CD) in the 1960s was largely based on corporate philanthropy with a focus on giving things to communities around SPDC's facilities. By mid-1996, this approach failed. The failure of CA projects was largely attributed to poor community participation in the design, monitoring and implementation of the projects. As a result, the CD approach focused on securing community participation, partnering and building local capacity to ensure sustainability and a multiplier effect (Idemudia, 2007).

SPDC's transition from CA to CD was underpinned by three broad CD policy objectives: (i) to support sustainable socioeconomic development of host communities; (ii) to improve family welfare through economic empowerment, education and health care services; and (iii) to introduce best practices into community support programmes. Hence, community



development focused not only on education, social infrastructure and agriculture as in community assistance, but also on microcredit, women in development, water and sanitation.

However, an internal review in 2002 suggested that SPDC was unable to achieve the full objectives of its CD policy. SPDC identified growing community expectations and sustainability problems of existing intervention as the recurrent challenges that faced its approach to CD. In response to the problems associated with the CD approach in 2002, SPDC's community relations strategy went through another paradigm shift from CD to Sustainable Community Development (SCD) in 2003 which laid more emphasis on partnership between SPDC and various stakeholders (Idemudia, 2007).

In line with its SCD emphasis on partnership, the SPDC fostered a partnership with the Niger Delta Development Commission (NDDC) in 2003. The first output of this partnership was the signed agreement between SPDC and NDDC to construct the Ogbia-Nembe road project in Bayelsa state. Secondly, as part of the SPDC/NDDC partnership, SPDC has contributed to building the institutional and technical capacity of NDDC to help facilitate the development of the region. While the SCD strategy presently informs SPDC's community relations practices, SPDC expects that it would have to be implemented for at least five years before social sustainability is embedded as a practice and way of thinking and doing business within the corporation.

ii) *Business-NGOs Partnership: Mobil Producing Nigeria (MPN) and Various NGOs in the Niger Delta*

Mobil Producing Nigeria (MPN) is the world's largest oil TNC with operations in nearly 200 countries (Skjearseth 2003 cited in Idemudia, 2007). Corporate philanthropy and social investment traditionally were the main strategies employed by MPN to manage conflicts and contribute to Community Development (CD).

However, in 2002, MPN formally shifted its focus in Community Assistance (CA) initiatives from providing social infrastructure to local capacity building and economic empowerment. MPN's new emphasis on capacity building and economic empowerment made the forming of partnership imperative, and partnership the dominant strategy for managing issues of corporate-community relations.

The Integrated Community Development Project (ICDP) is one of MPN's partnerships. ICDP was initiated by the Akwa Ibom State Government (AKWSG) with an endowment fund of 15



million Naira supported by the United Nations Development Programme (UNDP)–Human Development Fund (HDF) and MPN. ICDP focuses on capacity building such as a microcredit scheme to boost small-scale enterprise in areas of agriculture, carpentry, hairdressing and other skills development as well as infrastructure provision like tap water.

Other MPN partnerships were the agricultural partnership between MPN, AKWSG and Midland Rice of Arkansas in the United States. The partnership established the Ibom rice farm in Ikot Ebidang village in Akwa Ibom state. While MPN contributed \$5.5 million, AKWSG donated the 4,000 hectares of land where the project is located, and Midland Rice is expected to bear the cost of running the rice farm and assume responsibility for the management of the project (Idemudia, 2007).

However, given that most of MPN's partnerships are not community driven, as communities are often not involved as direct partners but more often as beneficiaries rather than active participants, MPN partnerships are thus largely top-down in nature.

*iii) Corporate Community Partnership: Elf Petroleum Nigeria Limited (EPNL), NGOs and Communities in the Niger Delta*

EPNL, like most other oil TNCs, engaged in Corporate Social Responsibilities via corporate social investment in infrastructural provision like the construction of market stalls, classroom blocks and health centres in a bid to manage conflicts (Okafor 2003 cited in Idemudia, 2007).

However, in 2002, EPNL departed from its traditional approach to corporate community relations by jumpstarting its operation at its new offshore Amenam/Kpono oil field in Akwa Ibom state with the establishment of a corporate-community foundation in partnership with the NGO Pro Natura International Nigeria (PNIN) and its host communities in Eastern Obolo. There are two interrelated reasons for EPNL's change in approach. First, it was meant to help secure a conducive environment for oil exploration and secondly, as a result of the widespread acclaimed success of the approach of corporate-community development foundations.

The partnership between EPNL, PNIN, Volunteer Service Overseas (VSO) and the Eastern Obolo communities established Eastern Obolo Community Development Foundation (EOCDF) in December 2002. EPNL provides funding of \$350,000 per year, and PNIN and VSO facilitate the activities of the foundation by building local capacity and providing technical support for the projects supported by the foundation. Community members are

responsible for the management of the foundation and for the design, implementation and monitoring of CD projects. Hence, the foundation is largely community owned and centred and, therefore, adopts a bottom-up approach to CD.

The foundation adopts a democratic strategy for relating with its constituent communities so as to ensure wide representation of the different groups, activities and people within the various communities. The activities of the foundation include institutional and capacity building, provision of social infrastructure, microcredit schemes and natural resource advocacy.

#### iv) *Emerging Issues and Conclusion*

Issues emerging from a close scrutiny of the existing efforts discussed, include the fact that issues of compensation, strengthening of local capacity in the event of oil spills and partnership geared toward effective enforcement of environmental laws in the oil industry are considerations not included in the existing partnerships discussed.

Secondly, it has emerged that partnerships have the potential to make a difference to CD if formed and executed properly as in the case of the bottom-up corporate-community partnership of EOCDF which has the potential to facilitate the development of social capital in host communities by building on the connecting factors among the various host communities and also serving as formal and informal institutions for conflict resolution in conflict prone regions like the Niger Delta. In addition, by providing room for sufficient community participation in social investment projects, such bottom-up corporate foundations can serve to empower local communities and stimulate the growth of local community.

The third issue is that there is also the assumption that the success of partnerships is a function of effective management. According to Warner (no date) cited in Idemudia (2007) it is the process of partnership management, of exploring the costs, benefits and risks of forming a tri-sector partnership, building the trust necessary to structure the partnership, and maintaining the flow of the benefit over time, that is critical to whether a partnership is ultimately successful. Warner's argument arises from the perception that the key to a successful partnership is consensus building around the differences in the capacities, perceptions, aspirations and power that the different partners bring to the table.

While this argument is not necessarily incorrect, it is limiting, as it assumes that partners will be able to meet their share of responsibility and that there is an enabling environment for

partnership formation and practices. In Nigeria, like most sub-Saharan African countries, the enabling environment for partnership is at best still largely ineffective, and the capacities of potential partners (government and local civil societies) to deliver on their responsibilities as and when its due is undependable. Hence, partnership successes in contexts like Nigeria and by extension other sub-saharan African countries cannot be a function of management alone. Rather, it is a function of context and management. The implication is that there is a need for an enabling environment for partnership.

Nonetheless, the capacity of partnerships to contribute to sustainable development cannot be overlooked as it has the strong potential to positively impact and contribute to host communities' development and transforming them from enclaves at war to those at peace.

### 2.5.3 Conceptual Framework

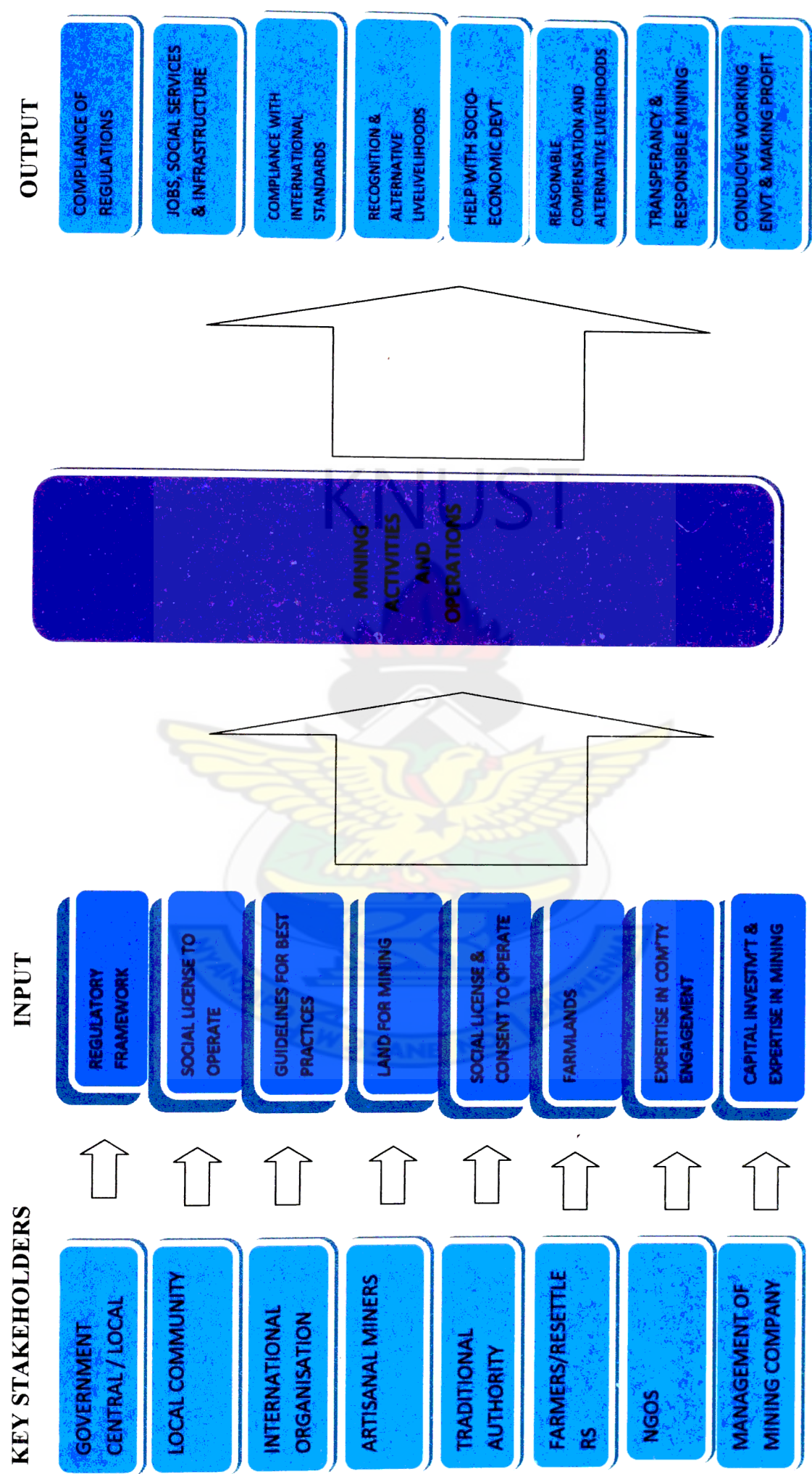
From the foregoing discussions, it is evident that Public-Private-Partnerships invariably focuses on the contribution of the key constituents to the sustainability generated by the operations of extractive industries like mining and the benefits thereof they stand to enjoy. The key constituents here are government (typically the supplier of the resource); the investor or project developer (the purchaser of the resource); and the local community (providing the resident environment for resource extraction and development). For sustainable business to thrive for the mutual benefit of these stakeholders, the need for an open and transparent partnership between them has been noted.

The conceptual framework is premised on the basis of the Stakeholder analysis which is an approach for understanding a system by identifying the key actors or stakeholders in the system, and assessing their respective interest in that system" (Grimble et al. 1995).

Relating it to conflict management and mitigation then, all stakeholders in the mining community have a vested interest in the activity of mining and these interests could conflict with other stakeholders' interest. To manage these conflicting interests therefore, it is imperative for stakeholders to collaborate, to determine their common interests, fears, strengths and weaknesses so as to be able to work and co-exist peacefully for the mutual benefit of all. Figure 2.1 therefore presents the key stakeholders and their respective inputs as well as outputs which sets the basis for partnerships to be formed to ensure that all stakeholders' needs are taken care of.



Figure 2.1: Conceptual Framework



Source: Author's Construct, 2009

#### 2.5.4 Guidelines to Establishing Partnerships

Operationalization of public–private partnerships will usually involve the drawing up of partnership agreements which will include clearly defined expectations, mutual responsibilities, reciprocity of benefit, and accountability as effective public–private partnerships require a level of mutual trust and respect, and a shared understanding of partners’ respective strengths. The development and life cycle of public–private partnerships as prescribed by the ILO (2008) will typically involve the following steps:

- I. Identification and design of partnership opportunities;
- II. Technical review of partnership proposal, including assessment and choice of partnership participants;
- III. Approval process, including consultation with constituents, legal and financial review;
- IV. Conclusion of partnership agreement;
- V. Implementation of partnership programme/project/activity;
- VI. Regular partnership monitoring and evaluation;
- VII. Impact assessment; and
- VIII. Reporting of partnership activities.

It is envisaged that partnerships that follow through with these guidelines and live out this life cycle will culminate into formidable and sustainable partnerships.

#### 2.6 Conclusion

This chapter reviewed literature on issues of mine-related conflicts and the PPP approach to conflict management.

It examined the concept of conflict, the relationship between minerals and conflicts, sources of mine-related conflicts in the Ghanaian context as well as mechanisms for managing them. The objectives, benefits and types of PPPs as well as case studies of PPP in conflict management were also reviewed to draw lessons of best practices. Finally, the chapter closes with a conceptual framework which seeks to highlight the relationship between the various stakeholders in the mining industry, their respective inputs into the industry and its operations as well as their expected outputs and provides a guideline to establishing partnerships.

## **CHAPTER THREE**

### **STUDY APPROACH AND METHODOLOGY**

#### **3.1 Introduction**

This chapter presents the methodology that was adopted for the study. It describes the type of study that was conducted, how the sample size was determined and the steps that were followed in the course of conducting the research. It specifically describes the units of inquiry that were studied, the key variables, the data requirements of the study and their sources as well as tools that were used for accessing them. Finally, the chapter describes how data collected was analysed.

#### **3.2 Research Approach**

The research was an assessment that sought to review NGGL's Grievance Management System to examine how it engages the various stakeholders in managing conflicts in the Asutifi district as well as assess the immediate impact and challenges in this system.

This approach was used because the PPP approach to conflict management is an on-going programme being pursued by Newmont Ghana Gold Limited (NGGL) in the study communities. It is intended that findings from the study will serve as feedback to improve the content and process of the programme and the system being operated.

The research therefore adopted the Case study approach to specifically study NGGL's PPP approach to conflict management and mitigation. The case study approach was used for this research because it is best suited for the study of contemporary issues as it enables the researcher to "grasp and understand an individual, a group, a community, a social situation, or an issue in order to take decisions that take into consideration the special and peculiar circumstances surrounding the case investigated, or practical solutions relating to the case in question" (Kumekpor, 2002). In this case, this approach enabled the researcher understand the issues and dynamics of conflicts and their mitigation measures in the study communities and based on that made recommendations that will inform decision making which will reflect the concerns of all stakeholders in the community.

According to Kumekpor (2002), the Case study approach also brings the investigator and the case being investigated into direct contact. This leads to a better conversance with the circumstances of the case being investigated as it helps to assess the reactions of the various stakeholders of the study to questions and issues raised in the course of the investigation hence giving the investigator first hand information of the case being studied.



Finally, Kumekpor (2002) attests that results of case studies can serve as references or guidelines for future action or precedence for similar issues. It is thus intended that results of this research will serve as a guideline or reference for future studies into PPP in conflict management in mining communities and other extractive industries.

### **3.3 Study Area- Why NGGL and the PPP Approach To Conflict Management**

Mining in Ghana dates back well into the pre-colonial times. Gold, the most important mineral, earns over US\$600 million and make up almost 90% of the mineral output, and contributes up to 40% of the revenue of some District Assemblies in mining areas replacing cocoa as the leading foreign exchange earner (Awudi 2002).

Notwithstanding these obvious advantages mining presents to the national economy of host countries, mining activities have often brought in its wake disagreements, dissatisfaction and a general state of suspicion and insecurity between the mining companies and the communities within which they operate.

Newmont Ghana Gold Limited (NGGL), a subsidiary of Newmont Mining Corporation, is one of the major mining companies in Ghana with operations in the Ahafo and Akyem areas. In recent times however, Newmont has come under considerable scrutiny in the international press over the impact of their mining activities in other areas – particularly Peru and Indonesia – where they are accused of ignoring environmental standards, polluting local water supplies with cyanide, bribing local officials, and contributing to corruption of governance and community fabric (Carsons et al, 2006). Taking into account the legal problems they have encountered recently, Newmont's policy is to pursue the highest standards of Corporate Social Responsibility. In keeping with Newmont's efforts to improve Corporate Social Responsibility, NGGL endeavours to establish Ghana as a demonstration project of best practices in environmental safety and community relations (Carsons et al, 2006). In line with that, NGGL's Ahafo mine has established a Grievance Management System which seeks to manage and mitigate conflicts in the affected communities through a Public-Private-Partnership approach.

NGGL was thus selected for this study to review its Grievance Management System of addressing grievances and complaints in the Asutifi district to assess how near or otherwise Newmont is in achieving its dream of establishing Ghana as a demonstration project of best practices in environmental safety and community relations.

