HYBRID GOVERNANCE IN MINING CONCESSIONS

IN GHANA

Based on field research in February/March 2015

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1. Introduction

This report is part of my research project (FWO postdoctoral fellowship) on ‘hybrid governance in mining concessions in Ghana and the Democratic Republic of Congo (DRC)’, which proposes to study the impact of transnational mining companies’ activities in African mining areas in a novel fashion. It presents a lot of interview material that was collected in February and March 2015 in Ghana and heavily relies on this raw material to study hybrid governance in one particular mining concession. The findings remain rather descriptive, but will be further analyzed and developed in my upcoming papers.

This section introduces the broader research project, before introducing the research questions, methodology and planning of the 2015 field research in Ghana. The large-scale mining sector in Sub-Saharan Africa has boomed in recent years. But while mining does contribute to economic growth in several countries (including Ghana and the DRC), it also has negative social and environmental effects and may produce conflicts over access to land (Hilson 2002b), dispossession and forced displacement (Gordon and Webber 2008; Szablowski 2007), and community rights (Carstens and Hilson 2009; Fisher 2007). In order to mitigate the risk of such conflicts, transnational companies (TNCs) are urged to assume ‘corporate social responsibility’ (CSR). The notion of CSR dates back to the mid-1990s, when a ‘transnational legal system’ (Szablowski 2007) emerged that was made up of a multitude of codes of conduct, standards and principles. Campbell (2012) explains how the CSR discourse successfully filled the governance voids following the liberalization of many mining industries, especially in Sub-Saharan Africa, whereby the state had in effect been relieved of its responsibilities. Companies thus became “de facto governments” (Hilson 2012), much like in the concession economies of the colonial era. Especially in areas of ‘limited statehood’, where the state is unable to perform its core functions of public goods provision and territorial control, there is a tendency to transfer responsibilities to private actors. However, much of the academic literature seems to agree that development outcomes from CSR have disappointed (Blowfield and Frynas 2005). Moreover, many transnational companies approach their concessions as ‘governance black holes’ (Luning 2012). This commonly gives rise to company-community conflicts, but also to conflicts within local communities.

As the research will demonstrate, the arrival of a TNC tends to affect not only local economic reality, but also local politics. It may provoke conflict over mining rents and land as well as over authority and legitimacy, as Lund (2008) describes for the case of Ghana. Lund sees authority as “an instance of power that seeks at least a minimum voluntary compliance and is thus sought to be legitimated in some way” (idem: 7). Chiefs, as well as other state and non-state actors, engage in a constant struggle to establish and consolidate their authority, and to legitimize their governance actions (for a discussion on the DRC, see Hoffmann 2012). Indeed, wherever public goods are provided by companies (Hönke 2012) or other non-state actors (Meagher 2012), the issue of legitimacy comes to the fore: which orders are considered to be legitimate and by whom, and who benefits from the public goods provision? Meagher (ibid. 1090) finds “a great deal of evidence of local elite domination” in non-state regulatory systems, which ties in with the notion of ‘elite capture’ in development interventions (Platteau 2004). In the light of the debate on CSR and discharge in large-scale mining, this is a key concern.

In order to better understand the company-induced changes at the local level, the research looks at the recent literature on hybrid governance. Recent critics of the ‘fragile states’ discourse have studied the dynamic, discordant and hybrid nature of governance and public authority (for a literature overview see Hoffmann and Kirk 2013). They have examined everyday governance practices and daily contestations over public authority ‘from below’, or analyzed public authority in local ‘political arenas’ (Olivier de Sardan 2005) as a hybrid of externally imposed orders (national policies, global discourses) and existing local institutions (ibid.). Hybridity, then, may be seen as an outcome of ‘institutional bricolage’ in the sense of Cleaver (2012). Much of this literature focuses on the production of legitimate
authority and provision of public goods in conflict-affected and ‘transitioning’ regions (the latter being in a kind of unstable ‘neither-war-nor-peace’ situation). Although not commonly included in this category, mining concessions may be regarded as ‘transitioning’ settings. Moreover, the cohabitation of a TNC and a heterogeneous local community makes for an interesting case of hybridity.

The broader research project aims to answer the following research questions. In this 2015 field research I have mainly focused on the first two questions.

Rq1. How does the arrival of a transnational company impact on (power relations in) a local political arena? How are local elites affected and how do they (re)position themselves?
Rq2. What outcomes does this produce in terms of hybrid governance? What are the implications in terms of the production of public authority, the provision of public goods and the search for legitimacy?
Rq3. How do such local political dynamics in turn affect transnational companies?
Rq4. Who wins and who loses in this process, and how to prevent or manage conflicts and open up political space to the most marginalized?

For my data collection I used a combination of qualitative methods, including semi-structured interviews (individual and in group, see lists in annex), observation and document collection. Three local assistants have helped me conducting the group interviews and providing a transcription and translation. All individual interviews have also been fully transcribed and if necessary translated in English. These data have all been analysed using NVivo software for qualitative data analysis.

Preparation of phase 1. Literature review, meeting with researchers at Surrey University, contacts with relevant stakeholders in the field, sampling of a mining region, preparation of the interview guides
Phase 1. Interviews in Accra and in the selected communities
Preparation of phase 2. Processing of the data collected during phase 1, adaptation of the interview guide, preparation of a guide for the group interviews and power mapping
Phase 2. Group interviews with community members (purposive and convenience sampling following up on contacts established during phase 1), interviews with individuals belonging to different ‘strategic groups’ (purposive sampling), repeated observation of daily activities, including critical events, collection of documents (letters, press statements, agreements, memoranda of understanding, minutes of meetings etc.)

What follows is a description and preliminary analysis of the empirical material that was collected during field research. Section 2 gives an overview of and highlights some recent developments in mineral governance – especially focused on large-scale mining – in Ghana. Section 3 sketches the context of the field research by looking at the history of gold mining and mineral governance in Western Region and particularly in the Golden Star concession, which includes the two selected communities Dumasi and Himan. Section 4 focuses on mineral governance and community development in Golden Star Resources’ Bogoso/Prestea concession. It first discusses four levels of interaction, ranging from direct to more indirect interaction and encompassing the following activities: employment, subcontracting, socio-environmental externalities, resettlement, CSR interventions and distribution of mining rents. After that, it discusses three different modes of interaction: conflict and resistance, expectations and negotiations. Section 5 includes a preliminary note on hybrid governance in mining concessions. This will follow the basis for further research on the subject. Section 6 presents some recommendations for development interventions in the selected mining concessions, based on what interviewees have put forward. Section 7 briefly concludes.
2. Mineral governance in Ghana

Over the past three decades Ghana’s mining sector has witnessed considerable growth thanks to booming private investments. In the period 1983-2009 (since the start of structural adjustment reforms and liberalization) an estimated USD 10 billion has been invested in the sector, and it has become the highest gross foreign exchange earner, increasing from 15 % in mid-1980s to about 45 % in 2008 (Lawson and Bentil, 2014). According to data from the Government of Ghana (2010) the sector contributed about 7% of Ghana’s total corporate tax earnings, 12% of government revenue and an average 5.5 % of GDP from the year 2000 to 2008. In 2011 it contributed 38.3% of total corporate tax earnings, 27.6% of government revenue and 6% GDP. In 2012 and 2013, the contribution to GDP amounted to 8.8% and 7.9% respectively. According to the Minerals and Mining Act 703 (2006) companies should pay 3-6% of the value of gross minerals mined as royalties (Akabzaa, 2009: 40). In practice most companies paid 3% (Owusu-Koranteng, 2008: 469). Indeed, Akabzaa (2009: 41) notes that mining companies usually negotiate large fiscal concessions and tax reductions in the contracts they conclude with the government. Many have argued that the sector has great potential to generate taxes, growth and development, but the contribution to national development is hampered by “overbloated tax concessions and incentives to investors”, as Akabzaa (2009: 25) says. In 2012 the Parliament adopted a few changes in the fiscal regime (Ministry of Finance, 2014: 12), including a royalty set at 5% instead of 3-6% and a corporate tax at 35 instead of 25% (2015-02-17_B). But several incentives have also been maintained: holders of mineral rights are for example exempted from paying customs import duty on equipment and they may be exempted from paying income tax (idem). Moreover, mining companies are exempted for a range of taxes during their first five years of operation. For that reason, many companies change names and management every four or five years, while the shareholders remain the same (2015-02-12_C; 2015-02-17_B; 2015-03-12_AB). In order to prevent this, there should be more transparency on who the company shareholders are, reason for which Ghana has signed on to the Open Governance Partnership. Another problem with mining companies, so government representatives argue, is that some of them do ‘overpricing’: management declares excessively high production costs while the production and supply services are carried out by subcontracting companies that are owned by company managers, so they are in fact paying themselves, while the shareholders are not aware (2015-03-12_AB). Still, mining industry representatives complain that companies have to pay VAT on all inputs during exploration, which increases the risk (2015-03-11_A).

While previously there were still some underground mines in operation, almost all mines are now open pit mines, having a major impact on environment and land use (2015-03-11_A). Data from December 2009 show that 128 local and 51 foreign companies held prospecting/reconnaissance licenses, while 37 (foreign) companies held mining leases (Government of Ghana, 2010: 8). Many of those companies focus on gold exploration, for which global demand and prices were rising at that time but which has gone into crisis since global prices started to decline in 2013. Thus, although production levels still hold (gold production increased to 3,192,648 ounces in 2013 from 3,166,483 ounces in 2012; in 2013 Ghana

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1. Yet as Akabzaa (2009: 49) shows, much of this is retained in offshore accounts. For the year 2000, the gold sector accounted for 36.6% of total gross foreign exchange, but 27% was maintained in offshore accounts while only 9.5% was retained in Ghana.
2. For a complete list of rents and taxes defined in the Act 703, see Akabzaa, 2009: 42.
3. Ghanaian companies pay 10.000 GHS for a reconnaissance license; foreign companies 50.000 USD. For a prospecting license a Ghanaian pays 12.000 GHS; a foreign company 20.000 USD. There are incentives for Ghanaian companies, but so far none of them holds a mining lease (for production). When they want to go into production they sell to foreign companies because of lack of access to financial capital and markets (2015-03-12_AB).
was the 9th producer of gold worldwide, and the second largest in Africa), investments have gone
down and earnings from gold export have fallen by 13 per cent to US$ 3,192,648 in 2013 (Ministry of
Finance, 2014; Ghana Chamber of Mines, 2013). Moreover, mining companies are facing difficulties
these days because of the more general problem of shortages in energy supply in Ghana (2015-01-
11_A).

