

**LOCAL LEVEL PARTICIPATION IN THE DESIGN AND  
IMPLEMENTATION OF CORPORATE SOCIAL RESPONSIBILITY  
PROJECTS IN THE PRESTEA/HUNI-VALLEY DISTRICT IN THE  
WESTERN REGION OF GHANA**

By  
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## DECLARATION

I hereby declare that this submission is my own work towards the MSc and that to the best of my knowledge it contains neither materials previously published by another person nor materials that have been accepted for the award of any other degree by the university or any other university except where due acknowledgement has been made in the text.

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## ABSTRACT

The operations of Gold Mining Companies have had varying impacts on the environment and the socio-economic development of the people who are occupants of these environments. This has necessitated several calls for the mining companies to be corporate socially responsible (CSR) (that is, give back to societies through their corporate social responsibility frameworks). It is in the light of this that the study sought to ascertain the extent to which mining communities participate in the formulation and implementation of CSR projects in the Prestea/Huni-Valley District in the Western Region of Ghana.

The overarching aim of the study was to assess the participation of District Assemblies and beneficiary communities in the design and implementation of corporate social responsibility projects by mining companies. The specific objectives were to assess the processes mining companies use to develop their CSR framework; assess the implementation process of mining companies' CSR framework; assess the level of District Assembly's participation in the design and implementation of CSR projects; identify challenges in the participation of District Assembly in the design and implementation of CSR projects and to make recommendations to ensure effective participation of District Assembly in CSR project's design and implementation.

The study adopted and used a case study design focusing on three Traditional Areas (Apinto, Hemang and Bosomtwi) in the Prestea/Huni-Valley District where Goldfields Ghana Limited (Tarkwa and Damang Mine) and Golden Star Resources Bogoso/Prestea Limited – the mining companies operate. Purposive sampling techniques were used to select the relevant respondents for the study. Questionnaires were administered to key informants in the Traditional Authorities, District Assembly and the Mining Companies to collect primary data from forty – one (41) respondents in the corporate social responsibility design and implementation processes.

Based on the data collected and analyzed, the study revealed that, Goldfields Ghana Limited and Golden Star Resources Bogoso/Prestea Limited had corporate social responsibility frameworks and as such education, health, agriculture, water and sanitation, enterprise development, livelihood programmes and infrastructural

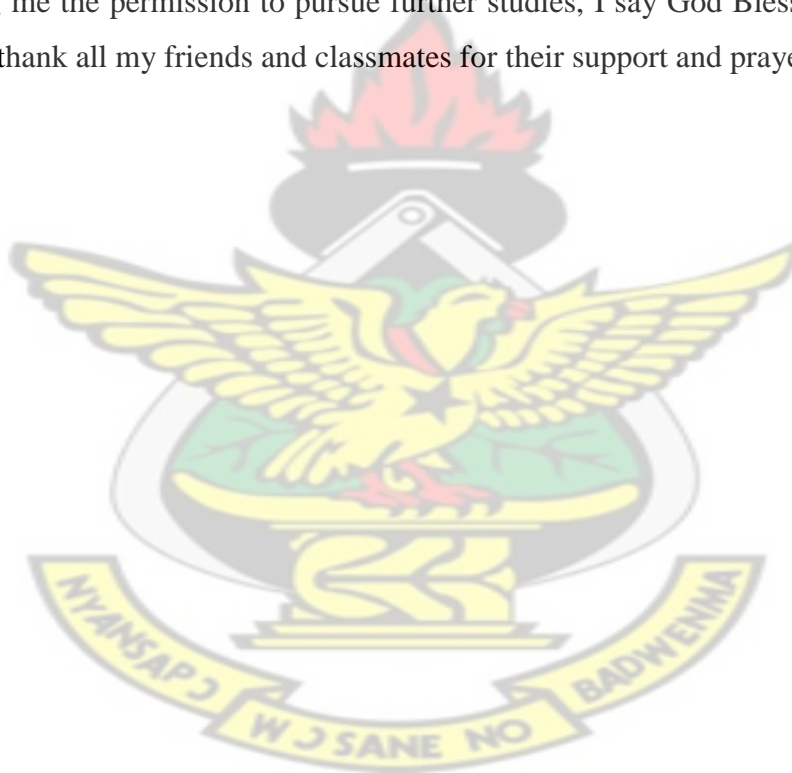
developments were the thematic areas included in the CSR frameworks. The study also discovered the involvement of the District Assembly and the beneficiary communities in the design and implementation of the CSR framework during the informing, consulting, decision making and initiating action levels of the CSR projects. However, the corporate social responsibility frameworks of the mining companies were not derived from the District Medium Term Development Plan – a framework prepared by the District Assembly to guide development under its jurisdiction. Again, it was clearly seen from the study that the District Assembly as well as the beneficiary communities of CSR framework were not very much involved in the initiating action level of participation, thus had a limited control over the decision-making process on CSR framework. Furthermore, the study reveals that the challenges in the participation were mainly of non-structural nature including demand for allowances, persistent absenteeism to meetings as well as issues relating to funding, poor commitment and sudden change in community interest regarding a CSR project.

Through the design and implementation of the CSR framework, some of the socio-economic needs of the traditional areas within which the mining companies operate are met. It is therefore established that, CSR is an important channel through which the negative effects of mining activities in the Prestea/Huni-Valley District are ameliorated and thus required concerted efforts to ensure active participation of all relevant stakeholders in the design and implementation of CSR frameworks of corporate bodies by strengthening the capacities of District Assembly and the beneficiary communities.

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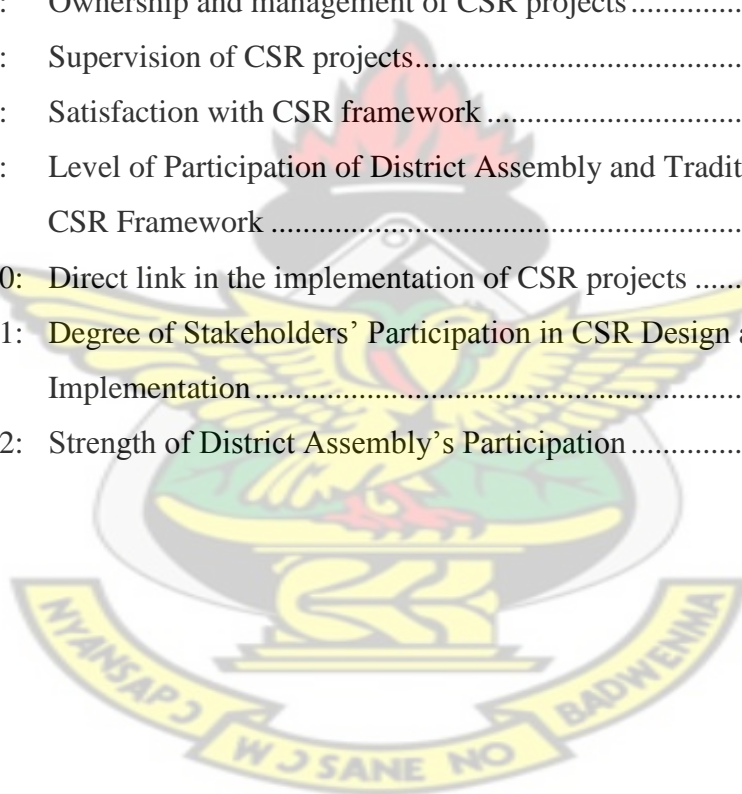
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## LIST OF ACRONYMS

ALAC	La Asociacion Los Andes de Cajamarca
BBBEE	Broad-Based Black Economic Empowerment
BoQs	Bill of Quantities
CBO	Community-Based Organisation
CIL	Carbon-in Leach
CMCCs	Community Consultative Mine Committees
CSOs	Civil Society Organizations
CSR	Corporate Social Responsibility
DCD	District Coordinating Director
DCE	District Chief Executive
DMTDP	District Medium Term Development Plan
DPCU	District Planning Coordinating Unit
DPO	District Planning Officer
DWE	District Works Engineer
EIA	Environmental Impact Assessment
EPA	Environmental Protection Agency
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GES	Ghana Education Service
GFG	Goldfields Ghana Limited
GHS	Ghana Health Service
GPIC	Ghana Investment Promotion Centre
GoG	Government of Ghana
GSPBL	Golden Star Prestea/Bogoso Limited
IFAD	International Fund for Agriculture Development
IMF	International Monetary Fund
MMSD	Mining and Mineral for Sustainable Development
MNCs	Multinational Companies
OICI	Opportunity Industrialization Center International
PHDA	Prestea–Huni Valley District Assembly
PHD	Prestea/Huni-Valley District
PMMC	Precious Minerals Marketing Corporation



PR	Public-Relations
SAP	Structural Adjustment Programme
SEED	Sustainable Community Empowerment and Economic Development
SPSS	Statistical Package for Social Scientists
TA	Traditional Authority
T&CPO	Town and Country Planning Officer
SRI	Socially Responsible Investing
WATSAN	Water and Sanitation Committees
WB	World Bank
WBCSD	World Business Council for Sustainable Development



## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the Study

Mining of gold is widely known to have varying impacts on the environment and the socio-economic development of the people who are occupants of these environments. A relevant question to ask is who suffers and who gains as a consequence of these environmental hazards? It is quite ironic to note that most of the time indigenes in areas endowed with resources like gold, diamond, manganese among others are usually very poor, (Mensah, 2009). It is, therefore, not out of place to expect that the mining companies which are usually multinational companies (MNCs) give back something to the communities in order to reduce or even compensate their losses (including livelihoods, right to their lands among others).

Historically, the mining industry has taken a 'devil may care' attitude to the impacts of its operations; operating in areas without social legitimacy, causing major wretchedness, and then leaving when an area has been completely drained of economically valuable resources. Cost benefit language has frequently been used to overlook the damage caused in one place because it is outweighed by the overall financial benefits (Jenkins, 2004). Although the condition is changing, it is essential to wonder if the changes that are occurring have yielded anticipated results. In current dispensation of corporate world, many businesses, whether big or small, try in a way to care for the needs of the society in which they operate and also put in place measures to control degradation of the environment. These actions done by the companies, whether structured or not, have been embraced by both the beneficiaries and other stakeholders because they are seen to be contributing towards the development of its beneficiaries.

There is increasing prominence for mining companies to prioritize and be visibly engaged in corporate social responsibility (CSR) or community investment initiatives. The participation of beneficiary communities in a more transparent manner has

become progressively important consideration and a vital component of the social license to operate, suitable requirement by the financial community, and acceptability to the wider public (Azer, 2001; Hamann, 2003; Hassanein et al., 2006). As Cowell *et al* (1999), put it, corporate social responsibility (CSR) programmes have been used by mining companies to provide for communities where their operations impact on the economic, social and environmental conditions.

In Africa, particularly sub-Saharan African countries, mining industries have been in no doubt a key industry that facilitates development and economic transformation through its downstream linkages with other sub-sectors such as construction, engineering among others (Gapare, 2011). Again, mining companies by virtue of being located in remote rural areas have been drivers of community development in the last century through provision of various forms of infrastructure such as roads, schools, hospitals, water, and electricity, and also support for adjacent agricultural projects. These have become possible with the collaboration and participation of mining companies, local communities and governments through local development authorities to design and implement a shared vision for community development beyond the lifespan of the mines.

In Ghana, the mining sector has attracted about US\$2 billion of Foreign Direct Investment (FDI) in mineral exploration and mine development during the last decade, representing over 56 percent of total FDI flows to the country (Hilson and Potter, 2003). It has also been argued that mining activities have had dire consequences on the environment and society and have negatively impacted on the social and economic character of mining communities in Ghana. Mining companies have also been accused of shirking their responsibilities towards the development of the communities in which they operate, thereby increasing the level of poverty and vulnerability in these communities (Akabzaa et al, 2008; as cited in Boon and Ababio 2009: 4)

In order for CSR programmes of mining companies to meet the desired needs of the beneficiaries and to ensure participation of mining districts as well as mining communities to attain sustainable development, there must be collaboration among all the relevant stakeholders. Thus, if corporate bodies just feel a sense of responsibility

towards their society and therefore make contributions to the communities without their (society) participation, what we will have is a development which is not community owned and therefore not sustainable.

## **1.2 Statement of the Problem**

Since the financial deregulation and the liberalization policy of the mining sector pursued by the Government of Ghana (GoG) under the Structural Adjustment Programme (SAP) which was supported by the Bretton Woods Institutions, that is, the World Bank (WB) and the International Monetary Fund (IMF) in the late 1980s and early 1990s. Within these periods Ghana's mining sector has received substantial Foreign Direct Investments (FDIs) over the past three decades, running to the tune of \$2 billion representing about 56 percent of total FDI flows to the country (Hilson and Potter, 2003).

Prestea/Huni-Valley District (PHD) in the Western Region, Ghana is one district which is overwhelmed by surface mining activities. It hosts multi-national companies (MNCs) like Goldfields Ghana Limited, Golden Star Resources and Sankofa Goldfields Limited whose operations are concentrated in about six (6) Traditional Areas (TAs). Corporate social responsibility is used as a generic term by these mining companies. They classify replacement of destroyed facilities in mining communities under CSR projects (Mensah, 2009).

Participation is a process through which stakeholders, among them the local communities who are often the intended beneficiaries of community projects, influence and share control over development initiatives and the decisions and resources which affect them (Havel, 1996). Participation, therefore, seeks collaboration and the commitment necessary to ensure sustainability of the project initiatives (Wolfensohn, 1996; cited in Havel, 1996). Paradoxically, the outcomes of participation of mining communities in the Prestea/Huni-Valley district are usually a reflection of low level of involvement in the decision-making process of the mining companies' CSR framework.

Consequently, available information indicate that, Goldfields Ghana Limited (GFGL) operations in Damang, in the Bosomtwi traditional area proposed for an oil palm plantation could not materialize for lack of participation (stakeholders' engagement) with the local people (Goldfields Annual Report, 2005). Again, the skills and Training Center built at Tebe (Huniso Junction) is continuously being managed by Goldfields Ghana Limited because they see it as the bonafide property of the company owing to the fact that the community felt they were not consulted (Goldfields Annual Report, 2013). On the contrary, these projects are not within the development priorities expressed in the District Medium Term Development Plan (DMTDP) which is supposed to guide development under the jurisdiction of the District.

It was observed at the Ghana Chamber of Mines 80<sup>th</sup> annual general meeting held on 8<sup>th</sup> June, 2007 - that mining companies including Gold Fields Ghana have set up a social development fund into which it puts a dollar per ounce as well as 0.5 per cent of pre-tax profit. Golden Star Resources has also set up a development fund, so has Ghana Bauxite Company which has committed over US\$ 300,000 to the development of its catchment area. Chirano Gold Mines also established a Trust Fund into which a dollar on each ounce of gold produced is lodged. So the questions are, how do these companies with these numerous established funds involve the local development authorities (District Assemblies) in the design and implementation of projects financed by these funds? Do these projects emanate from the District Assemblies development plans? Sadly, answers to these questions lack empirical research and are therefore inconclusive.

It is in the light of this that the study intends to ascertain the extent to which mining communities participate in the design and implementation of CSR projects in the Prestea/Huni-Valley District in the Western Region of Ghana.

### **1.3 Research Questions**

Generally the study seeks to answer how do District Assembly and beneficiary communities participate in the design and implementation of corporate social responsibility projects of mining companies?



Specifically, the study seeks to answer following questions;

1. How was Corporate Social Responsibility Framework of the mining companies developed?
2. How do mining companies implement their approved Corporate Social Responsibility Framework?
3. What is the level of participation of the Prestea/Huni-Valley District Assembly in the design and implementation of Corporate Social Responsibility Projects?
4. What are the challenges in the design and implementation of Corporate Social Responsibility projects?

#### **1.4 Objectives of the Study**

The overarching aim of the study is to assess the participation of District Assemblies in the design and implementation of Corporate Social Responsibility projects by mining companies.

However, specifically the research seeks to:

1. Assess the processes mining companies in the Prestea/Huni - Valley District develop their corporate social responsibility framework.
2. Assess the implementation process of mining companies' corporate social responsibility framework in the Prestea/Huni-Valley District.
3. Assess the level of District Assembly's participation in the design and implementation of corporate social responsibility projects.
4. To identify challenges in the participation of District Assembly in the design and implementation of corporate social responsibility projects.



5. Make policy recommendations to ensure effective participation of District Assemblies in corporate social responsibility project's design and implementation.

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

The study covered the design and implementation of corporate social responsibility projects by Goldfields Ghana Limited (Damang and Tarkwa Mine) and Golden Star (Bogoso/Pretea) Limited (GSBPL) from 2002-2012 in the Pretea/Huni-Valley District. Geographically, the study covered the three traditional areas mined by these companies. These are Bosomtwi, Hemang as well as Apinto Traditional Areas (TAs). Golden Star Bogoso/Pretea Limited operates the Bogoso and Pretea mining leases as a single operation providing ore for the Bogoso processing plant. The Bogoso Lease (95 km<sup>2</sup>) is to the north of the Pretea lease (129 km<sup>2</sup>), which is close to the towns of Bogoso and Pretea (in the Hemang TA) whereas the Damang Gold Mine consists of two mining leases, namely the Damang mining lease and the Lima South mining lease, covering a combined total area of 8,111 hectares close to the towns of Damang, Huni-Valley and Amoanda (in the Bosomtwi TA) and the Tarkwa Gold Mine operates under seven mining leases covering a total area of approximately 20,825 hectares of which three of these leases are close to the towns of Huniso, Samahu and Tebe (in the Apinto TA), respectively, in the Pretea/Huni-Valley District of the Western Region.

The study essentially focuses on the processes involved in the design and implementation of corporate social responsibility initiatives by mining companies, the level of mining communities' participation, challenges and the way forward.

### **1.6 Justification of the Study**

The study will afford policy makers, academicians, policy analysts and the District Assemblies the opportunity to understand and appreciate the context within which mining companies design and implement their corporate social responsibility. The findings of this study will serve as a useful guide to Pretea/Huni-Valley District

Assembly as well as other District Assemblies and the corporate organizations implementing corporate social responsibility programs. The study would also offer the policy makers and District Assemblies an opportunity to prescribe appropriate policies to integrate CSR framework into the development agenda of local development authorities.

### **1.7 Limitations of the Study**

A number of factors inhibited the progress of this study. This however did not compromise the results or outcome of the study. Chief amongst these were financial and time constraints. These constraints to some extent influenced the number of respondents selected for the study.

Besides, bureaucracy in the mining industry greatly affected the pace of the study. However, the researcher fulfilled the requirement by writing to the General Managers of the mining companies to seek clearance for their companies' participation in the study and thus the authorities concerned granted the request that questionnaires be responded to. Some of the respondents were quite difficult to track since besides being public servants also had their own personal commitments. In spite of these challenges, the researcher managed to gather all the data per the sampling methods.