**3.4 Sample Size Determination**

It is estimated that approximately 1, 701 households have been affected by the activities of the Ahafo mine of which 399 have been resettled directly (NGGL, 2005). These households are mainly located in the Kenyasi II and Ntotroso areas both of which are in the vicinity of the mine and where the resettlements camps are also cited. Thus the sample size was selected from these two communities including the resettlement camps.

The formula  $n = \frac{N}{1 + N(\alpha)^2}$  was used in determining the sample size of households for the study; where n= sample size, N = total household population of the study area,  $\alpha$  is confidence level (which is 90%). The confidence level of 90% which yielded a sample size of 94 households was used based on the manageability of the sample size against the backdrop of limited funds and time for carrying out the research.

Using the formula therefore, the sample size  $n = \frac{1,701}{1 + 1,701 (0.01)^2} = 94$ .

**3.5 Unit of Inquiry, Study Variables and Data Type**

To investigate a problem, it is imperative to define the key elements of the research and identify how these elements or variables would be measured. Variables are necessary in research to move from a conceptual or hypothetical level to a more concrete level. The choice of variables depends on the phenomenon being studied. Table 3.1 presents the key variables on which data was collected and from what sources using what collection instruments.

**Table 3.1: Study Variables and Data Types**

UNIT OF ANALYSIS	STUDY VARIABLES	DATA TYPE	DATA SOURCE(S) AND COLLECTION INSTRUMENTS
Newmont Ghana Limited (NGGL)	Background and operations of NGGL	Years of operation in the district, type of mining being pursued and number of people affected by NGGL's operations and as a result have been resettled or compensated.	NGGL External Affairs Department (Interview guide).
	NGGL's interests.	NGGL's interest in community, expectations from other stakeholders and responsibilities towards key stakeholders in the mining industry.	NGGL External Affairs Department (Interview guide).
	NGGL's perception of sources and pattern of conflicts in the study area as a result of its operations.	Major grievances and complaints brought against the company, proportions of the major sources of grievances brought forward over the period of the operations of the company.	NGGL Grievance and Complaints Office (interview guide).
	Conflict management and mitigation through the Grievance Management System (PPP approach).	Structure and composition of the Grievance Management System, roles and responsibilities of various stakeholders in the system, processes and procedures for tabling grievances and complaints, measures of addressing complaints and grievances brought forward, impact of the approach in conflict management in the affected communities, suitability of PPP approach to study area and sustainability of approach.	NGGL Grievance and Complaints Office (Interview guide).
Asutifi District Assembly (A.D.A.)	Interests of Asutifi District Assembly	A.D.A.'s interests in NGGL and its activities as well as affected communities, expectations from NGGL and other stakeholders and responsibilities towards NGGL, affected communities and other key stakeholders in the district with regards to managing conflicts.	Asutifi District Assembly - DCE - DCD - Planning Officer etc. (Interview guide)
	Relationship between A.D.A. and NGGL	Partnerships/collaborations between A.D.A. and NGGL especially in managing mine-related conflicts, roles and responsibilities of A.D.A. in the Grievance Management System of NGGL	Asutifi District Assembly - DCE - DCO - Planning Officer etc. (Interview guide)
	A.D.A.'s perception of sources of mine-related conflict	Sources of conflict in the district as a result of mining activities, sources of conflicts between NGGL and A.D.A, affected communities and A.D.A and A.D.A with other stakeholders.	- Do-



Non-Governmental Organisations (NGOs)	Profile of NGOs	Mission, Vision, activities in the district, expertise and areas of concentration of NGOs in the district.	Key staff of NGOs, NGOs brochures and leaflets. (Interview guide)
	Interests of NGOs	NGO's interests in NGGL and affected communities, 'N.G.Os' expectations from NGGL and other stakeholders and NGOs' responsibilities towards NGGL, affected communities and other key stakeholders in the district with regards to managing conflicts.	Heads and other personnel of NGOs (Interview guide).
	NGOs' perceptions of sources of mine-related conflicts in the district.	Sources of conflict in the district as a result of mining activities and sources of conflicts between NGGL and NGOs as well as between NGOs and affected communities.	Heads and other personnel of NGOs (Interview guide).
	Relationship between NGOs and NGGL	Partnerships/collaborations between NGOs and NGGL especially in managing mine-related conflicts, roles and responsibilities of NGOs in the GMS of NGGL.	Heads and other personnel of NGOs (Interview guide)
Traditional Authorities	Community Profile	Ethnic composition of communities, settlement patterns, major economic activities in the communities,	Chiefs and other traditional rulers (interview guide)
	Interests of Traditional Authorities	Traditional authorities' interests in NGGL and affected communities, their expectations from NGGL and other stakeholders and responsibilities towards NGGL, affected communities and other key stakeholders in the district with regards to managing conflicts.	Chiefs and other traditional rulers (interview guide)
	Traditional Authorities' perception of sources of mine-related conflicts	Sources of conflict in the district as a result of mining activities, sources of conflicts between NGGL and Traditional rulers' and between community members and traditional rulers.	- do -
	Relationship between Traditional Authorities and NGGL	Partnerships/collaborations between Traditional rulers and NGGL especially in managing mine-related conflicts, roles and responsibilities of traditional authorities in the GMS of NGGL.	- do -
Households	Households characteristics and socio-economic issues	Age, sex, ethnicity, religion, marital status, source of livelihood, educational status.	Household heads (Household questionnaires)
	Interests of households	Households' interests and expectations from	Household heads

		NGGL and other stakeholders as well as their responsibilities towards NGGL, and other key stakeholders in the district with regards to managing conflicts.	(Household questionnaires)
	Households' perceptions of sources of mine-related conflicts	Sources of grievances and conflicts in the community as a result of the mining activity.	-do-
	Conflict management and mitigation through the Grievance Management System (PPP approach).	Occasions of stakeholder engagement and community participation in mining deliberations, ways of accessing information from the company, ways of conveying individual and community grievances to company, ways in which grievances are addressed and managed, Level of satisfaction of how these grievances are managed.	-do-
Farmers	Background of source of livelihood prior to mining activities and present source of livelihood.	Type of farming that was pursued, average farm sizes, types of crops cultivated, average compensation paid for farms destroyed, present source of livelihood.	Affected Farmers (Focus Group Discussion)
	Sources of conflicts and conflict management approach of NGGL.	Sources of conflicts between NGGL and farmers, ways in which grievances are addressed, level of satisfaction of how these grievances are managed.	
Resettled communities	Background of communities	Name and location of original community, composition of community (ethnicity and religion).	Resettled Communities (Focus Group Discussion)
	Sources of conflicts and conflict management approach	Sources of conflicts between NGGL and resettled communities, ways in which grievances are addressed, level of satisfaction of how these grievances are managed.	

Source: Author's Construct, 2009.

### 3.6 Sources of Data and Collection Methods

Both secondary and primary sources were employed in gathering data for this research. Secondary data, mainly consisting of relevant literature on natural resource conflicts, conflict management and mitigation measures especially involving the PPP approach and regarding mining communities were reviewed to extract relevant information necessary for the research.



Primary data was collected using a combination of Participatory Rural Appraisal (P.R.A.) tools. This is an intensive, systematic but semi-structured learning experience carried out in the community by the researcher together with the community members so as to get first hand information through a participatory approach (CEDEP, 1995). These P.R.A tools included semi-structured questionnaires, focus group discussions and interview guides (Refer to Appendices 2, 3, 4, 5, 6, 7, 9 and 11).

Semi-structured questionnaires were used to collect data from households on their socio-economic characteristics and perceptions on the causes of conflicts in the area and NGGL's Grievance Management System to managing conflicts. Two focus group discussions were also conducted with eight farmers and eight resettled household heads who were randomly selected from the Ntotroso Resettlement Site with the aid of a contact person resident in the resettled community. With each session lasting approximately forty minutes, the researcher acted as a moderator and introduced the issues for discussion on how the mining activities have affected their lives and their views on how conflicts are managed in the area. This was generally open-ended and generated a considerable level of discussion among the participants. The help of an assistant was sought to record the proceedings (Refer to Appendix 8 and 10 for the outcome of the focus group discussions).

Finally, semi-structured interviews were conducted with key informants such as the staff of the Grievance Office of NGGL, Traditional Authorities, representatives of some NGOs operating in the District and the Planning Officer of the Asutifi District Assembly to collect information on their perceptions of the sources of conflicts in the area as well as their views on the PPP approach to conflict management and mitigation in the study communities.

### **3.7 Sampling Techniques**

This study adopted a multi-stage sampling technique. Thus both probability sampling; namely stratified random sampling and simple random sampling and non-probability sampling; namely, purposive sampling techniques were used in selecting respondents for the study.

To ensure that all elements were appropriately represented in the sample size, stratified sampling was employed. Here, the selected communities that were studied were put in four strata, that is; Kenyasi II, Ntotroso, Kenyasi Resettlement Site and Ntotroso Resettlement Site. A simple random sampling was then used to select twenty households each from the two Resettlement Sites and thirty from the Kenyasi II and Ntotroso townships for the



questionnaire administration. This was to ensure a fair representation while at the same time affording every likely candidate in the population an equal chance of being selected in line with making the study as objective as possible. In spite of the fact that the sample size was 94 households, data collected covered 100 households to make allowance for any contingencies. Findings from the research were however based on analysing 94 households.

On the other hand, purposive sampling was used to select key informants such as traditional authorities (1 spokesperson), farmers (8), resettlers (8), staff of NGGL's Grievance office (2), the Asutifi District Assembly (1), NGOs (3) in the district as well as individuals or groups who were thought in the researcher's opinion to have some required or specialized knowledge of the subject matter. The choice of NGGL and the study area were purposefully selected in view of the fact that, mining takes place in the Asutifi district while the mining company (NGGL) employs the PPP approach to conflict management. The total sample size for the entire study was therefore 116.

### **3.8 Tools of Analysis**

Analysis of data collected was done at the individual level, household and institutional levels. Both qualitative and quantitative techniques of data processing were used in the analysis of data collected. Quantitative data was analysed using statistical tools such as tables, graphs and averages as well as the Statistical Package for Social Scientist (SPSS) since its application enhances the manipulation and easy use of the data to achieve the stated objectives of the study. Data collected on household socio-economic characteristics were analysed quantitatively while data collected from the focus group discussions and interviews which were mainly descriptive in nature were analysed qualitatively. This was done after the data had been organized through data cleaning and processing, by editing and coding to detect and eliminate likely sources of error to make the data reliable.

## CHAPTER FOUR

### PROFILE OF ASUTIFI DISTRICT, PRESENTATION AND ANALYSIS OF DATA

#### 4.1 Introduction

This chapter is in two parts. The first part provides a profile of the study area outlining the physical and socio-economic characteristics of the study area which is meant to highlight the strengths, opportunities, weaknesses and threats in the area as well as to draw the implications of these to the objectives of this research. A brief profile of Newmont Gold Ghana Limited is also presented to give an insight into the study organisation. The second part of the chapter presents an analysis of the data gathered from the field survey.

#### 4.2 Asutifi District Profile

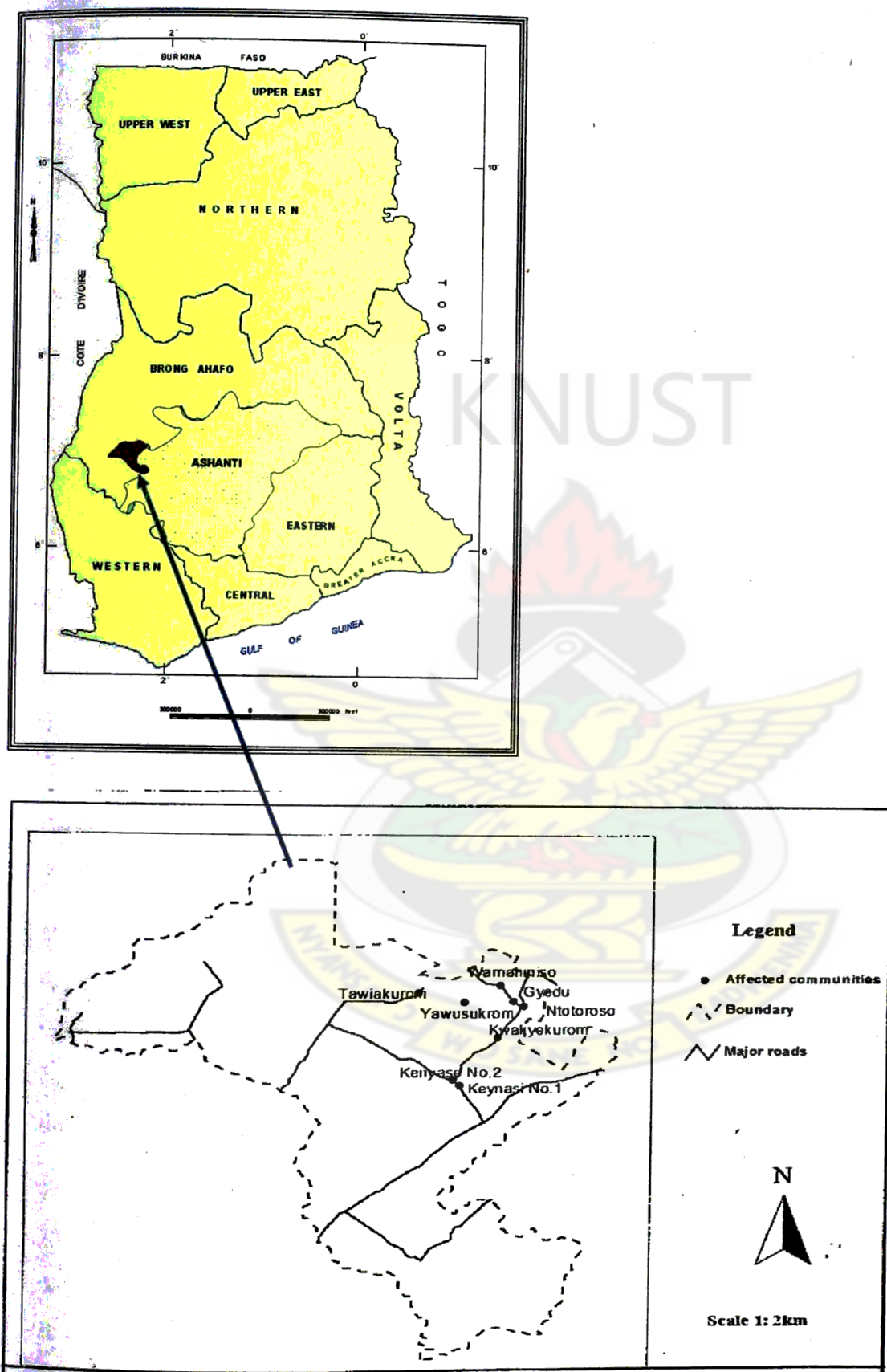
A brief description of the profile of the study area is presented below. It seeks to highlight the potentials of the area which when harnessed can promote the development of the District.

##### 4.2.1 Location and Size

Asutifi District is one of the Nineteen (19) Districts in Brong Ahafo. It is located between latitudes 6°40' and 7°15' North and Longitudes 2°15' and 2°45' West. It shares boundaries with Sunyani District in the North, Tano South District to the North East, Dormaa District to North West, Asunafo North and South Districts in the South West and Ahafo Ano South and North Districts (Ashanti Region) in the South East (DPCU-A.D.A, 2005).

With a total land surface area of 1500 sq.km, the District is one of the smallest in the Brong Ahafo Region. There are a total of 117 settlements in the district and four paramountcies, namely: Kenyasi No.1 Kenyasi No.2, Hwidiem and Acherensua. The District capital is Kenyasi, which is about 50km from Sunyani, the regional capital of Brong Ahafo through Atronie and Ntotroso (DPCU-A.D.A, 2005). The District's proximity to the Regional Capital as well as other Districts in the Ashanti Region presents an opportunity for residents to access facilities and services from these locations that otherwise cannot be found within the district; for instance the Sunyani Regional Hospital. Figure 4.1 shows the Asutifi District in the National context as well as the communities affected by mining in the District while Figure 4.2 shows the District in the Regional context.