The link between mineral exploitation and development can be studied in many different ways. In the
words of Bebbington et al (2008: 887) this link is characterised by ‘contentiousness’ and ‘ambiguity’:
“Contentious because mining has so often delivered adverse social, environmental and economic
effects for the many, but significant gains only for the few; ambiguous because of the abiding sense
[...] that just maybe mining could contribute much more”. Indeed, revenues from mining have an
enormous potential to contribute to government budgets and may account for quite spectacular
economic growth. Yet there are also many examples of countries where a heavy reliance on mineral
resource exploitation has caused underdevelopment, as argued by the literature on the ‘resource
curse’. According to Owusu-Koranteng (2008: 468) large-scale mining is an ‘enclave’ activity which does
not only have few links with the local economy, but is “predatory on other sectors of the economy”.
In one of our interviews, a representative of the Minerals Commission is indeed pleading for
diversification and the creation of more linkages to other economic sectors (2015-03-11_B). In
addition, large-scale mining risks having disastrous social and environmental effects and cause
displacement. The latter may cause significant tensions between companies and host communities. In
this research we study the link between mining and community development in particular, by looking
at four levels of interaction and four modes of interaction. The levels of interaction range from direct
to more indirect interaction and encompass the following activities: employment, subcontracting,
socio-environmental externalities, resettlement, CSR interventions and distribution of mining rents.
The modes of interaction are the following: conflict and resistance, expectations and negotiations.

First, a very direct way in which companies and communities engage, is through employment. The
Ghana Minerals and Mining Regulations (2012) contain a few provisions on local content, stipulating
that companies have to give preference to Ghanaian nationals for employment. They also have to
submit a programme for recruitment and training of Ghanaians, they cannot hire expats for unskilled
labour and they have to give preference to materials and goods produced in Ghana (CCSI, 2014)4. Still,
employment is one of the major issues that comes up when discussing with community members
about the contribution of mining to development. Hopes and expectations in this matter are high, as
is disappointment when these expectations are not met. Indeed, the contribution of large-scale mining
to employment creation is limited as the capital-intensive and highly mechanized techniques of surface
mining - which is gradually replacing all other forms of industrial mining in Ghana – requires little
labour. Direct employment in large-scale mining decreased from 22,500 in 1995 to 14,300 in 2002,
despite impressive increases in foreign direct investments in the industry (Tibbett, 2009: 13).
Moreover, the jobs that are created – especially in the production phase – are qualified and high-skilled
jobs, which are often not accessible to local people. In 2012 the large-scale mining sector employed
17,103 people in total (of which 16,819 Ghanaians and 289 expats) (Ministry of Finance, 2014). This
represents less than 1% of the country’s total workforce and does not take into account the artisanal,
illegal ‘galamsey’ operators. The latter have been growing in number since the 1980s and have been
studied since 2002 by Gavin Hilson (2002a, 2002b, 2010) and colleagues (Hilson and Potter, 2003, 2005;
Hilson and Yakovleva, 2007; Banchirigah, 2008; Bush, 2009).

Second, local content also concerns subcontracting by referring to the amount of locally produced
materials, personnel, financing and goods and services mining companies should make use of. The
Minerals and Mining Regulations require companies to submit a procurement plan that includes

4 Unlike in the mining sector, where such provisions are integrated in the general Mining Regulations, in the
Petroleum sector there is a much more detailed Local Content Policy Framework.
targets and prospects for local procurement as well as “specific support to providers or suppliers as well as measures to develop the supply of local goods and services including broadening access to opportunities and technical and financial assistance” (CCSI, 2014).

Third, large-scale mining causes many social and environmental externalities that are directly felt by communities. These have been extensively discussed in the literature (see, for a start, Bebbington et al., 2008) and include water and air pollution, landslides en erosion, health impact, human and indigenous rights, child labour, bad working conditions, illegality, conflict and so on.

Fourth, in many cases local communities have to literally make way for industrial operations. Communities that are living on, or close to, the sites where companies plan production, are to be displaced. In most cases they are resettled in newly built resettlement sites and compensation packages are designed for them. Studies on ‘mining-induced displacement and resettlement’ have found that resettlement often has negative repercussions on local livelihoods as people lose their access to land as well as their livelihoods and social networks (Szablowski, 2007). Resettlement processes can be very long, starting with the company’s decision to relocate a particular number of households, continuing with negotiations between companies and communities, surveying of households, their buildings and assets, building of the resettlement site, and finally relocation. It is thus a very direct form of company-community interaction. Yet after resettlement, this relationship tends to weaken or even end, with poor follow-up of living conditions in the resettlement sites.

Fifth, we need to look at companies’ CSR, which consists of development interventions in the form of infrastructure (schools, hospitals, roads, water pumps, electricity etc), or training and alternative livelihoods programmes. In the face of weakened state capacity, Corporate Social Responsibility (CSR) has been heralded as the way in which negative environmental, social and human right effects can be mitigated. For companies it may provide a ‘social license to operate’. CSR can be defined as “a framework for formulating and implementing the expanded roles and responsibilities of the corporate sector to include incorporation of the expectations and needs of a wider community in the business model” (Campbell, 2012: 139). It attributes state-like responsibilities to private enterprises, but its actions are voluntary and take place over and above compliance with minimal legal requirements. Especially since the mid-1990s a vast ‘institutional infrastructure for CSR’ (Waddock, 2008) or a ‘transnational legal system’ (Szablowski, 2007) has emerged with a multitude of codes of conduct, standards and principles initiated by companies, civil society organisations and multilateral organisations. The Ghana Minerals Commission has issued guidelines for companies’ CSR in mining communities, drawing on “policies, codes and principles issued by industry (UN Global Compact and ICCM Sustainable Development Framework), governments, intergovernmental and non-governmental organizations, as well as suggestions from stakeholders (including stakeholder communities in mining areas) and the experience of industry personnel, scientists, social and environmental scientists, engineers, geologists and lawyers”5 (2015-03-11_B). These guidelines are organized along 10 themes: Corporate governance and ethics, Human rights, Workplace and labour standards, Health and safety, Environmental stewardship, Risk assessment and management, Material and supply chain stewardship, Community and social development, Stakeholder engagement, Compliance and reporting. For each theme, a number of principles and specific activities are set. Data from the Minerals Commission show that companies in Ghana intervene in a range of domains, the top 5 interventions being in roads, education, water health, alternative livelihood programmes (table 6 in annex). Companies in Ghana spend about 0.5-1% of profit after tax on CSR (Owusu-Koranteng, 2008: 469).

Such interventions are seen as a compensation for the social and environmental liabilities that come with large-scale mining, as companies’ moral obligation to ‘do something’ for surrounding communities, or as a way for them to gain a ‘social license to operate’. On the part of the communities,

there is often initial resistance against large-scale mining projects as companies are believed to encroach on community land, destroy farmland, cause displacement and pollute the environment. Sometimes they openly and violently resist the company. But at the same time expectations are high, most notably with respect to a company’s creation to local development and with respect to the creation of employment. Through CSR interventions, part of the community often turns to side with the company, while others (continue to) resist. This is a source of tensions in many communities, and it is important to study where exactly the divisions within communities lay, who is represented and who is or feels excluded. In other words, community responses are fragmented and may shift over time.

Sixth, we have to consider the Ghanaian system of mineral rent distribution. Interestingly, Ghana is one of the few African countries having developed and implemented “policies for redistributing a proportion of its mining wealth directly to communities. This decentralization of mining revenue is legislated as compensation for mining-affected communities; it is not a dividend or admission that citizens in mining areas have economic rights to mineral deposits (as is the case in some parts of South Africa)” (Standing and Hilson, 2013: 2). How does this system for redistribution work (Ministry of Finance, 2014)? Companies first of all pay a royalty on their mineral production (between 3 and 6% as mentioned above). This amount is paid to the Large Tax Unit of the Internal Revenue Service, which dispenses the money to the Consolidated Fund (idem). Out of this sum, 80% goes to general budget support for the government and 20% goes into the Mineral Development Fund, which has been set up in 1993. Half of this amount, so 10%, should be transferred to public and research institutes working on mining, for research and capacity-building. The other half, 10% of total royalties, is transferred on a quarterly basis to the Office of the Administrator of Stool Lands and is again dispensed according to the following formula:

- 10% covers administrative expenses of the Office of the Administrator of Stool Lands
- 25% goes to the stool/ chief
- 20% goes to the traditional authority
- 55% goes to the district assembly (for development projects as compensation for mine-associated costs)

The money that is transferred to the district assemblies serves, as has been said, to compensate communities for the negative externalities of mining activities. Yet the system has been criticized and is currently being revised. A representative of the community relations department of a large mining company we interviewed made a plea for more transparency and payment of the royalties at the decentralized level, without going through the central government. According to him, the government has not always released the funds:

“In my opinion the rules need to be reviewed to carve out more for local development and also introduce more transparency into the administration of the fund. And then also put more pressure, more power on the communities and the mining companies or the companies to demand... It is like this ok, the percentage that must go the localities in my opinion it should be paid here, it should be paid here is shouldn’t have to go to the state” (2015-02-19_A).

But the decentralized payments seem to be problematic as well.