### **1.8 Organization of the Study**

The study has been organised into five chapters. It begins with an introduction, which provides a brief background of the study. Chapter two covers a review of relevant literature on the topic which includes definition of corporate social responsibility, participation (including levels of participation), and empirical studies of CSR development and implementation in the mining industry, Gold Mining Development in Ghana including legal regimes. The Chapter three deals with the research methodology, while Chapter four also deals with data analysis and discussion of results. Chapter five summarizes findings, offers recommendations and conclusion of the study.

## **CHAPTER TWO**

### **CONCEPTUAL FRAMEWORK ON THE LOCAL LEVEL PARTICIPATION OF THE CORPORATE SOCIAL RESPONSIBILITY**

#### **2.1 Introduction**

The chapter one dealt with background to the study, objectives of the study, and research questions among others. This chapter emphasizes on the corporate social responsibility concepts, concept and levels of participation as well as prospects and challenges to participation. The chapter also looks at empirical studies of corporate social responsibility in the mining industries.

#### **2.2 Theoretical Context of Corporate Social Responsibility**

The concept of CSR is perceived differently by different people and organizations and is noted to be “highly contextual in terms of corporate and national environment” (Broomhill, 2007: 6). Some scholars are of the view that CSR should be voluntary, on the part of the businesses. Again, theorists including Friedman believe that the core value of a business is to make profit and to please its shareholder and that the concept of CSR is an interruption towards the achievement of the primary aim of business.

Friedman (1970) for instance made a rather contentious contribution to the CSR debate; postulating that the only validated cause for business was to maximize profit. For him, businesses had no business whatsoever responding to societal causes but rather accountable to its shareholders. This is to suggest that corporate bodies had a social responsibility which is very narrow and towards only the people who are directly involved in the business and had not a single recognition of the environment or the community in which they operated.

Critics of the CSR concept believe that it is expensive to practice, thus not worthy of engagement. Their argument is that companies should not invest their money on things that are not profitable (Uwafiokun 2007: 1). According to Steinberg 2000 (cited in Zamagni, n.d: 3) in a harsh criticism of CSR argues that corporate bodies

commit “prostitution” when they invest resources in social responsibility because they have swayed from their principal objective of profit maximization and satisfaction of its shareholders. Unfortunately, such critics made skewed argument of the issue; they considered only the benefits to these organizations. They overlook the other side which is the externalities created by the companies. In this case, mining companies create external costs that cannot be easily disregarded.

Contrary to Friedman’s total dismissal of the CSR agenda, Freeman in 1984 (cited in Broomhill, 2007: 8), through his stakeholder theory, presented a positive view of CSR. He maintained that business’ engagement with its stakeholders other than shareholders was equally important to their sustenance. By this, he meant that CSR was seen as a necessary tool for securing the bottom-line of corporations – profits. Political economists have also argued that business operations can have negative impact on the environment in which they operates and for that matter on the people living in that environment. They hold a view that the concept of CSR is something that firms could consider in order to lessen certain negative impacts of their activities (Broomhill, 2007: 8). According to them, the multi-national companies (MNCs) wield so much power to their “self- interest” to the detriment of society and environment in which they operate. To them, CSR should be made compulsory since society is at the mercy of these powerful multinational and transnational companies. Thus, businesses have a responsibility to respond to the concerns of the broader society in which they operate and not only the interest of their shareholders and their responsibility towards obeying law and order (Utting, 2005: 381).

Generally, while advocates believe CSR is the solution to addressing social issues that the public sector has neglected or failed to accomplish, critics view CSR as an empty promise designed to appease the public, which is a public relation gimmick employed by businesses. Overall, opponents to CSR advocate a stronger role for the state in ensuring corporate accountability and that CSR in businesses is used to mask the true impact of business activity.

Thus in this study, mining companies are expected to be socially responsible while preserving the profitability of the corporation for the sake of stakeholders within and outside the activities of their business. This can only be guaranteed by ensuring



participation of communities and local development authorities in the design and implementation of CSR interventions so as to ensure their sustainability.

### 2.2.1 Corporate Social Responsibility: Terms and Concepts

According to the World Business Council for Sustainable Development (WBCSD, 2000; as cited in Blowfield, 2008: 135; Frynas, 2005: 501, CSR refers to “*the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life*”. More precisely, Michael Hopkins asserts that “*the wider aim of social responsibility is to create higher and higher standards of living, while preserving the profitability of the corporation, for people both within and outside the corporation*” as cited in Conroy, (2007: 28).

A more diverse indulgent of the range of responsibilities that is inherent in businesses has been modeled by Carroll (1991). In his model for CSR concept, he argued that CSR of corporate organizations should include ‘economic performance, legal, ethical, and philanthropic components’. For Carroll, while corporations are justified in enhancing their bottom-line, it was equally important for them to operate within the confines of the law, act ethically and ‘be good corporate citizens. His model of CSR has been taken up by several authors including, for example, Maignan and Ferrell (2000; 2001), who preferred the term “corporate citizenship”. As stated by (Maignan and Ferrell, 2000: 284; Matten and Crane 2005: 167; Chahoud et al., 2007:17), corporate citizenship was defined as “*the extent to which businesses meet the economic, legal, ethical and discretionary responsibilities imposed on them by their stakeholders*”.

Principally, it serves as a channel for business - society engagement and emphasizes corporate charity and compliance to socio-economic and environmental standards. Again, it is seen as a corrective instrument used by corporations to compensate for the externalities created by their operations on stakeholders, both internal and external. On another level, it is a strategic measure undertaken by corporations to secure social license to operate hence ensuring their continued survival.

For the purpose of this study, corporate social responsibility can be defined to mean that mining companies become responsive by providing to the communities where their operations impact on the environment and socio-economic conditions.

### **2.3 Concept of Participation**

The concept and level of participation is defined to provide the readership with an opportunity to understand the context within which it is applied in this study. The different levels of participation, the major actors in participation and indicators that are used for measuring the level of participation are pointed out in this section. Different definitions have been preferred, notably – contributing, influencing, sharing, or redistribution of power and control of resources, benefits, knowledge and skills to be gained through beneficiary involvement in decision making (Cohen and Uphoff, 1977; Karten, 1980; as cited in Peprah, 2001). Participation has several dimensions. Participation in Aristotle's time was a matter of voting, holding office, paying taxes and defending the state. It enhances maximum utilization of human, natural and financial resources in institutions, thus promoting sustainable development (Peprah, 2001).

Sherry Arnstein, about several years ago wrote about this situation. She offered an analytical visualisation called, 'ladder of participation'. These stages are related in a way and are not independent of each other. The bottom step is that of informing people, while the top step is citizen control. Mid-way, where partnership begins to develop, the degree of participation moves from mere tokenism to degrees of citizen power, (Arnstein, 1969: 217; cited in Peprah, 2001).

Other writers have also put forward different categories and levels of participation, for example instead of eight different levels or continuum, Cohen and Uphoff 1977 (cited in Peprah, 2001) have amalgamated these eight stages into four clearly distinct stages which are as follows; (i) information (ii) consultation (iii) decision-making (iv) initiating action. Within the context of this study and the need to measure the level of participation of beneficiary communities and the District Assemblies, (Cohen and Uphoff, 1977; cited in Peprah, 2001) design of citizen participation is adopted



because it is simple to understand. Again, it easy to relate the participation of the stakeholders to these clearly distinct four levels.

For the purpose of this study, participation is defined as the process where by all the parties with an interest (stakeholders) play a role in decision making and in the consequent activities which affect them.

### 2.3.1 Levels of Participation

Participation is multi-dimensional, dynamic process which takes varying forms. Four levels of participation all of which may co-exist and be distinguished. The first two categories present ways to exercise and influence the decision making process whiles the other two also present ways to exercise control over decision making process. The levels of participation comprise the following;

#### (a) Information Sharing

Mining companies may share information with the beneficiary communities and the District Assemblies to facilitate collective or individual action. The information flow is one way from the mining companies to the communities and local development authorities.

#### (b) Consultation

Mining companies not only inform Communities and District Assembly but also seek their opinion on key development issues; the information flow is two ways in nature.

#### (c) Decision-Making

It is more intense level of participation which often promotes capacity building, it generally acknowledges a higher level of involvement compared to consultation alone. This reflects that any 'true' form of participation should represent a meaningful participation that mutually exchanges views and information.

#### (d) Initiating Action

Self-initiated actions are a clear sign of citizen empowerment and akin to the degree of citizen power and spontaneous participation as postulated by (Arnstein, 1969; cited

in Peprah, 2001; Tosun, 2000). Communities are more likely to be proactive, initiate development projects and completely take ownership of such projects and thereby ensuring its sustainability.

To measure the level of participation within the context of this study, four levels of participation identified would be used against the identified stakeholders and their level of involvement would be discussed.

#### **2.4 CSR in the Context of Mining Industry**

Jenkins (2004: 35) defines CSR in the mining industry as “balancing the diverse demands of communities, and the imperative to protect the environment, with the ever-present need to make a profit”. Walker and Howard (2002) outline several reasons why CSR and other such voluntary initiatives are important for mining companies. These include the following:

- a) Public opinion of the sector as a whole is poor; opinion of natural resource extraction industries is influenced more by concerns over environmental and social performance than by performance in areas such as product pricing, quality, and safety (Rae and Rouse, 2001).
- b) The financial sector is increasingly focusing on the sector from both risk management and social responsibility perspectives. It is not unusual for mining companies to be screened out of Socially Responsible Investing (SRI) funds altogether.
- c) Maintaining ‘a licence to operate’ is a constant challenge. For example, resistance by numerous social organisations to the expansion of gold mining at Mount Quilish Peru has led Newmont to suspend its activities.

For mining companies, CSR is the indicator of a move towards greater sustainability in the industry i.e. the practical implementation of the goals of sustainability. CSR is a means by which mining companies can build their attitudes and strategies towards, and relationships with stakeholders, be they investors, employees or, as is relevant here, communities, within a popular and acceptable concept. In the mining industry,

to achieve sustainable development (economic, environmental and social), according to (Epps, 1996; Sánchez, 1998; Jenkins and Obara, 2006) is through investing generated revenue for future development and sustained livelihood for communities, minimizing the environmental impact of natural resource exploitation and land rehabilitated to allow successive use as well as ensured reduction in social and cultural disruption, maintaining dialogue and transparency of operations in the communities. In their efforts to embrace CSR mining companies must identify the interests, concerns and objectives of various stakeholders (including national, regional government, local authorities, indigenous people, local communities, employees and competitors) and address their often-varying needs (Guera 2002; as cited in Jenkins 2004: 31).

According to Frynas (2005), there are a number of business reasons, beside the external pressure, why mining companies decide to invest in communities through their CSR programmes, including trying to gain competitive advantage. Again, community-investment programmes are used to facilitate the awarding of concessions, because companies appearing to be socially responsible are often favoured in this process. It is also a means of securing a stable working environment. CSR initiatives are occasionally initiated as a means of ‘buying’ the local communities’ agreement to allow a company to operate. They are used for public-relations (PR) purposes. They are also used for keeping employees happy. CSR initiatives can often make staff feel more positive about the company, and can increase motivation and efficiency, helping the company to retain and recruit the best staff.

Thus, CSR not only poses risks or expensive for the mining industry, but also creates a set of opportunities for their catchment communities. CSR can help companies to secure their social license to operate, contribute in a meaningful way to sustainable development, and ultimately add value not just for shareholders (who benefit from better management of risk) but also for all of their stakeholders – including the communities and others who are affected by its operations.

A key stakeholder for all mining companies, and therefore a strong focus for their CSR initiatives, is ‘the community’. Mining has a huge impact on local communities;

positive effects include the creation of new communities and wealth, income from export revenues and royalties, technology transfer, skilled employment and training for local populations and improvements in infrastructure such as roads, schools and health clinics (CAFOD, 2006; MMSD, 2002). The negative impacts of mining on local communities have been well presented in the adapted table 2.1.

The numerous social and environmental issues associated with the mining industry include access to land issues at the exploration and mining stages, environmental pollution, damage to the health of affected communities and the increased mechanisation of the industry, which negatively impacts employment levels (Mitchell, 1999; Cottrell and Rankin, 2000; Hilson and Murck, 2001).

**Table 2.1: The possible negative social impacts of mining on communities**

<b>Social impacts of mining companies on communities</b>
<ul style="list-style-type: none"> <li>a) Any benefits to the community may be unequally shared.</li> <li>b) Corporate community initiatives may be seen as poor recompense for damage to livelihoods, the environment and community.</li> <li>c) Social tensions in communities due to the changes brought about by mining can give rise to violent conflict.</li> <li>d) Technical improvements in the mining industry can lead to a decrease in employment.</li> <li>e) The mining sectors isolation from other sectors can negate the multiplier effect often associated with the location of a major industry in an area.</li> <li>f) Land title disputes may occur between local groups, mining companies and the government.</li> <li>g) Traditional cultures may have difficulty coping with vast industrial operations and the influx of outsiders.</li> <li>h) Poor local and national governance can lead to a company having too much power in the local context.</li> </ul>

Source: Adapted from MMSD, 2002



The effectiveness of CSR initiatives in the extractive industries have been increasingly questioned; there is mounting evidence of a gap between the stated intentions of companies and their actual behaviour and impact in the real world (Frynas, 2005). Considerable effort has been made by the industry to highlight its commitment to both protecting the environment and addressing the needs of communities. However, minimal research has hitherto been undertaken to determine the accuracy and impact of the commitments made by mining corporations to sustainability and CSR in company policies.

Reviews of literatures have shown that mining companies are increasing mainstreaming CSR in their corporate policy. One important dimension to this is the increasing role of Governments and civil society in setting the framework for mainstreaming CSR practice. According to (Yanacocha, 2004; cited in Whellans, 2007:56). Minera Yanacocha has been implementing its CSR projects in about sixty-nine (69) identified communities surrounding the Minera Yanacocha mine operations. Whellans (2007) opined further that, over the past two years, the company's social development initiatives have moved away from being a series of *ad hoc* responses to daily grievances and demands, and toward more carefully planned projects focused on sustainable development with the participation of all the relevant stakeholders.

Two separate arms of Minera Yanacocha are involved in carrying out its CSR activities related to community development: its Community Relations and Social Development department and its corporate foundation, La Asociacion Los Andes de Cajamarca (ALAC). The Community Relations and Social Development department's projects are concentrated primarily in the communities closest to the mines, while ALAC finances projects in all of Cajamarca's twelve Districts in Peru.

The introduction of the Broad-Based Black Economic Empowerment (BBBEE) programme by the Government of South Africa has demonstrated how the regulatory strand of CSR can be used by the state as effective affirmative action instruments to address issues of racial imbalances and injustices at the workplace (Hamann and Kapelus, 2004). The institutionalization of the BBBEE initiative has propelled South Africa's corporate sector – local and foreign, public and private to be socially and environmentally responsive (ibid as cited in Hamann and Kapelus, 2004). What is

discernible from this is the fact that MNCs including the mining companies are involved in the implementation of CSR initiatives, thus, increased state commitment to CSR practices by way of 'public policy' makes an important addition to the developmental role of CSR.

#### 2.4.1 CSR and Mining in a Ghanaian Context

The last two decades have seen a profound change in the private sector's relationship both with the state and society. Globalization, deregulation, privatization and a redrawing of the lines between state and market have led to the emergence of a new approach to business-society relations. Companies are increasingly admitting that improving their own impacts and addressing wider social and environmental challenges of the communities they operate in will be crucial in securing their long-term success. All mining activities (both large and small scale) in Ghana account for an area of 31,237 km<sup>2</sup>, representing a share of about 13.1 percent of the country's total land area (238,608 km<sup>2</sup>). Reconnaissance licenses, which by definition and practice permit concurrent economic activities such as farming, cover 12,478 km<sup>2</sup> - constituting about 40 percent of total land covered by mining activities (Chamber of Mines, 2006).

Mining accounts for 5 percent of the country's GDP and minerals make up 37 percent of total exports, of which gold contributes over 90 percent. Ghana also produces 10 percent of the world's gold and ranks second in African production (Firman, 2008). Thus, the principal focus of Ghana's mining and minerals development effort remains tied on gold. Ghana is also a major producer of bauxite, manganese and diamonds and the recent oil and gas production.

In Ghana, the mining companies' application of CSR practices can be seen partly in the provision of manpower training and medical care to miners and their dependants. The fiscal role of mining in the economy is revealed in royalty payments to stools and District Assemblies, in corporate and income taxes paid to central government, in social-security payments, and in property-rates payments. The mining companies also contribute directly towards the development of communities in which they operate. Members of the Ghana Chamber of Mines exhibit their social responsibilities in



diverse ways by making voluntary contributions, in addition to statutory payments such as royalties and other taxes. Indeed, all national and multinational companies in Ghana have been investing in physical structures for communities, mainly schools and hospitals, and community development programmes, including diversified livelihood projects. AngloGold Ashanti's malaria prevention program has received much attention (Carson et al, 2005; as cited in Petra, 2009: 711). In 2006, Newmont was cited as the only company among the 10 largest corporations worldwide that had an over-arching CSR policy (Jenkins and Yakovleva, 2006 cited in Petra 2009: 729). Gifford and Kestler (2008) stress the proactive engagement of Newmont in Ghana seeking a social license to operate. For instance Newmont Ghana Limited Ahafo Mine and the Goldfield Ghana Limited endeavours include a Livelihood Enhancement and Community Empowerment Program and a Social Vulnerability Forum and Sustainable Community Empowerment and Economic Development (SEED) Programme (Jenkins and Obara, 2006; Yankson, 2010).

Jenkins and Obara (2006) criticize CSR of mining companies in Ghana on insufficient consultation with communities, non-recognition policies, and deliberate exclusion of *galamsey* operators and other salient groups in community development work. Garvin et al, (2008), view limited community involvement as a reflection of global processes at local scales enacted through CSR. Most critically, (Hilson 2007; as cited in Petra 2009: 721) argues that genuine commitment to CSR and livelihood improvement would require the giving up of unused portions of concession land to allow illegal operators to register and work as legal small-scale miners. In this regard, only one company (Gold Fields Ltd) pursues this "live and let live" policy with "galamseyers". As described by (Amponsah-Tawiah and Dartey-Baah, n.d) CSR in the Ghanaian mining industry which started as a defensive and reactive measure to complaints from affected communities members and this was reiterated by Mensah (2009: 31).