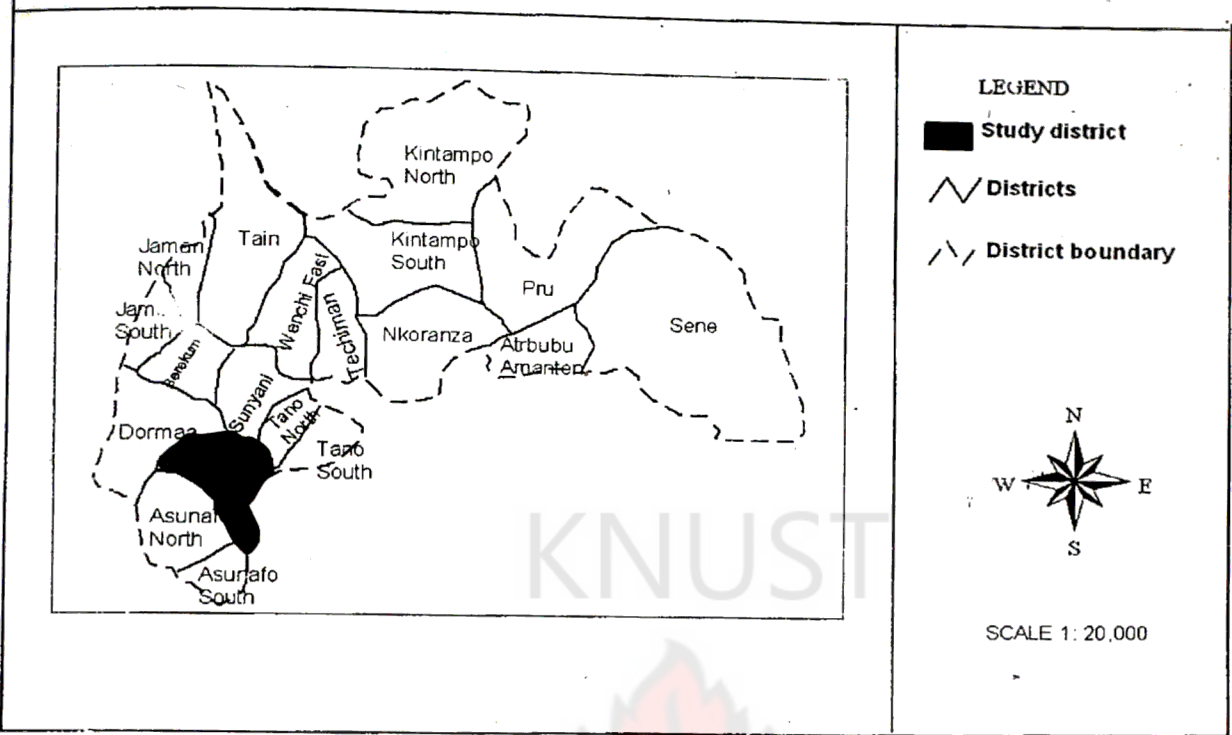
**Figure 4.1: Study District in National Context and Affected Communities within the District**



Source: Asutifi District Assembly (2009).



**Figure 4.2: Asutifi in the Context of the Region**



Source: Asutifi District Assembly (2009).

**4.2.2 Physical Characteristics**

The district lies within the forest dissected plateau physiographic region with average height of about 700 feet above sea level. There are out crops of gigantic rocks found over Birimian rocks basement standing about 750 – 900 feet above the broad plateau surface (DPCU-A.D.A, 2005).

The district is drained by Tano River and its many tributaries which include Nsubin, Goa and Ntotro rivers exhibiting a dendritic pattern. These youthful fast flowing rivers have cut up the plateau surface giving rise to the dissected nature of the plateau. Most of these water bodies are used as a major source of drinking water by most of the settlements located along the banks (DPCU-A.D.A, 2005).

The area consists of low hills with a maximum elevation of 540 metres and approximately 330 metres below sea level. Due to the humid tropical environmental conditions, soils in the district have been highly leached and consequently are acidic and low in plant nutrients. Intensive agricultural practices have impoverished them and poor crop performance is common in the project area. Deforestation and other practices have also affected the morphological characteristics of the soils. These notwithstanding, the soils respond very well to phosphorus and other fertilizer application. Soil types found in the district have a lot of

potential for agriculture and so efforts should be made to utilize them in the development of the district (DPCU-A.D.A, 2005).

#### 4.2.3 Geology and Minerals

This physiographic region is underlain by Precambrian rocks of Birimian and Dahomeyan formations. The Birimian formations are known to be the gold bearing rocks. The Birimian rocks also have a high potential for Manganese and Bauxite. Currently gold is being mined in areas where these rocks are found by Newmont Ghana Gold Limited (NGGL). These areas include Kenyasi No. 1 & 2, Ntotroso, Gyedu-Wamahinso and other smaller communities. The Ahafo South project involves mining and processing ore in the southern portion of the lease area. The total Mine Area of the Ahafo South Project is 2,992 hectares. The company has a twenty year mining lease on the concession (DPCU-A.D.A, 2005).

Diamond has also been discovered at Wamahinso. There is also a widespread deposit of sand and clay in the district. The Sand deposits can be found at Kenyasi, Gambia No.2, Hwidiem and Acherensua whilst the clay deposits can be found at Nsunyameye and Dadiesoaba (DPCU-A.D.A, 2005). There are rounded outcrops of granite found over the Birimian rocks at Kwadwo Addae Krom, Goa Asutifi, Georgekrom and Konkontreso which have high potential of iron and bauxite (DPCU-A.D.A, 2005). Evidently, the mineral potential of the district is enormous and these have to be studied to establish their economic viability, social acceptability and environmental friendliness for exploitation to accelerate the development of the district.

#### 4.2.4 Socio-Economic Characteristics

The District is mainly agrarian and rural in nature with the major crops cultivated being cassava, maize, cocoyam, oil palm, cocoa, vegetables legumes and plantain. The district capital has basic infrastructure such as water supply, electricity, motorable roads, hospital, schools, telecommunication, banks and markets. Most of the communities cannot however boast of these basic services and this tends to make poverty endemic (DPCU-A.D.A, 2005).

Large scale industrial activity is absent with the exception of the mining company and services provided by its sub-contractors. The small scale manufacturing and processing industries can be found mainly in agro-based activities. They include cassava processing, soap making, oil palm extraction and *akpeteshie* distilling among others. The service industry relate to trading, restaurant and guest house operation, banking and transportation (DPCU-A.D.A, 2005). There is therefore the need to encourage local entrepreneurs to take advantage

of the business opportunities the mine presents to venture into the service and industrial sectors.

According to the 2000 population and housing census, the population of the district is 84,475. Barring any data errors, the population of Asutifi district is projected to be 108,682 in 2009. About 50.4% of the estimated population are females and the rest 49.6% males. This gives a sex ratio of 1:1.02 males to females (DPCU-A.D.A, 2005). The dominance of females over males is a reflection of a nationwide trend where the estimated ratio is 1:1.03. The need to target women in any development programme in the district can therefore not be over-emphasized.

The development constraints in the Asutifi District include inefficient transportation and communication systems in the villages, low revenue base, inadequate technical and economic infrastructure, land degradation, low levels of education, low land productivity and low prices of farm produce (DPCU-A.D.A, 2005). The limited access to land due to land tenure constraints and land alienation as a result of gold mining by NGGL have not only affected local food supply but have contributed to unemployment among tenant farmers and farm labourers.

#### 4.2.5 Profile of Newmont Gold Ghana Limited

Based in Denver, Colorado in the United States of America, Newmont Mining Corporation is one of the world's largest gold producers. The Ghana project, run by subsidiary Newmont Ghana Gold Limited (NGGL), represents a first foray into Africa for Newmont and is supported in part by the International Finance Corporation (IFC). It has operations in the Ahafo and Akyem areas (Carsons et al, 2006).

In recent months, Newmont has come under considerable scrutiny in the international press over the impact of their mining activities in other areas – particularly Peru and Indonesia – where they are accused of ignoring environmental standards, polluting local water supplies with cyanide, bribing local officials, and contributing to corruption of governance and community fabric. Taking into account the legal problems they have encountered recently, Newmont's policy is to pursue the highest standards of corporate social responsibility, and NGGL follows multiple international good business practice agreements, including the UN Global Compact, the ISO14000 and the Voluntary Principles on Security and Human Rights (Carsons et al, 2006).



In keeping with Newmont's efforts to improve CSR, the officials at NGGL endeavor to establish Ghana as a demonstration project of best practices in environmental safety and community relations. NGGL is thus very open to PPPs and is so far actively engaged in partnerships with several NGOs such as Conservation International on biodiversity management and Opportunities Industrialization Centers International (OICI) on social impact mitigation. As the projects in Ahafo and Akyem unfold, NGGL remains interested in expanding its partnerships, particularly in the areas of social engagement, resettlement policy, and environmental management (Carsons et al, 2006).

In an effort to build a positive social contract with local community, Newmont has implemented an extensive structure for community engagement in Ahafo. At the initial stages, Newmont partnered with OICI to do an extensive stakeholder needs assessment in the community. They then implemented a variety of mechanisms for community engagement which included community fora; a site visit program for community members to visit comparable mine sites; and other stakeholders; a grievance office and Resettlement Negotiation Committee; and regular separate meetings with individual community stakeholders (Carsons et al, 2006).

### **4.3 Presentation and Analysis of Data**

This section presents an analysis of the data gathered from the field through household interviews, focus group discussions with farmers and resettled residents as well as interviews with key stakeholders such as the District Assembly, NGGL, NGOs and Traditional Authorities.

#### **4.3.1 Households Characteristics**

The household characteristics examined the socio-economic characteristics of the households using variables such as sex, age, educational attainment, religious background, ethnicity and marital status of the respondents. Analysis of the socio-economic characteristics of the households is important in that it helps to get a general overview of the study population so as to understand the underlining factors that could influence conflicts in the area as well as identify opportunities that exist which could be used to manage such conflicts.

##### *i) Age and Sex Characteristics*

A large proportion of the respondents; 33.0% fall within the working age group of 30 – 39 however the average age of respondents was 41 years. This can be attributed to the influx of unskilled and skilled youth from districts outside Asutifi and even the Brong Ahafo Region

into the District seeking job opportunities. The implication for development is that, though many hands would be available for production, there will also be a lot of pressure on available facilities. This underscores the great need to create job avenues to absorb the large labour force and also provide enough facilities to meet the current demand.

**Table 4.1: Age of Respondents**

Age Group	Frequency	Percentage
20-29	19	20.2
30-39	31	33.0
40-49	22	23.4
50-59	14	14.9
60-69	5	5.3
70-79	2	2.1
80-89	1	1.1
Total	94	100.0

Source: Authors Field Survey, 2009.

From Table 4.2 below, 52.1% of the household heads were females and the rest 47.9% males. This gives a sex ratio of 1:1.09 males to females. The need to encourage female participation in decision making and conflict management as well as target women in any development programmes in the district can therefore not be over-emphasized. This is necessary especially in the rural areas where women's opinions and views on issues of land and decision making about resource allocation are often sidelined to ensure that all shades of opinions are reflected in the development process.

**Table 4.2: Sex of Household Heads**

Sex	Frequency	Percentage
Female	49	52.1
Male	45	47.9
Total	94	100.0

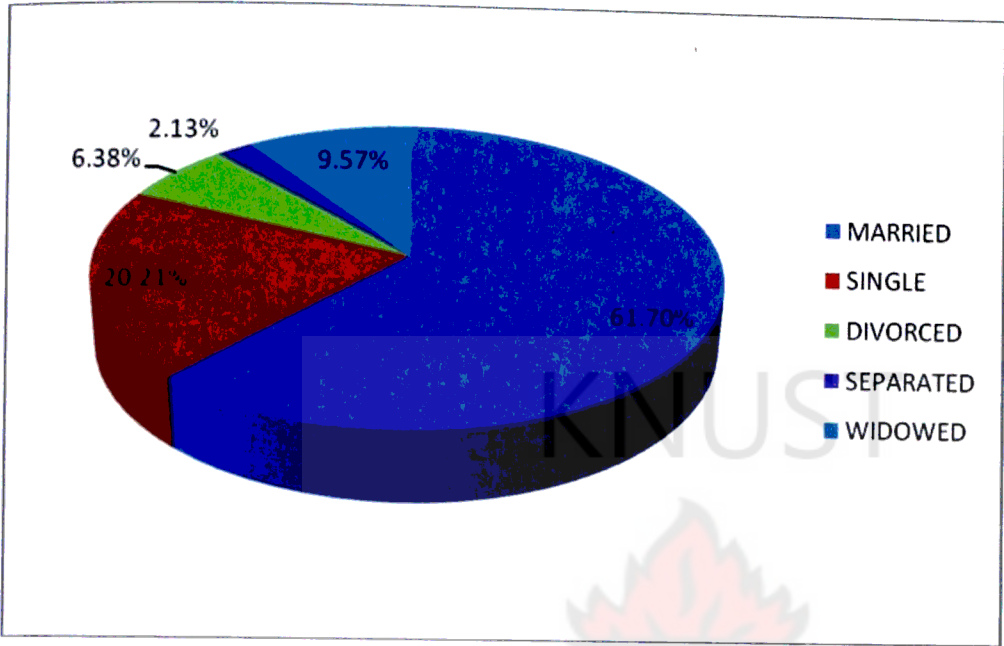
Source: Authors Field Survey, 2009.

## ii) Marital status

Contrary to speculations that mining in the area has brought in its wake a host of divorce cases, the survey conducted indicated that married people dominate as they account for 61.7% of the total respondents as indicated in Figure 4.3 below. This gives a positive indication of stability within households and the community at large as married people tend to stay in a particular locality for a fairly long time than unmarried people who have a

tendency to migrate. This implies that a majority of the people in the area would remain in the locality and contribute their quota to local development.

**Figure 4.3: Marital Status**



Source: Author’s Field Survey, 2009.

Again, a majority of people in marriages in the area implies a stable environment for children and young people to grow in and thus serves as a measure for checking deviant behaviour in the area. The widowed, divorced, separated and single collectively form 38.3% of the respondents and incidentally, most of them; constituting more than half are women which clearly indicates the need for programmes and intervention for these groups of people who can be said to be vulnerable as they are mostly single parents who have to single-handedly cater for themselves and their households.

*iii) Educational Attainment*

A person’s level of educational attainment is said to be correlated with his or her level of understanding of contemporary issues and enhances participation in matters of governance and resource exploitation and management. With the heavy reliance of most rural communities on primary resources such as land for farming, hunting and forestry for their sustenance, the economic opportunities of these residents are limited since they usually do not have any alternative sources of livelihood coupled with their low educational background.



**Table 4.3: Educational Levels in the District**

Level \ Sex	Male		Female		Total	
	Frequency	%	Frequency	%	Frequency	%
No Formal Education	5	5.3	12	12.8	17	18.1
Primary	8	8.5	18	19.1	26	27.6
Middle/JSS	21	22.4	13	13.8	34	36.2
SSS	6	6.4	5	5.3	11	11.7
Tertiary	5	5.3	1	1.1	6	6.4
Total	45	47.9	49	52.1	94	100

Source: Authors Field Survey, 2009.

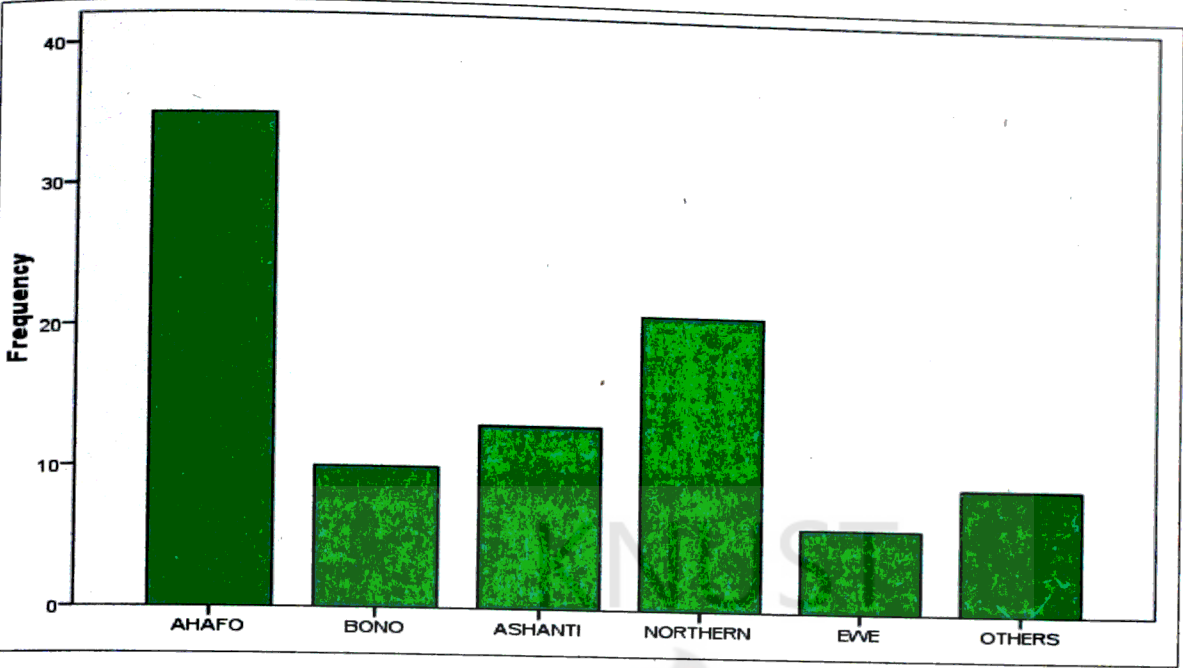
As can be observed from Table 4.3, it is evident that as many as 18.1% respondents have never been to school while 63.9% never attained Senior Secondary education. Only 6.4% had attained tertiary education and this explains the inability of locals to gain employment with NGGL because of the low educational levels of indigenes which renders them unskilled and therefore unqualified for skilled and permanent jobs with the company and other contractors operating in the area.

The situation is even worse for females 12.8% of whom have never had formal education as against 5.3% for men. There is a clear need therefore for the promotion of girl-child education in the District and the presence of the OLA Girls High School certainly is an opportunity that can be harnessed to promote girl-child education in the District.

#### iv) *Ethnicity and Religion*

The main ethnic groups in the District are the Ahafos, Ashantis and the Bonos which together constitute 61.7% of the surveyed population. Migrant settlers who form the minority are the northern tribes (Wangara, Dagombas, Kusasis) forming 22.3%, Ewes constitute 6.4% while other ethnic groups such as Fantes and Gas together form 9.6% of the respondents.