In 2013 the Auditor General presented an audit report on the utilization of the Mining Development Fund by Metropolitan, Municipal and District Assemblies (MMDAs) to the Parliament. The report covered the period from 2004 to 2009 and included three districts: Tarkwa Nsuaem Municipal

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6 "Records at Minerals Commission show that a total of GH¢35.3 million accrued to MDF from 1998 to 2009" (Auditor General, 2013).
7 District assemblies administer towns, areas and zones: 1/3 of their members are appointed by President, 2/3 are democratically elected. The district chief executive (DCE) is appointed as well.
Assembly and Prestea-Huni Valley District Assembly in the Western Region and Obuasi Municipal Assembly in the Ashanti Region (Republic of Ghana, 2013). These particular Assemblies were sampled because “they host the four largest gold mining companies in the country in terms of concessions and also received a greater proportion of MDF” (Republic of Ghana, 2013: 3). Between 2004 and 2009 they received a total amount of GH¢6.74 million. The report is quite critical about how this money has been spent: “we found that MMDAs were not effectively applying the funds to mitigate the harmful effects of mining. In particular, MMDAs were neither carrying out effective studies to identify the harmful effects of mining nor applying the funds received solely on projects intended to mitigate the harmful effect of mining” (Republic of Ghana, 2013: i). While the Assemblies did try to identify community needs, no attempt was made to assess to which extent those could be attributed to mining, the report states (Republic of Ghana, 2013: iv). For the case of Prestea-Huni Valley, which will be discussed later, the Assembly had identified a series of needs that can be related to the harmful effects of mining (construction of fish ponds, skills training, sustainable land management, boreholes and wells with pumps, classrooms, toilets and slaughterhouse) as well as some projects that were not at all related to the costs of mining (construction of bungalows for Assembly staff, construction of office for DA, production of cadaster, motivational packages and training for revenues collectors (Republic of Ghana, 2013: 14). While the former projects had not been implemented yet at the time of the audit, the Assembly had spent GH¢ 2,067,064 on a cadastral map and the construction of DA staff bungalows (Republic of Ghana, 2013: 20).

The money that reverts to the stool and the traditional authority is destined for the maintenance of these institutions. It is important to understand that a stool is not merely a throne, nor an individual’s position. In the words of Standing and Hilson (2013), “it rather symbolizes the social unit: a family, shrine, state or confederation”. As one of our interviewees says:

“It is a thing, a symbol of the power of the whole community, but it is not a living thing. So the stool cannot talk, cannot do anything. It is only a symbol of the whole community. It has managers, let’s call them so. The top executive of the stool will be the chief. So a chief or queen is the head of the stool, of the whole community” (2015-02-06_B).

The chief thus receives 25% of the MDF money, as he is responsible for the stool:

“If the stool is summoned anywhere, he will have to go and represent. If there is a court case, he will go and represent [...] So with that 25% he does his personal upkeep and traditional rites. The chief is supposed to slaughter an animal. He cannot buy it from his personal estate. He has to buy it from the stool’s account. And he has to wear clothes, he wears a specific type of cloth because of his position. And those clothes are expensive. So even when he has to travel to a meeting, and the means of transportation is not provided, he has to pay it from that money. Because it is an official position he is occupying” (interview 2015-02-06_B).

About 80% of land in Ghana is controlled by stools. In principle chiefs act as custodians of the land, not as feudal land lords (Ubink, 2007; Valsecchi, 2007). But as their position has been acknowledged and legitimized by the Ghanaian constitution, chiefs are deriving a lot of power, as well as financial resources from their position as managers of the stool land. As Sara Berry (2013: 38) explains,

“Since Nkrumah’s fall from power in 1966, chiefs have played the allodial title card for all it’s worth, inserting themselves into the allocation of both rural and urban land, demanding (and getting) ‘tribute’ equivalent to the going market price of land in exchange for ratifying land transactions, and parlaying the resulting accumulation of wealth and influence into de facto social and political power. Led by the Asantehene, ‘traditional authorities’ in Ghana have convinced the World Bank and other international donors of their ability to bring government and development closer to ‘the people’, positioning their offices as conduits for development assistance and donor-backed programmes of administrative reform. With encouragement from donors, Ghanaian chiefs have provided inspiration for the revival of ‘traditional authority’ in other African countries, as well as a growing chorus of international enthusiasm for the democratic potential of ‘traditional’ authority and customary law.”
The institutions of chieftaincy have undergone changes. Chiefs are now more and more acting as ‘landlords’, converting farmland into residential land and displacing poor families from their land, as Ubink (2007) argues. Just like the selling of land, mining activities provide the chiefs with a (new) potential flow of financial resources through employment and contracting, resettlement projects, CSR and royalties. Moreover, Standing and Hilson (2013) claim that some traditional authorities get direct payments from companies, though figures are hard to come by.

Such unequal distribution of mining rents has created social conflicts within communities. Standing and Hilson (2013: 2) argue: “local institutions receiving the funds [MDF] lack accountability and there is insufficient clarity on what these funds should be spent on. In addition, the transfer of mining wealth to mining affected communities may also cause factionalism and distrust.” So ironically the money from the MDF seems to create more social conflicts and tensions (see also Lawson and Bentil, 2014) because of elite capture and embezzlement. Still, Standing and Hilson (2013: 8) add, “this is not simply a problem of chiefs being unaccountable for revenues. Perhaps more important is the risk that collusion between chiefs and companies works to the disadvantage of community interests.” In this research we pay special attention to the heterogeneity within communities and the extent to which mining companies engage with particular groups within the community, which risks leading to conflict and exclusion.
3. Research context

The research has taken place in a gold mining concession located in Ghana’s Western Region and currently owned by Golden Star Resources, a multinational company based in Toronto and listed on the New York and Toronto stock exchanges. Through its 90% owned subsidiary (the remaining 10% is owned by Ghana government), Golden Star Bogoso/Prestea Limited (GSBPL), Golden Star owns the Bogoso open pit mine (plus a gold ore processing facility with a capacity of 2.7 million tonnes of ore per year) and Prestea underground mine. They acquired the Bogoso concession and the associated infrastructure in 1999. Construction of the Bogoso Refractory Processing Plant commenced in 2005, and two years later the plant was commissioned. Golden Star’s production in 2013 was 145,000 ounces. In that year the company ranked 8th on the list of gold producing companies in Ghana, representing about 6% of total gold production in the country (Ghana Chamber of Mines, 2013). The estimated reserves in its concession amount to 2 million ounces. Prestea underground mine was acquired in 2002, but it has a much longer history.

Prestea underground has been operational since the 1890s, when it was exploited by several independent mining companies. In 1965 all these companies were fused into Prestea Goldfields Limited (PGL), which became a subsidiary of the State Gold Mining Corporation (SGMC). In face of declining production during the 1970s and 1980s, the government signed three agreements with the Johannesburg Consolidation Investment Group (JCI Barnex Group) between 1994 and 1996, including a mining lease agreement and an agreement handing over the management of Prestea underground to JCI Barnex (Hilson and Yakovleva, 2007: 103). However, in September 1998 JCI Barnex decided to close the underground operation due to declining gold prices. In reaction to this, SGMC employees formed Prestea Gold Resources (PGR) which was granted a permit to continue the underground operations. Nevertheless, in subsequent years the company accumulated major financial losses and was eventually forced to close down (2002). In March 2002 a joint venture was made between BGL, SGMC, the Ghana Mine Workers Union, the Ghana government and PGR to manage Prestea underground, with the agreement that BGL would pay for employee arrears, severance benefits and outstanding debts (idem: 104). However, Golden Star Resources, now majority shareholder in BGL, has not reopened Prestea underground until 2013 (official opening on 26 April, 2015-03-24_C). Currently they are doing maintainent works (2015-03-26_D2). This long inactivity created heavy tensions with galamsey and former employees of SGMC (Hilson and Yakovleva, 2007: 104). Moreover, Golden Star has never honoured a resettlement package that was negotiated by previous management, as Hilson and Yakovleva (2007: 104) say.

The first community we sampled is Dumasi, a community of about 1571 (according to company documents) to 4000 (according to community sources) inhabitants (2015-03-16_A) at 4 km from Bogoso town, the capital of Prestea-Huni Valley District. In 2007 Prestea-Huni Valley was carved out of the former Wassa West district (Ahwoi, 2010: 266). It featured in the audit report by the Auditor General on the utilization of the Mining Development Fund by Metropolitan, Municipal and District Assemblies (MMDAs), which showed that the district has received 0.39 and 0.82 GHc in mineral royalties in 2008 and 2009 respectively. Dumasi is cut in two by the main road connecting Tarkwa/Bogoso and Prestea. There is quite some heavy transport on the road, as well as taxis doing local transport. The road thus provides for some limited economic activity (food stalls mainly). Public

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10 The other two districts (TNMA and OMA) received 0.84 and 0.07 million GHc in 2009 (Republic of Ghana, 2013: 9).
infrastructure is basic, as are the buildings and houses. Dumasi was sampled because there is a resettlement process going on, which will be detailed later. It is not the first resettlement project by Golden Star; they resettled Anikoko village in 2009. But no other resettlements are planned at this time.

The second community we sampled is Himan, at a few kilometers from Prestea town and also situated in Prestea-Huni Valley District. Historically the town of Himan has been very important. The chief of Himan controlled a vast territory. Nowadays, the town of Himan is expanding - new neighbourhoods are being built and population increases and numbers about 14.000 (2015-03-26_B) - yet the outlook of it is still pretty rural and infrastructures are basic. The nearby town of Prestea has overtaken Himan economically and counts about 25.000 people (2015-02-12_F). Prestea evolved as an important economic center around Prestea underground mine: “Now Prestea has captured Himan! If we need anything we have to go to Prestea. But Prestea land is Himan!” (2015-02-13_A). The latter statement illustrates the frustration Himan people feel as they live in a town that was important in the past, but has now been neglected whereas Prestea Stool land still falls under the Himan Stool.

Bogoso and Prestea-Huni Valley District both fall under Wassa Fiase Traditional Area, where Osagyefo Dr. Kwamena Enimil VI is paramount chief or omahene (2015-03-26_D2). The chiefly hierarchy is such that there is one paramount chief who is head of the traditional area and president of the traditional council. He is also a member of the Regional House of Chiefs (Brempong and Pavanello, 2006). Under the paramount chief, there are divisional chiefs, who are heads of groups of villages and towns. They are members of the traditional council that operates at the level of the traditional area. Under the divisional chief, there are village chiefs or odikro. All chiefs are assisted by a council of elders, in which people assume specific functions such as tufohene (chief’s main adviser), okyeame (linguist or kind of spokesperson), gyasehene (who dresses the king for function), asafuakye (youth leader) and so on.