#### *2.4.1.1 Institutional and Legislative Framework of Mining in Ghana*

Mining development in Ghana dates back to the 12<sup>th</sup> Century hence its name Gold Coast along the coast of Africa (Dummett 1998; as cited in Yankson, 2010:3). Mining operations along the coast were undertaken largely through underground shafts and

gold was amalgamated using mercury. Mining sector in Ghana has varying legislations governing the operation of the industry.

These may include but not exclusive to the following;

- a) Minerals and Mining Law was created in 1986 to enforce the attraction of foreign investment
- b) Additional Profits Tax Law and the Minerals Commission Law of 1986 respectively; the Minerals (Royalties) Regulations, 1987 – to legislate on behalf of mining communities in terms of benefit sharing.
- c) Small-Scale Mining Law was created in 1986 to regulate and prohibit artisanal gold mining.
- d) Investment Promotion Act of 1994 to promote external production as well as financing of the mining sector. The formation of Ghana Investment Promotion Centre (GIPC).
- e) The Environmental Protection Agency (EPA) was formed in 1994 to ensure environmentally sound exploration programs.
- f) Environmental Assessment Regulations of 1999 which makes EIA a priority for all mining investment programs.

The following agencies were established to enforce the above legislation:

- a) The Ministry of Mines and Energy. It oversees all the aspects of the national mining sector and gives mining exploration leases.
- b) Minerals Commission (formed 1984) administers the Mining Act recommending mineral policy, promoting mineral development, advising the Government on mineral matters, and serving as a liaison between industry and the Government.

- c) A Small-Scale Mining Department (1989) regulates and promotes small scale mineral production.
- d) The Precious Minerals Marketing Corporation (PMMC) 1989 for development of small-scale gold and diamond mining in Ghana and its trade.
- e) The Ghana Geological Survey Department which conducts geologic studies.
- f) The Mines Department is the governmental authority established to deal with issues relating to mine safety.
- g) The Environmental Protection Agency (EPA) was formed in 1994 to ensure environmentally sound exploration programs.

However, these legislations do not explicitly define how mining companies should implement their CSR. This has made it almost impossible for Central, Local Governments and Civil Society Organizations (CSOs) to monitor effectively the design and implementation of CSR projects in the beneficiary communities.

## **2.5 The Stakeholder Theory**

The concept of stakeholders is vital to CSR. Originally propounded by Edward Freeman in 1984, the stakeholder theory has become an important reference point for most scholarly discourses on the relationship that exists between business and society. According to Freeman (1984) as cited in (Maon et al, 2009: 8), stakeholder is defined as “any group or individual who can affect or is affected by the achievement of the organization’s objectives.” He argues that the continued survival and prosperity of a business is dependent on stakeholders other than shareholders and as such business should be ‘kind and strategic enough’ to care about these stakeholders. That is, “stakeholder theory implies that it can be beneficial for a firm to engage in certain CSR activities that non-financial stakeholders perceive to be important, because, without this, these groups might withdraw their support for the firm” (McWilliams et al, 2006: 3).

The significance of this paradigm is that business “be, in some respect responsible to society” (Andriof et al., 2002: 11; cited in Steurer et al., 2005); revealing somewhat connection between stakeholder theory and CSR. From an idealistic point of view, Dobers and Halme (2009: 238) postulate that CSR is premised on the fact that “corporations are in relationship with other interests in society, for instance, economic, cultural, environmental and social systems because business activities affect - and are affected by – such interests in society”. However, one can infer from the above that there exist some possible differences between stakeholder theory and CSR, in terms of the scope of what business owes to society, the stakeholder approach provides the framework for activating CSR, which in turn sustains the overall business-society engagement. In the light of this, Steurer et al (2005: 276), uphold that stakeholders have claims that ought to be established for by corporations and will thus need to ‘pay close attention to societal patterns of opportunities and constraints in order to secure resources they depend on’. More specific to the CSR context, stakeholders may include: “people displaced by mining, women denied proper working condition in sweat-shops, farmers denied a living wage by the prices given for their produce” (Green, 2012: 285). For the purpose of this study, the stakeholders are the mining companies, Beneficiary Communities (Traditional Authorities, Galamsefers and Community Based Organization) as well as District Assemblies.

Conceivably, the most important aspect of stakeholder relations, with regard to CSR, is transparency and adequate reporting of CSR cumulative results (Gupta, 2012; Maon et al, 2009; Smith, 2011). Transparency promotes stakeholder trust and builds positive relationships between the firm and stakeholder groups (Maon et al, 2009). CSR initiatives must be periodically evaluated to ensure they conform to company strategies and do not jeopardize financial sustainability and profits (Carroll & Shabana, 2010). In addition to periodic evaluation, annual reports containing fully disclosed financial and social cost/benefit analysis of CSR activities will help maintain an environment of transparency and trust between a firm and its stakeholders (Gupta, 2012; Moan et al., 2009).



## **2.6 Potentials and Barriers for Community Participation**

### **2.6.1 Potentials**

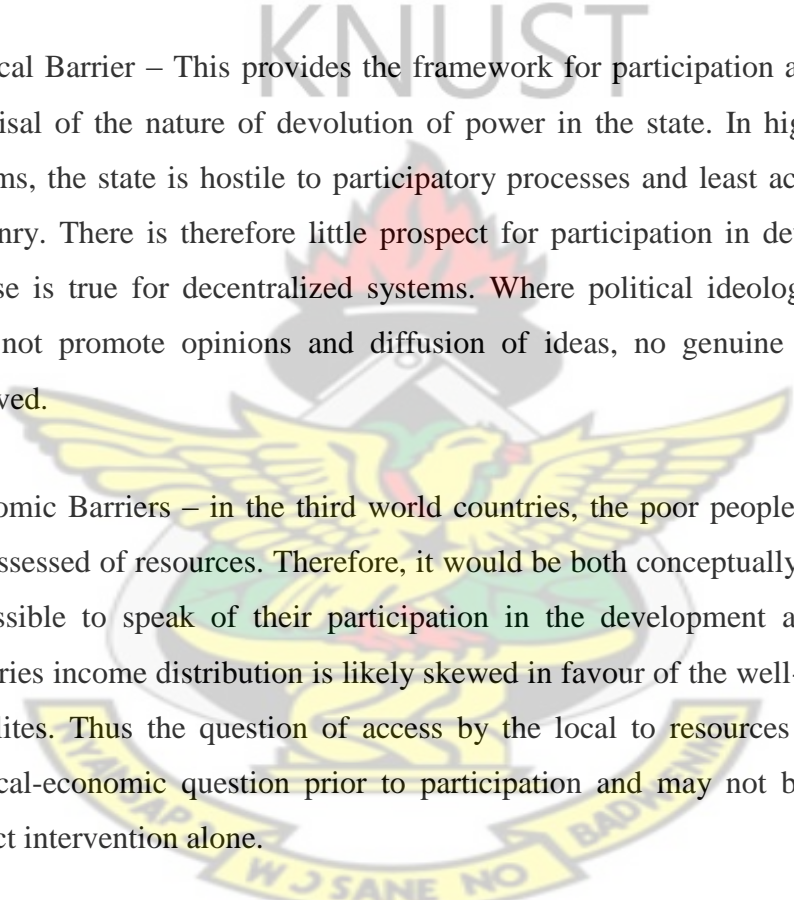
Current dispensation provides a lot of potentials for community participation particularly in the rural areas of Ghana. Considering this assertion, Adarkwa (2000), explain that Ghana has had a long history of community participation dating back as far as 1950s where “self-help” was the pattern for the planning and execution of development projects. He further explained that with long standing tradition of self-help and community generated projects in Ghana in addition to the current process of decentralization, the rural community in particular has great impetus to participate in the planning process and discuss issues that affect their environment. Besides, the current decentralized planning process has been provided for in the National Development Planning Commission Act, 1994 (Act 480). The operationalization of this act has been done on the tutelage of the “bottom-up” approach to planning which encourages the beneficiary communities to take a center stage in the planning process.

According to Adarkwa (2000), the town and village development committees have varying ways for communities to express their opinions. Again, the Local Government Act, 1993 (Act 462) mandates District Assemblies as Development Authorities in the area of their jurisdiction, thus ensuring provision of social and economic development within their area of jurisdiction with the support of all their identified development partners. Thus, community members including the District Assemblies are willing to contribute both communal labour and financial resources as well as partnering other stakeholders (development partners in this study mining companies) for development directly affecting their welfare.

However, despite the potentials mentioned above community participation at the District level in Ghana has been to some extent inhibited by lack of adequate resources for interacting with and mobilizing the communities for active participatory practices.

### 2.6.2 Barriers to Community Participation

Beneficiary participation in development initiatives is paramount in ensuring sustainability of development projects. However there are some constraints which tend to obstruct the realization of the essentials of its practice. Fekade (1994), identified two broad categories of barriers to participation. These are structural barriers which comprise socio-cultural, economic, political and administrative barriers and non-structural barriers emanating from project planning and implementation problems.

- 
- a) Political Barrier – This provides the framework for participation and therefore an appraisal of the nature of devolution of power in the state. In highly centralized systems, the state is hostile to participatory processes and least accountable to its citizenry. There is therefore little prospect for participation in development. The reverse is true for decentralized systems. Where political ideology of a country does not promote opinions and diffusion of ideas, no genuine participation is achieved.
  - b) Economic Barriers – in the third world countries, the poor people are completely dispossessed of resources. Therefore, it would be both conceptually and practically impossible to speak of their participation in the development aspects. In such countries income distribution is likely skewed in favour of the well-established and the elites. Thus the question of access by the local to resources is fundamental political-economic question prior to participation and may not be addressed by project intervention alone.
  - c) Socio-Cultural Barriers – Beliefs and norms have considerable influence on development processes. Differences in ethnicity, religion, gender and status may result in varied responses and initiatives even when opportunities for participation exist. A male dominated culture where women are preferred to be seen and not heard, as pertains to most African communities, poses difficulties to participation by women folk. Participatory development therefore had to consider the contextual barriers which perpetuate people's isolation from the development process.



Non – structural barriers project design problems – this refers more specifically to barriers emanating from project planning and implementation problems. Thus, despite the increasing appreciation of the role of participation in local development, projects are designed with insufficient consideration for this objective. As Fekade (1994), noted, the very cultural background of project planners and administrators itself is an obstacle. Fekade concluded in his remarks by saying that, indeed there is now in the literature a shift away from “blue print” planning towards a “process-oriented”, that is non-participatory to participatory planning of projects which would allow more flexibility, learning and participation.

## **2.7 Conceptual Framework on the Participation of CSR**

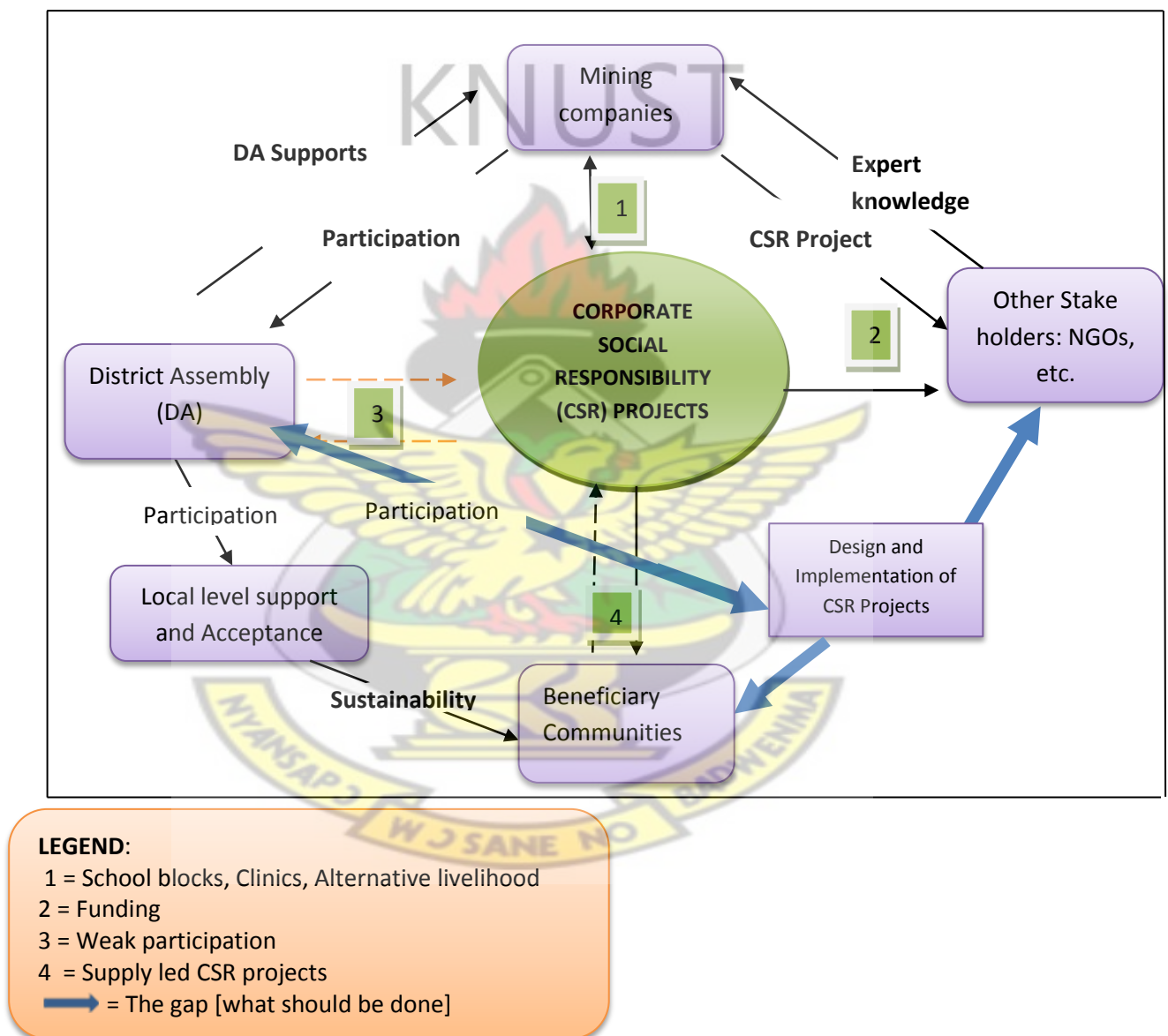
Available literatures do not show a single model for the development and implementation of CSR initiatives viz-a-viz the expected role of Central and Local Governments in this regard. When considering how CSR can be developed and implemented the literature offers various insights. However, as stated by Maignan and Ferrel, (2001) most studies on CSR typically focus on limited aspects. This means that an integrative framework was yet to be offered for the development and implementation of CSR in a fashion that is soundly integrated to the organization’s strategy, structure, and culture (Smith, 2011). Based on literatures available it can be seen that the majority of studies base the definition of CSR strategy on existing corporate norms and values.

However, the frameworks proposed by (Maignan et al., 2001 and Panapaanan et al., 2003: cited in Maon et al, 2009) stress the role of stakeholders and their concerns. Yet these frameworks differ in the emphasis they give to the role of stakeholders in either providing input into the development and implementation of CSR activities, or alternatively gaining feedback as part of the process improvement. This latter point of process improvement by regarding CSR implementation as a cyclical process was consistent across many of the frameworks in literatures.

In Figure 2.1, the researcher tries to model a framework for CSR and Participation of local communities through the local development authorities. As set out in the conceptual framework, five key issues emerge: CSR projects from the mining

companies, funding to NGOs and other development experts, weak participation from the DAs, supply led CSR projects to communities as well as a gap identified in the reviews of literature along the four main transmission channels: District Assembly, Mining Companies and NGOs and other development experts as well as beneficiary communities.

Figure 2.1: Conceptual Framework on the Participation of CSR



Source: Author's Construct, 2013

From the mining companies' channel, mining companies contract development NGOs and other development experts to design their CSR frameworks as well as the implementation of these frameworks. For instance various contractors are engaged by

these companies in their numerous physical projects. Again, these companies provide funds to NGOs to implement on their behalf the diversified livelihoods projects as in the case of Opportunity Industrialization Center International (OICI) implementing the sustainable community empowerment and economic for development (SEED) Programme on behalf of Goldfield Ghana Limited (Yankson, 2010).

On the District Assembly's channel, District Assemblies participate in the development of local communities as it receives part of the mineral rents and revenue generated by the mining companies in the form of royalties. District Assemblies are expected to use these funds to improve the socio-economic status of its populace. Besides, District Assemblies also support the operation of the mining operations by ensuring peace and security in their areas of jurisdictions. However, many local governments have proved to be incapable of utilizing and managing these resources in a productive and efficient way. As a result, the communities and companies are both equally critical of the lack of preparation of central and local governments for effective co-operation in local development programs.

The beneficiary local communities participate only in a limited way in the determination of CSR frameworks and how they are implemented. It is important however, for local level support and acceptance of these CSR projects so as to ensure their sustainability.

A major gap that needs to be addressed is the fact that CSR frameworks are not derived from the District Medium Term Development Plan (which represents the needs and aspirations of the people). This is as a result of weak participation of District Assemblies (represented by 3 in the legend) resulting in most of the times overlapping of projects sent to the beneficiary communities. Again, these beneficiary communities tend to vaguely accuse the District Assemblies of not doing anything for them forgetting that mining companies are part of development partners at the local level. As linked by the big blue arrow between the District Assemblies, beneficiary communities and development NGOs to the design and implementation of CSR projects, the District Assemblies as the development authority at the local level have developed a Development Framework (District Medium Term Development Plans,

DMTDPs) based on the National Development Framework to guide development in their respective Districts.

It is expected from figure 2.1 that beneficiary communities through the District Assemblies should have an absolute say about what they benefit from the mining companies' CSR initiatives. Since these DMTDPs were derived from the values and aspirations and active grassroots participation of communities including mining communities, the researcher believes that the design of CSR frameworks by development NGOs on behalf of the mining companies, the communities represented by the District Assemblies must actively be involved in determining the content of the framework. In other words, CSR frameworks should be derived from the DMTDPs which address the socio-economic development issues in the District Assemblies' jurisdiction.

Again, in the implementation of CSR projects, the researcher believes that the District Assemblies must approve all structural designs as there exist standard design for all public institution structures. Besides, for quality assurance and safety of occupants it is prudent for the works department of the District Assemblies to certify the design or the consultant engaged by the mining companies must be approved by the relevant professional body recognized under the laws of Ghana. The active participation of communities and District Assemblies would trigger community support and acceptance that would ensure sustained use of the projects.

## **2.8 Summary**

The debate about CSR and level of stakeholder participation is both zealous and multifaceted. This chapter has attempted to define various levels of participation those stakeholders (Communities and DAs) can be involved in order to focus CSR on the socio-economic development of the beneficiary communities. A review of the literature suggests that mining companies are involved in CSR programs which have the potential to contribute to the local development of the communities in which they operate. However, it is unclear how these programs can be sustained without the participation of beneficiary communities after the closure of the mines.