Figure 4.4: Ethnic Distribution



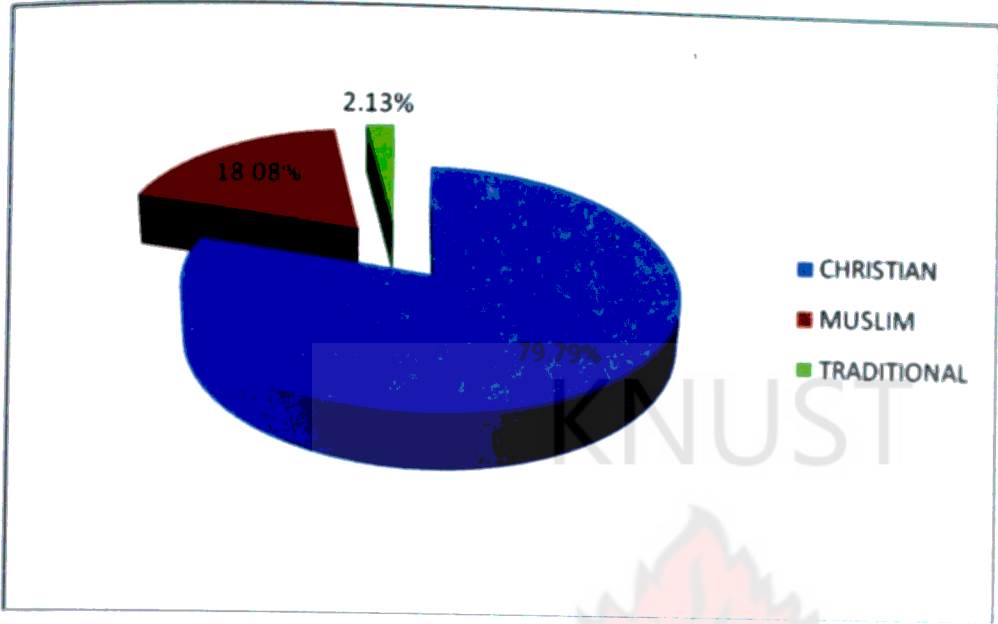
Source: Authors Field Survey, 2009.

The homogeneous nature of the District has the potential to promote inter-ethnic co-existence and enhance community cohesion thereby reducing the likelihood of ethnic conflicts in the District. The long stay of the migrant settlers also puts them in a position of readiness to support long term development projects as they feel part of the communities. However, when it comes to job opportunities in the mine for unskilled labour, these settlers are denied the opportunity by virtue of the fact that they are not indigenes which to a large extent is discriminatory as they are equally affected by the mines just in the same manner natives are affected. This has the potential to discourage settlers from contributing to the development of the communities and creating conflicts between settlers and indigenes.

Apart from the Wangara and Dagombas who are predominantly Moslems, the rest are Christians with few practicing traditional religion. As indicated in Figure 4.5 below, 79.8% are Christians, 18.1% Moslems and 2.1% practice traditional religion. The high number of people who are affiliated to one religious belief or another has the potential of strengthening the moral fabric of society by virtue of the teachings of these religions. The role of churches and presently Mosques in the dissemination of information and the initiation of development projects makes the predominance of Christians in the District highly favourable for development. This is evident by the development projects undertaken by the Roman Catholic Church in the District which include the St. Elisabeth Hospital at Hwidiem and O.L.A. Senior

High School in Kenyasi No. II. as well as the various Islamic basic institutions also existing in the district.

Figure 4.5: Religious Affiliation



Source: Field Survey, 2009.

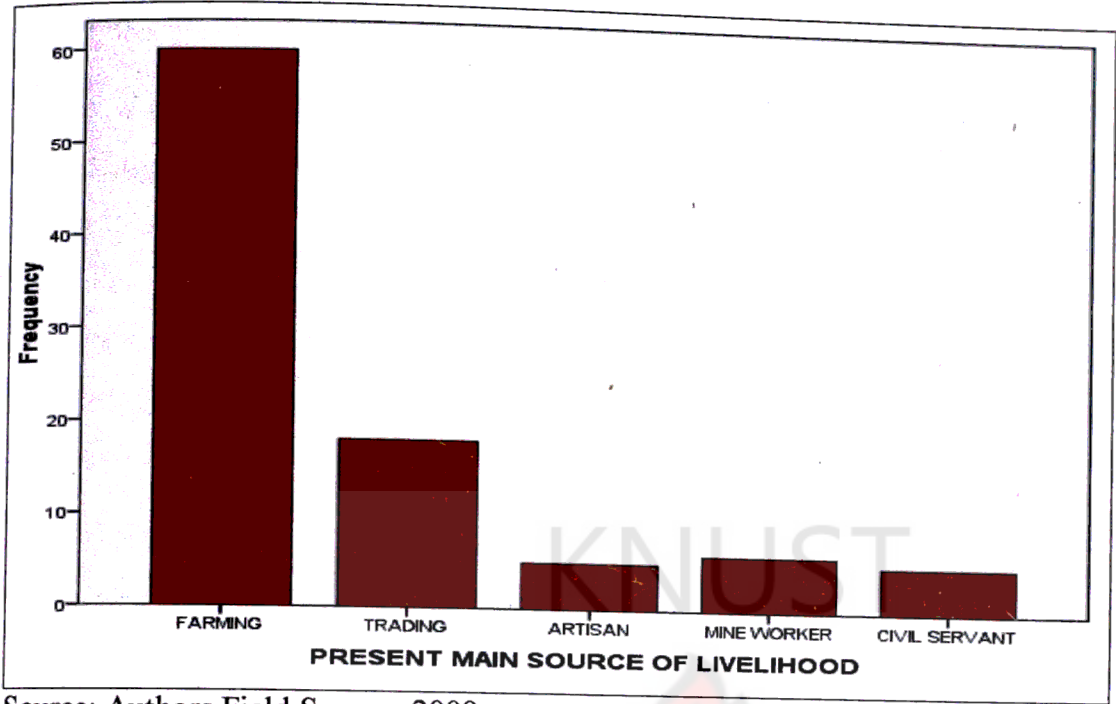
4.3.2 Household Livelihood Activities and Interests

From the survey, the predominant occupation in the District presently is subsistence agriculture which employs 63.8% of the respondents, followed by trading 19.1%, mine workers including other connecting contractors 6.4%, artisan 5.3% and civil servants constituting 5.3%. The field survey also revealed that, about 90% of those engaged in other occupations outside agriculture still take up agriculture as a minor activity.

Trading and artisanry which together scored 24.4%, gives an indication of the growing services sector in the District. This can be attributed to the upsurge of mining activities in the District coupled with the influx of migrants and the demand for mining related services.



**Figure 4.6: Present Main Source of Livelihood**



Source: Authors Field Survey, 2009.

The rural and agrarian nature of the District coupled with the limited employment opportunities in the mine accounts for the large proportion of respondents in the agricultural sector specifically farming.

The field survey carried out by the author revealed that prior to the operations of NGGL, 74.5% of the respondents were engaged in agriculture specifically farming with 39.4% as landowners, 33.0% as sharecroppers, 3.2% as daily hired labour and 2.1% as care taker farmers. Presently, 63.8% of the respondents are engaged in agriculture specifically farming, with 25.5% as landowners, 35.1% as sharecroppers, 1.1% as daily hired labour and 2.1% as care taker farmers.

Evidently, the prominence of agriculture in the District stands threatened with the operations of the mine which took about 2,992 hectares of farmlands displacing about 3,000 farmers. This can have far reaching consequences for the District's economy as the food supply of the District could be considerably reduced if no measures are put in place to address this.

Another factor that has the potential to stall agriculture, specifically farming, in the District is the land tenure system. According to the farmers during a focus group discussion, within a family set up, land is passed on from generation to generation of which a member is entitled to a portion of the land which he/she has and passes it on to the next of kin. This type of land tenure system therefore does not augur well for large commercial farming and is not

favourable to tenant or settler farmers as they do not have direct access to land except through sharecropping agreements.

These sharecropping agreements are contracted based on either the *Abunu* or *Abusa* depending on the type of crop. The *Abunu* is a farming system in which a piece of land is given to a farmer and crops are shared equally between the farmer and landowner. The *Abusa* on the other hand is a farming system in which land is given to a farmer and the crops are shared on a one-third basis. Here the farmer takes two-thirds of the crops while the landowner takes the remaining one-third. While food crops are cultivated in the *Abunu* System, cash crops are cultivated in *Abusa* System.

The land tenure system has over the years however evolved from a system where land was given free of charge to friends and needy ones to leasehold and sharecropping to the present state where it is astronomically expensive to access land for agricultural purposes. According to the farmers in a focus group discussion, the Ahafo Mine operations have made the acquisition of land very difficult and more expensive especially with the declining availability of farmlands. According to them instead of offering drinks and a paltry sum of money for a piece of land, now landowners demand between one hundred and fifty Ghana cedis to three hundred Ghana cedis for two acres of the same piece of land which was relatively unknown until now. This they said has made farming expensive and is discouraging people especially the youth from venturing into it.

#### 4.3.3 Company-Community Relations at Newmont's Ahafo Mine

Company-community relations at the Ahafo mine cannot particularly be said to be cordial. Community members especially farmers are aggrieved about the compensations they received which they claim was inadequate as they are at present without any source of livelihood and are currently grappling with food insecurity and poverty. They also alleged that the standard of living has become extremely high because of NGGL's mining activities which have rendered land acquisition and leasing for farming astronomically high. They further alleged that other benefits they use to derive from their cottages (in reference to those resettled) such as game, food stuff and vegetables from their backyards have been denied them now that they have been resettled and added to this, they have to pay for the water they use which hitherto, they had for free back at their cottages. All these have added up to make life unbearable for them they complained.

Community members especially the youth are also dissatisfied with NGGL's manner of recruiting employees for the mine giving permanent jobs to outsiders while giving temporal and unskilled jobs to the indigenes. They are also unhappy about how NGGL awards contracts, sidelining local contractors and rather giving the contracts to outsiders while the local contractors have the capacity to do the job.

On the other hand, NGGL seem to have an excellent relationship with the traditional authorities, the District Assembly and most of the Non-Governmental Organisations with which it partners with on a number of projects. This, the community members especially the youth groups interpret as NGGL 'buying off' these other stakeholders.

This strained company-community relations is not entirely surprising as it is shaped by communities' perceptions of mining companies, their high expectations of the spin-offs from mining, companies own promises to the communities and perceptions of acceptable expectations shaped by access to information through the media, social movements, and previous communities' experiences. The subsequent sub-sections look at the various stakeholders' expectations of NGGL which forms the bedrock of conflict situations in the area.

#### 4.3.4 Expectations of NGGL's Contributions to Development in the Asutifi District

The prospect of mining in an area raises high expectations among the community members who have hopes of a better life and an end to poverty (Garvin et al, 2008). So were the hopes of the residents of Asutifi District when it was realised that their land was endowed with gold. Local expectations over the potential spin-offs from mining were and still are very high.

##### i) *Community Expectations of NGGL*

Almost all respondents interviewed reported considerable development expectations that centred on the role the company would play in assisting the community not just to develop, but to thrive. Respondents indicated that the mineral resources 'belonged' to the community and therefore companies were obliged to share profits with the community.

Expectations of community members however varied based on the heterogeneity of the community in terms of interests and influence. Farmers in the community for instance believed that since communities bear the brunt of the negative impacts of mining operations, communities and especially they (farmers) who had lost farmlands and crops were entitled to compensations that would make life comfortable for them. They expected that after paying



the lump sum compensations, the company would pay affected farmers a monthly allowance to further make up for their loss. Resettled communities also expected that since they were evicted from their places of abode against their will, their new places of abode would exceed their previous abodes in terms of location and facilities such as electricity, potable water and good roads among others to improve their general state of life.

Regarding the youth, their expectations boarded on being employed in the mine and the provision of educational facilities to enhance their skills and make them more employable. In the same vein, women in the area also looked forward to the company's provision of social amenities such as potable water, educational facilities and electricity to the communities aimed at improving their general state of life. They also hoped that the company would support the women folk in the area with a credit facility to enable the women improve their livelihoods.

Respondents however appeared to embrace the concept of Corporate Social Responsibility (CSR) as they believe it is the least NGGL can do to make up for the "hardships" they have put them in. About 82% of respondents expressed the wish for more interaction with the company since they believed it has the potential to reduce conflicts in the area and added that these interactions should not just be talk shops but the concerns raised should be adequately addressed by the company. One woman wondered "what does Newmont do with all the meetings we hold with them and the many surveys they conduct? We are yet to see the fruits of these meetings."

In a paradoxical reinforcing loop, community expectations were also driven by both company promises and perceptions of acceptable expectations shaped by access to information through the media, social movements, and previous communities' experiences. In short, companies entered communities and made promises based on what they thought communities want to hear, while communities ratcheted up expectations based on what they learned had been provided to other communities. When community expectations were not met, disillusionment and lack of trust followed.

Respondents reported that companies made great promises during initial meetings, but that these promises were seldomly fulfilled. A woman at the Ntotroso Resettlement Camp alleged that NGGL promised to provide them with electricity and water free of charge at the resettlement camp as well as give them jobs and relief packages to the aged in the community

but the Company has reneged on its promises. Asked if their expectations of the mine have been met? As many as 93.6% of respondents responded in the negative.

NGGL on the other hand has indicated their commitment to meeting local needs through its pursuance of Corporate Social Responsibility activities. The Ahafo mine has therefore responded to this in part by developing livelihood restoration and associated economic initiatives like the Livelihood Enhancement and Empowerment Programme, Agricultural Improvement and Land Access Programme, Ahafo Linkages Programme among others and also initiated other stakeholder engagements such as the Women's Consultative Committee and the Social Responsibility Forum targeted at meeting community aspirations and needs in the area.

ii) *Traditional Authorities' Expectations of NGGL*

According to the Akwamuhene, Nana Adu Kwaku Ababio who spoke on behalf of the Ntotroso Traditional Area, Traditional Authorities expectations of NGGL in the community was that of a mixed bag. The Traditional Authorities in the area were conscious of the fact that mining in the community would bring both benefits and consequences.

Though the Traditional Authorities hoped for job opportunities for the teeming unemployed youth in the area and an increase in the development projects in the area such as schools, clinics, water and sanitation facilities as well as improved roads, they were also cognisant of the fact that mining would lead to an increase in the population of the area which would bring in its wake an increase in crime and diseases such as HIV/AIDS.

The Traditional Authorities also foresaw that the large tracks of farmlands that were turned to mining fields would also lead to widespread food insecurity as well as an increase in the poverty level of the people if no restoration or alternative livelihood measures were taken. According to Nana Akwamuhene, these expectations are beginning to manifest in the lives of the people in the area as they are widespread complaints of food insecurity among the residents of the District.

Notwithstanding these, the Traditional Authorities are still hopeful that NGGL can still do something to turn the tides by offering employment to the youth of the area and building their capacities so they can do the jobs NGGL requires of them.



#### 4.3.5 Perceptions of Sources of Mine-related Conflicts

Though perceptions of the sources of conflicts in the area vary from stakeholder to stakeholder, some sources of conflicts such as those that pertain to compensations and employment run through all of them.

##### i) *NGGL's Perception of Sources of Conflicts*

According to NGGL's Grievance Officer, the main themes that comprise current sources of conflicts between itself and the community revolve around eight main themes; compensations, employment, resettlement, environment, blasting and from community development and mitigation programmes such as the Vulnerable Peoples Programme and the Agricultural Improvement and land Access Programme as well as others which include identifying the legitimate community representatives and institutions to deal with. These are detailed out subsequently.

##### 1. Claims for Compensation and Upsurge in Speculative Buildings

Though NGGL has tried to compensate people for losses suffered as a result of its activities, complaints from the community still come in regarding the effects of mining on their lives and livelihoods which have threatened to destabilise community-company relations.

One problem NGGL has had to grapple with is the dissatisfaction of the community over the form and terms of the compensation they received for loss or damage to property in the course of being resettled. The most common complaint in this regard is related to the Mine's decision not to compensate people for land that was lying fallow at the time of the resettlement. While this is in accordance with national practice and the current interpretation of the law relating to such compensation, it proved extremely unpopular and appears to be a source of ongoing dissatisfaction within the community. NGGL is presently exploring ways of resolving the issue with the implementation of the new Minerals and Mining Law of 2006. It is hoped that this will go a long way to put to rest the dissatisfaction over compensation over fallow land.

Upsurge of speculative structures and claims of compensations for them is yet another factor that threatens to strain company-community relations. In spite of moratorium dates (cut-off) that have been declared in accordance with the Ghana Mining Code for some mine concessions, opportunistic erection of numerous structures has nonetheless taken place both before and after the cut-off dates, in anticipation of compensation. NGGL's refusal to pay



compensations for such structures has often been met with threats of going on demonstrations by aggrieved community members.

## 2. Effects of Blasting on Buildings

Another issue that continuous to create a rift between the company and community is the impact of NGGL's blasting on buildings in the area and the payment of compensations for them. Though it goes without saying that blastings cause cracks in buildings within some radius of the mining area, claims and demands for compensations from residents about cracks on their buildings cannot all be said to be as a result of NGGL's blastings. However, until NGGL devises a strategy to determine which cracks are as a result of the blastings and this process communicated to the communities, it will remain a major source of conflict in the area.