Previously there was one divisional chief for the whole area encompassing Bogoso, Prestea and Himan. He was based in Himan, traditionally the most important town and place where the palace stands. However, in the mid-nineties the Paramount Chief of Wassa Fiase “decided to divide this land and give land to that man in Bogoso” (2015-02-12_F). In other words, a new divisional chief was instituted, based in Bogoso. The other, Himan-based divisional chief still governs Prestea land, as well as about 10 to 12 village chiefs in the different surrounding villages. However, Golden Star’s offices, the plant and their main operations are situated on Bogoso land. As a consequence, Bogoso gets a much larger share of the royalties (idem). This is also visible in the figures the company itself reports in its CSR report (Golden Star, 2014). The figures reveal that its creation as a separate entity has been very beneficial for Bogoso, which raises questions concerning the interests and motivations behind this act. As will be demonstrated below, this is also a source of inter-community tension.

Table 1. Golden Star’s reporting on royalty payments

<table>
<thead>
<tr>
<th>Entity</th>
<th>Sub-entity</th>
<th>Amount in USD (2013)</th>
<th>Amount in USD (expected for 2012)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional authorities</td>
<td>Bogoso traditional authority</td>
<td>131,109</td>
<td>222,726</td>
</tr>
<tr>
<td></td>
<td>Himan traditional authority</td>
<td>4,190</td>
<td>5,545</td>
</tr>
<tr>
<td></td>
<td>Bogoso/Beppo traditional authority (not yet defined)</td>
<td>57,780</td>
<td>-</td>
</tr>
<tr>
<td>Stool lands</td>
<td>Adaamanso traditional authority</td>
<td>35,117</td>
<td>5,545</td>
</tr>
<tr>
<td>----------------------------</td>
<td>---------------------------------</td>
<td>--------</td>
<td>-------</td>
</tr>
<tr>
<td>Bogoso traditional authority</td>
<td>176,222</td>
<td>222,726</td>
<td></td>
</tr>
<tr>
<td>Himan traditional authority</td>
<td>6,698</td>
<td>5,545</td>
<td></td>
</tr>
<tr>
<td>Bogoso/Beppo traditional authority (not yet defined)</td>
<td>74,930</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Adaamanso traditional authority</td>
<td>47,354</td>
<td>5,545</td>
<td></td>
</tr>
<tr>
<td>District</td>
<td>Prestea-Huni Valley District Assembly</td>
<td>512,542</td>
<td>222,726</td>
</tr>
<tr>
<td>Amenfi East District Assembly</td>
<td>115,001</td>
<td>5,545</td>
<td></td>
</tr>
</tbody>
</table>

Source: Golden Star, 2014; 2013
Since the start of Golden Star’s operations in the Prestea and Bogoso area, company-community relations have been characterized by ambiguity and dynamism. This section discusses how the mining concessions is governed and what the governance outcomes are. It first studies four levels of interaction between companies and communities, starting from direct interaction through employment and subcontracting, over socio-environmental externalities and resettlement, to Corporate Social Responsibility interventions, and much more indirectly, the distribution of mining rents. Looking at the modes of interaction, not all of them are clearly distinguishable, but we can identify three modes that have partly succeeded each other in time and partly overlapped. The first mode can be characterized as conflict and resistance. This mode often prevails in the early stages of a mining project, when communities are faced with mining’s negative externalities but don’t see the benefits (yet). The issues that provoked most conflict and resistance, in our case studies, were pollution, blasting and access to land. Yet we have found that this resistance may coexist, or be preceded by or followed by (depending on the circumstances), with high expectations. Communities often have very high expectations from the company, especially with respect to employment opportunities and community development. When such expectations are met, this can improve company-community relations. Yet when they are not met, it may increase conflict and frustrations. A third mode we have distinguished, is negotiations. Companies often start engaging with communities in order to mitigate initial conflicts and maintain the social peace. Especially when decisions on resettlement or investment of development money need to be made, companies and communities start to negotiate. This process is characterized by inclusion as well as exclusion of certain groups, and may again produce as well as reduce conflict.

4.1. Levels of interaction

4.1.1. Employment

Employment was one of the major issues that came up during the interviews. As we have said, large-scale mining usually generates little direct employment, but companies do hire skilled labour for specialized positions as well as unskilled labour, often through subcontracting companies and for heavy duty jobs. Our interviewees first of all consider it to be positive that community members have been employed:

“They have also employed some of our members and that is a positive way of helping us” (2015-03-19_A).

“But the company has helped the people also to get jobs” (2015-02-14_B).

In 2009, Golden Star directly employed 2099 people, 1057 of which were based at Bogoso/Prestea and 97% of which were Ghanaians (Dashwood and Puplampu, 2010: 4). Following the acquisition of Prestea underground in 2002, GSR “put the unprofitable operation on care and maintenance, resulting in 1750 redundancies, which were completed with full severance” (Dashwood and Puplampu, 2010: 32). When they built their first tailing dam in 2005, the company decided to employ some people whose land they took (30 people according to one source). In this sense the job was a compensation for loss of land: “they gave them work in exchange for land” (2015-02-18_D; see also 2015-03-19_B; 2015-03-17_A; 2015-02-17_C; 2015-02-18_A). Yet in some group discussions there was considerable disagreement on the issue of employment. Some people were arguing that the company did employ community members, while others said they had not done any significant efforts (2015-03-20_A). Of course these judgements are relative and depend a lot on expectations – which we will talk about later – as well as on historical or comparative examples:
“When the company collapsed, the underground, formerly they were employing more men. But then it came back as a surface mining, you know, a surface mining it can only employ about 300 to 500. Himan has about 14,000 inhabitants, including children, Prestea is about 25,000, including children. And when you employ only 200 people, how do you expect the other people to work, to eat. Maybe they are not farmers, they can’t farm. Formerly the mines occupied about 6000 people, Prestea Goldmines. So at that time the town was hot, very hot! But then they closed down. [...] And you can’t employ everybody in the system. But at least a handful of people!” (2015-02-12_F).

Indeed, in many interviews it became clear that community expectations were high, but were not met (2015-03-25_A; 2015-03-25_B; 2015-02-12_B. These are just a few of the quotes pointing in that direction:

“They were supposed to bring employment but it is not so” (2015-03-18_A).
“We thought the introduction of a mining company into the community would bring a lot of job opportunities” (2015-03-18_B).
“Looking critically on the employment side and when you get the opportunity to go through what was negotiated on behalf of this community between the mining companies and our leaders, the company is not employing. [After they have had a meeting with community leaders] we will never see or hear any result from [them]” (2015-03-26_D2).

People emphasize that the unemployment is especially problematic for the youth (2015-03-17_A; 2015-03-17_B; 2015-03-23_A; 2015-03-25_A): “We have a lot of strong youth around but they are not employing us. We know some of us are not educated but you can give us the labourer work” (2015-03-19_B). There is a strong perception that the company does not want to employ local people and prefers to bring in people from outside, as numerous quotes demonstrate:

“I can say that sometimes it is ok, but at times no. What is not good, is the employment side. Sometimes the company comes here and brings me forms. They say that they need people, sometimes they need they need 10-20 people, and that I should give them names. I do the application and write the names. And then we wait for them to call these people for an interview, but we don’t hear back from them. They never call someone for an interview, they don’t do that. But they always come and notify them that they need workers so they ask them names. So therefore the good relationship does not really exist because of the failed promises” (2015-02-13_C and D).

“When people from this town go elsewhere looking for jobs they are not taken, simply because they come from Dumasi. The perception out there is that the people from this town are thieves so they won’t employ them. Meanwhile, that is not the case. Not every youth here is a thief” (2015-03-17_A).

“The company has been relying on foreigners and strangers who don’t come from this community meanwhile our youth are unemployed” (2015-03-17_B)

“When there is a vacancy at Goldenstar, people from the community are never considered. They will employ people from Accra and other parts of the country” (2015-03-18_A)

“Now they don’t employ our youth in their company and if you go there to require from them they will say they are uneducated so how can they employ them, even those who are educated, they say the youth in Dumasi are thieves so they cannot employ them. So they do employed people from Accra to come and work there hence, this has made the youth to become criminal example (thieve) because there are no money in the community” (2015-03-18_C)

“When they come and place advertisement on the notice, before you realized, it had been removed from there and they have gone for their individuals from Tema, Accra to come” (2015-03-23_A)

“What happens is that, before the letter will reach us showing they want to employ members from Himan community, they had already employed the kind of people they want” (2015-03-24_B).
“Even before the mining companies will issue out statement that they are going to employ and advertisement will have been made, some people from this community will be called to come for interview but before you realize they have already selected and employed their chosen people and they informed our people that they failed in the interview” (2015-03-26_D2).

“Well there is a particular policy that goes in favour of the community, which the company normally should fulfil, but when someone from this community qualifies to be employed as mechanical superintendent or mechanical supervisor, the company will not give that chance to the person; they will give that offer to an outsider” (2015-03-26_D2).

“They employed one of our brothers. He is now in school. We call him [R]. He was first working with the community department. He had an accident with the car. Because of the accident they sacked him. Meanwhile before him many people had had accidents with the car, but they are still working. Because he is coming from here they sacked him” (2015-02-12_C).

“Employment is a major problem we are facing over here. They give the cheaper jobs to the community. They don’t want to employ skilled people from this community, they just take them from Accra, Kumasi, Obuasi. But the labour work, they call people from the community and they just ask you to come today. It is on a contract basis. But we want permanent contracts for our people” (2015-02-14_A).