In the next chapter an attempt will be made to assess in depth the level of participation in the design and implementation of CSR at the local levels. To measure the level of participation the types of participation would be used against the identified stakeholders. A Likert scale would be adopted to enhance analysis. This will enable prioritization of the indicators and also measure the level of participation on the CSR design and implementation.

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## CHAPTER THREE

### PROFILE OF THE STUDY AREA AND RESEARCH METHODOLOGY

#### 3.1 Introduction

This chapter discusses the profile of the study area, indicating the physical and socio-economic characteristics and examines the approach and methodology adopted and used for the study. In this chapter research design, data sources as well as data analysis and collection tools, including instruments used have been outlined. It also includes devices used in presentation and reporting of findings.

#### 3.2 Profile of Study Area

##### 3.2.1 Physical Characteristics

##### *3.2.1.1 Location and size*

The Prestea/Huni-Valley District Assembly is one of the newly created Districts in the western region. It was carved out from the then Wassa West District Assembly and has its headquarters at Bogoso, which is a mining town situated about 33 kilometers north of Tarkwa. Prestea/Huni-Valley District Assembly shares boundaries on the north west with Wassa Amenfi Central District, on the south east with Wassa East District, on the south west with Axim Municipal Assembly, on the south with Tarkwa-Nsuaem Municipal Assembly and to the north by Wassa Amenfi East District Assembly. The District covers an area of about 1376 km<sup>2</sup> and lies within the South Western Equatorial Zone. Figures 3.1a and 3.1b show the District Map and the PHD in regional and national context.

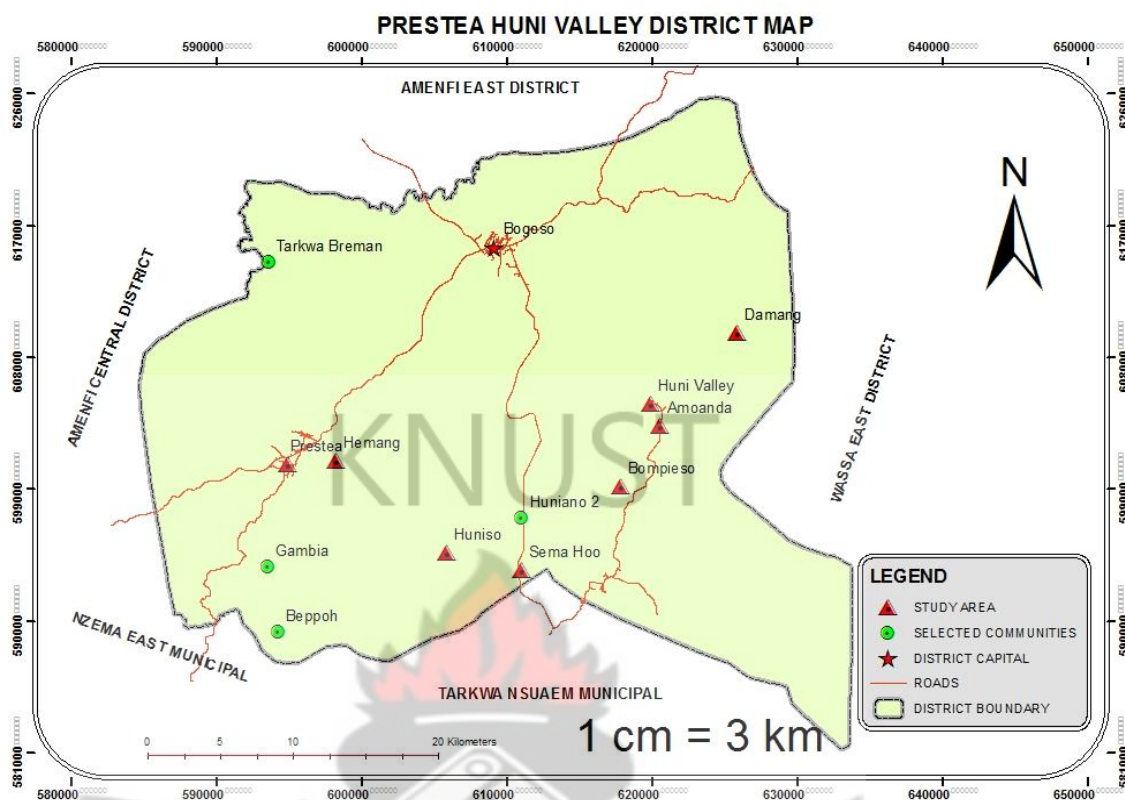


Fig: 3.1a: Map of Prestea/Huni-Valley District

Source: PHDA - DPCU, 2013

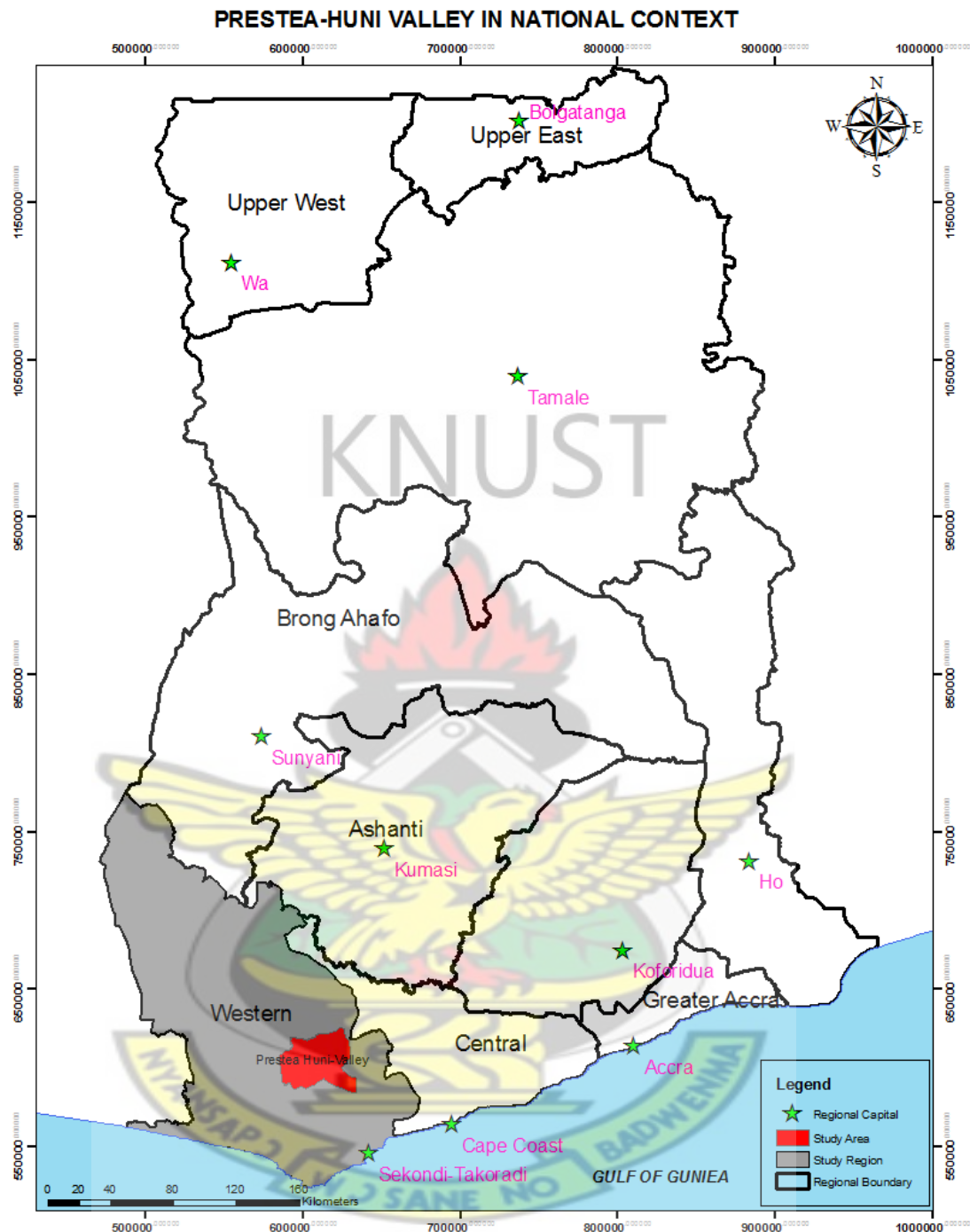


Fig. 3.1b: Prestea/Huni-Valley District in National Context

Source: PHDA - DPCU, 2013

It has a natural geographic advantage of concessions of both gold and economic trees like mahogany, wawa, odum, sapele among others. This has accounted for the current operations of four mining companies in the District. The District has a concentrated forest reserve of gold. Its mining success is undisputable (DPCU, 2013).

### *3.2.1.2 Climate and Vegetation*

Prestea/Huni-Valley falls in the rain forest zone of Ghana. It enjoys a wet equatorial climate. The rainy season is usually from March to July (major season) and from September to November (minor season). The highest amount of rain is experienced in March to July and October to February as the dry season. Temperatures are high all year round with significant daily and seasonal variations. The annual average temperatures range between 26 and 30 degree celsius in the major season. Humidity varies from 75%-80% in the wet season and 70%-80% in the dry season. Prestea/Huni-Valley District (PHD) is one of the Districts that experience the highest rainfall in the Country. It has a mean annual rainfall of 187.83mm with double maxima rainfall pattern. The District falls within the rainfall belt with the height of trees ranging between 15-40 meters high. Economic trees include mahogany, wawa, odum, sapele among others.

These climatic and vegetation patterns sustain wildlife species. Other economic activities such as lumbering and farming have the potential to thrive under these conditions. The mining companies acting as “good corporate citizens” by practicing sound environmental and safe surface mining operations, these conditions will remain stably unchanged in the future, thereby helping agriculture and lumbering to realise their full potential.

### *3.2.1.3 Topography, Geology and Soil*

The topography of PHD is generally undulating with few scarps ranging between 150m to 300m above sea level. The District falls within the forest dissected plateaus physiographic region, Precambrian rocks of Birimian underlie the forest dissected plateau. The land rises from about 240m to about 300m above sea level. The Birimian rocks are regarded as the most important formations due to its mineral potentials. Hence the existence of many gold mining companies in the District.

Soils in PHD are composed of sandy, black and clay, humus, gravel and stone. On the other hand, soils in the District are deep, open and acidic in many places due to heavy leaching of bases from the top because of high rainfall, humidity and temperatures.

The acidity of the soil reduces the availability of phosphorus, calcium and magnesium. Generally, levels are suitable for the cultivation of vegetables and major crops like cassava, cocoyam, maize and yam. However, the soil supports the growing of perennial crops like cola nuts, cocoa, rubber, oil palm and pear among others.

#### *3.2.1.4 Impact of Mining Activities on Physical Characteristics*

High presence of mining activities in the PHD has caused some parts of the District to suffer from “environmental stress”. A number of rivers and farmlands have been polluted and lost due to the spillage of cyanide by the mining companies. This has rendered the water, fishes and plants in these affected parts unsafe for consumption for both man and animals. Most affected towns are Dumasí, Damang, Kyekyewere, Awudua, and Prestea among others (PHDA-DPCU, 2013).

On the other hand, land used for agricultural purposes has now been taken over by the mining companies, hence making them prohibited areas for future farming activities.

### **3.2.2 Socio-Economic Characteristics of the Study Area**

#### *3.2.2.1 Population Dynamics*

According to the PHDA-DPCU (2010-2013), PHD has a total population of 114,349 with males and females comprising 58,364 (51.0%) and 55,985 (49.0%) respectively. This is projected to increase to 154,350 and 208,345 in 10 years and 20 years respectively using the western regional growth rate of 3.0%. The dominant tribe in the PHD is Wassa with Fantes, Nzemas, Krobos, Ewes and people with Northern descent as minor tribes residing in the area. The high presence of mining activities in the District has attracted a large number of migrants into the mining concentrated communities like Prestea, Bogoso, Huni-Valley, Damang, Abosso etc. in search of job opportunities offered by the companies.

The information gathered anticipates that the present trend of development in the mining industry would attract people to migrate into the district. This would require well-coordinated development interventions including corporate social responsibility programs to accommodate the increasing population in the PHD.



#### *3.2.2.2 Education*

The number and distribution of educational facilities in the district are evenly distributed as each of the settlements in the district has its share of basic schools facility. School participatory rate at the primary schools level has been very good due to government policy of capitation grants and school feeding program. However, poor classroom blocks, inadequate furniture, lack of teachers' accommodation, inadequate teaching and learning materials among others have had negative effects on the academic achievements, a problem that needs to be addressed.

Thus, a strong collaboration between the District Assembly and the mining companies to design appropriate and responsive CSR Framework that can help address some of the problems inhibiting the development of education.

#### *3.2.2.3 Road Network*

Based on the information given the settlements in the District are linked with roads. However, the quality on the conditions of the road is poor. Available data from the District indicate that only 13.0% and 39.5% of the trunk and feeder roads are respectively good. The conditions of the road therefore make accessibility to facilities and certain services very difficult. The condition of some of the roads requires the construction of culverts, reshaping and the filling of low lying areas.

#### *3.2.2.4 Water Supply*

According to (PHDA-DPCU, 2010), in most parts of the District, people typically gather water from the nearest source. These sources include streams, ponds, boreholes, hand dug wells, pipes and collection of rain water. These sources (streams, ponds, rivers) are often dirty and contaminated by chemicals mining activities, faecal matters and other human actions. Available data show that about 60% of population still lacks potable water and heavily relied on streams or rivers.

#### *3.2.2.5 Health*

Access to health has been an important indicator to measure human development, thus without access to preventive and curative medicines people's health would greatly be threatened. The resultant effect of malnutrition, prevalence of all kinds of diseases particularly upper respiratory tract infections (most common in the PHD as result of the mining activities) and its associated cost can be enormous. To ensure growth and development requires that health delivery system in the PHD must be of good quality. Available data from the District indicated that there are seven (7) operational sub-districts with 20 health facilities ranging from District hospital to community clinics, 13 of these are state owned with the remaining 7 are privately owned. The delivery of health services are beset with inadequate infrastructure, inadequate health personnel and logistics – a situation which requires prompt attention.

#### *3.2.2.6 Electricity/Energy*

From the discussions with the District Assembly, about 55% of the communities in the District are connected to the national grid. The absence of electricity in most of the communities has affected the development of some economic activities, especially agro-based small-scale industrial projects that can solve unemployment and consequently impact positively on the local economy.

It is evidenced from the socio-economic profile of the Prestea/Huni-Valley District that, there are inadequate basic infrastructure such as educational, facilities, water, Electricity and good roads that can support the development of the district. In lieu of these development challenges, there is the need for the mining companies and other corporate bodies operating in the district to provide for the communities where their operations impact on the environment, social and economic conditions.

### **3.3 Research Design**

The study was aimed at assessing the level of participation of Prestea/Huni-Valley District Assembly in the design and implementation of corporate social responsibility projects by mining companies operating in its jurisdiction. In order to do this, a case study of three traditional areas, namely; Bosomtwi, Apinto and Hemang were adopted

using multiple case study approach with much emphasis on cross case analysis in order to make it possible to build a logical chain of evidence. That is to say, cross case analysis afforded the study the opportunity to reveal how these communities are involved in the design and implementation of CSR programs by each of the two mining companies operating in the District. The study was descriptive cross-sectional, employing the mixed model research method. Data were gathered from both primary and secondary sources, using questionnaires and interviews.

Considering the fact that the Goldfields Ghana Limited and Golden Star Prestea/Bogoso operates in about six traditional areas (with over 30 communities) under the area of jurisdiction of Prestea/Huni-Valley District Assembly and the practical difficulties of covering the entire area in a given study, it is prudent to adopt a case study design in the research. A case study is an empirical inquiry that investigates a contemporary phenomenon within its real life context, when the boundaries between phenomenon and the context are clearly evident and in which multiple sources of evidence are used (Yin, 1984). Yin (2003) also sees a case study as a story about something special or interesting - a story can be about individuals, organizations, processes, programs, neighborhoods, institutions and even events.

This approach is adopted taking due cognizance of the fact that the research is in tune with the above definitions of a case study. Again, all the traditional areas in the District have characteristics and development challenges akin to each other which require interventions from the mining companies through their CSR framework.

### **3.4 The Selection of Study Area**

Case study research is not sampling research, which means that the main obligation for the one conducting the case study is to understand this single case. The first criteria when selecting an appropriate case is to maximize what can be learnt (Stake, 1995). Due to the fact that a case study on multiple traditional areas in a District Assembly within a convenient travelling time has been chosen, it has been considered imperative to conduct face-to-face interviews and visit the traditional areas in question (Apinto, Hemang and Bosomtwi) in order to receive as much information as possible. Stake (1995) again, argues that it is of great importance to select a case

where admittance is facilitated, where prospective information can be identified and where the individuals studied are willing to share information. Therefore, the choice fell on Apinto, Bosomtwi and Hemang traditional areas based on several reasons.

First, the personal connections within the study area enabled a more easy access to the different stakeholders of the District Assembly, Traditional Areas and the Mining Companies. Secondly, the communities within the selected traditional areas where the mining companies operate are within a convenient travelling time which made it possible to visit them on several occasions. Lastly, the selected traditional areas are mostly affected by the activities of the mining companies and thus the CSR projects are visible in these catchment areas.

### **3.5 Data Sources**

Data on specific areas of operation of the Mining Companies involved in the study were required. Data collected covered areas such as design, implementation processes, participation levels and challenges involved in the participation of communities through the District Assemblies. The Environment and Sustainable Development Managers, the Community Affairs Superintendents, the District Chief Executive, the District Co-ordinating Director, the District Planning Officer, District Director - Ghana Education Services (GES), District Director – Ghana Health Services (GHS), District Works Engineer as well as the District Physical Planning Officer are some of the respondents. The rest include the chiefs, Assembly members of the respective beneficiary communities, three representatives of each of the Community Consultative Mine Committees (CMCCs). Purposive sampling techniques were used to select the respondents for the study. This technique was adopted because these respondents could provide the information needed. Informal interviews were also used to collect the required data and analyzed to produce the required results. Telephone conversations were held with some key respondents to validate and clarify some of the initial data collected.

Table 3.1 is a numerical breakdown of the respondents from the Prestea/Huni-Valley District Assembly (PHDA), Mining Companies (Golden Star Prestea/Bogoso Limited and Goldfields Ghana Limited) and each traditional area.