## 3. High Demand for Employment in the Company

The Grievance Officer also highlighted access to employment as another common source of mine-related conflict in the area. Community expectations are high and mine employment opportunities are limited. Furthermore, most positions at the mine demand specific technical and professional skills of which the local community currently largely lacks. As the mine has developed, Ahafo has come under strong pressure to ensure that limited opportunities for unskilled labour on the mine (and indirectly through mine contractors) are made available exclusively to "locals". This is based on the principle that those who endure and accommodate the most immediate disruptive impacts of mining operations should receive preferential access to the local social and economic opportunities that derive from mining.

To this end, NGGL initiated a policy that sought to give priority to "locals" who apply for unskilled jobs through a validation process. This validation process entailed an individual's application being endorsed by the chief, a youth leader and a District Assembly member. However, this process was subject to community suspicion and allegation of corruption as it was alleged that some "non-locals" bribed their way through to getting employed over eligible "locals". Presently however, an even more elaborate process is being developed together with the relevant stakeholders to enhance legitimacy of the local validation process. It is hoped that this would put to rest the speculations of "non-locals" bribing their way through.

#### 4. The Mine's Protection of the Environment

Environmental issues continue to raise tensions and suspicions and create conflicts in the area between community and the mine. Local fears over the environmental risks of mining have sometimes found expression through rumour. For example, some residents have expressed fears that the dust thrown into the air as a result of blasting would render rainwater undrinkable. On the other hand, other environmental fears expressed have been found to be true. For instance the claim that NGGL had discharged human waste matter from its treatment plant into the Asuopre stream in Kenysai, a tributary of the Tano River in 2005 was found to be true and people who drank from it were duly compensated by the company (Synergy Global Consulting Limited, 2008).

#### 5. Complaints on Resettlement Issues

According to the Grievance Officer, complaints continue to pour in at the Grievance Office from residents of the resettlement areas which usually centre on the unavailability or nonfunctioning of some amenities and facilities at the sites such as the nonfunctioning of the street lights or the dust created from the untarred roads within the resettlement areas.

Again some communities that are relatively close to the mine operations have expressed dissatisfaction over the ongoing impact of the mine on their everyday lives and have therefore impressed upon NGGL to resettle them. A case in point are the hamlets around NGGL's dam where residents have claimed that the location has greatly exposed them to mosquitoes and subsequently malaria while others located near the open pit have also claimed that blasting in the pit causes their houses to crack and as a result, want to be resettled.

#### 6. Complaints about the Vulnerable Peoples and Agricultural Improvement and Land Access Programmes

Community development and mitigation programmes which were meant to ameliorate the negative effects of mining in the area have ended up being sources of conflicts themselves. According to the Grievance Officer, the Vulnerable Peoples Programme is a mitigation programme targeted at the very vulnerable households within the community who have not been able to withstand the impact of the mine activities or have been made worst off as a result of the mine. These households usually have no regular source of income or livelihood and have chronically ill people and the aged within their households and are thus supported with monthly food rationing, and enrolled on the National Health Insurance Scheme among other supports. However, lots of complaints continue to come in regarding the process and



manner in which these households are selected. Most community members believe they have all been adversely affected by the mine and deserve to be supported while fears have also been expressed about the criteria for selecting the vulnerable households.

Similarly, the Agricultural Improvement and Land Access Programme (AILAP) which is a post-resettlement programme established to assist farmers directly affected by the development of the Ahafo Mine to increase agricultural productivity has also been a source of conflict in the area. Family disputes over land ownership and thus disagreements over who is entitled for the support package are the common complaints that are brought forward. Complaints also come in regarding the manner and time in which the input support of cocoa seedlings and plantain suckers are distributed which the farmers complain is usually after the planting season and thus do not fulfill the purpose for which they were given.

#### 7. Identifying Legitimate Community Representatives and Institutions

The development of Ahafo mine has occurred alongside interactions and negotiations between the mine and the local community. This was intended to build a cordial relationship with the key stakeholders in the area. However, the pattern of interactions that have evolved over time has instead of strengthening relations among stakeholders resulted in the increasing tension between the youth and traditional authorities who have a close relationship with the mine. This close relationship between the mine and the chiefs has prompted new tensions with claims that chiefs have been "bought off" by the mine in return for their approval of various aspects of mine operations.

##### ii) *Asutifi District's Perception of Conflict Sources*

The Assembly's perception of sources of mine-related conflicts in the District, revolve around the issues of inadequate compensation, employment and illegal artisanal mining.

According to the Planning Officer who spoke on behalf of the Assembly, compensation paid for loss of livelihoods has been a major source of conflict between the company and the affected communities. This is because, affected communities consider the compensations paid as inadequate considering the fact that they have had to lose their entire livelihoods and the compensations paid are inadequate to meet their present and future needs and therefore their economic lives have become worse off than before.

Another factor that has been a grave source of conflict in the area is the inability of indigenes especially the youth to find employment with the mine. This has been a grave source of



concern and is further aggravated by the influx of people from outside the district who have found employment with the mine to the chagrin of the indigenes. This resulted in a tussle between the indigenes especially the youth and the company and thus the need to find ways of employing more indigenes in the company which has led to the company reserving unskilled job opportunities exclusively for indigenes.

Illegal artisanal mining in the District taking place in Nkasiem, Subrisu and along the Hwidiem road on NGGL concessions have also raised a new chapter of conflict in the area between the company and the miners who are mainly the youth of the area. Though it is illegal for one to mine on others legally acquired mining concession, the youth of the area are increasingly engaging in illegal artisanal mining on NGGL's concession. Even though NGGL and the District Assembly have not yet embarked on any measures to eject them, the environmental effects of their activities are a cause of concern to the Assembly.

With regards to sources of conflicts between the Assembly and the company, the Assembly is unhappy and aggrieved by the company's non-payment of property rates which they are obliged to pay according to the Decentralisation Act. This has greatly affected the Assembly's ability to meet its mandate of overseeing the overall development of the District since this has lessened the Assembly's sources of revenue. However, the Assembly is already in discussion with NGGL to rectify this anomaly and according to the Planning Officer, he was hopeful the company will soon start honouring this obligation which it has neglected.

Regarding conflicts between the Assembly and the community, the major source of conflict is the communities' expectation of the Assembly meeting all their developmental needs of social services which the Assembly is unable to do considering their limited resources and the magnitude of their responsibility. However with the support of NGGL, the Assembly is hopeful to meet most of its obligation to the people of the District.

As a result of NGGL's mining activities, there has been an influx of NGOs and contractors in the District to provide support services. However, most of these NGOs and contractors do not register with the Assembly as required by law so the Assembly is in no position to know the kinds of organisations and companies operating within the District and as such in no position to monitor their affairs and streamline their activities to avoid duplication. The Assembly is therefore in the process of embarking on an educational drive to encourage companies and organisations to register with them.

### iii) *Community Perceptions of Conflict Sources*

Community perceptions of conflicts in the area centre on employment issues, compensation claims, the need for social infrastructure provision and environmental issues. Approximately Forty-nine percent of respondents believed that the main source of conflict in the area has to do with employment issues where locals are denied employment with the mine and such opportunities given to "outsiders". Almost twenty-eight percent of respondents however attributed the major source of conflicts in the area to issues pertaining to compensation claims where affected people are either unsatisfied with the compensations paid or have not received compensation for their destroyed farms or structures as a result of NGGL's mining activities.

**Table 4.4: Community's Perception of Major Sources of Conflict**

Conflict Sources	Frequency	Percentage
Employment issues	46	48.9
Compensation claims	26	27.7
Social Infrastructure provision	15	16.0
Environmental issues	7	7.4
Total	94	100.0

Source: Authors Field Survey, 2009.

These conflicts the community believes could be managed through regular interaction with the company on issues pertaining to employment with the mine, amount of compensations to be paid, as well as resettlement arrangements among others. However, a little over seventy percent of the respondents attest that NGGL does not engage them in regular interaction to seek their views and opinions on these issues.

The remaining 29.8% however attest that NGGL engages them in interaction on issues pertaining to compensations and resettlements and the general effects of mining on their lives. According to them however, these interactions only take place when problems erupt or the community rebels against NGGL's policies but seldom on NGGL's own volition. Eighty-four percent of respondents further expressed their frustrations over the fact that their views expressed are not incorporated in the final decisions of NGGL. This is because, according to them, after deliberations with the company, they (community members) do not feel or see their views reflected in the final decisions taken. For them, it is as if the deliberations with the company are just charades or talk shops because the company does not incorporate their opinions in their final decisions. Nonetheless 81.9% of respondents believed that regular stakeholder interaction in which concerned parties freely express their views and concerns in



an environment of mutual respect for each other has the potential to reduce conflicts in the area.

iv) *Traditional Authorities Perception of Conflicts*

Traditional authorities who are considered the overlords of the land have played a crucial role in the facilitation of the mineral development process in the area. NGGL is very much depended on traditional authorities as a link to the whole community and also to win the communities blessing in its operation. Sources of conflicts according to the Traditional Authorities still revolve around lack of employment for the indigenes of the community, delay and sometimes non-payment of compensation for destroyed crops and fallow lands, impact of blasting on buildings as well as the rapid deterioration of roads in the area as a result of the constant use by NGGL's cars including their shuttle buses which frequently ply the Ntotroso road through Atronie from Sunyani on a daily basis.

Regarding grievances between Traditional Authorities and NGGL, the Traditional Authorities are unhappy about NGGL's inability to give the chiefs some of the physical gold mined aside the royalties paid them. They feel as overlords of the area and custodians of the land and as a mark of respect, they should have a share of the physical gold mined on their land. With regards to conflicts between Traditional Authority and community members, community members especially the youth are suspicious of Traditional Authorities and are of the belief that Traditional Authorities do not champion their interest and have rather taken sides with NGGL to the detriment of the welfare of the community.

4.3.6 Effectiveness and Relevance of PPPs: Cases from the Ahafo Mine

Realising the importance of PPPs as a measure of managing and resolving grievances and conflicts in the area, NGGL has created avenues for regular community interactions by organising community fora as well as building partnerships with various stakeholders in the areas of livelihood restoration and improvement, social infrastructure development and capacity building. The subsequent section examines these partnership programmes to determine the effectiveness and relevance of these PPPs in the Asutifi District so far by assessing the degree to which the stated objectives have been achieved or can be achieved as well as determine the degree to which the objectives of these programmes remain valid as planned.



i) *Agricultural Improvement and Land Access Programme (AILAP).*

NGGL's Agricultural Improvement and Land Access Programme is a post resettlement programme established to assist farmers directly affected by the development of the Ahafo Mine Project. NGGL is in partnership with the Ministry of Food and Agriculture, Opportunities Industrialisation Centres International (OICI), the Asutifi District Assembly, the Chiefs of the mine communities and Chief farmers in implementing this programme.

The programme took off in April 2006 and its main focus is to maintain or exceed pre-Project levels of crop productivity and ensure compensated farmers have access to land. To achieve its objectives, the programme provides free of charge, improved agricultural inputs sufficient for two acres, for one crop season, to every person compensated by the Company for cropped land taken in the Project area that has arable land of two or more acres. For those eligible for the programme and yet have no access to land, the programme facilitates the acquisition of stool land for which the Company bears the cost. The Agricultural Improvement and Land Access Program offers five agricultural assistance packages based on the provision of standard field inputs, extension services, and a choice of various crop packages. In addition to agricultural assistance packages, compensated farmers are eligible for cash assistance for farm maintenance.

So far, 2,355 farmers out of about 3,000 farmers who received crop or building compensation have received assistance from the programme; 395 in phase I and 1960 in phase II with the remaining to be served in phase III. Additionally, farmers now apply improved agricultural practices which have sustained food production in the district by 80% while 57 input supplier groups including 10 local companies and 47 farmers' input supplier groups have been created and their capacities built to provide inputs such as plantain suckers and cocoa seedlings to the programme.

Considering the objectives of the programme which were to facilitate affected farmers' access to land and provide agricultural assistance to them aimed at maintaining or exceeding pre-Project levels of crop productivity, AILAP can be said to have been very effective since it has achieved almost seventy-nine percent success rate in terms of providing its stated support packages to the affected farmers which has helped to sustained food production in the district by 80%.

The relevance of this programme cannot be down played. This is because mining activities usually compete with farming for land which has the potential to reduce crop productivity as

a result of the loss of farmlands for mining. However, the programme has the potential to sustain or perhaps increase food production in the area as a result of the extension services that go with the input support.

ii) *Livelihood Enhancement and Empowerment Programme (LEEP)*

LEEP is a community development programme launched in February, 2005. It is a partnership between the Opportunities Industrialization Centres International (O.I.C.I.), the affected communities as well as NGGL in which NGGL is the financier, OICI is the implementer and the communities the beneficiary.

The programme goal is to improve the livelihood, security and the quality of life of households affected by NGGL's mine operations in the area. It is being carried out in six components: Agricultural training in crop and animal production, post harvest loss reduction and inputs support, micro-enterprise development training in entrepreneurship development skills, business management, marketing and technical skills training in appropriate technology including 'gari' processing, beekeeping, grasscutter and snail rearing among others. The rest are vocational and technical skills training in masonry, welding, carpentry, electrical installation, catering and dress making, water and sanitation capacity building which involves building the capacities of the Water and Sanitation committees in the communities, building community resiliency through building the capacities of community members especially the youth in service provision and finally, providing micro-credit training in credit access and establishing linkages with financial institutions.

To this end, the capacities of beneficiaries have been built through trainings in the various programme components. Where applicable, input support such as grasscutter cages, household maize storage facilities, improved seeds are also provided to beneficiaries to enable them start off on their own.

To date, the key accomplishments of the programme include; improved sustainable food and cash crop production among 750 farmer households, SMEs created and strengthened to generate income for 1500 women and men and technical and vocational skills enhanced for 600 youth to improve employment and self-employment opportunities.

Regarding the effectiveness of this programme, the three main objectives were to enhance the livelihood capacities of affected households, enhance households' quality of life in the areas of health, nutrition and education and to build the communities resiliency and participation.



To a large extent, the first objective have been achieved with the trainings in agriculture in crop and animal production as well as micro-development trainings in various areas which has not only increased the livelihood capacities of the beneficiaries but enhanced it as well. Concerning the second objective, apart from the provision of potable water and clean-up exercises organized in some communities, not much has been done to explicitly enhance household quality of life in the health and nutrition areas though improvement in both crop and animal production could invariably mean improved nutrition for the affected households. On education, the NGGL/OICI/ICCES Vocational and Technical School being run by OICI apart from offering technical and vocational skills training to the youth of the area, also offer basic literacy and numeracy training. In the area of building community resiliency and participation, it is difficult to measure the level of community resiliency that has been built however, community participation in programmes is largely encouraging.

Regarding the relevance of the programme, no doubt the programme has been relevant considering the fact that it was designed to prepare the affected communities withstand and adopt to the changes mining brings as well as improve the livelihood security and quality of life of the affected communities. In this regard, the objectives of the programme remain valid today and are still in harmony with the needs and priorities of the beneficiaries just as they were when the programme was planned.

iii) *Ahafo Agribusiness Growth Initiative (AAGI)*

The AAGI project was designed by Newmont Ghana Gold Limited and African Connections Ghana Limited in partnership with eight communities in South Ahafo: Ntotroso, Gyedu, Wamahinso, Kenyasi No.1, Kenyasi No.2, Nkaseim, Nkrankrom and Hwidiem.

The objective of the programme is to stimulate economic growth within the communities using agriculture as the entry point since it is the economic mainstay of the area. Participants are drawn from farmers and SME owners displaced by NGGL's operations and taken through a High Impact Training (HIT) which aims at building farmer capacity through intensive and practical training. It is designed to improve on the indigenous agricultural practices, farm management and business skill to increase productivity and profitability of participants.

The achievements of the programme so far include the fact that over 2,600 farmers have benefitted from the High Impact Training in plantain, maize, chilli pepper, ginger and soya beans. The subsequent organization of the groups into associations has enabled them easy access to credit which has also enabled them produce at a larger scale than they previously



were doing and are now able to access both the national and international markets through the assistance of African Connections Ghana Limited which has resulted in the increment of incomes of beneficiary farmers.

The effectiveness of the programme judging from the objectives set which is to stimulate economic growth within the affected communities using agriculture as the entry point has been adequately met. This is because apart from improving on the indigenous agricultural practices of the people, the trainings offered in the fields of farm management and business skills has gone a long way to increase crop productivity and incomes for the beneficiary farmers.

In reference to the relevance of the programme, AAGI has been very relevant to the situation that persist in the Asutifi District which though has agriculture as the mainstay still practice subsistence farming with regards to food crop production. AAGI's formation of the farmers into groups and associations coupled with the High Impact Trainings which are tailored towards making farmers more 'commercially minded' has therefore stimulated economic growth in the area.

iv) *Ahafo Linkages Programme (ALP)*

ALP is a partnership between NGGL and the International Finance Corporation (IFC). ALP is a business development programme designed to support and improve local business opportunities associated with the Ahafo mine and beyond. The programme was implemented in July, 2007 following the signing of the ALP agreement by NGGL and IFC in February, 2009.