Interviewees even argue that community members are being trained, but still (deliberately) denied a job afterwards:

“Sometimes, they take people from the community to train them to help give them job opportunities but when the vacancies come, they take people from other part of the country leaving the community” (2015-03-18_A)

“Recently, the mine came to the community to train the youth, so that they can fit into any job vacancy in the company. But none of the people were given employment. The tools they gave to the trained people are under their beds; they don’t use them. The carpenters, masons and caterers are all at home, jobless. We thought they were being trained for employment in their company so that they will also get money to come and buy our stuff at the market” (2015-03-18_B)

These observations are confirmed by a local government representative:

“Then there is the issue of employment. Our people believe that the mining companies discriminate against them when it comes to employment. In the Ghanaian setting you have for example the Human Resource Manager who happens to come from Accra, Kumasi or any other region apart from that company where the mining is carried out, they tend to bring their own relatives and friends whenever there is a vacancy to come and occupy it. And this leaves most of the communities […] because most of the impacts they are experiencing it. And still you are taking people from outside” (2015-02-17_B).

A representative of the Minerals Commission concurs and claims that the main problem is not the fact that there is a lack of employment, but rather this perception of the communities “that the mining companies are deliberately denying them from getting employment. So they think that employment is available and they are denying them. When they see that other people from Accra or something are getting jobs in the company rather than them, so there is that perceptions that there are jobs and they won’t give it to them. So it comes form the promise at community entry, the promise they give and also not explaining to them that they need such and such skills” (2015-01-11_B). The latter observation, relating to promises and expectations, is very important and will be further discussed.

The company argues they cannot employ local people because they do not have the appropriate skills. For some community members this is not a convincing explanation, as they believe the company can train people to acquire the necessary skills (2015-03-24_A). Others say that local people do have the necessary skills and especially during recent years have been trained at universities and technical schools:
“Just security man is a problem. I don’t think a junior high school leaver can’t be a security man. [...] My friend once said, you don’t need a graduate to just open doors in your company. They will employ people from Accra and Takoradi while there are a lot of senior high school leavers here” (2015-03-26_A).

“Meanwhile, we have people who can do the job, if you come to my place you’ll find graduates, we even have people with master degrees. Because government cannot give jobs to everyone and we cannot go and steal” (2015-02-12_C).

“I can’t tell the reason why, but the only thing I know is, they are saying the community, something like, we don’t like schooling but right now, you can see that community, majority of them have completed S.S.S. and university but still we don’t any job” (2015-02-12_D).

The generalized unemployment in the communities is aggravated by the suspension of galamsey (artisanal mining) activities, which previously nourished the entire local economy and provided forward as well as backward linkages, as the following quotes demonstrate:

“At first, the galamsey used to make life easy here but now there are no jobs so life is difficult at present. Trading has become a problem because nobody is willing to buy your stuff. The youth are jobless. To send our children to school is also a headache because there is no money. At first, we used to go to our farms to get some cassava to eat and some to sell but now no one has money to buy our stuff. If you don’t have any educational background, you can’t be employed in the company; even if you have some education, not everyone is employed. We are suffering” (2015-03-18_B).

“We are suffering and our businesses are falling apart because people don’t buy our things. There are no jobs” (2015-03-18_B).

We have asked questions about the procedure of applying for a job at the company. First of all, job vacancies are communicated through different channels. A representative of the Community Relations Department says they communicate job offers on the radio (2015-02-18_C; 2015-03-24_C). There is also a community notice board where offers are posted (2015-03-11_B; 2015-03-24_C). Sometimes the community liaison officer (a representative of the Community Relations Department who is based in the community) does the first shortlisting, based on objectively verifiable indicators such as education and certificates (2015-03-24_C). When it concerns unskilled work, community members may apply and are selected at random: “we do it on ‘yes and no’ basis, we place some papers you come and try your luck and if you get yes, then we know that you have been employed, that is all that we do” (2015-02-18_C; see also 2015-03-20_B). Another interviewee adds that this method also brings about challenges, as you may pick somebody who is “not suitable in terms of physics”, or a woman who might be pregnant at that moment; “and once you pick, there is no way you can drop the person, there will a whole lot of fuss about it. And for instance if you go to pick somebody who is, excuse my language, physically is not strong. In a mining area you need that kind of physical strength” (2015-03-11_B). But there is also a perception that you can only access a job when you pay bribes or know somebody: “We have to pay bribes before you are employed by the company or you must have an insider to help you get the job” (2015-03-26_A).

Golden Star has adopted a specific local employment policy that stipulates that at least 80% of the unskilled labour that is hired, should be locals. Moreover, they shall adopt a policy to “provide preferential employment to community citizens when recruiting skilled workforce with the aim of increasing the percentage of community citizens in skilled employee bew recruitment to 40% within 5 years”. These percentages are also proportionally divided among the

11 Golden Star, Local employment agreement between Golden Star (Bogoso/Prestea) Limited and Bogoso/Prestea Mine Local Community, October 2012.

12 Golden Star, Local employment agreement between Golden Star (Bogoso/Prestea) Limited and Bogoso/Prestea Mine Local Community, October 2012: 5.
different communities of the catchment area. A company representative explains that legally speaking they cannot discriminate against non-locals; that is why the local content policy is only constraining in the case of unskilled labour (2015-02-19_A). What happens, is that applications are first sent to the chief, who has to confirm that the candidate is a community member and fill out a ‘validation form’ (2015-03-20_A). Some interviewees say that the assemblywoman and the youth representatives need to sign the form as well (2015-02-18_C); others say it needs to be signed by the chief, the assemblyman and the unit committee chairman (2015-02-13_C and D). According to the local content policy the signatures of the divisional chief, assemblymember and youth leader have to be present, and a validated photograph of the applicant needs to be attached to the validation form.

All this of course raises questions about how identity is defined, how do you define whether somebody is ‘from the community’ or not? Some argue that everyone who is born in the community or has married someone who was born in the community, can be ‘validated’ (2015-03-11_B). Others say it is a matter of having stayed in the community for at least 5 years (2015-02-13_C and D). Some interviewees state that a chief can decide that somebody is ‘from the community’, “if he likes the person” (2015-03-20_A). As the criteria don’t seem to be clear among our interviewees, this may create tensions:

“Yes it can. That is why most of the time they accuse the chiefs and the leaders that they bring in people, they don’t really accuse the mining company, they accuse their own leaders that they bring people from outside. Because the people, according to their definition, they were not living with them, they don’t know them. But maybe it is a nephew or a niece of the chief or an opinion leader. [...] So that one, yes, there is no clear definition of who is from the community. They will tell you if a person has stayed with us for 5 years and we are familiar with him, fine” (2015-03-11_B).

Still, the local content policy itself is quite clear on the matter and stipulates that a citizen of a community town shall be

“a) A person who hails from the community town.
b) A person whose father or mother hails from the community town.
c) A person who lives in the community town and has immovable property in the community town or its environs.
d) A person living in or outside the community town who is married to somebody hailing from the community town.
e) A person who was born in the community and has lived in the town for at least 20 cumulative years.”

Indeed, the preferential employment issue has created tensions in the community, which in Himan for example led to a major manifestation and violence in 2002. At some point community members heard that there were some vacancies, so “the youth rushed to the chief to pick them because they thought the chief might pick his own relatives” (2015-03-23_B). The chief asked the youth to meet him at the palace, and after a first discussion he asked them to come back at 4pm. When they got back by 4pm, the chief had left. Thinking that he had abandoned them and his responsibilities, the youth “started destroying the things in the palace” (idem). The district chief executive was informed about this and sent “some soldiers from BGL to control the situation” (idem). This even aggravated the tension; the youth manifested on the streets and in the confrontation, the police shot two people and wounded

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13 Golden Star, Local employment agreement between Golden Star (Bogoso/Prestea) Limited and Bogoso/Prestea Mine Local Community, October 2012: 8.
14 Golden Star, Local employment agreement between Golden Star (Bogoso/Prestea) Limited and Bogoso/Prestea Mine Local Community, October 2012: 7.
15 Local employment agreement between Golden Star (Bogoso/Prestea) Limited and Bogoso/Prestea Mine Local Community, October 2012: 6.
several others. As a reaction, there were further destructions and the DCE’s car was set on fire (idem). The chief had ran away and stayed in Prestea. After this incident, there was a period of violent repression by the army (idem). For a year they did not have a chief, until a new one was enstooled. He was succeeded by the current chief a few years later. Now people agree there is “peace in the community” (2015-03-23_B; see also 2015-03-24_A). This event is of course highly related to the points that are made above: there is a perception that outsiders are employed at the expense of community members, and that chiefs or local leaders are complicit in this. Some even accuse the company of employing people under false names (names of community members): “They will go and bring people, place the person and say: [village]. But if you go there to verify and ask the person who is said to be from [village] to mention the chief’s name, or even your family... they don’t know” (2015-02-12_C; see also 2015-03-20_A; 2015-02-13_C and D).

4.1.2. Subcontracting

Another way of directly dealing with the company, is through subcontracting. Subcontracting may encompass various activities, from drilling and blasting services, mineral exploration services, road maintenance and building contracts, over manual labour supply, to food supply and security guards.

For Dumasi resettlement site for example, 12 contractors have been selected (2015-02-18_D) out of a pool of 62 companies that applied for pre-qualification16. Three areas of subcontracting work (block molding, supply of sand and gravel, supply of building materials such as nails and iron rods) have been reserved exclusively for members of the Dumasi community, in line with Golden Star’s local content policy17. This policy furthermore stipulates that all subcontracting companies should have local promoters and hire at least 50% local labour. The subcontracting firms are thus bringing in the financial capital, while community members are acting as local promoters (they locally call them “sponsors”) and hence “get a small percentage of their profits” (2015-03-20_A). Yet the local promoters are most of the time members of the local elite, as a contractor from Accra explains:

“The elders will divide the contract among themselves. Some will provide the materials, some will provide workers like masons and labourers; the roofing sheets, boreholes and so many other things. That’s why I am saying if you go to the mines to look for a contract it will not be easy to get. Unless you come to the community to see the chief; the chief too cannot take decisions on his own so he will also consult the elders. They will all sit down and put the matter across. [...] The committee chairman and the assemblyman have to come in before they send the results to the mining company” (2015-02-18_E).

Community members say:

“The Negotiation and Monitoring Committee18, they have divided that among themselves. The chief and his elders were given one contract. The youth was given one contract. The women in the negotiation team was given one contract. We don’t know about the rest of the contracts. The leaders have shared it among themselves” (2015-03-20_B).