**Table 3.1: Respondents**

<b>District/Traditional Area/Mining Companies</b>	<b>Traditional Areas/Communities</b>	<b>Number of Respondents</b>	<b>Percentage</b>
PHDA		7	17.0
Golden Star Resources (Prestea-Bogoso)		2	5.0
Goldfields Ghana Limited (Damang and Tarkwa Mine)		3	7.3
Bosomtwi TA	Chiefs	5	31.7
	CMCC	3	
	Assembly members	5	
Apinto TA	Chiefs	3	19.5
	CMCC	3	
	Assembly members	2	
Hemang TA	Chiefs	3	19.5
	CMCC	3	
	Assembly members	2	
<b>Totals</b>		<b>41</b>	<b>100</b>

Source: Author's Construct, May 2014

The secondary data were collected for literature review from relevant documents. As part of this, libraries were consulted to have access to corporate social responsibility journals, unpublished thesis, magazines and relevant websites from the Internet.

### 3.6 Population

According to Frankel and Wallen (2000), a population refers to the group to which the results of the research are intended to apply. According to them a population is usually the individuals who possess certain characteristics or a set of features a study seeks to examine and analyze. Kumeckpor (2002) buttresses this with his definition of a population as the total number of all units of the issue or phenomenon to be investigated into which “all possible observations of the same kind”.

Certain indicators were used to select the units of analysis, these include but not restricted to the following;



- a) The intensity of the relationship between the functions of the institutions and participation.
- b) The level of recognition given to the institutions within the CSR framework.
- c) Level of influence of the institutions on the CSR project formulation and implementation.

Based on these indicators the researcher selected the following forty-one (41) respondents;

The target population of this research was basically the Core District Planning Coordinating Unit (DPCU), three traditional areas in the PHDA, namely; Bosomtwi, Apinto and Hemang, the Assembly members as well as the CMCCs.

In detail the respondents included the District Chief Executive, District Co-ordinating Director, District Planning Officer, District Director - GHS, District Director – GES, District Works Engineer, District Physical Planning Officer, 2 Sustainable and Environmental Managers, 3 Community Affairs Superintendents, 11 Chiefs, 9 CMCCs members and 9 Assembly members.

### **3.7 Units of analysis and Sampling Techniques**

Three target sampling units (mining companies, district assembly and the traditional areas) were used for the study and the respondents were selected through purposive sampling. The population under study consisted of the core officers managing the day to day affairs of the District as well as those involved directly in community relations of the respective mining companies and key informants who are involved in the community – mining relations. They were purposively selected because they could provide the relevant information needed for the study. Table 3.2 shows the summary and breakdown of the various sampling units respectively.

**Table 3.2: The Sampling Units for the Data Collection (Summary)**

<b>Sampling Units</b>	<b>Key informants</b>	<b>Population</b>	<b>Number of People Interviewed (Sample)</b>
Prestea/Huni-Valley District Assembly	District Chief Executive	1	1
	District Co-ord. Director	1	1
	District Planning Officer	1	1
	District Works Engineer	1	1
	District Physical Planning	1	1
	District Director of Education	1	1
	District Director of Health Services	1	1
Mining Companies	Env't and Sustainable Dev't Managers	2	2
	Community Relations Superintendents	3	3
Traditional Areas	Chiefs	11	11
	CCMC	9	9
	Assembly Members	9	9
	<b>Totals</b>	<b>41</b>	<b>41</b>

Source: Author's Construct, May 2014

### **3.8 Data Collection**

Qualitative data were required for assessing the level of beneficiary communities' participation in the design and implementation of corporate social responsibility initiatives in the PHDA using semi-structured interviews. Subsequently, secondary data were gathered through desk studies. Primary data were gathered from key staff of the Prestea/Huni-Valley District Assembly, the Mining Companies, Chiefs, Assembly members as well as representatives from CMCCs through the administration of questionnaires and interview guides. The 41 respondents were selected from 16 beneficiary communities of the three traditional areas, seven officers from the PHDA and key officers from the two mining companies using purposive sampling techniques.

Questions were framed on the basis of the objectives of the study. Care was taken to ensure that the questions were not ambiguous. The questionnaires consisted of closed-ended and open – ended questions. The closed ended questions were applied when the responses to a given question was limited or when the question required quantitative and factual issues. On the other hand, where the responses to a question were unlimited and could not be precise. This was mainly dealt with qualitative and open minded responses. The interview guides were used to obtain data from the District Assembly and the mining companies’ officials. The questionnaires were used to obtain data from the 11 chiefs, Nine Assembly Members as well as the Nine (9) CMCCs members.

All the questionnaires administered sought information on the design and implementation processes of CSR initiatives, the level of participation in the design and implementation of CSR projects by the beneficiary communities through the District Assemblies and the challenges inhibiting participation by District Assemblies in the CSR development and implementation and the way forward.

### **3.9 Data Analysis**

Data on the different variables of the study were analysed. Kreuger and Neuman (2006) cited in Agyemang (2010) define a variable as a concept that varies implying that a variable may take on two or more values. The values or the categories of a variable are its attributes. Relative to this study, the key variables at the District Assembly and the beneficiary community levels included the level of participation in CSR framework design and implementation within the four identified levels of participation. The variables at the mining companies’ included the processes involved in the design and the implementation of their CSR framework and challenges associated with the participation of the District Assembly and the beneficiary communities.

Responses from the field were edited, rationalized and collated to avoid discrepancies. With regard to the first objective of the study, frequency counts and percentages were used to tally the responses to create summary statistics aided with comprehensive analytical discussions. Data on the second objective of the study were also analysed

using summary statistics with frequency counts and percentages aided with analytical discussions to arrive at the findings. A four point measurement scale ranging from -2 to 2 (-2=Very bad, -1=bad, 0= fair, 1=good and 2= very good) was developed and used to measure the respondents' level of participation as stated in the third objective. With the fourth objective, frequency counts and percentages were used to create summary statistics to arrive at the results and findings.

The data were thus analysed using both quantitative and qualitative techniques. With the quantitative method, the collected data were coded and entered into the Statistical Package for Social Scientists (SPSS) software for the analyses. The software was used to categorize, tabulate and recombine data in the form of frequency tables to address the purpose of the study according to the research questions. On the other hand, with the qualitative method of analysis, content analysis was employed.

The data were examined to identify linkages between the subject and the outcomes, with reference to the original research questions using cross case analysis in order to make it possible to build a logical chain of evidence. The result from cross case analysis revealed how these communities and the District Assembly were involved in the design and implementation of CSR programs by each of the two mining companies operating in the District. Major findings were drawn from the analyzed data and realistic recommendations made.

Results on the CSR design and implementation in the beneficiary communities were discussed in accordance with the objectives of the study. Analysis were done for each question and supported with statistical presentation of actual results of response in tables and graph. Major findings of the study have been summarized taking cognizance of the responses received and the objectives of the study and recommendations made to enhance a better and responsive CSR programs by the mining companies.

### **3.11 Profile of Mining Companies in the District**

#### **3.11.1 Goldfields Ghana Limited (Damang Mine)**

Goldfields Ghana Limited (Damang Mine) operates an open pit mine in Damang and its surrounding communities in the Bosomtwi traditional area. Damang is located in southern-western Ghana approximately 300 kilometres by road west of Accra, the capital, at latitude 5°11'N and longitude 1°57'W. The Damang concession lies to the north and joins the Tarkwa concession, which is located near the town of Tarkwa. The area is served by access roads with established infrastructure, and a main road connects the mine to the port of Takoradi, about 90 kilometres to the south-east.

The Damang Gold Mine consists of two mining leases, namely the Damang mining lease and the Lima South mining lease, covering a combined total area of 8,111 hectares close to the towns of Damang, Huni-Valley and Amoanda (in the Bosomtwi TA). According to the key informant, all necessary statutory mining authorisations and permits are in place for the Damang mine lease, and the company is entitled to mine all material falling within the lease. Abosso Goldfields holds a mining lease in respect of the Damang mine which expires in 2025, but is renewable under its terms and the provisions of the Minerals and Mining Law, by agreement between Abosso Goldfields and the Government of Ghana.

To ensure that Goldfields Ghana Limited leaves an enduring, positive legacy for the communities in which they operate, the company works with their stakeholders (investors, employees, communities and governments) to create “Shared Value”. To this end Goldfields is therefore increasingly applying the “Shared Value” approach to promoting community development. To Goldfields Ghana Limited, this approach is based on the adoption of business strategies that do not only deliver commercial and/or operational benefits to the company, but also deliver benefits to their host communities simultaneously. Goldfields’ approach is fixated on three key areas; preferential community employment, preferential community procurement and water security.



To ensure a sustainable longer-term benefits from their operations, the company established Goldfields Foundations for the Tarkwa and Damang operations, which are funded with USD\$1 for every ounce of gold produced plus 0.5% of pre-tax profit. The Foundations funds a variety of community projects, including health, education, and infrastructure initiatives under the SEED program (umbrella CSR framework) as selected by the local Community Mine Consultative Committees. To date, the foundation has contributed US\$ 25.0 million in projects and scholarships (Goldfields Annual Report, 2013). This has facilitated the provision of classroom blocks, clinics, potable water, livelihood projects, scholarship package among others to the respective beneficiary communities in the PHDA. Plates 3.1a and 3.1b show educational facility and community clinic for Huni-Valley and Damang communities respectively.



Plate 3.1a: Early Childhood Development Centre at Huni-Valley

Source: Author's Field Survey, May 2014



Plate 3.1b: Damang Community Clinic

Source: Author's Field Survey, May 2014

### 3.11.2 Goldfields Ghana Limited (Tarkwa Mine)

Goldfields Ghana Limited (Tarkwa Mine) operates an open pit mine in Tarkwa and its surrounding communities in the Apinto traditional area. Tarkwa is located in south-western Ghana approximately 300 kilometres by road west of Accra, the capital, at latitude 5°15'N and longitude 2°00'W. The Tarkwa Gold Mine is located four kilometres west of the town of Tarkwa with good access roads and an established infrastructure. The mine is served by a main road connecting to the port of Takoradi some 60 kilometres to the south on the Atlantic coast.

According to the Sustainable Development manager, Tarkwa Mine operates under seven mining leases covering a total area of approximately 20,825 hectares of which three of these leases are close to the towns of Huniso, Abekoase, Samahu and Tebe in the Apinto TA. Five mining leases, dated 18<sup>th</sup> April 1997, cover the Tarkwa property. The Tarkwa concession mining leases expire in 2027. All necessary statutory mining authorisations and permits are in place for the Tarkwa Mine Lease and Goldfields Ghana Limited is entitled to mine all material falling within the lease.

To ensure that Goldfields Ghana Limited leave an enduring, positive legacy for the communities in which they operate, the company work with their stakeholders (investors, employees, communities and governments) to create “Shared Value”. To this end Goldfields is therefore increasingly applying the Shared Value approach to promoting community development. To Goldfields Ghana Limited, this approach is based on the adoption of business strategies that do not only deliver commercial and/or operational benefits to the company, but also deliver benefits to their host communities simultaneously. Goldfields’ approach is fixated on three key areas; preferential community employment, preferential community procurement and water security.

To ensure a sustainable longer-term benefits from their operations, the company established Goldfields Foundations for the Tarkwa and Damang operations, which are funded with USD\$1 for every ounce of gold produced plus 0.5% of pre-tax profit. The Foundations funds a variety of community projects, including health, education, and infrastructure initiatives under the SEED program (umbrella CSR framework) as selected by the local Community Mine Consultative Committees. To date, the foundation has contributed US\$ 25.0 million in projects and scholarships (Goldfields Annual Report, 2013). This has facilitated the provision of classroom blocks, clinics, potable water, livelihood projects, scholarship package among others to the respective beneficiary communities in the Apinto TA of the Prestea/Huni-Valley District. Plates 3.2a and 3.2b show 14.5 km rehabilitated road for communities along the Samahu to Pepesa and Small Town Water Supply for Huniso Community.





Plate 3.2a: Section of 14.5 km Rehabilitated Road between Samahu and Pepesa

Source: Author's Field Survey, May 2014



Plate 3.2b: Small Town Water System at Huniso

Source: Author's Field Survey, May 2014

### 3.11.3 Golden Star Resources Limited

Golden Star owns and operates the Bogoso mining and processing operations through a 90 percent owned subsidiary, Golden Star (Bogoso/Prestea) Limited. The Bogoso and Prestea properties are adjoining mining concessions that together cover approximately 40 km of stretch along the southwest-trending Ashanti gold district. The operating Bogoso gold mine and processing operations are located in western Ghana near the town of Bogoso, approximately 35 km north-west from the town of Tarkwa. According to key informant from the company, Bogoso has two ore processing facilities; a refractory processing plant with a capacity of 2.7 million tonnes per annum which uses bio-oxidation technology and a conventional carbon-in-leach (CIL) processing plant with a capacity of 1.5 million tonnes per annum.

According to the Community Affairs and Sustainable Development Manager GSBPL, Golden Star is committed to actively contributing to the communities in which they operate. This is achieved by maintaining and building strong relationships with members of the community based on mutual respect and the recognition of each other's rights. In lieu of this the company has Community Affairs and Sustainable Development Department to facilitate the GSBPL and community relations. Golden Star supports and respects the protection of international human rights within its sphere of influence.

To provide longer-term benefits from their operations, the company established Development Foundations for the Bogoso and Wassa operations, which are funded with USD\$1 for every ounce of gold produced plus 0.1% of pre-tax profit. The Foundations funds a variety of community productions, including health, education, and infrastructure initiatives as selected by the local Community Mine Consultative Committees. To date, the foundation has contributed US\$ 2.4 million in projects and scholarships. Plate 3.3 shows Community Center and 6 Seater VIP Toilet Facility for the people of Kwame. Similarly, other facilities such as education, health, community center among others have been provided for communities within GSBPL catchment area.





Plate 3.3: Community Center and VIP Toilet at Kwame Niampa

Source: Author's Field Survey, May 2014

The provisions of educational, health, water and sanitation facilities for the beneficiary communities in the catchment areas of these mining companies have varied implication on the socio-economic conditions of the people in these communities. It has opened up these beneficiary communities to development. For instance, provisions of health and educational infrastructure have increased access to health and education services. Again, provision of water facilities for the communities

has made it possible for these communities to have access to potable drinking water which has enhanced their health status. The rehabilitated roads for the communities especially those of the 14.5 km for the people along the Samahu – Pepesa stretch has facilitated the movement of people in these communities to bring their farm produce to main market centers of Bogoso, Tarkwa and to access other facilities. The participation of District Assembly and the beneficiary communities in the execution of these projects strengthens the communities' sense of responsibility and confidence to take on further responsibilities.

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## **CHAPTER FOUR**

### **DATA ANALYSIS AND DISCUSSION**

#### **4.1 Introduction**

The preceding chapter indicated the research methodology used in carrying out this study. Issues such as research design, types and sources of data as well as data collection techniques were discussed. Also discussed were the techniques of sampling and data analysis as well as the background of the study area and case study institutions.

This chapter presents the analysis and presentation of the data gathered from the field based on the objectives of the study. It brings to the fore the processes involved in the development and implementation of Corporate Social Responsibility (CSR) framework by Goldfields Ghana Limited (Tarkwa and Damang Mines) and Golden Star Bogoso/Prestea Limited in the Prestea/Huni-Valley District. The level of participation of the District Assembly and Traditional Areas are assessed. Challenges relating to their participation in the design and implementation of CSR projects are also discussed in this chapter.

#### **4.2 Background of the Respondents**

A total of 41 respondents were interviewed for the research. This comprised respondents from three traditional areas (Apinto, Bosomtwi and Hemang), Prestea/Huni-Valley District Assembly and two mining companies (Goldfields Ghana Limited and Golden Star Resources Limited). The breakdown of the respondents is shown in Table 4.1.

**Table 4.1: Breakdown of Respondents**

<b>Institution</b>	<b>Units</b>	<b>Number of Respondents</b>	<b>Percentage</b>
<b>Traditional Area (TA)</b>	Apinto TA	8	19.5
	Bosomtwi TA	13	31.7
	Hemang TA	8	19.5
<b>District Assembly</b>	District Assembly	7	17.0
<b>Mining Companies</b>	Goldfields Ghana Ltd	3	7.3
	Golden Star Resources Limited	2	5.0
<b>Total</b>		<b>41</b>	<b>100</b>

Source: Author's Field Survey, May 2014

The respondents selected from the traditional areas comprised chiefs (including Divisional Chiefs), representatives of the Community Mine Consultative Committees (CMCCs) and Assembly members. A total of twenty nine (29) respondents were selected from the three (3) traditional areas of which 23 of them representing 79.3% were males with the remaining 6 respondents representing 20.7% being females. The high percentage of male respondents was mainly because of the fact that the chiefs who were in the greater majority were males. Active involvement of men in the study reiterate the fact that males are seen mostly in the forefront of local development and thus their participation shows a great tendency for the CSR frameworks to be accepted by the beneficiary communities and strive to sustain these projects.

In addition, information was gathered from seven (7) key personnel of the Prestea/Huni-Valley District Assembly including the District Chief Executive, District Coordinating Director, District Planning officer, Senior Technician Engineer, District Director of Education, District Director of Health Services and District Town Planning Officer. Information was also sought from three (3) and two (2) key officials of Goldfields Limited and Golden Star Resources Limited respectively.



### 4.3 Processes Involved in the Design of CSR Framework by Mining Companies in the District

Corporate social responsibility has widely been accepted in the corporate environment and thus adopted by the mining companies as a means of giving back to communities. The study revealed that Goldfields Ghana Limited and Golden Star Resources Limited had a CSR framework. This was confirmed by all the key informants at the District Assembly who responded in the affirmative about their awareness of the CSR frameworks of the companies.

At the community level, 93.1% of the total respondents from the Bosomtwi, Apinto and Hemang Traditional areas indicated that they were aware of the CSR frameworks of the mining companies with the remaining 6.9% of the respondents in Bosomtwi and Hemang Traditional areas indicating their unawareness of the CSR framework of the mining companies. This is shown in Table 4.2. The results imply that there is a clear indication of the existence of CSR framework of the mining companies in the District as a way of ameliorating the impact of their operations. This is seen in the existence of key structures like Apex Committee, Development Foundation Board of Trustees and CMCCs among others to oversee the administration of CSR framework.