The project goal is to maximise the business opportunities of local micro, small and medium scale enterprises and seek ways to increase income of the communities around the Ahafo mine. The programme is carried out in three components. The first component is Local Supplier Development which is aimed at supporting the development of local non-mining related businesses especially on the supply side so as to diversify the local economy outside the mining sector. The second component which is the Local Economic Development is aimed at making the Ahafo Local Business Association a strong central organisation that can among other things promote local business growth and facilitate the provision of support services. The third component, Local Capacity Building is aimed at developing the capacity of local service providers in the Asutifi area and to equip them to provide support to other Micro Small and Medium Size Enterprise (MSMEs).

So far, the achievements of ALP are;

- 52 local Micro Small and Medium Size Enterprise (MSMEs), being trained by Technoserve have executed 282 transactions amounting to \$4, 182,653.00. There has been over 200% increment in the contracts executed and the amount involved between 2006 and 2007.
- Mentoring and capacity building programmes are going on to further develop the local businesses. More than 2000 businesses are registered for the mentoring programme and are being screened for participation over the next three years.

The programme goal which is to maximise the business opportunities of local micro, small and medium scale enterprises and seek ways to increase income of the communities around the Ahafo mine is steadily but surely being achieved considering the successes that have been achieved so far and that which can still be achieved. The programme objectives are very much in harmony with the needs of the beneficiaries and the area as a whole thus making the programme very relevant. Judging from the enormous business opportunities mining has brought to the area, when harnessed properly, can lead to increase in the income levels of the beneficiaries and ultimately improve the standard of living of the people.

v) *Women's Consultative Committee (WCC)*

A Women's Consultative Committee (WCC) has been set up which among other things seek to engage the women folk in the communities through meetings. These meetings have been followed by the two way process of feedback in which each member of the committee reports to its represented community members, finding out their views, which are then reported back to the Gender Officer at NGGL. This two-way feedback process is extremely important in both ensuring dissemination and enabling grassroots inputs to be maintained. The empowering effect of this committee can be seen by the increase in the number of women that are now actively participating in other committees within the community.

Efforts are also being focused on developing and supporting income generation activities. The WCC has already set up a revolving fund of its members and has accumulated 1,800 new Ghana Cedis which is yet to be disbursed following the development of a suitable procedure. In addition the WCC has in association with IFC's ALP program carried out a survey of women's business needs to be followed by specific training to address skill needs. These trainings and subsequent development of income generation activities has a potential of



offering alternative sources of livelihood to the women folk which will go a long way to improve the living standards of households and invariably reduce the incidence of conflicts between community and company on the grounds of loss of livelihoods.

The effectiveness of this programme is difficult to determine since most of the interventions are either at the preparatory stage or yet to kick-start. However, since the overarching objective of the Committee is to mainstream gender into community-company affairs through empowering women to actively participate in affairs within their communities and concerning the company, this objective has been duly met considering the increase in the number of women that are now actively participating in other committees within the community.

The relevance of this Committee cannot be overstated considering the fact that women form the majority in the area constituting 50.4% (DPCU-A.D.A, 2005) and as equal stakeholders in the area, their views, opinions and participation in community and company affairs is important and need to be encouraged as the Committee seeks to do.

vi) *Ahafo Social Responsibility Forum (ASRF)*

The Ahafo Social Responsibility Forum was formed in response to Newmont's commitment to the sustainable development of its areas of operation around the world. In December 2005, Newmont made a commitment that \$1 US per ounce of gold sold and one percent of net profit from the Ahafo Mine will be set aside in a Community Development Fund for sustainable community development projects.

Following this announcement, Traditional Authorities, the District Chief Executives of Tano North and Asutifi Districts and Newmont together agreed to establish a Social Responsibility Forum to provide the Community with the opportunity to participate in the Company's decisions and plans, deliberate on issues of mutual interest, help build strong communication and decide on how the Community Development Fund is to be allocated.

The establishment of the Ahafo Social Responsibility Forum (ASRF) is voluntary and the first of its kind in Ghana. The ASRF consists of a wide variety of stakeholders who include the Regional Minister for Brong Ahafo, three Newmont managers from the Ahafo Mine, three members of Parliament from Tano North, Asutifi North and Asutifi South, the District Chief Executives from Tano North and Asutifi, Presiding members of the District Assemblies from Tano North and Asutifi, the Omanhene/Chief and one other person from



each community, chief farmers from the Tano North and Asutifi, six elected representatives of women's groups (three from each district), one elected youth representative from each community and an elected representative from a Non-Governmental Organization in both Tano North and Asutifi.

Obviously, the Forum is a large group and therefore carries out its tasks under smaller Standing Committees. Any decisions of the Standing Committee are however referred back to the Forum for finalization. A Complaints Resolution Committee will be formed to resolve any difficulties in the implementation of the agreement.

It is difficult to determine the effectiveness of this programme now since no concrete projects or programmes have been executed yet. However judging from the framework that has been laid out and the structures put in place, the programme has the potential to significantly contribute to sustainable community development in the District when the Forum starts executing development programmes and projects in the area from the Community Development Fund set up.

Regarding the relevance of the forum, time and again, mining companies have often been accused of not doing enough to address the social needs of the communities within which they operate though their activities sometimes negatively affects the lives of the people in the communities. Thus from the fund set up, communities in the District will have the opportunity to determine what their felt needs are and with assistance from the forum have them provided. This will therefore go a long way to change the perception that mining communities are insensitive to the plight of the communities within which they operate.

#### 4.3.7 NGGL Grievance Management System

Right from the onset of the operations of NGGL, grievance and complaints management was always an integral part of the management system of the company. Back then, the Administrator handled complaints and grievances that were brought against the company and forwarded them to management to be resolved at management meetings. With time as the complaints increased, and the communities were unhappy with the mode the grievances were handled, NGGL on the advice of IMF formally created the Grievance and Complaints Office in 2004 to specifically handle grievances and complaints from the community and other stakeholders and to find amicable solutions to them.

The Grievance and Complaints Office which operates under the External Affairs Unit is tasked with the mandate of receiving complaints from the community, appropriately investigating them and ensuring that an amicable solution is found within the shortest possible time in such a manner as not to allow the complaint explode to unimaginable heights that can lead to violence.

To make the process easy for the communities to easily make their grievances known, Information Centres have been opened in all the affected communities where community members can easily walk in and have their complaints documented on a complaints form to be forwarded to the Grievance Office for action to be taken. NGGL's Grievance Management System is executed at two broad levels; through the Grievance and Complaints Office and at the Resettlement Negotiation Committee (RNC).

i) *Grievance and Complaints Office*

The Grievance and Complaints Office is tasked with receiving complaints from aggrieved community members, investigating them thoroughly and together with the complainants, find amicable solutions. The process involved in getting ones grievance to the attention of NGGL are to formally lodge a complaint at any of NGGL's Information Centres situated within the communities or to the Grievance Office through a letter or personally where the complaint is documented on a Complaint Form (refer to Appendix1) which captures the contact details of the complainant as well as details of the complaint. The office then acknowledges receipt of the complaint after which the Grievance Officer forwards the complaint to the concerned department or programme for which the complaint is about. The department or programme then allocates a resolving officer to follow up and investigate the complaint. The complainant is then invited for a possible resolution based on the facts of the case. If an agreement is reached, the complaint signs the resolution form which stimulates the terms of the agreement reached. In the case where a resolution is not reached, the complainant is free to use any other forms of redress such as using the law courts or petitioning CHRAJ or other forms of justice.

The Grievance and Complaints Office as per standard operation period has thirty days to resolve complaints. However, overlaps resulting from delays in investigations could lengthen the process. According to the Grievance Officer, since 2004 up till April, 2009, a total of 1,696 complaints have been lodged with the company. Out of this, 1,424 have been resolved, 225 are still pending while 47 have been discontinued at the insistence of the complainants who do not wish to continue with the process.



ii) *Resettlement Negotiation Committee*

The Resettlement Negotiation Committee (RNC) was formed to handle grievances and complaints emanating from relocation and resettlement of some communities within the District. It is composed of representatives of the affected communities and their traditional leaders, representatives of Youth Associations, the District Assembly, the Land Valuation Board, Town and Country Planning, Department of Social Welfare and the management of NGGL among others and proceedings are coordinated by a moderator who is appointed by NGGL.

The committee functions under various sub-committees and also deliberates and agrees upon compensation packages for crops and buildings in the area as well as issues pertaining to post-moratorium structures. The RNC through its negotiation skills have been able to bargain for better compensation payments for farmers as well as secure facilities and services from NGGL to make life a little comfortable for resettled communities. Some of these services and facilities include the provision of water tanks to supplement the communities' water supply as well as mosquito bed nets for communities living around the dam area.

Though the concept of the RNC is laudable, its functions are limited and do not address the multi-dimensional problems the Asutifi situation presents since it is only limited to relocation and resettlement issues whereas there are broader community problems that need to be addressed.

#### 4.3.8 NGGL's PPP Approach to Conflict Management and Mitigation: Immediate Impacts and Challenges

The immediate impact of the PPPs being pursued by NGGL can be summarised in the following:

1. The Corporate Social Responsibility programmes being pursued such as the Agricultural Improvement and Land Access Programme (AILAP) and the Livelihood Enhancement and Empowerment Programme (LEEP) coupled with the collaborative way of resolving conflicts between the company and complainants, has resulted in the relative calm and peaceful atmosphere currently being experienced in the area. This is evident by the almost non-existence of demonstrations and unrest in the area as opposed to experiences in other areas by other mining companies.



2. Capacities of community members in the area have also been considerably built through the Corporate Social Responsibility training programmes such as the Ahafo Linkages Programme (ALP) trainings for Micro Small Medium Size Enterprises (MSMES) and Ahafo Agribusiness Growth Initiative (AAGI) trainings for farmers in various areas including team building and group dynamics, financial and business management as well as in skills development among others. This has contributed to increased productivity as well as increased incomes for the beneficiaries.
3. PPPs in the Asutifi District has also promoted the active participation of community members in activities pertaining to the welfare of their area and also alerted them to be conscious of their rights and fight for them. This is evident by the participation of community members in most of the committees set up to deliberate on matters pertaining to the welfare of the communities such as the RNC and ASRF among others.
4. The establishment of the Community Development Fund by NGGL will also go a long way to help supplement government's efforts at providing social infrastructure and services like health, educational and water and sanitation facilities to the communities thereby improving the living standards of the people in the area.

The challenges however are that:

1. In undertaking PPPs, the communities, traditional authorities and sometimes the District Assembly assume the programmes or projects being undertaken are sole initiatives of NGGL and so are reluctant to contribute their quotas to support these initiatives. As a result in the event that these projects fail to function properly, they wait on NGGL to come and rectify the situation and do not consider the projects their "own". In effect, stakeholder support for partnership programmes is low.
2. In managing conflicts, it is difficult for the company to decipher real complaints from fabricated ones as people take advantage of NGGL's status to make false and outrageous claims for compensations. NGGL's refusal to succumb to such claims, have often been met with resistance especially from the Youth groups which threaten to mar company-community relations.
3. Another challenge encountered in the process of resolving conflicts by the Grievance Office is the limited cooperation received from the complainants during investigations. This leads to delays in the process and sometimes stalls the process all together.

4. Within NGGL's internal structures itself, some Community Liaison Officers at Newmont's Information Centres sometimes go out of their way to resolve conflicts brought to their notice at the community level without due regard for the Grievance Management procedures. As a result, such cases are not captured in the data base of the company to keep track of progress made.

#### 4.3.9 Sustainability Measures of NGGL's PPPs in Managing Conflicts

Sustainability measures should form an integral part of all community programmes and projects undertaken so that they do not remain a nine-day wonder but are able to stand the test of time and fulfill the purpose for which they were embarked upon.

In assessing the measures put in place to sustain PPPs in the Asutifi District, three cardinal issues would be considered; 1) issues pertaining to resource flow and future expenses to ensure that the PPPs are financially sustainable, 2) issues pertaining to the technical and administrative capacities of concerned stakeholders as well as ownership of programmes to ensure that the PPPs are institutionally sustainable and 3) issues of community interest and influence, relationships and collaborations as well as cultural acceptability of the programmes to ensure that the PPPs are socio-culturally sustainable.

In almost all the PPPs being undertaken in the area, for instance the AILAP, LEEP, AAGI and ASRF, NGGL is the major financier and ensures that there is regular resource flow to take care of recurrent expenses. However with the exception of the ASFR which is assured of future resource flow of \$1 US per ounce of gold and one percent of net profit from NGGL as long as it continues to mine in the area, the financial sustainability of the other programmes cannot be assured and it is feared that the inability of NGGL at any time to fulfill its financial obligation to these programmes will mean an abrupt end to such laudable initiatives.

Regarding the administrative and technical capacities of the various stakeholders to initiate, actively participate, sustain and monitor the progress of programmes in the area so as to feel a part of it as joint owners, NGGL strives to employ a bottom-up approach meant to engage stakeholders from the planning stages of the programmes. Additionally, through community development programmes the capacities of stakeholders are built in various areas such as in food processing, soap making and in batik, tie and dye, team building and group dynamics as well as in financial and business management among others. These engagements apart from building local capacities also create a sense of ownership for communities of development



projects provided and thus ensure that there is continuation and maintenance of initiatives undertaken to manage conflict and promote community development.

Community interest, cultural considerations in the design and implementation of programmes as well as political will and influence are important ingredients to ensuring the sustainability of programmes. In this regard, NGGL has sought to foster a close collaboration among the various segments of the community including Women and Youth Groups to try to win their interest and consent through initiatives such as the WCC. Again, in order not to trample on cultural values, due consideration is given to the customs and values of the people and area through regular interactions with the Traditional Authorities who are usually the first point of contact before the initiation of any programmes to make sure they are in consonance with the customs of the people. Similarly, a close collaboration has been fostered with the Asutifi District Assembly in the planning and implementation of all partnership programmes in the District and since the Assembly is the political and planning authority of the area and will continue to exist even after the exit of NGGL, the continuity of the programmes is assured.

#### **4.4 Summary and Conclusion**

The chapter was in two parts. The first part examined the profiles of the study area and NGGL while the second part which presented an analysis of the data gathered from the field survey examined the socio-economic characteristics of the households using variables such as sex, age, educational attainment, religious affiliation, ethnicity and marital status of the respondents.

The analysis also examined the sources of conflicts in the area and it was revealed that community expectations of NGGL which are very high formed the bedrock of the conflicts in the area. Other sources of conflicts in the area centred on compensation and resettlement issues, employment with the mine, blasting and environmental effects of the mine on the people, identifying the legitimate representatives and institutions to deal with as well as issues emanating from mitigative programmes such as the Vulnerable Peoples and Agricultural and Land Access Programmes.

PPPs being undertaken in the area were also assessed to determine their effectiveness and relevance. It was realized that most of the programmes have been very effective and relevant to the Asutifi situation however, the effectiveness of other programmes could not be determined since they were still at their early stages.



The NGGL's Grievance Management System through its Grievance and Complaints Office and the Resettlement Negotiation Committee were also assessed and it was realized that of the 1,696 complaints that have been received since the commencement of the Office, 1,424 have been resolved so far indicating a success rate of eighty-four percent. Notwithstanding this, the challenges of NGGL's PPPs include the fact that stakeholder support for the partnership programmes are low coupled with NGGL's difficulty in deciphering real complaints from fabricated ones which is threatening to mar company-community relations.

The chapter concluded with an assessment of measures put in place to ensure the sustainability of the programmes. It was realized that the involvement of the District Assembly, Traditional Authorities and the community at large in the planning and execution of programmes has the potential to ensure the sustainability of the programmes even after the exit of NGGL. However, since NGGL is the sole financier of the programmes, the financial sustainability of the programmes cannot be guaranteed.



## **CHAPTER FIVE**

### **FINDINGS, RECOMMENDATIONS AND CONCLUSION**

#### **5.1 Introduction**

This chapter is in three parts. The first part aims to capture the major findings of the research deduced from the analysis of the previous chapters. The second part offers recommendations on how to manage conflicts in mining communities aimed at further strengthening NGGL's Grievance Management System. While the final part which concludes the study further reinforces the potential of PPPs in sustainably managing conflicts while highlighting on the recommendations that will enhance the delivery and impact of PPPs in the district.

#### **5.2 Summary of Key Research Findings and their Implications for Sustainable PPPs**

The following are the major findings of the study:

##### **1. High community expectations**

Community's expectations of the spin-offs from mining and other expectations preconceived through access to information from the media, social movements as well as companies own promises to the communities, have engraved an image of bliss, and a better way of life in the minds of community members which have to a large extent heightened communities expectations of mining companies. Mining companies' inability to meet these high expectations has often been the foundation of most of the conflicts that persist in mining communities. This implies that until community members' perceptions and expectations of mining companies are disabused and the realities of mining communicated to them, agitations from community members will persist.

##### **2. Skewed pattern of NGGL's stakeholder engagement**

NGGL's pattern of engaging stakeholders in the District has also been a grave source of conflict as it appears to be skewed in favour of Traditional Authorities to the neglect of other stakeholders. This close relationship between the mine management and the chiefs has prompted new tensions especially with Youth Groups with claims that chiefs have been "bought off" by the mine in return for their approval of various aspects of mine operations. These Youth Groups feel their interest and views are not adequately carried along by the company as does the chiefs'.

This trend of affairs has the potential to kill stakeholder interest as well as breed mistrust between the other stakeholders and NGGL and could create a situation where the other stakeholders feel less important and as such feel reluctant to actively engage in any

partnerships as they will feel their opinions do not carry as much weight as the Traditional Authorities'.