“Those who have the access, about 3 or 4 people have monopolized this, and they are taking it of course” (2015-02-09_B).

“A few people benefited from these contracts. This also doesn’t promote good relationship between the community and the company” (2015-03-19_B).

A farmers’ group for example has received a small contract for draining the river during the dry season, but they feel that the bigger contracts are being awarded to community leaders: “We have nothing to do with company except that, they rather impose whatever they feel on us. We don’t have any strength on them. Some of our leaders also, those who are so strong, are also siding with the company” (2015-

17 Local content policy agreement, 27 April 2012.
18 The Negotiation Committee negotiated the resettlement agreement, while the Monitoring Committee is overseeing the implementation of this agreement. We will come back to this.
Farmers may also be involved in food supply for company workers, as a representative at the Ministry of Mines suggests, but often this is not the case:

“What they even consume in their restaurants for the miners, the vegetables, the cabbage, whatever, they can just organize the local people to organize them. They go around and say: these are the standards, this is the quality, the water that you are using, we will test it. [...] So for me, for companies to create an impact in communities, they must also have experts who look around to identify the economy of the community, to see what can be put in place. And also look around within they themselves, what they can provide, their spending areas, what they can do to involve the communities. And I think that is how people can benefit from the existence of mining companies in their areas” (2015-03-12_AB).

The same respondent adds that there is a list of 8 consumables “that we have agreed with the mining companies and that they are buying locally” (2015-03-12_AB). According to the local content provisions in the Minerals and Mining Regulations, the Minerals Commission shall have a “local procurement list and specify in the list the goods and services [...] which shall be procured in Ghana” (CCSI, 2014). This point links up to the broader discussion on forward and backward linkages generated by large-scale mining. Indeed, there are opportunities for supplying and investing locally, and hence for diversification of the economy. As a representative of the Ministry of Mines says:

“So I was thinking that, my personal opinion, another good way was to say ok, the money we have on the ground, as gold, we bring the money to the top, the surface, how will we circulate that money? So I was thinking that if there could be mining companies who could establish banks, put money into those banks, make people going for loans, what type of business you have” (2015-03-12_AB).

But the problem is that such linkages often do not materialize because of company requirements (quality and quantity standards local companies cannot meet) or company preferences for imported goods. In any case there are many complaints about the employment conditions and irregular payment of salaries by subcontracting companies (2015-03-19_B). A representative of the Minerals Commission confirms that salaries are low and suggests that companies “negotiate the salary level with these contractors, so that the difference or the gap will not be too wide” (2015-03-11_B). Still, “it is good”, he says. “It opens up, you know, the employment structure, so that other people who had not gotten employment in the mine also get employment. So it’s an avenue for creating more jobs” (2015-03-11_B).

### 4.1.3 Socio-environmental externalities

Apart from the lack of employment, communities’ three main complaints are about pollution, blasting and a loss of access to land. First of all, most water streams have been affected by the mining activities, large-scale as well as galamsey (2015-03-18_A; 2015-03-18_B; 2015-03-18_C; 2015-03-19_A; 2015-03-20_C; 2015-03-25_B). In Dumasi there were major cyanide spills in October 2003 and June 2006 into the Ajoo stream, a tributary of Apepre river (Ghana Web, 2006; see Dashwood and Puplampu, 2010). These are the cases the following quotes are referring to:

“My husband had another wife and she visited the farm one day. She drank the water there without knowing that it was polluted by the mining company. Since then, all those who drank the water have been sick. We just buried her last three months. She coughed for several months and the matter is still pending in court” (2015-03-18_A).

“Myself and my child drunk some of the water. [...] Because of that every blessed day am sick, which has now contributed to cough, pains in the hands and the legs, rheumatism and all kinds of illness, which am now experiencing. It has been 8 years now and we haven’t paid” (2015-03-18_C).

After the spillage, the company decided to provide water tanks in Dumasi community. Since then, six big black polytanks, spread over the village, are filled with water every day (2015-03-20_A). This means
that the people are entirely dependent on the company to provide water for daily use. People complained that sometimes, for example, the water tankers break down, and they are also unsure about the treatment of the water (see also Danoucaras et al, 2014: 14). Although people acknowledge that such a major spill was exceptional (2015-03-20_A), there are still many complaints about the effects of pollution. A few of them are listed here:

“The chemicals produced by the company are killing us. Each time we visit the hospital, they tell us that the chemicals are making us sick” (2015-03-17_A).

“The Dumasi environment was very fine and good to live in before the company came. The reason why I am saying this is that, at first we had small streams around where we could catch fish and other aquatic organisms. We had the forest in which we could set traps to catch animal for food. As soon as they came, they stopped all those activities. Secondly, when you walk through the bushes, you can’t fetch any water to drink just because of the chemicals the mining company uses” (2015-03-18_A).

“They claim they protect the environment, but when you look at Prestea where the pit is, where they started mining, and where they are now, is it equal? Is it the same level? Was it the same place like God created it? Very different! The place where they used to work, you cannot plant cocoa there. It is only they have filled the hole. Even cassava, you cannot plant cassava for two times. Only the first season. And when they see that the EPA [Environmental Protection Agency] is after them, they say: we are going back to mine there” (2015-02-12_C).

“The most pressing [problem] is our river bodies. Bogoso Stool Land for example we have 6 or 7 water bodies that have been spoilt. So we don’t have proper water to drink. […] You see it when it’s raining and you collect the water from the rain, you put a basket over here, it will be black” (2015-02-14_A).

In their scoping study on participatory water monitoring, researchers from the Centre for Water in the Minerals Industry found that the surface water in the area is contaminated by artisanal mining activities, pesticides from farming and coliforms from a lack of sanitary facilities (Danoucaras et al, 2014: 3). Therefore both the company and communities rely on groundwater. The majority of water facilities are said to “flow adequately and regularly”, yet the communities require more facilities (idem: 13).

The second issue people complain about is the blasting. Dumasi is located next to a large mining pit, where blasting activities take place on a daily basis: “about every day at around 1:30pm and from 4pm to 5pm” (2015-02-18_B). The company did some effort to communicate about this. For example, there are notice boards along the road announcing at what time blasting will happen, and a ‘blasting committee’ that is supposed to diffuse the information has been created in the community (2015-02-18_C). Yet it is doubtful whether people really do the effort to go and look at the notice boards, and with respect to the committee, “they won’t inform the community” (2015-02-14_A).

We recorded numerous complaints about the noise, the dust and the cracks in the houses (2015-03-17_A; 2015-03-17_B; 2015-03-18_A; 2015-03-18_B; 2015-03-18_C; 2015-03-19_A; 2015-03-19_B; 2015-03-20_A; 2015-03-20_C; 2015-02-09_A). In Himan, where they also have experience with blasting when Prestea Underground was operational, they complain about the same effects (2015-03-25_B; 2015-03-26_A). Some of these quotes testify of the diverse effects the blasting generates:

“One day, the noise from the blast made me fall of my bed. (laughing)” (2015-03-17_A).
“Another problem facing the community is a disease called tuberculosis. Because of the blasting activities, the dust and smoke generated infects our people within the shortest possible time” (2015-03-18_A).

“When the time is about 2 o’clock to 3, just observe the impact of the blasting activities. This is a big problem. My house is now full of cracks. I am always frightened that the house will collapse on me. When they blast, the smoke is blown to the community. It is very dangerous to our health” (2015-03-19_B).

“Every day we feel the impact of the blasting in the community, there is no house without cracks here” 2015-03-20_C.

Some other less mentioned externalities are the following: accidents as people or children fall into mining pits that have not been refilled (2015-03-18_C), or into wide gutters (2015-03-18_A). A government representative also refers to problems resulting from in-migration in these areas (though in-migration was probably rather a result of galamsey), which put a lot of pressure on public facilities in overpopulated towns (2015-02-17_B). For Dumasi, the current reality seems to be the inverse: young men are leaving the village because of the upcoming resettlement and lack of work opportunities, while women and children are staying behind: “this place has turned into a cemetery” (2015-03-16_A). Someone else talks about a “skeleton community” consisting of old people and very small children (2015-02-12_A). People also talk about growing insecurity:

“Most of your youth are now thieves just because there are no jobs in the community. Crime is on the increase now. This makes us very security conscious. They even steal car batteries” (2015-03-17_A)

“It has lead to more crime, since people are not working it makes people to steal, stealing money and stealing other people plantain, cocoa and yam from their farms. The mines have really troubled us badly” (2015-03-17_B).

“Crime has increased rapidly in this community and if you mistakenly leaves your door opened, by the time you will realize it most of your things you had, would have been stolen long ago. The rate of crime has increased because of unemployment” (2015-03-17_C).

The third big issue people complain about, is the loss of access to land. Farming was, next to galamsey work, the most important livelihood activity for people in the area. Now many people have lost their farms, which has an impact on food security (2015-03-18_A). Farms outside the core exploitation area are being affected by heavy machinery (2015-03-24_B). Within the exploitation area, people have been displaced. This land was surveyed and mapped, and a compensation agreement was based on this (2015-02-18_B; 2015-03-18_C). Some people were given a job, as we have said. Others claim they have received a “white document” stating that they are entitled to a compensation, but they still have not received the money (2015-03-17_C). Still others claim they had to fight before the company wanted to compensate their land:

“My husband has a piece of land that is near the mine. It hasn’t been surveyed by the mine but the company has started working on it. They brought down the hamlets on the land and compensated the owners of the houses but the land hasn’t been compensated. This happened three years ago. They just brought machines to work on the land. The youth demonstrated against their action. The company called soldiers to control the situation but things were worsening so the Bogoso chief came in before an agreement was made to survey the land and pay off the owners” (2015-03-18_A).

With respect to the compensation rates, these are set annually by the company, in negotiation with the farmers’ committee of the catchment areas. Generally these rates are higher than those set by the Land Valuation Board (official government rates) (2015-02-19_A). A representative of the Minerals Commission explains that usually companies pay an evaluator, while communities have their own evaluator. They determine the compensation rates for every crop in agreement (2015-03-11_B).
Indeed, according to the law, any rights holder can file a claim for compensation. He may “engage the services of a qualified person for the purpose of assessing and determining the amount of compensation payable” (2.1) and “the holder of the mineral right shall on receipt of the compensation claim enter into negotiations with the claimant for the settlement of the amount of compensation” (2.2). For these negotiations a committee may be appointed, consisting of a qualified person representing each party, representatives of both parties as well as of the Land Valuation Board, and representatives of the traditional authorities and district assemblies (2.4).