**Table 4.2: Awareness of CSR Framework of Mining Companies**

Institution		Yes		No		Totals	
		F	%	F	%	F	%
<b>Traditional Area (TA)</b>	Bosomtwi TA	12	92.3	1	7.7	13	100
	Apinto TA	8	100	0	0	8	100
	Hemang TA	7	87.5	1	12.5	8	100
<b>Total</b>		27	93.1	2	6.9	29	100
<b>District Assembly</b>		7	100	0	0	7	100

Source: Author's Field Survey, May 2014

The availability and awareness of the CSR framework of the mining companies among District Assembly, the traditional authorities, beneficiary communities as well as the mining companies indicate that all the stakeholders participated in the



identification of thematic areas, formulation of CSR framework, projects implementation, projects monitoring and evaluation among others at the informing level. This was made possible through a series of meetings at the instance of the mining companies and their contracted consultants. Besides, the District Assembly and the respective beneficiary communities also meet to discuss issues of CSR projects so as to make informed decisions. Hence sense of ownership and continued use of CSR projects is assured with these numbers of engagement.

The study identified that Goldfields Ghana Limited and the Golden Star Resources Limited aligned the CSR framework to their vision and values. CSR framework comprises various thematic areas depending on the policy of the mining companies and the developmental needs of the communities in which they operate. This goes to suggest that the CSR framework of the mining companies is appropriate to the nature, scale and impacts of their activities on their catchment areas.

The study revealed that both mining companies contracted third parties (NGOs, consultants and academia) to develop their CSR frameworks after the mining companies have created awareness among the stakeholders. In the process of developing the CSR framework for the companies, the respondents of the District Assembly and the beneficiary communities indicated that they shared ideas in the design of the CSR framework at various stakeholders fora facilitated by these third parties. Decisions with regards to the identification and analysis of broad areas to be considered in the CSR framework, an animation was carried out by the consultants at such stakeholders' fora to select the most pressing needs of the beneficiary communities. This was further synchronized to the selection of most pressing needs of the beneficiary communities. Besides, the study gathered from the officials of the District Assembly and the Chiefs that the formulators of the CSR framework administered questionnaires to elicit their views and inputs into the CSR formulation.

The study disclosed that *education, health, agriculture, water and sanitation, enterprise development, livelihood programs and infrastructural developments* were the major thematic areas included in the CSR frameworks of the mining companies. As noted by MMSD (2002), the activities of mining companies cause social tension, resulting in damage to livelihoods, environment and community and land title

disputes among others. The thematic areas of the CSR framework as identified by the mining companies is thus of great importance if pursued with all the attention and dedication it requires to at least ameliorate the consequent effects of the mining activities on the socio-economic wellbeing of the people in the District.

There are standing committees such as CMCC, Apex Committee and Board of Trustees which meet at regular intervals usually quarterly as in the cases of the CMCCs and annually for the Apex Committee and Board of Trustees. The traditional areas and the District Assembly are represented on these committees. The study as shown in Table 4.3 depicts that 85.7% of the key informants from the District Assembly attended meetings on CSR investments. The areas of investment considered in such meetings included educational infrastructure, health infrastructure, water and sanitation, livelihood programs among others. These were the broad thematic areas enumerated by the mining companies as what are considered in their CSR frameworks and funds committed annually. The involvement of District Assembly on the content of the CSR will imply that the District Assembly will thrive to ensure the sustainability of such projects because it complements its effort in the provision of these facilities. Also, a sense of ownership of the CSR projects is assured by both District Assembly and beneficiary communities.

**Table 4.3: Multiple Responses on investments discussed during meeting**

Investments discussed during meeting	Responses		
	N	Percent	Percent of Cases
Educational infrastructure	6	24.0%	85.7%
Health infrastructure	6	24.0%	85.7%
Water and sanitation	7	28.0%	100.0%
Livelihood programs	6	24.0%	85.7%
<b>Total</b>	<b>25</b>	<b>100.0%</b>	<b>357.1%</b>

Source: Author's Field Survey, May 2014

As shown in Table 4.3, all the key personnel from the District Assembly disclosed that water and sanitation was an important investment discussed during CSR investment meetings. In addition, 85.7% of the District Assembly key informants attest to discussing investment on health and education infrastructure as well as livelihood programs during CSR meetings. These broad investment areas determine

the projects that are embarked on by the mining companies which according to the District Assembly are implemented by consultants and contractors.

Paramount to the design and implementation of CSR frameworks is the issue of stakeholders and participation. According to Freeman (1984) as cited in Maon et al., (2009: 8), stakeholder is defined as “any group or individual who can affect or is affected by the achievement of the organization’s objectives.” Inadequate stakeholder involvement is one of the most common reasons why projects fail. Therefore, every effort should be made to encourage broad and active stakeholder engagement in the planning, monitoring and evaluation processes of CSR projects. The key stakeholders as identified in this study were the beneficiary communities of CSR projects, District Assembly and mining companies. Other stakeholders identified in the design of the CSR framework included NGO’s, consultants and people from the academia.

To address the challenges facing the traditional areas and to improve the socio-economic wellbeing of the people, the District Assembly has a plan which stipulates the needs of the people in order of priority and efforts towards meeting those needs. This is the plan that guides the operations of the District Assembly. Thus it is imperative that any act of meeting the socio-economic needs of the District (traditional areas) must emanate from this plan. About 67% of the key informants from the District Assembly stated that the mining companies are not bounded by the District Medium Term Development Plan with the remaining saying otherwise. That is, the mining companies are not obliged to follow strictly the plans as outlined in the District Development Plan. This indicates that there is not much harmony between the District Assembly and the mining companies in the quest to achieving the socio-economic development of the traditional areas which could lead to low level of participation among the two stakeholders. If this trend continues, it poses a threat to the sustenance of CSR projects as the beneficiary communities lack the capacity to operate and maintain such projects.

According to all the key informants interviewed from the District Assembly as shown in Table 4.4, the design and implementation of the CSR framework of mining companies should be a collaborative effort. It is believed that this will avoid duplication of projects and afford the mining companies the opportunity to own the

DMTDP. Moreover, collaboration in the design and implementation of CSR framework will ensure standardization. A high and specific standard can be maintained when the ideas and experience from a multi-faceted stakeholder group are put together in the design and implementation of CSR frameworks. In addition, collaboration in the design and implementation of the CSR will guarantee its acceptance by all stakeholders.

**Table 4.4: Collaboration among Stakeholders**

Should there be collaboration among stakeholders	Frequency	Percent
Yes	5	71.4
No	2	28.6
<b>Total</b>	<b>7</b>	<b>100</b>

Source: Author's Field Survey, May 2014

To achieve the objectives of the mining companies with regards to giving back to the areas within which they operate in the form of CSR projects, the study unveiled that the mining companies have established Foundations through which a \$1 per ounce of gold sold were set aside by both Goldfields Ghana Limited and Golden Star Resources Limited. In addition, 0.5% and 0.1% of profit before tax were identified as other means by which the CSR framework is funded by Goldfields Limited and Golden Star Resources Limited respectively. Specifically, Goldfield Ghana Limited (both Tarkwa and Damang Mines) has diversified their sources of financing its CSR projects by selling its scrap metals hitherto left unsold. According to the Local Affairs and Public Relations Manager, Damang Mine realized about GHs 225,000.00 from the sale of the metal scraps from the mine in 2013 which was added to the Foundation Fund. This ensured the implementation of CSR projects in the midst of falling gold price. The study again revealed that the respective foundations of the mining companies are managed by Board of Trustees. These trustees manage the foundations for and on behalves of the mining companies and the beneficiary communities to ensure that CSR programs are used to improve the socio-economic development of the beneficiary communities.



#### **4.4 Processes of Implementing Mining Companies CSR Framework in the District**

The implementation of CSR framework by mining companies involved a number of processes. Among these are the processes of selection, approval, execution, monitoring, evaluation and the management of CSR projects on completion. The study revealed that the beneficiary communities select their preferred projects annually. At their respective communities' durbar, an animation is carried out to select the felt needs of the communities as per the content of the approved CSR framework with the assistance from the officials of the respective community affairs units of the mining companies. These projects are therefore vetted, collated and synchronized at the CMCCs meeting before they are submitted to the Community Affairs Departments. This ensures that the CSR framework would achieve its intended objectives and to avoid a situation where the communities make arbitrary demands on the mining companies.

The community affairs units of the mining companies submit and defend on annual basis projects submitted by the beneficiary communities to their managements. The study disclosed from Goldfields Ghana Limited that the community affairs manager, environment and sustainable development manager together with the General Manager of the company submit and defend their project investments before the Goldfields Foundation Board of Trustees for approval. Golden Star Resources Limited on the other hand has a divergent approach. The management of the company submits the selected projects to the Apex Committee meeting, which is the highest decision-making body in the administration of CSR framework of the GSBPL. The membership of the Apex Committee include, the General Manager, the Paramount Chief of the Fiaseman Traditional Council, the District Chief Executive of the District (PHDA) and two (2) members each from the CMCCs. The Apex Committee deliberates and approves the submitted project investments before submitting them to the company's Development Foundation Board of Trustees for concurrent approval. This is to ensure that the foundation's money utilized for the purposes they were established. That is to implement projects and programs that are intended to reduce the impacts of their operations in the catchment areas. The study disclosed that the District Assembly participates in the implementation of the CSR framework through



approval of projects as a member of Apex Committee and CMCC. To this end, the District Assembly would make sure that the required logistics and the human resources such as teachers and nurses among are made available for the smooth operation of such facilities on completion.

The study also unveiled that the community relations offices of the companies inform the stakeholders of the approved projects investment for the year at a CMCC meeting. Despite the fact that the projects are approved for implementation, projects are implemented on request by filling a project requisition form by each of the beneficiary communities. The requested projects are submitted to the project departments of the respective companies. It is there that the designs of the projects are prepared with their accompanying bill of quantities (BoQs) which are then packaged for tendering and awarding to contractors. It was found from the study that the District Assembly and the beneficiary communities have limited participation at this level as the designs are not submitted to the Assembly for vetting and approval. Also, none of the projects implemented by the mining companies has development permit – a situation the study found intriguing as the District Assembly frowns on unauthorized structures. This anomaly identified in the study must be corrected as it sends a bad signal to other prospective developers. The non-approval of designs and drawings by the District Works Department has varying implication on the occupants of the completed projects as there are standards and specifications for public works construction.

According to the Environment and Sustainable Development Managers of both mining companies, there is no conflict of interest in implementing CSR projects. This they believe was made possible because all projects are debated with detailed consultations from the selection stage at the communities through to the approval from the Board Trustees of the Foundations. In addition, it was reported that approved projects were given on contracts thus there is no conflict of interest. Consequently, the projects are implemented independent of the core business of the mining operations.

To obtain regular feedback on the progress of CSR projects, the study gathered from the mining companies that their outfits as well as the District Assembly, the beneficiary communities and third party contractors come together to visit project sites to monitor the projects. Also, it was identified that the District Assembly

occasionally undertakes monitoring of CSR projects. Projects inputs are tracked to ensure that the project deliverables are met within the scheduled time. This is done to ensure value for money and to guarantee that implemented CSR project follows stipulated specification for intended flow of benefits to beneficiaries. Besides, projects are evaluated to ascertain the impact of the project on the intended beneficiaries. CSR projects with strong monitoring and evaluation components tend to stay on track. Additionally, problems are often detected earlier, which reduces the likelihood of having major cost overruns or delays in completion. Also, it was discovered that the beneficiary communities (through their Chiefs, Hon. Assembly Members and selected CMCC members) visit projects sites regularly to check the progress of work during CSR projects implementation. This showed the commitment of the beneficiary communities to CSR projects as well as guaranteeing value for money. Evaluation of CSR projects was also reported by the mining companies to be undertaken by them and other third party from academia other than the District Assembly.

Monitoring and evaluation reports are prepared to guide and inform future decision making. From the study, 57% of the key informants at the District Assembly acknowledged receipt of copies of the monitoring and evaluation report while the remaining 43% did not acknowledge receipt of copies of the report (see Table 4.5). Even though it has been established from the study that 43% did not receive copies of the monitoring and evaluation report, issues identified in the report are discussed among the stakeholders at their quarterly District Planning Coordinating Unit (DPCU) and CMCCs meetings.

**Table 4.5: Receipt of Copies of Monitoring and Evaluation Report**

Do you receive copies of monitoring and evaluation report	Frequency	Percent
Yes	4	57.0
No	3	43.0
<b>Total</b>	<b>7</b>	<b>100.0</b>

Source: Author's Field Survey, May 2014

Furthermore, the study unveiled that CSR projects upon completion are managed by the District Assembly and the beneficiary communities as reported by four (4) of the respondents from the District Assembly. The management of the completed CSR projects by the District Assembly and the beneficiary communities ensure the

sustainable use of these facilities including school blocks, community clinics, and boreholes among others. Appropriate professionals such as teachers and health workers therefore provide services in these facilities on completion. The community affairs superintendent of GSBPL however mentioned that the management of CSR projects is done by all the major stakeholders including the mining companies themselves, the beneficiary communities and the District Assembly. For instance the mining companies pay allowances for teachers and health workers as well as organize in-service training for Water and Sanitation Committees (WATSANs) in the management of water and sanitation facilities of the beneficiary communities. The District Assembly through its appropriate departments (District Health Directorate, District Education Directorate, District Water and Sanitation Team) provides teachers, nurses and allied health workers to run these facilities.

Ownership of implemented CSR projects is of great interest. From the study it was gathered from 57.1% of the key informants at the District Assembly that the CSR projects implemented by mining companies are owned and managed by the District Assembly. Another 28.6% of the key informants reported of projects being owned and managed by the beneficiaries while only 14.3% of the respondents ascribed ownership and management of CSR projects to mining companies as denoted in Table 4.6. This statistics brings an important insight of the fact that CSR projects are owned and managed by the people for whom it is intended. This is because the beneficiaries are represented by the District Assembly which holds projects in trust for the people under their jurisdiction.

**Table 4.6: Ownership and management of CSR projects**

Who owns and manages CSR projects	Frequency	Percent
Mining companies	1	14.3
District Assembly	4	57.1
Beneficiaries	2	28.6
<b>Total</b>	<b>7</b>	<b>100.0</b>

Source: Author's Field Survey, May 2014

It was however noted that regardless the District Assembly recognizing their ownership and management of CSR projects, supervision of contractors during implementation of CSR projects were done by the mining companies. As shown in Table 4.7, 85.7% of the District Assembly key informants attest to the supervision of

CSR projects by the mining companies. This development does not enhance spirit-decor among the stakeholders as they may feel alienated at certain stage in CSR project implementation. This has the tendency to breed apathy among the stakeholders as they feel reluctant to release land and ensuring enabling environment that facilitate the implementation of projects even when they are in their on interest. Again, one respondent indicated that the Assembly was involved in the supervision of a project (rehabilitation of road as shown in plate 3.2a) which the District Assembly together with the people of Apinto traditional area solicited the support of Goldfields Ghana Limited.

**Table 4.7: Supervision of CSR projects**

<b>Who supervises CSR projects</b>	<b>Frequency</b>	<b>Percent</b>
Mining Companies	6	85.7
District Assembly	1	14.3
<b>Total</b>	<b>7</b>	<b>100.0</b>

Source: Author's Field Survey, May 2014

Corporate social responsibility projects were considered unsustainable by one of the key informant because maintenance of such projects were still done by the mining companies. To him, continued involvement of the mining companies in post construction of projects does not promote ownership among the beneficiary communities. In spite of this, the remaining six key informants at the District Assembly considered CSR projects implemented to be sustainable because appropriate professionals are made available to provide services. Besides, adequate budgetary allocations would be allocated annually to maintain these facilities. Furthermore, the respondents from the District Assembly indicated that chiefs and members of the communities including Hon. Assembly members do report any defects and abnormalities in the CSR projects to the District Assembly for appropriate corrective measures to be done. This shows that there are prospects for CSR projects to complement the effort of the District Assembly to improve on the socio-economic status of the beneficiary communities.



**Table 4.8 Satisfaction with CSR framework**

<b>Are you satisfied with CSR framework</b>	<b>District Assembly</b>		<b>Traditional Areas</b>	
	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>
Yes	4	57.0	23	79.3
No	3	43.0	6	20.7
<b>Total</b>	<b>7</b>	<b>100.0</b>	<b>29</b>	<b>100</b>

Source: Author's Field Survey, May 2014

The study further disclosed that half (57%) of the key informants at the District Assembly and majority (79.3%) of the respondents from the traditional areas were satisfied with the CSR framework of the mining companies. The opportunity for community development and involvement of the traditional areas in the selection, approval, release of lands for projects, monitoring and evaluation as well as owning and managing projects within the CSR framework were cited as the reasons by the key informants at the District Assembly for expressing their satisfaction in the CSR framework. The respondents from the traditional areas also expressed satisfaction in the CSR framework of the mining companies because it offered an opportunity for them to educate their children through scholarships and thereby promoting education and development of the human resource base of the communities. Nana Kweku Nuamah (Chief of Huniso) in expressing his satisfaction said *“if Goldfields Ghana Limited (Tarkwa Mine) were Government, he and his subjects would be voting for them in their entire generation”*. Evidence gathered from the community attest to the chief's assertion as various facilities such as school block, teacher's accommodation, community clinic, potable water, and road rehabilitation among others have been provided for Huniso community. In addition, they expressed their satisfaction for the opportunity the CSR framework provides for them to add to their existing social infrastructure which improves education, health and general wellbeing of their people. Assistance in the form of fertilizer supply to farmers, supply of improved oil palm seedlings through livelihood development programs has made it possible for farmers to increase their farm yields and improved their economic status.

On the contrary, another 43% of the key informants at the District Assembly and 20.7% of the respondents from the traditional areas were not satisfied with the CSR framework of the mining companies (Refer to Table 4.8). The fact that the CSR



frameworks do not emanate from the Medium Term Development Plan of the District Assembly was the main reason accounting for the dissatisfaction of the 43% of the key informants. Inadequate consultation with the District Assembly and the beneficiary communities on the design, tendering and awarding of projects was also another reason accounting for the dissatisfaction of the key informants. Inadequate employment avenues and the few number of people supported through the CSR framework were the major factors cited by the respondents for their dissatisfaction with the framework. In addition, lack of proper consultation from the company and the substandard manner in which some projects are implemented under the framework were the reasons for the dissatisfaction of the traditional areas. If these reservations are not addressed, there is great tendency for apathy among the beneficiary communities and this will affect the success and sustainability of CSR programs. However, these reservations could be addressed through continuous dialogue as well as mining companies responding adequately to the concerns and issues raised by the District Assembly and the beneficiary communities by integrating these concerns into companies' operational strategies.

#### **4.5 Level of District Assembly and Community Participation in the Design and Implementation of CSR Projects**

The study revealed that the District Assembly and the beneficiary communities were involved in the selection, approval, release of lands for projects, monitoring and evaluation as well as owning and managing projects of the CSR Framework of the mining companies at different levels in order to have their input into the framework and to meet their needs. The key respondents of Goldfields Limited disclosed that the District Assembly and the beneficiary communities were involved in the formulation and implementation of the CSR framework during the informing, consulting, decision making and initiating action levels of the CSR projects through the representatives of the various units within them. The respondents of Golden Star Resources Limited also affirmed the involvement of District Assembly and the beneficiary communities in all these levels of participation except the initiating action level.