### **3. Limited job opportunities with the Mining company**

The inability of community members to find employment with the mining company is a major source of conflict in the area that not only threatens to strain company-community relations but also threatens to strain relations between "locals" and their Traditional Authorities, Youth Leaders and Assembly members who have to endorse an applicant's request for employment as a native before he/she is given employment at the mine. They are accused of receiving bribes from "non-locals" and endorsing them as natives and as such denying locals of getting jobs at the mine. Until stringent measures are put in place to address the limited job opportunities for indigenes, community agitations especially from the youth will persist and this has the potential to explode to higher levels as the frustrations of the youth heighten.

### **4. Top-Down nature of partnerships**

Given that most of the partnerships in the area are not community driven as communities are often not involved as direct partners but more often as beneficiaries rather than active participants, NGGL's partnerships are thus largely top-down in nature. In most cases, communities' input in the partnerships has only been to send in their representatives to sit in the committees or take part in the training sessions of programmes. However, during the planning stages of these partnerships, they are not actively involved and are only added on in the middle of the process to give a semblance of a collaborative effort or a partnership. As such community representatives most often do not understand the importance and processes involved in the partnerships coupled with the fact that their capacities are not built adequately to enable them effectively participate in activities and partnerships. As a result community ownership of programmes is low and this has the potential to undermine the institutional sustainability of the programmes.

### **5. Effectiveness and relevance of PPPs**

NGGL's PPPs being undertaken in the areas of livelihood restoration and improvement, social infrastructure development and capacity building have no doubt been relevant judging from the fact that the objectives of the programmes remain valid and are very much in harmony with the needs of the people. On the effectiveness of the programmes, some programmes such as the AILAP, AAGI, ALP and the LEEP have been very effective in terms



of the successes achieved which include the organisation of farmers into associations to facilitate easy access to credit, creating and strengthening SMES for over 1500 people and assisting 2,355 farmers with free agric inputs and extension services to increase crop productivity among others. However for the other programmes such as the WCC and the ASRF, it is difficult to determine their effectiveness since most of the interventions are either at the preparatory stage or yet to kick-start.

The high degree of effectiveness of the PPPs implies that there is limited room for conflict situations since most of the needs of the people which centre on livelihood restoration and improvement, social infrastructure development and capacity building are being addressed by these partnership programmes.

#### **6. Impact and Sustainability of Public-Private-Partnership programmes**

Even though most of the PPPs being implemented in the areas of alternative livelihood, post resettlement, capacity building, gender mainstreaming, and community development are very relevant to the Asutifi situation, their impact on the lives of affected communities has not been very significant especially with regards to alternative livelihood programmes. Three reasons can be assigned to this. First, most of the livelihood programmes introduced were alien to the communities and they had difficulties adopting these new skills and adapting to these new ways of making a living for example, beekeeping. Secondly, most of the beneficiaries were not supported with startup capital or start-up tools after training and finally, those who managed to implement their newly acquired skills were soon discouraged to continue because of low patronage of the products. This has the potential to exacerbate unemployment in the area which could lead to widespread poverty and subsequently community agitations.

Regarding the sustainability of the programmes, apart from the ASFR which is assured of future resource flow from the Development Fund set up, the financial sustainability of the other programmes cannot be assured. The close collaboration that has been fostered with the Asutifi District Assembly, the Traditional Authorities and the community at large in the planning and implementation of partnership programmes however guarantees the institutional sustainability of the programmes in the District. This is because, the Assembly which is the political and planning authority of the area as well as the other stakeholders such as the chiefs and the community members will continue to exist even after the exit of NGGL.

### **5.3 Recommendations for enhanced delivery and impact**

The following recommendations have been made based on the findings of the study and in relation to the set objectives of the study. The recommendations are in two parts; one to enhance the delivery and impact of NGGL's Grievance Management System and approach, and two, to serve as a blueprint for other mining companies and other extractive industries such as the imminent oil industry for effectively managing conflicts in the communities they operate.

#### **1. Revision of Legal Framework on mining**

Though a New Minerals and Mining Law was passed in 2006 to address the discrepancies of the previous one, some issues especially pertaining to resettlement and compensations are still left outstanding and need to be addressed. First and foremost, land compensations levels need to be raised and tied to inflation fluctuations to ensure that their real value is not eroded overtime. Other aspects of compensation pertaining to loss of crops also need to be reviewed to take into consideration the economic life of crops and compensation for future income loss and other fringe benefits like the Cocoa Scholarship awards to wards of cocoa farmers as well as compensation for fallow land. These should also be inflation adjusted to ensure value for money to its owners.

Furthermore, considering the fact that one-time compensation payment has only sought to exacerbate the economic woes of the people since they were unable to manage it appropriately, it would be prudent to convert a portion of the compensation into monthly allowance for the affected persons for a period of between three to five years to allow them sufficient time to get accustomed to the changes in their new ways of life so as to be able to adjust.

#### **2. Auditing of Mineral Royalties Accruing to the District Assembly and Traditional Authorities**

Revenue accruing to the district and traditional authorities from mining is meant to be used for the good of the affected communities to help ameliorate the adverse effects of mining and improve the living standards of the people. Communities' inability to see and enjoy these benefits has most often left them thinking that mining companies have brought nothing good to their area. And since accountability is not demanded of the Assemblies and Traditional Authorities as to the utilisation of these revenue, the tendency is that these revenue could be channeled into areas or projects other than what they were meant for, for instance used in



paying for the Assembly's overhead expenses or for buying expensive clothes for the Traditional Authorities and magnificent palaces or worst still find their way into individual pockets.

In that regard, the law establishing the OASL needs to be amended to:

1. Empower the OASL to establish regulations on how the royalty it disperses can be spent by the DAs, the Chiefs and the Stools. These regulations could include:
  - a. A requirement that both the OASL and the local authorities publicly announce through local and national media the amounts of revenue received by local authorities and the results of the OASL audits of how it was spent.
  - b. A requirement that development projects be prioritized while expenditures for ongoing government operations or administrative expenses are limited to no more than 25 percent of revenue allocated.
2. Audit how the royalty revenue it disperses is actually spent. To ensure that revenue received by the Assembly and the Traditional Authorities is actually used for developmental programmes and projects for the benefit of the affected communities and not for illegal purposes or misappropriated.
3. Effectively sanction the chiefs, the Stools and the DAs in the event that royalty revenue is misappropriated for other legal or illegal purposes. Effective sanctions could include: the ability to suspend royalty payments indefinitely and the ability to bring legal proceedings, both civil and criminal, against those responsible for misappropriation of funds.

### **3. Alternative Livelihood Programmes should be tied to Micro-Credit Programmes to enlarge their impact on beneficiaries**

Providing sustainable alternative livelihood should be a concerted effort of all stakeholders involved including specialized NGOs, the mining company, donors, and local government. Focus should be on re-skilling and training programs that are based on indigenous knowledge and technology which in the Asutifi case could be in agro-processing considering the fact that Asutifi is a mainly agrarian area and the target should be: 1) farmers whose land is now part of a mining concession, and 2) illegal miners, particularly women, children and the youth, who are mining for survival and not tied to the formal economic sector. In addition, microcredit programmes and business management training should go hand in hand with these alternative livelihood programmes to enable people start their own businesses and



manage them on their own. This way, the impact of the trainings will be adequately felt when beneficiaries are able to earn their own income otherwise the trainings alone will not generate the desired effect of providing the people with a means of livelihood that generates regular income.

#### **4. Reconstitute the Resettlement Negotiation Committee to address broader Stakeholder issues**

Though the concept of the RNC is laudable, its composition and mandate is limited in scope as it addresses only relocation and resettlement issues whereas there are broader community issues to be addressed. There is therefore the need to reconstitute the committee with a broader stakeholder representation mandated to address a wider range of issues pertaining to the welfare and well-being of the people and the District at large. This reconstituted Committee could be an avenue for addressing issues not limited to just compensations and resettlement but employment as well as environmental issues. This reconstituted Committee could thus be a platform for regular interaction between the Mine and the community which would go a long way to reduce grievances and complaints from the communities.

#### **5. Employ Bottom-Up approach to partnerships to promote greater stakeholder participation as well as sustainability of programmes**

Drawing on the lessons learnt from the case studies of the Nigerian oil industry, there is the urgent need to employ a bottom-up approach to partnership programmes to ensure the full and active participation of relevant stakeholders in partnerships right from the planning stage through to the implementation. This way, stakeholders especially affected communities will feel part of the whole process; get to have their interests and views incorporated in the partnership process and thereby making them own the partnerships as their own and not merely NGGL projects or programmes. To further ensure effective participation of all stakeholders, the capacities of deficient stakeholders like the 'not too enlightened' affected community members need to be built to enable them participate effectively in activities and partnerships in their area.

Furthermore, there is the need to further strengthen relations with the Assembly and Traditional Authorities in the planning and implementation of programmes as this will further boost the institutional and socio-cultural sustainability of programmes and ensure that the partnership programmes live on even after NGGL leaves the scene.

## **6. Areas requiring further research**

In the course of undertaking this research, issues that have emerged presents areas that require further research which will go a long way to better the lives of people in mining communities. Considering the fact that community members do not seem to appreciate the benefits mining presents because of their inability to see or enjoy any such benefits, an area that requires further research is a study to assess how mineral revenue accruing to the District and Traditional Authorities meant for the development of affected communities is utilized.

Secondly, in view of the fact that mining competes with farming in terms of land which eventually leads to farmlands being turned to mining fields, a research to examine the effect of mining on agricultural productivity in mining communities will offer useful insights to policy makers to address the situation.

## **5.4 Conclusion**

Conflicts are inevitable human phenomena which are even more pronounced in resource endowed areas. Every conflict has its own context and characteristics just as different mineral resource endowments give rise to different conflict challenges. However, while the immediate causes of conflict may be unique to different environments, the underlying structural causes of mineral related conflict are extreme poverty and lack of economic opportunities.

The study which assessed the potentials of Public-Private-Partnerships in managing conflicts in mining communities by reviewing NGGL's Grievance Management System showed that indeed, PPPs have the potential to make a difference in conflict management and community development if formed and executed properly employing a bottom-up approach of regular stakeholder engagements. However, to make these partnerships sustainable, all parties involved need to be committed to vigorously pursuing a bottom-up approach to partnerships that seek to involve all parties concerned and engage them at all stages of the partnerships right from the planning to the implementation stages of programmes and projects to ensure that local capacities are built to effectively take part in partnerships involving their livelihoods, their social well-being and in addressing their grievances. This way, there will be a sense of community ownership of programmes and projects that would go a long way to foster peaceful coexistence and development between extractive companies and mining communities.



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## APPENDICES

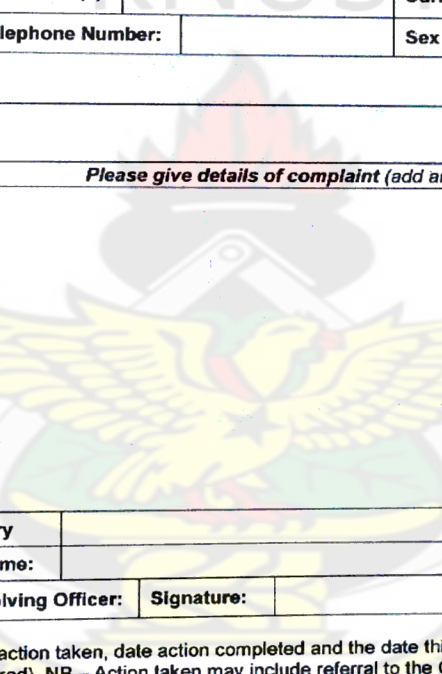
### Appendix 1: Specimen of Ahafo Operations Grievance / Complaint Form

	<b>AHAFO OPERATIONS Form</b>	Document No: AHF-IMS-008-F03 Version No: 2.1 Issue Date: March 2007 Page No: Page 1 of 1
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**Grievance / Complaint Form**

C & G Status (please circle)	New Case	Appealed	Follow-Up	Reference: (NEAMU use only)
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NB – The person initially receiving the complaint must complete all the shaded boxes and return to the External Affairs Administration Department. Contact: [Joseph.Freitas@Newmont.com](mailto:Joseph.Freitas@Newmont.com) Extension: 51083

Report Date & Time				<input type="checkbox"/> Verbal	<input type="checkbox"/> Written
Name of Officer Receiving Complaint:					
Complainant Contact Information	First Name(s):		Surname:		
House Number:		Telephone Number:		Sex	M      F
Community (Area):					
Postal Address:					
Please tick category below	Please give details of complaint (add another sheet if necessary)				
Resettlement					
Vulnerables					
Compensation					
Blasting					
Employment					
AILAP					
Environmental (Eg. Water Pollution, Etc)					
Other (Please Specify Opposite)					
<b>Grievance Officer Complaint Summary</b>					
Assigned Resolving Officer:	Name:		Date:		
Acknowledgement of receipt by Resolving Officer:		Signature:		Date	
<b>Case Tracker:</b> (Please write your name, description of action taken, date action completed and the date this form left your desk, and sign) (insert more rows, another sheet if required) NB – Action taken may include referral to the C&G Committee					
Name	Action Taken / Details of Decision/ Resolution	Date action completed	Date form left your desk	Signature	
Has complainant sign off been received? (please circle)		Yes	No	Other (provide details, eg complainant preferred not to sign)	
Date Resolved:					

Author:	External Affairs Department	To Be Reviewed:	November 2007
Approved by:	R. Barnes	Print Date:	6/05/2009 3:22:00 PM

The latest version of this document is available on the Ahafo intranet as a "read only" file  
**THIS DOCUMENT IS UNCONTROLLED IN HARDCOPY FORMAT**

**Appendix 2: Interview Guide for Newmont Gold Ghana Limited's External Affairs Department**

DEPARTMENT OF PLANNING  
FACULTY OF PLANNING AND LAND ECONOMY  
COLLEGE OF ARCHITECTURE AND PLANNING  
KNUST - KUMASI

This research is purely an academic exercise required by the KNUST as part of the requirements for the award of a Master of Science Degree in Development Planning and Management. The objective of this research is to review NGGL's Grievance Management System to assess how it engages the various stakeholders within the Asutifi district in the management of conflicts in the district.

**A. Background and Operations of NGGL**

1. How many years has NGGL been operating in the district?
2. What type of mining is NGGL pursuing in the district?
3. What are the environmental and social consequences of this type of mining?
4. How many people have been affected (resettled and lost farmlands) as a result of NGGL's operations in the area?

**B. NGGL's Interests**

5. What is NGGL's interest in the community?
6. What are NGGL's responsibilities towards the community?
7. In what ways has NGGL tried to meet these responsibilities?
8. Which stakeholders in and outside the district does NGGL collaborate or partner with in an effort to reduce social and environmental consequences of its operations?

Stakeholder	Areas of Collaborations



9. In what areas does NGGL collaborate with the other stakeholders in the district and what is NGGL's responsibility towards them?

Key Stakeholders	Areas of Collaborations with NGGL	NGGL's Responsibility Towards Them
Traditional authority		
Asutifi District Assembly		
Resettlers		
Farmers		
Artisanal Miners		
NGO(Specify)		
NGO(Specify)		
Other(Specify)		



### Appendix 3: Interview Guide for Newmont Gold Ghana Limited's Grievance Management Department

DEPARTMENT OF PLANNING  
FACULTY OF PLANNING AND LAND ECONOMY  
COLLEGE OF ARCHITECTURE AND PLANNING  
KNUST - KUMASI

This research is purely an academic exercise required by the KNUST as part of the requirements for the award of a Master of Science Degree in Development Planning and Management. The objective of this research is to review NGGL's Grievance Management System to examine how it engages the various stakeholders in managing conflicts in the Asutifi district as well as assess the immediate impact and lapses in this system.

#### A. Sources and Pattern of Conflicts

1. What are the major sources of grievances and complaints brought against the company by the affected communities?
2. What in NGGL's opinion are the causes of these complaints?
3. What are the sources of conflicts between NGGL and other stakeholders in the district?

Stakeholder	Source of Conflict
Asutifi District Assembly	
Traditional Authorities	
Farmers	
Resettlers	
Artisanal Miners	
NGOs (Specify)	
Other (Specify)	

4. What are the proportions of the major sources of grievances brought forward against NGGL over the period of the operations of the company? (In terms of frequency or percentages)
5. How have these grievances and complaints affected the operations of NGGL?

**B. Conflict Management and Mitigation Through the Grievance Management System (PPP Approach).**

6. When was the Grievance Management System/Office set up? And what is the purpose for setting it up?
7. What is the structure, components and composition of the Grievance Management System?
8. What are the roles and responsibilities of the various stakeholders in the system?

Stakeholder	Roles	Responsibilities

9. What are the processes and procedures for tabling grievances and complaints against NGGL?
10. How does NGGL address and manage the complaints and grievances brought against it?
11. What has been the impact of NGGL's approach to managing conflict in the affected communities?
12. In the view of NGGL is this approach the most suitability to managing conflicts in the study area and why?
13. What measures have NGGL put in place to make this system/approach sustainable?
14. What avenues are available for individuals and groups to seek redress if they are unsatisfied with NGGL's approach of managing their grievances?
15. What are the challenges to managing conflicts in the area using your present approach?