Yet there are still issues with the company blocking access to people’s farms:

“If you are going to your farm by car, which will be easier to transport your harvested crops… when the car reaches their haulage access, the road will be blocked, unless the BGL security has given you a white document, a pass. What is worrying me is the land belong to us and they are doing all things to us” (2015-03-18_C).

“However, anyone who decides to go to the land and start farming there in order to get some food from there to feed the family, BGL will come and put a sign post there indicating ‘No farming’” (2015-03-24_B).

“A problem is access. There are some places, they have compensated them, but the land itself has not been compensated. So those farmers have access to their farm lands but some of the access points have been blocked by the company. And of course they don’t want to pay them. The company has tried to resolve that problem with the community but it is still pending” (2015-02-18_B).

“The roads used by the mining tracks or cars are prohibited to the community. About 5 or 6 miles from the town, we have our farms there. There is no way a car can go there. So when we get our produce from the farms, we carry them back here” (2015-03-18_A).

“On your way to Bogoso, you would find a lot of sign boards that say “No Farming”. This company would not give us work to do. It will not also allow us to farm so what do you expect the person to eat. This is a problem that worries most of farmers around” (2015-03-26_A).

At the time of our research, a woman who wanted to go to her farm but was arrested, attempted to resist. She claimed she had not been compensated yet, and that in the meantime she had the right to continue working on the farm. The assemblywoman went there to calm down the situation (2015-03-16_A). Finally, the loss of access does not only concern farmland, but also other natural resources people depended upon:

“Our economic activity is farming. And the people here rely on land. So when the mines came, they took all the lands. And then the indigenous became unemployed, especially the women. When the men get the compensation, they will try to go outside town and seek for another job, leaving the women and the children here. Many used to go to the bush, searching for snails, firewood, spices, and many many other things to feed themselves. And then now all this is lost because they have lost the land, they have lost the forest, land, streams and water” (2015-03-16_A).

4.1.4. Resettlement

The village of Dumasi will be resettled to a site at about 5 kilometres from the original village, near the main road that is leading from Bogoso to Kumasi, because Golden Star “identified the need to re-open and expand the existing Dumasi pit, which is adjacent to the Dumasi community.” This will imply the physical displacement of about 1696 structures from within 533 compounds. These will be compensated according to the main principle ‘buildings for buildings’ – only annexes and second or third houses of multiple house owners may be compensated in cash – at the ‘new Dumasi’

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21 Idem.
resettlement site\textsuperscript{22}. Many people believe they will be better off, because they will be further away from the mining operations. In this town they believe they have “no future” (2015-03-16_A). The following two quotes sum up the assumed advantages of the resettlement:

“It is good, for me I would say, [laughs], because here is very close to the mining site. In case of any danger it can disturb the community. As in the case of any cyanide spillage it will have far-reaching impact on the community. So you have to prevent this risk that maybe your farm is here and all that. If we are relocated to a different place I think it will help not to be with the sound and the noise and the vibrations and everything. I think it will be good to move them. I am comfortable” (2015-03-20_A).

“As for me, the resettlement has negative and positive sides. When you look at it, the positive sides outweigh the negative sides, as for me. When we are relocated, I think the vibrations as we have been experiencing, we are going to be spared from that, the numerous respiratory diseases. Now we have no access to drinking water, but over there, in the local content policy we drafted, we have made provisions for social amenities. Currently we don’t have a library in Dumasi. A library will be built for us. A computer lab will be built. A clinic will be built. Aside that, for those who are currently having mud structures or buildings built with wood, they are going to build solid blocks. So people are really going to benefit” (2015-03-20_A).

But resettlement is of course always a disturbing process: “If you resettle people, you have taken them away from their land, you have changed the environment (2015-02-12_A). The biggest concern is the uncertainty (2015-03-18_A; 2015-03-18_C; 2015-03-19_A; 2015-03-19_B; 2015-03-20_A; 2015-02-17_C; 2015-03-18_B; 2015-03-18_C; 2015-03-19_B; 2015-03-20_C; 2015-02-09_A). A resettlement agreement has been signed, an asset survey has been completed, and buildings are being constructed at the resettlement site. Still, people do not know when they will have to move because the company is facing some financial problems and had to revise its initial plans. They divided the community into 6 zones, which they would progressively resettle. They have now started with zone 1 which consists of 50 buildings, according to one source (2015-03-20_A). People say that “the rate at which they are working is very slow (2015-03-19_B; see also 2015-02-09_A). A local government representative specifies that this slow rate is due to “the financial crisis” (2015-03-16_A; see also 2015-03-20_A). Some elders worry that they will never see “the new Dumasi” (2015-03-20_B). A member of the resettlement committee acknowledges that they might have made a mistake in not fixing a timeline or deadline for the company to complete the resettlement process; they didn’t think about it at the time of the negotiations (2015-03-20_B):

“We also made a mistake during the negotiations. We allowed them to start the building on a certain date but we couldn’t agree on a timeline or when they are supposed to finish the project” (2015-03-20_B).

Yet in the meantime, a moratorium has been set on all buildings in the village. This means that at the time of the asset survey in 2009-2010, the company made clear that only the then state of the buildings (finished or unfinished) would be taken into account and that no constructions put up after the asset survey would be replaced at the new site (2015-03-18_A):

“So at that time they set the moratorium: nobody should build, cause they are going to resettle us. And they were never coming until the year that we started the negotiations. It is for that reason that even the youth was annoyed: how come that for about 10 years you ask us not to build. How do I develop my property? So they told us not to build. But the most important, and the sad thing, was that after they had given us this sanction not to build, when they started, I don’t know exactly how to put it, somebody who had a dwarf wall [half built wall] but you are telling me that I can’t build simply because you say that you are going to relocate us? After we had finished the negotiations they were taking pictures, going from house to house, taking pictures that this is what they are going to do, but we didn’t know” (2015-02-09_B).

\textsuperscript{22} Idem: 6.
The company argues – maybe rightly- that without this measure, people would have an incentive to start building in a chaotic way, or building unfinished structures, just to benefit from a replacement at the new site, whereas the company calculated its resettlement budget on the basis of the data gathered during the asset survey (2015-03-20_A). Yet in these villages, people are used to adding new structures to their homes whenever there is a need for it, and/or resources allow to do so. A need can arise, for example, when children come at an age at which they cannot share a room with their parents or brothers and sisters anymore. In this case, people used to add a room to their house, or build a new house to accommodate their grown-up children. In current Dumasi, doing so is a “waste of money” (2015-03-19_B). Complaints about this are frequent:

“At that time, I had a daughter who was 4 years; now she is about 14 years. I can’t stay with her in the same room as I used to. But the company is saying I should not build, so want should I do? The construction or work at the resettlement site is now on hold so we can predict that we still have about 10 years head before completion of the project. They are really cheating us” (2015-03-18_A).

“Since the company said we would be resettled about eight years ago, everything has stopped. If you continue to build, it is just a waste of money. We are still sleeping with our children in the same room” (2015-03-18_B).

“So if I’m having a child; assume you are my wife, and he here is my son. Can we be in the same room while we are having sex? So this is the problem we are facing. And they put sanctions on that you shouldn’t build. We have to make sure that we don’t do any creativity like building. And you see with the children, they are growing up for about 10 years, where should my children be? You are white, even when you give birth, you don’t want to sleep with your child, you are going to build a room for your child, if she is crying, you can care for her, is that not true? But how come that we... we are frustrated, you see” (2015-02-09_B).

This does not only mean that community members are discouraged to invest; local government refrains from investing as well (2015-03-16_A):

“I know that in other communities the D.A. is working very very hard. But in this community they cannot do anything because of the moratorium. You see that moratorium has been here from.. 2007, since 2007 there has not been any development here. [...] Well, still, there are some branch members from the political party that is ruling this country, some of them have said: we need development here! And that is how the NDC chairman for example has intervened and was still able to construct this market we have here. This structure you see over there. But I am certain that if it was not for the moratorium, the local government would have done a lot here” (2015-02-18_D).

“The company is treating us unfairly. They don’t allow even the Assembly to build. The Assembly used force to build a market for us. If you build on your own, the company wouldn’t add the building to the resettlement project” (2015-03-20_C).

The following quotes nicely sums up the different elements:

“Golden Star brought a consultant and went around the community, asking each and everyone about their house, the number of rooms in the house, the things you own in the house, how many people live with you et cetera. That was the survey that brought the moratorium. Now the problem is that at that time we have already capture the number of buildings and so it stays like that. But at that time the children may still have been sleeping with their mother, so what do you expect them to do now that they have grown up? Are they still going to sleep with their mother in the resettlement site? You see now, those above 18 are still living with their parents under the same roof. That is not normal. You see, we can build nothing here. Even a mud house we cannot build. Because the company also, they say that they have budgeted everything at that time, they have captured all the data and they cannot change the budget so it should stay like that. We cannot build here, unless they lift the moratorium, but they are not going to do that. So that is basically why the D.A. cannot do any development here. Well, still, there are some branch members from the political party that is ruling this country, some of them have said: we need development here! And that is how the NDC chairman for example
has intervened and was still able to construct this market we have here. This structure you see over there. But I am certain that if it was not for the moratorium, the local government would have done a lot here” (2015-02-18_D).

Negotiations about the resettlement agreement started in January 2011 and lasted until January 2013\(^\text{23}\). Various interest groups in Dumasi selected representatives to form the Dumasi Negotiations Team (DNT), a group of 33 people. DNT consisted of representatives of the elders, religious groups, traders, farmers, artisans, civil servants, youth, unit committee and Dumasi Oversight Committee. The latter was a body that has already represented the community in the very early stages and during the implementation of the asset survey. They consisted of what may be called ‘local elites’: assemblymember, businessmen, educated people, lawyers. The Paramount chief of Essikado/Sekondi, as a reliable and independent party, was chosen as a moderator. Apart from the Dumasi community, there were five company representatives from the Community Development Department and five representatives from the local government and regional regulatory agencies. Over the whole period, 25 working meetings were organized between DNT and Golden Star. The whole group together (with local government) formed the Dumasi Resettlement Negotiation Committee (DRNC) and held 5 broad forums.