From the study, 34 of the key informants interviewed at the District Assembly and the beneficiary communities acknowledged their involvement in the selection, approval,

release of lands for projects, monitoring and evaluation as well as owning and managing projects within the CSR framework of the mining companies with the remaining two (2) informants claiming they were not involved. The level of participation of the respondents from the District Assemblies and the Traditional Authority are shown in Tables 4.9.

**Table 4.9: Level of Participation of District Assembly and Traditional Areas in CSR Framework**

Institutions		Levels of Participation			
		Informing (n=36)	Consultation (n=36)	Decision-Making (n=36)	Initiating Action (n=36)
District Assembly	DCE	1	1	1	
	DCD	1	1		
	DPO	1	1	1	
	DWE	-	-	-	-
	GHS	1	1		
	GES	1	1		
	T&CPD	-	-	-	-
Bosomtwi TA		3	6	3	2
Apinto TA		2	8	0	0
Hemang TA		4	6	2	2
<b>Total</b>		<b>14</b>	<b>25</b>	<b>7</b>	<b>4</b>
<b>Rank</b>		<b>2<sup>nd</sup></b>	<b>1<sup>st</sup></b>	<b>3<sup>rd</sup></b>	<b>4<sup>th</sup></b>

Source: Author's Field Survey, May 2014

In the context of the mining companies CSR framework of Prestea /Huni-Valley District, four main forms of participation were identified. These are informing, consultation, decision making and initiating action. The following sub-sections focus on the participation of the various institutions at the various levels of participation.

#### 4.5.1 Informing

With regard to the information level, participation among the various institutions like District Assembly, traditional areas, NGOs, Academia and the mining companies was high and ranked second among the four identified levels of participation in the District as 38.9% of the respondents indicated participating at the informing level. The mining companies have the sole responsibility for the development of CSR

framework based on the companies' values, vision and policy for their catchment communities. The companies contracted NGOs, academia, contractors to develop their CSR frameworks and Goldfields for instance developed SEED as the umbrella CSR program which has been implemented since 2005 – to – date. This provided a framework within which the company's foundation was supported.

In formulating the CSR framework of the mining companies, informing citizens of their rights, responsibilities and options can be a vital first step toward legitimate citizen participation. The study found that the mining companies communicate formally by correspondence to inform the District Assembly and the beneficiary communities on their intentions relating to CSR activities. Analysis of the District Assembly situation revealed that at the informing level of participation, five (5) departments of the District Assembly namely the DCE, DCD, DPO, GHS and GES were involved. Two departments namely the DWD and T&CPD indicated they were not involved at this level of participation in the mining companies' CSR. These departments through their core function correspond with all relevant stakeholders to collate data on development challenges.

On the other hand, directorates of education and health services responsible for implementing health and educational policies at the District level relay such information to the appropriate authorities to ensure that adequate human resources and logistics are made available. The results imply that, though not all the officials of the District Assembly were involved at the informing level of the mining companies CSR framework, the Assembly's participation was still substantial as it involved the participation of the other officials like the DCE, Director-GHS and Director-GES whose participation at this level could not be neglected. This is a relatively low level of participation that is related to the one-way flow of information from the mining companies and interaction or inclusion of District Assembly and the beneficiary communities views is neither requested nor expected. This means the District Assembly and the beneficiary communities do not have the opportunity to give feedback to the mining companies in respect of CSR issues presented to their attention.

According to Adarkwa (2000), the town and village development committees have varying ways for communities to express their opinions. Thus communities' participating at the informing level offers an opportunity for the communities to generate information that affect their development. Regarding the situation at the traditional areas, a total of nine (9) respondents out of the 29 respondents indicated that they participated at the informing level. The respondents were found to include, Chiefs, the Assembly members and CMCC members from the various communities. The various units provided information on the mining companies' CSR through different media to the general community populace to discuss problems concerning their communities to be considered in the development of CSR framework, such as bad roads, bad school blocks as well as inadequate health infrastructure. The information level of participation is vital in the sense that it affects acceptability of projects within the CSR framework of the mining companies. It is noted that when information is provided at a late stage in planning, people have little opportunity to influence the program designed for their benefit.

#### 4.5.2 Consultation

The consultation level of participation was found to be the much participated level among the various respondents. A total of 25 key informants from the District assembly and the traditional areas representing 69.4% who agreed to be part of the selection, approval, release of lands for projects, monitoring and evaluation as well as owning and managing projects within design and implementation of the CSR framework mentioned they participated in the consulting level. This is done when the mining companies discuss with the officials of the District Assembly, Chiefs, Opinion Leaders and other stakeholders about their CSR framework and intended action. This is predominant when it has to do with the construction of projects such as schools, health facilities, and water and sanitation facilities. Analysis of the data (Table 4.9) revealed that at the consulting level of participation, five officers of the District Assembly namely the DCE, DCD, DPO, GHS Director and GES Director are involved with the remaining two officers namely the DWE and T&CPD not being involved. This implies that the expertise of these officers relative to the structural design and appropriate sitting that might be required in the planning of development interventions within the CSR framework of the mining companies was absent and this



could result in inappropriate design and projects implemented without required development permits.

Departments as identified earlier from the District engaged the consultants contracted by these companies and shared ideas on the content of the CSR frameworks. Again, these officers participated in the stakeholders meetings in developing the CSR frameworks. This ensures that the agreed thematic areas of the CSR are broad based in addressing the myriad of development challenges confronting the traditional areas.

The traditional areas on the other hand participate in the consulting level through their Chiefs, Assembly members and CMCC members. Twenty respondents from the three traditional areas indicated participation at the consultation level. Besides, the traditional areas are consulted when projects are nominated for implementation for appropriate land to be released for their execution. Consulting the District Assembly and beneficiary communities helps CSR frameworks to make use of available resources more efficiently and effectively as the development needs of the people are captured in the framework. Again, this finding implies that the mining companies do not only inform the District Assembly and beneficiary communities but also seek their opinion on key development issues. This permits a two way flow of information from mining companies to the people and from the people to the mining companies ensuring effective feedbacks and negotiations.

#### 4.5.3 Decision – Making

Participation of people in decision making implies their involvement in the formulation and planning, implementation, monitoring and evaluation of strategies and policies for social integration. About 20% of the respondents from the traditional areas and the District Assembly indicated their participation at the decision-making level. The DCE represents the District Assembly at the Apex Committee meetings of the mining companies. These meetings discuss and approve development projects in order of priority with corresponding budgets submitted by the various CMCCs before the Board of Trustees for approval. Besides, the DPO represents the District Assembly at the CMCC levels where development projects submitted by the communities are discussed and prioritized. This implies that some expertise that might



be required in the planning of development interventions within the CSR framework of the mining companies were lacking as officials such as DCD, GHS Director, GES Director, DWE and T&CPD were not involved at the decision making level of participation.

It must however be noted that DCE and DPO carry the views of other colleagues and thus their views and inputs at such meetings represent that of the District Assembly as most development challenges of the communities are discussed at both management and District Planning Coordinating Unit (DPCU) meetings.

Conversely, the paramount chief of the Fiaseman Traditional Council represent the traditional areas at the Apex Committee. The inclusion of the paramount chief depicts the importance of such committee in the governance of CSR framework. Again, the Divisional Chiefs, the Sub-Chiefs, the Assembly members and other members representing their communities are also members of the CMCCs. Involving the District Assembly and the beneficiary communities in decision-making will lead to better decision being made, which are appropriate and more sustainable because they are owned by the people themselves.

The study revealed that currently the final decision of CSR depends on the mining companies. This is because the mining companies according to Walker and Haward (2000), initiate, formulate and coordinate CSR policies in order to maintain license to operate. This has largely informed the current forms and dimensions of how CSR framework is formulated and implemented.

#### 4.5.4 Initiating Action

This is a very important form of participation. Under this level of participation, communities initiate projects they deem necessary, implement them to a certain level and then petition the District Assembly or other development partners (including the mining companies) for support through their Assembly member to complete the project. Participation at the initiating action level was indicated by 11.1% of the respondents.

Summarizing the level of participation of the respondents, the results show that majority of them in all the traditional areas and the District Assembly participated at the consulting level. This was followed by the informing and decision making levels respectively. There was no participation at the initiating action level by the District Assembly with very few respondents from the traditional areas indicating participation at this level. As postulated by Arnstein (1969) cited in Peprah (2001) and Tosun (2000), self-initiated actions are a clear sign of citizen empowerment and akin to the degree of citizen power and spontaneous participation. However, it was clearly seen from the study that the District Assembly as well as the beneficiary communities of CSR framework were not involved in this important level of participation.

Moreover, the study indicated that the District Assembly, the traditional areas and the mining companies attend meetings to discuss issues relating to the design and implementation of CSR framework. Figure 4.1 shows the relationship among the District Assembly, traditional authorities and mining companies in the identification of CSR thematic areas and framework formulation, CSR project implementation, monitoring, evaluation and project ownership and management. This was indicated by 11 (37.9%) of the total respondents from the traditional area to be strong, whereas nine (9) respondents representing 31% of the total respondents from the traditional areas considered the link to be fairly strong. Also, seven 7 (24.1%) and two 2 (6.9%) respondents from the traditional areas considered the link between the District Assembly, the traditional areas and the mining companies to be very strong and weak respectively (Refer to Fig. 4.1).

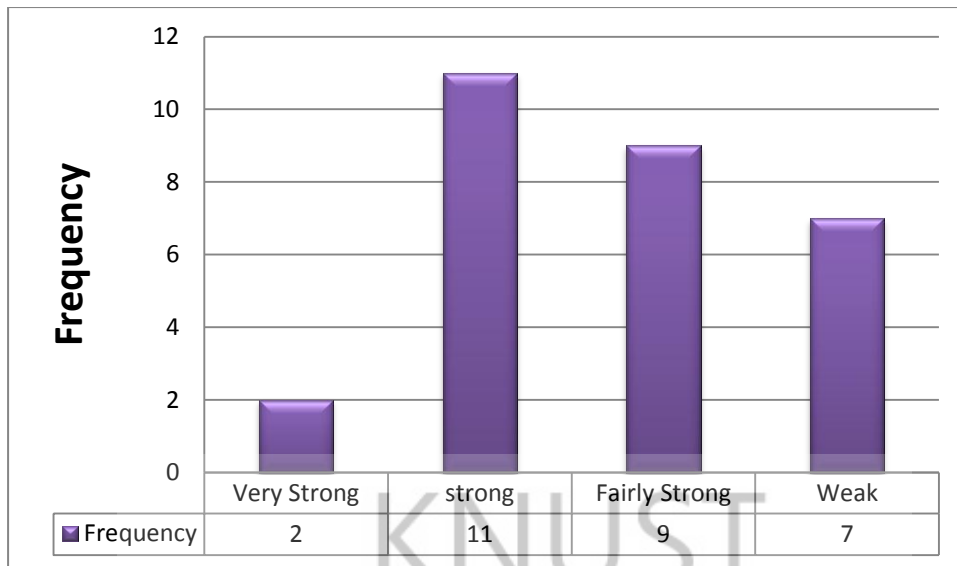


Figure 4.1: Strength of link between DA, traditional areas and mining companies

Source: Author's Field Survey, May 2014

Despite the link between the District Assembly, the traditional areas and the mining companies, 93.1% of the total respondents from the traditional areas revealed they do not have direct involvement in the implementation of CSR projects (See Table 4.10).

**Table 4.10: Direct link in the implementation of CSR projects**

Do you have a direct link in the implementation of CSR projects	Frequency	Percent
Yes	2	6.9
No	27	93.1
<b>Total</b>	<b>29</b>	<b>100.0</b>

Source: Author's Field Survey, May 2014

To get involved in the planning process of the Corporate Social Responsibility projects the respondents enumerated some practical measures they have put in place. Among them were dialogue, lobbying, ensuring that local service contractors are given priority in contract execution and transparency in contract procurement. In addition, they mentioned that they ensured the sentiments of the local people are considered in project execution and also pushing for the development of local content agreement.

#### 4.6 Measuring the Level of participation in CSR Design and Implementation

Table 4.11 measures the level of participation in the design and implementation of CSR framework using key activities involved as indicators. The scale employed in this analysis were 2 – very good, 1 – good, 0 – fair, -1 – bad and -2 – very bad. This is to assess the extent of stakeholders’ participation in the CSR design and implementation process. The measurement was based on the responses of the various stakeholders.

**Table 4.11: Degree of Stakeholders’ Participation in CSR Design and Implementation**

<b>Stakeholders</b>	<b>District Assemb.</b>	<b>Trad. Authority</b>	<b>Mining Comps.</b>	<b>Thirty Parties (NGOs, Academia and Contractors)</b>	<b>Total</b>	<b>Rank</b>
<b>CSR Activities</b>						
Thematic Area Identification	1	1	2	2	6	1 <sup>st</sup>
Framework Formulation	0	0	2	2	4	4 <sup>th</sup>
Project Implementation	1	1	2	2	6	1 <sup>st</sup>
Project Monitoring	1	1	2	1	5	3 <sup>rd</sup>
Project Evaluation	-1	-1	1	2	1	6 <sup>th</sup>
Project Funding	-1	-1	2	-1	-1	7 <sup>th</sup>
Project Management and Ownership	2	1	1	-2	2	5 <sup>th</sup>
<b>Total</b>	<b>3</b>	<b>2</b>	<b>12</b>	<b>6</b>	<b>22</b>	
<b>Rank</b>	<b>3<sup>rd</sup></b>	<b>4<sup>th</sup></b>	<b>1<sup>st</sup></b>	<b>2<sup>nd</sup></b>		

Source: Author’s Field Survey, May 2014

#### Scale

2	-	Very Good
1	-	Good
0	-	Fair
-1	-	Bad
-2	-	Very Bad

From Table 4.11, it is noticeable that the participation of the various stakeholders in the activities within the CSR framework had marked differences. It is noticeable that CSR thematic areas identification and project implementation were both ranked 1<sup>st</sup> among the various activities within the CSR framework formulation. Both the mining companies and third parties gave a score of 2 each which was the highest. The District Assembly and traditional authority gave a score of 1 each. This finding shows that all the stakeholders participated fairly in the “CSR thematic areas identification” and “project implementation” which is a good indication for the sustainability of CSR projects in the sense that various expertise and commitments needed to achieve projects goals are made available by the stakeholders.

Project monitoring was ranked 3<sup>rd</sup> among the various activities within the CSR framework formulation. The mining companies gave a score of 2 which was the highest. All the other stakeholders namely District Assembly, traditional authority and third parties gave a score of 1 each. This finding shows that all the stakeholders had some level of participation in the “project monitoring” which is a good indication for the sustainability of CSR projects as all stakeholders do partake in the CSR project monitoring.

Framework formulation was ranked 4<sup>th</sup> among the various activities within the CSR framework formulation. Both the mining companies and Third parties gave a score of 2 each which was the highest. The District Assembly and traditional authority gave a score of 0 each. This finding indicates low participation of the District Assembly and traditional authority in CSR framework formulation. This indicates that mining companies and third parties are principal actors in CSR activities.

Project management and ownership was ranked 5<sup>th</sup> among the various activities within the CSR framework formulation. The District Assembly gave a score of 2 which was the highest. Both the traditional authority and mining companies gave a score of 1 each with the Third parties giving the least score of -2. This finding shows that the District Assembly participated at the highest level in the CSR Project management and ownership. This implies that CSR projects are owned and managed by the people for whom it is intended for as the District Assembly holds projects in trust for the people under their jurisdiction.



Project evaluation was ranked 6th among the various activities within the CSR framework formulation. The third parties gave the highest score of 2. The mining companies gave a score of 1 and both the District Assembly and Traditional Authorities gave a score of -1 each. This finding implies that CSR project evaluation was mainly the reserve of the third parties.

Project funding was 7th among the various activities within the CSR framework formulation. The mining companies gave a score of 2 which was the highest. All the other stakeholders namely District Assembly, traditional authority and Third parties scored gave a score of -1 each. This is because mining companies are sole financiers of CSR framework in their catchment areas.

Table 4.11 further shows that there are marked differences in the extent of participation of the various stakeholders in the design and implementation of the CSR framework. The Mining companies were ranked 1<sup>st</sup> among the various stakeholders implying the highest level of participation in CSR design and implementation. The mining companies provided high scores of 2 each for participation in the thematic area identification; framework formulation; project implementation; project funding; and project monitoring. This indicates that the participation of the mining companies strongly in these activities of the CSR design and implementation. This according to Walker and Howard (2000), was due to the fact that mining companies uses CSR as a means to secure or maintain social license to operate. The mining companies however, gave a score of 1 for project management and ownership which was considered to be a good participation. A score of 0 was given by the mining companies for Project Evaluation implying a fair participation in this activity.

The Third parties (NGOs, Academia and Contractors) were ranked 2<sup>nd</sup> among the various stakeholders. The Third parties provided high scores of 2 each for participation in the thematic area identification; framework formulation; project implementation; and project evaluation. This indicates that third parties work closely with the mining in these activities of the CSR design and implementation. The Third parties however, gave a score of 1 for project monitoring which was considered to be a good participation. A score of -1 was given by the Third parties for project funding

implying that the third parties do not provide any financial contribution towards CSR framework. Also, a score of -2 was given by the third parties for project management and ownership implying that they do not have any role to play once the projects are completed.

The District Assembly was ranked 3<sup>rd</sup> among the various stakeholders. The District Assembly provided a high score of 2 for project management and ownership. This indicates that the participation of the District Assembly was very good in this activity of the CSR design and implementation. The District Assembly however, gave a score of 1 each for thematic area identification; project implementation; and project monitoring which implied good participation in these activities of the CSR design and implementation. Also, a score of 0 was given by the District Assembly for framework formulation implying a fair participation in this activity. A score of -1 each was given by the District Assembly for project funding and project evaluation implying that they do not provide any financial commitment towards CSR framework.

The traditional authorities were ranked 4<sup>th</sup> which was the least ranking among the various stakeholders. The traditional authorities provided a score of 1 each for thematic area identification; project implementation; project monitoring; and project management and ownership. This indicates that the participation of the traditional authorities was good in these activities of the CSR design and implementation. Also, a score of 0 was given by the traditional authorities for framework formulation implying their fair participation in this activity. A score of -1 each was given by the traditional authorities for project funding and project evaluation implying bad participation in these activities.