#### **Appendix 4: Interview Guide for The Asutifi District Assembly (A.D.A.)**

DEPARTMENT OF PLANNING

FACULTY OF PLANNING AND LAND ECONOMY

COLLEGE OF ARCHITECTURE AND PLANNING

KNUST - KUMASI

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##### **A. Interests of Asutifi District Assembly**

1. What is the mandate of the ADA in the district?
2. What role did the ADA play in facilitating the grant of the Ahafo concession for mining development?
3. What interest does the ADA have in NGGL's activities in the district?
4. What is the ADA's responsibility towards the affected communities?
5. What is the relationship between the ADA and NGGL?
6. What are the ADA's expectations of NGGL?

##### **B. DA's Perception of Mine-Related Conflict Sources**

7. What are the major sources of conflict in the district as a result of the mining activities of NGGL?
8. What are the sources of conflicts between the ADA and NGGL?
9. What are the sources of conflicts between the ADA and the affected communities?
10. Are there any other conflicts between the ADA and other stakeholders in the district stemming from the mining activities of NGGL? If yes what are they?
11. What have been the effects of these conflicts on the development of the district?

##### **C. Stakeholder Participation in Conflict Management**

12. Who are the key development stakeholders within the district?
13. How have they contributed to the development of the district?

14. In What areas do the ADA and NGGL collaborate on to reduce the effects of mining activities and enhance development in the district?
15. In the field of conflict management and mitigation, how does the ADA collaborate with NGGL in managing grievances?
16. What are the roles and responsibilities of the ADA in this regard?
17. What is the ADA's view of this current system of managing grievances in the district?
18. What recommendations would the ADA make to enhance the current process of managing conflicts in the district?



## **Appendix 5: Interview Guide for Non-Governmental Organisations (NGOs)**

DEPARTMENT OF PLANNING

FACULTY OF PLANNING AND LAND ECONOMY

COLLEGE OF ARCHITECTURE AND PLANNING

KNUST - KUMASI

This research is purely an academic exercise required by the KNUST as part of the requirements for the award of a Master of Science Degree in Development Planning and Management. The objective of this research is to review NGGL's Grievance Management System to examine how it engages the various stakeholders in managing conflicts in the Asutifi district as well as assess the immediate impact and lapses in this system.

### **A. Profile of NGOs**

1. What is the name of your NGO?
2. How long has this NGO been in existence in the district?
3. What is the NGO's mission in this district?
4. What are some of the activities this organisation has undertaken in this district?

### **B. Interests of NGOs**

1. What is the relationship between this NGO and NGGL?
2. What are the NGO's expectations of NGGL?
3. Does this NGO have any responsibilities towards the affected communities? If yes what are they?

### **C. NGOs' Perceptions of Sources of Mine-Related Conflicts in the District**

4. What are the major sources of conflict in the district as a result of the mining activities of NGGL?
5. Are there any sources of conflicts between this NGO and NGGL? What are they?
6. What are the sources of conflicts between this NGO and the affected communities?
7. Are there any other conflicts between the NGO and other stakeholders in the district stemming from the mining activities of NGGL? If yes what are they?

### **D. Stakeholder Participation in Conflict Management**

8. In what areas do this NGO and NGGL collaborate on?
9. In the field of conflict management and mitigation, how does the NGO collaborate with NGGL in managing grievances?



10. What are the roles and responsibilities of the NGO in this regard?
11. What is the NGO's view of NGGL's current system of managing grievances in the district?
12. What recommendations would this NGO make to enhance the current process of managing conflicts in the district?



## **Appendix 6: Interview Guide for Traditional Authorities**

DEPARTMENT OF PLANNING

FACULTY OF PLANNING AND LAND ECONOMY

COLLEGE OF ARCHITECTURE AND PLANNING

KNUST - KUMASI

This research is purely an academic exercise required by the KNUST as part of the requirements for the award of a Master of Science Degree in Development Planning and Management. The objective of this research is to review NGGL's Grievance Management System to examine how it engages the various stakeholders in managing conflicts in the Asutifi district as well as assess the immediate impact and lapses in this system.

### **A. Community Profile**

1. What is the name of this community?
2. What is the composition of the community (in terms of ethnicity)?
3. What economic activities do the people in this community engage in?

### **B. Interests of Traditional authorities**

4. What is/are the roles of the Traditional authorities' in this community?
5. What interests do the traditional authorities have in the activities of NGGL?
6. What role have the traditional authorities played so far in the mineral development process in the area?
7. What are the traditional authorities' expectations of NGGL for the community?
8. Have these expectations been met so far? If no, what expectations are yet to be met?
9. What responsibilities do the traditional authorities have towards NGGL?
10. How has the traditional authorities lived up to these responsibilities?
11. What are the responsibilities of traditional authorities towards the communities?
12. How far has these responsibilities been executed?

### **C. Traditional rulers' perception of sources of mine-related conflicts**

13. What are the major sources of conflict in the community as a result of the mining activities of NGGL?

14. What are the sources of conflicts between traditional authorities and NGGL?
15. What are the sources of conflicts between the traditional authorities and the community members?
16. Are there any other conflicts between the traditional authorities and other stakeholders in the district stemming from the mining activities of NGGL? If yes what are they?
17. How do these conflicts affect local development in the community?
18. How do you envisage utilising mineral revenue for local development?

**D. Stakeholder Participation in Conflict Management**

19. How have traditional authorities and community members been involved by NGGL in the mining process and activities?
20. In what areas do traditional authorities and NGGL collaborate on?
21. In the field of conflict management and mitigation, how do the traditional authorities collaborate with NGGL in managing grievances?
22. What are the roles and responsibilities of the traditional authorities in this regard?
23. What are the traditional authorities' views of this current system of managing grievances in the district?
24. What have you done to improve relations between your communities and the mining company?
25. What recommendations would traditional authorities make to enhance the current process of managing conflicts in the district?



**Appendix 7: Guide for Focus Group Discussion with Farmers**  
**Background of Livelihood Sources**

1. What type of farming was practised in this area prior to NGGL’s operations?
2. How different is your present form of farming to the previous one?
3. What were the average farm sizes cultivated then and what are the average farm sizes cultivated now?
4. What types of crops were cultivated?
5. Averagely, how much compensation was paid for an acre of cropped land for the following?
  - a) Cocoa.....
  - b) Plantain.....
  - c) Oil palm.....
  - d) Citrus.....
  - e) Teak.....
  - f) Others specify.....
6. What is your opinion of the amount of compensation paid?
7. How has the lost of farmlands affected your standard of living?
8. Presently, what are your sources of livelihood?

**Sources of Conflicts and Conflict Management Approach of NGGL.**

9. What grievances and complaints do you have against NGGL as a result of the loss of your farmlands?
10. How have these grievances been addressed?
11. What is your opinion of how these grievances are managed? Are you satisfied with it?
12. Which part of it are you not satisfied with?
13. What do you suggest can be done to enhance NGGL’s conflict management approach?

## **Appendix 8: Outcome of Focus Group Discussion with Farmers at the Ntotroso Resettlement Site on 31st March, 2009.**

The Focus group discussion was held with eight farmers consisting of three women and five men. It was moderated by the researcher while the help of an assistant was sought to record the proceedings.

Asked to describe the type of farming practiced previously before the operations of the mine and compare it to the present state, the participants described the type of farming that was previously practiced in the area as sharecropping. In this system, the farmer goes into an agreement with the landowner to share the produce from the farm in either the *Abunu* or *Abusa*. In the *Abunu* system, the farmer takes half of the crops while the landowner takes the other half while in the *Abusa*, the crops are shared on a one-third basis where the landowner takes one-third of the produce and the farmer takes two-thirds. While food crops are cultivated in the *Abunu* System, cash crops are cultivated in the *Abusa* System.

The farmers then complained about the difficulty in acquiring land for farming purposes presently and bemoaned the cost involved which prior to the mining activities was not the case. According to them, land was previously acquired by offering drinks and a paltry sum of money that was determined by the prospective farmer to be given to the landowner. However, now the landowners demand a fixed amount of one hundred and fifty Ghana cedis for an acre of land. This they said made farming expensive and unattractive to the youth.

They further complained that the loss of their farmlands have made them poorer than before and that they are presently grappling with food insecurity. They applauded NGGL for the Agricultural Improvement and Land Access Programme (AILAP) but appealed to them to continue with the assistance beyond the one year the programme is supposed to last for each farmer since they lost most of the seedlings they were supplied with as they were distributed to them when the rains had stopped.

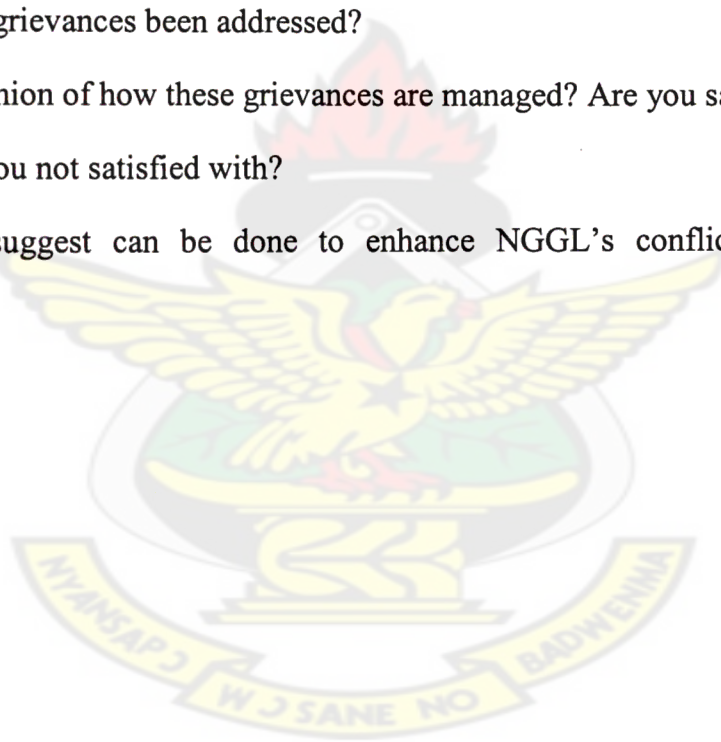
## **Appendix 9: Guide for Focus Group with Resettled Communities**

### **History and Background of Communities**

1. What is the name of your former community and where was it located?
2. How would you describe living in the resettlement camp as compared to your former community (i.e. in terms of house, surroundings, infrastructure, location, economic opportunities etc)?
3. What factors were overlooked by NGGL in the resettlement process that you are aggrieved about?

### **Sources of Conflicts and Conflict Management Approach**

4. What grievances and complaints do you have against NGGL as a result of the resettlement exercise?
5. How have these grievances been addressed?
6. What is your opinion of how these grievances are managed? Are you satisfied with it?
7. Which part are you not satisfied with?
8. What do you suggest can be done to enhance NGGL's conflict management approach?





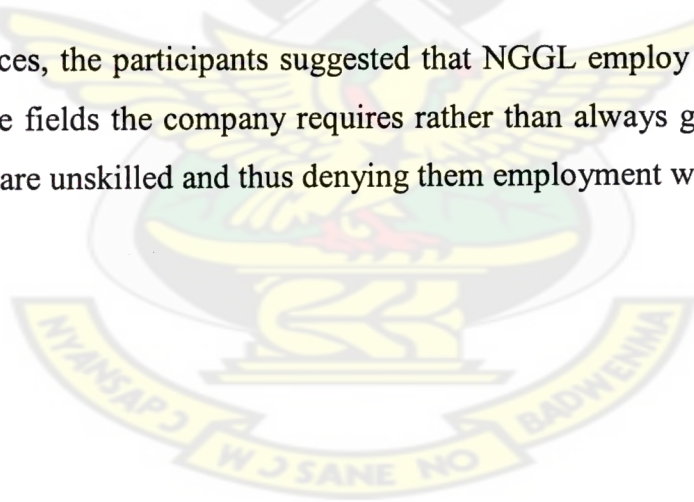
#### **Appendix 10: Outcome of Focus Group Discussion with Residents of the Ntotroso Resettlement Site at the Ntotroso Resettlement Site on 31st March, 2009.**

The Focus group discussion was held with eight residents of the Ntotroso Resettlement Site consisting of three women and five men. It was moderated by the researcher while the help of an assistant was sought to record the proceedings.

The participants in comparing their present abode to their previous one stated that apart from the nature of the houses which are made of blocks as compared to their previous homes that were made of mud and the proximity of their present settlement to the clinic and schools, life in the Resettlement Site has been very difficult for them. This is because they have to virtually pay for everything they use which was previously not the case in their old settlements. For instance water, electricity and even vegetables which they could previous get from their backyards have to be bought. This they said has made life unbearable for them.

The participants were particularly aggrieved by the non-fulfillment of NGGL's promises to give them water and electricity for free as well as provide support in the form of food and health packages for the elderly and aged in the community as well as jobs for the youth.

To address these grievances, the participants suggested that NGGL employ the youth of the area and train them in the fields the company requires rather than always giving the excuse that the youth of the area are unskilled and thus denying them employment with the company.



## Appendix 11: Household Questionnaire

DEPARTMENT OF PLANNING  
FACULTY OF PLANNING AND LAND ECONOMY  
COLLEGE OF ARCHITECTURE AND PLANNING  
KNUST - KUMASI

### A. Households Characteristics

1. Name of community.....

2. Sex    Male [ ]      Female [ ]

3. Status of respondent in family

Household head [ ]      Wife/Husband [ ]      Son/Daughter [ ]

Other, specify.....

4. Age.....

5. Marital status

Married [ ]      Single [ ]      Divorced [ ]      Separated [ ]

Widowed [ ]

6. Educational attainment

No formal education [ ]      Primary [ ]      JSS/Middle Sch. [ ]

SSS [ ]      Tertiary [ ]

7. Religion

Christian [ ]      Muslim [ ]      Traditional [ ]      other,

specify.....

8. Ethnicity

Ahafo [ ]      Bono [ ]      Ashanti [ ]      Northerner [ ]

Ewe [ ]      Other, specify.....

### B. Household Livelihood Activities and Interests

9. What is your main source of livelihood presently?

a) Farming [ ]      b) Trading [ ]      c) Artisan [ ]      d) Mine worker [ ]

e) Civil servant [ ]      f) others (specify).....

10. If a), what are you?

a) Landowner [ ]      b) Sharecropper [ ]      c) Daily Hire Labourer [ ]

d) Caretaker farmer [ ]

11. What was your main source of livelihood prior to the operations of the mines?

a) Farming [ ]      b) Trading [ ]      c) Artisan [ ]      d) Civil servant [ ]

e) Others (specify).....

12. If a), what were you?

b) Landowner [ ]      b) Sharecropper [ ]      c) Daily Hire Labourer [ ]

c) Caretaker farmer [ ]

13. How has the operations of the mines in your area affected your life?

a) .....

b) .....

c) .....

d) .....

e) .....

14. Do you think you are better off with the coming of the mines or worse off?

a) Better off [ ]      b) the same [ ]      c) worse off [ ]

15. What were your expectations of the mines in your area?

a) .....

b) .....

c) .....

d) .....

16. Have these expectations been met so far?

a) Yes [ ]      b) No [ ]

17. If no, which ones have not been met yet?

a) .....



- b) .....
- c) .....

**C. Households’ perceptions of sources of mine-related conflicts**

18. What are the major sources of conflict in the community as a result of the mining activities of NGGL?

- a).....
- b).....
- c).....
- d).....
- e).....

19. What have been the source of grievances and complaints between your household and NGGL?

- a).....
- b).....
- c).....
- d).....

20. Are they any other conflicts between the community and other stakeholders (e.g. traditional authorities, D.A. and NGOs) in the district stemming from the mining activities of NGGL? If yes what are they?

- a).....
- b).....
- c).....
- d).....
- e).....

**D. Conflict management and mitigation through the Grievance Management System (PPP approach).**

21. Does the mining company engage you in any discussions, deliberations concerning their operations and the effects it has on you?.....

22. In what areas are you consulted on or is your participation solicited?

- a).....
- b).....
- c).....
- d).....

23. Do you feel that your views and concerns are incorporated in the final decisions taken after the consultations?.....

24. If no, why do you think so.....

.....

.....

.....

25. If yes, cite instances where your views were incorporated in the decisions of the company concerning the community.....

.....

.....

.....

.....

26. Do you think stakeholder engagements and regular interaction with the company has the potential to reduce the incidence of conflicts in the area?.....

27. If yes, why do you think so?.....

.....

.....

28. Do you know the process for tabling your grievances and complaints to NGGL? If yes, what is the process?.....

.....

.....

29. How do you get information about the mines operation (e.g. dates of blasting, job vacancies, compensation issues etc)

- a) Notice boards [    ]                      b) Newmont Information Offices [    ]

- c) 'Dawuro' [ ]                      d) Newmont Information Van [ ]
- e) Others specify.....

30. How do you get your complaints and grievances to the company?

.....

.....

.....

.....

.....

.....

.....

31. How are your complaints and grievances addressed by the company?

.....

.....

.....

.....

32. How would you grade your level of satisfaction of how complaints and grievances are managed by the company?

- a) Very satisfied [ ]                      b) satisfied [ ]                      c) Not satisfied [ ]
- d) Not sure [ ]

33. Please explain the reason for the choice of your answer

.....

.....

.....

.....

34. What do you think the company can do to improve the way it addresses grievances and complaints from the community?

- a).....
- b).....