#### **4.7 Challenges in the Participation of the District Assembly in the Design and Implementation of CSR Projects**

Fekade (1994) expounded that most of the barriers to participation can be put into two main categories namely; structural and non-structural barriers. The study revealed that the challenges in the participation of the District Assembly in the design and implementation of CSR projects were mainly of non-structural nature. That is, it was

not mainly due to administrative, socio-cultural, economic or political barriers, rather they were barriers like commitment from the District Assembly and the beneficiary communities as well as sudden change of projects submitted by the beneficiary communities affect project planning and implementation.

**Table 4.12: Strength of District Assembly's Participation**

What is the Strength of District Assembly (Communities) participation	Frequency	Percent
Very Good	-	-
Good	3	60.0
Fairly Good	1	20.0
Poor	1	20.0
<b>Total</b>	<b>5</b>	<b>100.0</b>

Source: Author's Field Survey, May 2014

The challenges identified by the mining companies in the participation of the District Assembly included demand for allowances; persistent absenteeism to meeting programs and demand for money for rendering services to the communities. Nonetheless, these challenges expressed by the mining companies in the participation of the District Assembly in the design and implementation of CSR projects, three key informants of the mining companies considered the participation of the District Assembly in the design and implementation of CSR projects to be good. One respondent each from the mining companies also considered the participation of the Assembly to be fairly good and poor respectively as depicted in Table 4.12. The monthly, quarterly and annual meetings organized by GSBPL and GFG Ltd. (Tarkwa and Damang Mines) of which the District Assembly has membership was therefore identified by the mining companies as a way of improving and ensuring active participating of the District Assembly and other stakeholders in the design of CSR.

On the whole, the mining companies also identified issues related to funding as a major challenge confronting them in the implementation of CSR projects. For instance, the Environment and sustainable development manager of Goldfields Ghana Limited indicated that the falling gold prices affected them negatively in implementing all the CSR projects earmarked for the years of 2012 and 2013. Also, poor commitment (relative to respond to meetings and to some extents demand money

for the lands that are required to implement the projects to their own benefit) and sudden change in community interest regarding a CSR project was a major challenge confronting the implementation of the CSR projects by mining companies. These challenges significantly affect the CSR frameworks of the mining companies negatively by increasing the length of projects execution, delay in the design and quantification of bills which result in increase of projects cost and eventually distort the budget of the Foundations of the mining companies. This ultimately affects the number of projects the foundations' budget can support in the catchment areas of the mining companies.

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## **CHAPTER FIVE**

### **SUMMARY OF FINDINGS, RECOMMENDATIONS AND CONCLUSION OF THE STUDY**

#### **5.1 Introduction**

The preceding chapter provided the presentation and analysis of the data collected from the various respondents on the participation of District Assembly in the design and implementation of CSR projects by mining companies. This chapter recaps the principal findings from the analysis. This chapter also includes the recommendations which are in consonance with the findings as well as the conclusion of the study. This chapter therefore comprises three main parts; summary of major findings, recommendations and conclusion.

#### **5.2 Summary of major findings**

##### **5.2.1 Processes involved in the design and development of CSR Framework by Mining Companies.**

The study identified that each of the sampled mining companies operating in the traditional areas within which the study was conducted had a corporate social responsibility (CSR) framework. This was attested by all the key informants at the District Assembly and 93.1 % of the total respondents from the traditional areas. education, health, agriculture, water and sanitation, enterprise development, livelihood programs and infrastructural developments were the major thematic areas included in the CSR frameworks.

The key stakeholders identified by this study were the beneficiary communities of CSR projects, District Assembly and mining companies. Other stakeholders identified in the design of the CSR framework included NGO's, people from academia, NGOs and consultants. The beneficiary communities were involved in the design of the CSR framework in order to have their input into the framework and to meet their needs. The study disclosed that the roles of other stakeholders including NGOs and consultants were mentioned to be that of facilitation of the CSR agreement, capacity building and actual implementation of projects.



The study unveiled that the mining companies have established Foundations through which a \$1 per ounce of gold sold was set aside by both Goldfields Ghana Limited and Golden Star Resources Limited. In addition, 0.5% and 0.1% of profit before tax were identified as other means by which the CSR framework is funded by Goldfields Limited and Golden Star Resources Limited respectively. Again, the study also revealed that there is Board of Trustees who manages these foundations and approve all projects prior to their implementation.

The District Assembly espoused that collaborated efforts in the design and implementation of the CSR framework will avoid duplication of projects, afford mining companies the opportunity to own the DMTDP, ensure standardization and guarantee acceptance of projects by all stakeholders.

#### 5.2.2 Processes of Implementing Mining companies CSR Framework in the District

The implementation of CSR framework by mining companies went through the processes of selection, approval, execution, monitoring, evaluation and finally management of CSR projects on completion. Monitoring of the CSR projects are done by the mining companies as well as the District Assembly, the beneficiary communities and third party contractors. Evaluation of the CSR projects were on the other hand done by the mining companies and other third parties from academia other than the District Assembly showing the limited participation of the District Assembly in the whole process of implementing CSR projects. The District Assembly participates in the implementation of the CSR framework through approval of projects as a member of Apex Committee and CMCC. The management of CSR projects upon completion was mainly done by the District Assembly and the beneficiary communities.

Moreover, the study found out that there is no conflict of interest in implementing CSR projects. All projects were debated and detailed consultations done before they are agreed on. In addition, approved projects were referred to the Project Departments of each of the mining companies for tendering and award to contractors eliminating conflict of interest. Besides, the study also disclosed that despite the involvement of the DA in the design and development of the CSR framework, the mining companies were not bounded by the District's Medium Term Development Plan (DMTDP).

The study further disclosed that half (57%) of the key informants at the District Assembly and majority (79.3%) of the respondents from the traditional areas were satisfied with the CSR framework of the mining companies. Opportunity for community development and perceived well representation of the traditional areas in the design and implementation of the CSR framework were the reasons cited by the key informants at the District Assembly for expressing their satisfaction in the CSR framework. Scholarship opportunities, addition to social infrastructure, livelihood opportunities were the reasons cited by respondents from the traditional areas for their satisfaction with the CSR.

Dissatisfaction with the CSR framework was attributed to the inability of the CSR frameworks to emanate from the DMTDP of the District Assembly, inadequate employment avenues, lack of proper consultation from the company and the shoddy manner in which some projects are implemented under the framework.

### 5.2.3 Level of District Assembly's and Community participation in the Design and Implementation of Corporate Social Responsibility projects.

The study discovered the involvement of the District Assembly in the design and implementation of the CSR framework during the informing, consulting, decision making and initiating action levels of the CSR projects. The study further revealed that majority (69.4%) of the respondents from the District Assembly and beneficiary communities participated in the consultation level with only 11.1% participating in the initiating action level. The study also revealed the decision on CSR framework are largely taken by the mining companies despite the inclusion of the DCE and the paramount chief on the Apex committee.

Moreover, the study indicated that the District Assembly, the traditional areas and the mining companies attend meetings to discuss issues relating to the design and implementation of CSR framework. The study also showed the relationship between the District Assembly, Traditional Authorities and Mining Companies in the identification of CSR thematic areas and framework formulation, CSR project implementation, monitoring, evaluation as well as project ownership and

management. This was described by 11 (37.9%) of the total respondents from the traditional area whereas nine (9) respondents representing 31% of the total respondents from the traditional areas considered the link to be fairly strong. Also, seven (7) (24.1%) and two (2) (6.9%) respondents from the traditional areas considered the link between the DA, the traditional areas and the mining companies to be very strong and weak respectively.

#### 5.2.4 Challenges in the participation of District Assembly's in the Design and Implementation of corporate social responsibility projects

The study reveals that the challenges in the participation of the District Assembly in the design and implementation of CSR projects in the study communities were mainly of non-structural nature. This included diversity in opinion on the part of the District Assembly, demand for allowances, persistent absenteeism to meeting programs and demand for money for rendering services to the communities which was initiated by the company. Issues related to funding, poor commitment and sudden change in community interest regarding a CSR project were also major challenges confronting the implementation of the CSR projects by mining companies.

### 5.3 Recommendations

Based on the findings of the study the following recommendations are made:

To begin with, the study recommends that the mining companies adopt the DMTDP of the District Assembly since it represents the priorities of the beneficiary communities in terms of their development orientation. Moreover, approved projects under the CSR should be communicated officially to the District Assembly by the mining companies for them to be factored into the annual review of the DMTPD.

In addition, the study recommends that the District Assembly liaise with the beneficiary communities as well as the mining communities to push forward the needed facilities for consideration in the design and implementation of the CSR framework. This will ensure that the priorities of the beneficiary communities in terms of development are met. This can be achieved through the development of local action plans of each of the catchment areas.

To achieve active and meaningful participation of the District Assembly and the beneficiary communities the study recommends that the capacity of members who participate and contributes to the design and implementation of CSR projects must be built. Training and workshops must be organized by the mining companies as well as the District Assembly to discuss new and changing trends in CSR to enable members make informed decision and contribution.

Furthermore, the ownership and management of CSR projects by District Assembly (beneficiary communities) can be guaranteed when they initiate the project. It is therefore recommended that the initiating action level of participation must be encouraged by the mining companies to enable beneficiary communities initiate projects with assistance from the mining companies and other development partners to ensure full ownership and sustainable managements of CSR projects. Besides, to ensure initiating action level of participation, there should be an establishment of Legislative Instrument (LI) or an Addendum to the formulae for sharing mineral royalties to compel beneficiary jurisdictions to dedicate specific percentage of their share to support CSR programs.

More so, to achieve active participation by all key stakeholders the study recommends transparency and accountability on the part of mining companies in the design and implementation of CSR projects. The tendering process should include the representatives from the District Assembly and the beneficiary communities. Besides, the designs of physical structures must be submitted to District Works Department for vetting and approval and also acquire development permits for their construction.

Lastly, the study recommends that the District Assembly factors the activities of the mining companies with regard to the design and implementation of CSR projects into their programmes for the year. This will enable them to avoid absenteeism to meetings related to the design and implementation of CSR projects. The mining companies must also strengthen their relationship with the beneficiary communities for adequate feedback and suggestion for successful implementation of projects. This can be achieved through frequent meetings and capacity building.



## 5.4 Conclusions

From the study results and discussions, the following conclusions are drawn:

The study unveils that through the design and implementation of the CSR framework, some of the socio-economic needs of the traditional areas within which the mining companies operate are met. It is therefore established that, CSR is an important channel through which the negative effects of mining activities in the Prestea/Huni-Valley District are ameliorated.

In addition, the need to have all key stakeholders on board in the development of the Corporate Social Responsibility Framework of mining companies is of outmost importance. It can be concluded from the study that the mining companies engaged the key stakeholders in the design and implementation of their CSR framework which accounted for the overwhelming number of people who were satisfied with CSR framework of the mining companies.

It can also be concluded from the study that the mining companies follow well accepted processes in their design and implementation of CSR projects. Monitoring and evaluation of projects were undertaken by key stakeholders. This results in no conflict of interest among key stakeholders.

Furthermore, the study concludes that the District Assembly and the beneficiary communities participate in the design and implementation of CSR of mining companies notwithstanding the fact that the mining companies were not obliged to follow the District's Medium Term Development Plan.

Finally the study concludes that the participation of the District Assembly in the design and implementation of the CSR frameworks of mining companies were not without some challenges. These challenges when addressed will increase the active participation of the District Assembly in the design and implementation of CSR projects.

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## APPENDIX I

### SPECIAL STUDY INTERVIEW SCHEDULE

#### COLLEGE OF ARCHITECTURE AND PLANNING

#### DEPARTMENT OF PLANNING, KNUST, KUMASI

Preamble: This study sought to assess the level of Participation of District Assembly and Beneficiary Communities in the Design and Implementation of Corporate Social Responsibility Framework. All respondents are assured of absolute confidentiality in this Academic Research. Please tick appropriate responses or fill in space provided

#### INTERVIEW GUIDE FOR MINING COMPANIES

Date..... Questionnaire Number:.....

##### SECTION A (Personal Data)

1. Name of company.....
2. Location.....
3. Job Title.....
4. Position of interviewee.....
5. Size of Company's Concession.....
6. Area of Concession (where it's located).....

## SECTION B (Operations)

1. Does your company have Corporate Social Responsibility Framework?  
Yes [ ] No [ ]
- 1a. If No, why?.....
- 1b. If Yes,
2. When was it developed? .....
3. Is the DA (Communities) involved in the Design of the Company's Corporate Social Responsibility Framework? Yes [ ] No [ ]
4. If No, why? .....
5. If Yes, at what level do you involve them?  
(a) Informing (b) Consultation (c) Decision Making (d). Initiating Action
6. How many projects have you implemented so far?
7. What is the strength of the DA (Communities) participation?  
(a) Satisfactory (b) Good (c) Fairly Good (d) Poor
8. What steps have you taken to ensure their active participation?  
.....
9. Are there any problem(s) you face with the participation of DA?  
.....
10. What measures have you taken to improve on their participation?  
.....

11. What are some of the challenges you have encountered during implementation?  
.....
12. How is the Corporate Social Responsibility Framework funded?  
.....
13. What are the thematic areas in the Corporate Social Responsibility Framework?  
.....
14. What other stakeholders are involved in the preparation of the Corporate Social Responsibility Framework?  
A. Beneficiaries B. District Assembly C. Academicians D. others  
(specify).....
- 15a. What do these beneficiaries do during design of CSR?  
.....
- 15b. What do these beneficiaries do during implementation?  
.....
16. How does the District Assembly participate during implementation?  
.....
17. Which stakeholder is responsible for monitoring?  
(a). Mining company (b). District Assembly (c). Beneficiaries (d). Other  
(specify).....
18. Which Stakeholder is responsible for evaluation?  
(a). Mining company (b). District Assembly (c). Beneficiaries (d).  
Other (specify).....



19. Who manages CSR projects on completion?
- (a). Mining company (b). District assembly (c). Beneficiaries (d)
- Other (specify).....
20. Does DA sometimes suggest to the mining company what to do?
21. Is there any conflict of interest in implementing Corporate Social Responsibility Projects?
- Yes [ ] No [ ]
22. If YES, how? .....
23. If NO, why? .....
24. How are the approved project implemented?
- .....
25. How often is the Corporate Social Responsibility Framework reviewed to conform to the changing patterns of the beneficiaries communities?
- (a). Below 5 years (b). 6 -10 years (c). 11 – 15 years (d). 16 years and above
26. How do you manage the Corporate Social Responsibility Framework?
- .....
27. Give suggestions to improve on the participation of DA (Communities).
- .....

## APPENDIX II

### **SPECIAL STUDY INTERVIEW SCHEDULE**

#### **COLLEGE OF ARCHITECTURE AND PLANNING**

#### **DEPARTMENT OF PLANNING, KNUST, KUMASI**

Preamble: This study sought to assess the level of Participation of District Assembly and Beneficiary Communities in the Design and Implementation of Corporate Social Responsibility Framework. All respondents are assured of absolute confidentiality in this Academic Research. Please tick appropriate responses or fill in space provided

#### **INTERVIEW GUIDE FOR DISTRICT ASSEMBLY**

Date:..... Questionnaire Number:.....

#### **SECTION A (Personal Data)**

1. Job Title/Position.....
2. Location of organization.....

#### **SECTION B**

1. Are you aware of the Corporate Social Responsibility Framework of the mining companies? Yes [ ] No [ ]
2. If No, why?.....
3. If Yes, were you involved in its development? YES OR NO
4. At what level were you involved?  
(a). Informing (b). Consulting (c). Decision Making (d). Initiating Action

5. How many projects have been implemented since the establishment of the Corporate Social Responsibility Framework?
6. What role did the District Assembly play in the implementation of those projects?.....
7. Who monitored and evaluated those projects?
- (a) Mining Companies (b) District Assembly (c) Community (d) other(s) specify.....
8. What lessons were learnt after the evaluation? .....
9. Are the mining companies binded by the district development plan?
- Yes [ ] No [ ]
10. Should the design and implementation of CSR Framework be collaborative effort and Why?
- .....
11. Do you attend meetings on Corporate Social Responsibility? Yes [ ] No [ ]
12. Which areas of investment were considered at such meetings?
- A) Educational Infrastructure B). Health Infrastructure C). Water and Sanitation D) Livelihood Programs E). Others (Specify).....
13. How are these projects implemented?
- .....
14. Who owns and manage the project after implementation?
- A. Mining companies B. District assembly C. Beneficiaries D. Other (specify).....
15. Who supervises the contractor during implementation?
- A. Mining companies B. District assembly C. Beneficiaries D. Other (specify).....

16. Is the assembly given copies of the monitoring and evaluation report?
- Yes [ ] No [ ]
17. How sustainable have implemented projects been?
18. Are you satisfied with the CSR Framework of the Mining Companies?
- Yes [ ] No [ ]
19. If Yes, reasons.....
20. If No, reasons.....
21. What are the recommended measures for the mining sector to consider?



### APPENDIX III

#### SPECIAL STUDY INTERVIEW SCHEDULE

#### COLLEGE OF ARCHITECTURE AND PLANNING

#### DEPARTMENT OF PLANNING, KNUST, KUMASI

Preamble: This study sought to assess the level of Participation of District Assembly and Beneficiary Communities in the Design and Implementation of Corporate Social Responsibility Framework. All respondents are assured of absolute confidentiality in this Academic Research. Please tick appropriate responses or fill in space provided

#### QUESTIONNAIRE FOR TRADITIONAL AREAS (BENEFICIARY COMMUNITIES)

1. Date:.....
2. Questionnaire Number:.....
3. Sex: Male ☐ Female ☐
4. Age:.....
5. Is the community aware of the CSR Framework of the mining companies?  
Yes ☐ No ☐
6. If No, why?.....
7. If Yes, at what level were you involved?  
(a). Informing (b). Consulting (c). Decision Making (d). Initiating Action
8. Has the community benefited from any corporate social responsibility project?  
Yes ☐ No ☐
- 8a. If yes, specify .....



- 8b. For how long .....
9. Is there any other form of support from the mining companies apart from corporate social responsibility projects? Yes [ ] No [ ]
- 9b If yes, Specify.....
10. Are you satisfied with CSR Projects from the mining companies?
- Yes [ ] No [ ]
11. If Yes, reasons.....
12. If No, reasons.....
13. Is there any link between the Community, the District Assembly and the Mining Companies? Yes [ ] No [ ]
- 13a. If yes, how would you describe the link?
- (a) Very Strong (b) Strong (c) Fairly Strong (d) Weak
14. Does the community have a direct link in the implementation of corporate social responsibility project? Yes [ ] No [ ]
- 14a. If yes, what role does the community play?
- .....
- 14b. If no, what practical measures has the community put in place to get involve in the planning process of corporate social responsibility projects?
15. Give suggestions to improve on the participation of DA (Communities) in CSR design and implementation.
- .....