The meetings were managed according to strict rules and procedures\(^\text{24}\). One former member says that the company had planned everything very well: “they gave us some charts. Dates, times, when to start and when to stop and what were supposed to be the outcomes. Minutes were taken after every meeting” (2015-02-09_B). The negotiation process was not easy because of conflicting interests and expectations. According to some sources, the youth did not agree on a lot of matters (2015-02-18_B). But eventually an agreement was signed:

“We know that as human beings moving from one place to the other place is not easy, so during the process it took us so many very long and so, during the negotiation at times we get here, one person will say this one I don’t understand, and it has to be delayed. You have to stand there till you resolve it. So that this is why it has kept long” (2015-02-18_C).

The Dumasi Resettlement Agreement was signed on 30 January 2013 and includes all the details on the compensation and entitlement packages (resettlement site, planning schemes, residential plots and structures, group and commercial property, communal structures, infrastructures, transportation and livelihoods restoration), implementation and monitoring and evaluation. After the signing of this agreement, every household was visited (the “individual sign-off phase”)\(^\text{25}\). Every household head had to sign that they agreed to move as well, and they had to choose a design for a new house. Almost all did, though not everybody (2015-02-09_B):

“When they finished the designs of the houses all the owners of the houses were asked to put their signature or to choose a structure; because they have made the allocations; everybody knows exactly where he is going to stay. So they have signed. But some have not signed […], about 8%” (2015-03-20_A).

In the group who has not signed, you find for example people who had an unfinished building structure at the time of the asset survey, which has now been completed, but for which they are not entitled to a replacement. However, the Resettlement Agreement includes very clear guidelines on how to compensate for uncompleted structures\(^\text{26}\). Still, when evaluating the whole process, a company representative says it was a success:

“I can say that with the resettlement project I have had the opportunity to work in the team, we had very minimal - if at all - conflicts with the process and everything, it could be delayed or it could be some few ... but generally we never forced anybody to go. It was a negotiated

\(^{23}\) Dumasi Resettlement Agreement, 30 January 2013.

\(^{24}\) Dumasi Resettlement Negotiation Forum, Guiding Principles, rules and procedures, March 2011.

\(^{25}\) Dumasi Resettlement Agreement, 30 January 2013: 15.

\(^{26}\) Dumasi Resettlement Agreement, 30 January 2013: 11.
agreement, with the resettlement agreement that was signed and implemented in accordance with the agreement and it made it easier for people to move into the resettlement village” (2015-02-19_A).

With respect to the resettlement site, it is situated on the road between Bogoso and Kumasi, while current Dumasi is on the road between Bogoso and Prestea. Three sites were considered to be eligible, among which the community chose site 2, situated on the Bogoso-Kumasi commercial road, south of the road at about 3km from Bogoso town. It has a size of 100ha and has been demarcated in the cadastral map\(^{27}\). The company has bought the land and the people who were living there have been compensated (2015-02-09_A; 2015-02-18_D).\(^{28}\) It is currently under construction, but the design foresees neat rows of houses as well as a new community center, a commercial area, market, schools, chief’s palace, sacred sites, electricity, water\(^{29}\). Mechanized water boreholes, distribution lines and stand pipes will be provided, for example, but people will need to pay for it. This is not unusual in the context of Ghana, yet people are worried: “how am I going to pay for my water bills, if I lose my land on which I was farming and if I have no job?” (2015-02-18_D). A major concern is indeed the loss of farmland (2015-03-20_A). There is no farmland near the new site and people are supposed to continue coming to old Dumasi to work on their farms. That is why the company foresees in a small compensation for transport for every household (2015-03-20_A): “What the company told us was, they are going to give each household a transportation of GH₵ 1500 [400 USD, according to the Dumasi Resettlement Agreement each household will receive a lump sum of 600 USD]. And after that the people will cater for their own transport for the rest of their lives” (2015-02-18_B). But the loss of farmland is worrying people, as the following quotes show:

“We also need more land for our future generations, because our children, when they grow up, where are they going to live and farm? You see those who are on the committee will not talk about it, but it is a big problem we will be facing. You see everything we have comes from farming. My mother was a farmer, I went to school, all through the farming. My sister is even at university now, University of Ghana Legon, and that is thanks to the farming. Everything depends on farming! So you cannot resettle us without giving us land to farm on” (2015-02-18_D).

“From here to the resettlement site, it is very far. I have heard that there would be a new road between that site and this one, but is Golden Star going to give the people transport? I don’t think they will give them transport. So it will be difficult for us to come to our farms. And the walking distance you see, it is also too far. Someone will leave the resettlement site in the morning to come to his farm, walk for 4 or 5 hours and when he arrives, he will be too tired to work and already has to walk back. I really think that when we go there we are going to face economic hardship, because we will not be able to work on our farms anymore. So how are we going to eat? And if I have no work either, how am I going to eat?” (2015-02-18_D).

“To me, I am suggesting that if the company can provide us with cars to our various farms, I think it will be a great service to us. If only the company will help us in such a manner then we will be very happy because from where our farms are to the resettlement site is a very walking distance and walking from there to here is a tedious task” (2015-03-17_C).

A document entitled “Response to Dumasu community concerns on site selection for Dumasi resettlement” illustrates that these are major concerns: will farms remain accessible; will transport be provided; won’t the ongoing blasting continue to affect new Dumasi as North pit is only 1.8km away; won’t the traditional chief lose influence as they move to the land of another stool; how to prevent

\(^{27}\) Dumasi Resettlement Agreement. Appendix 2. Selection of Dumasi Resettlement site, 30 January 2013: 3.

\(^{28}\) Dumasi Resettlement Agreement, 30 January 2013: 9.

\(^{29}\) Dumasi Resettlement Agreement, 30 January 2013: 13.
conflicts with communities they will share boundaries with; will the land area at new Dumasi (100ha) be sufficient to accommodate the fast growing Dumasi population  

4.1.5. CSR interventions

As was said before, CSR is the catch-all term for the roles and responsibilities companies take up to include community expectations and needs (Campbell, 2012). Our interviews suggest that CSR can be done for a number of reasons: out of a concern to minimize social tensions or to keep social peace; out of a genuine concern for community development, or out of a moral responsibility to compensate for the negative effects of mining. All three elements are present in the following quotes: the first one by a representative of the Ghana Chamber of Mines (private sector), the second one by a representative at the Ministry of Mines.

“It works both ways, because if the conflict is because the community needs a road, they want the government to fix the road and the road is not fixed. There is agitation in your backyard. You can decide: for this year, my responsibility will be to fix the road. Then you are reducing potential tensions. But in another case, even when they are not shouting for the road you can decide that, as a citizen of this area, we help them to develop them, we can pay teachers. Also just for the goodwill. So sometimes you do it because it will lead to conflict if it is not done. Sometimes you do it because it is your fault. For example if you disturb the community’s water, and you provide water, it is not CSR. That is obligatory. But when you have met all your obligations and you haven’t disturbed the water, you haven’t done anything, but you know it’s a problem and it’s not being fixed by central government, and you think you have the expertise and the machines, you can go and fix it, as a CSR, Because you only use time and money and resources to fix it. Sometimes communities say we want A, B, C and D, and the government is not helping us, so what are you going to help us with? And you do that. So it is self-interest, but also goodwill” (2015-03-11_A).

“I see [CSR], one, as a form of peaceful coexistence. Two, I also see it as: you are with the people, you must be concerned with their conditions. So mining is to improve the lives of the people. [...] So it is not just giving something as a payment or compensation for the inconvenience. But it is also something that they try to improve the conditions of the people, exist with them peacefully. It is also a way of increasing output because if you don’t do that and live peacefully with the communities, if the communities cause a problem and mining comes to a standstill, what about the loss in production, that’s not a joke for a mining company! So it’s a way of making sure that the mining production is continuous” (2015-03-12_AB).

A representative of Golden Star’s community relations department explains that in the beginning CSR interventions were ad hoc, annually determined in function of the available budget and supply-led, “with Golden Star as an external supply agent looking into a community and saying: oh, we think they need light, then we will go and give them” (2015-02-19_A). They did projects in different alternative livelihood activities such as poultry, soap making, pastries, silk culture, fish ponds and oil palm, and found out that none of them, except for the oil palm project, were sustainable. As one interviewee says: “How can you expect the people who have seen gold, and you advise them to become a grass cutter!? It is not possible!” (2015-02-12_F). The company thus learned that communities had to be more involved in planning the projects (idem).

As has been said, people’s expectations are shaped by historical examples. This is clear in the case of Himan/Prestea, where gold mining started in 1929 and Ankobra Hydropower Station supplied electricity to the community as from 1948, as one of the first towns in Ghana (2015-02-12_F; 2015-03-24_A; 2015-03-26_D2; 2015-02-13_Fieldnotes). When Prestea underground mine was still operational, “the whole Prestea, Himan and Bodie were not paying electricity bills. The mine was paying for the

townships. They had buses that took students to school and back. The Prestea mine built our night market” (2015-03-23_B). But people are complaining that development has come to a standstill:

“At first when you tell a friend that you are going to Prestea Dumasi, for people used to call it a small Europe, because when you reach at this place you your self will realized that the town was in a very good shape but now things have changed drastically. [...] So now if you come from different region to pay your trade here in Dumasi then you are coming to face bigger problems, it could be better if you had stayed in your region. Maybe it could happen that even what you were trading at your region were better than coming to this place to work, as for us we are suffering” (2015-03-17_B).

Currently the two companies present in Himan/Prestea are Golden Star and Sankofa Gold. Golden Star has provided a mechanized pump for the water bore holes (five boreholes, one of which is a mechanized borehole with overhead storage tank provided by Golden Star, Danoucaras et al, 2014; 2015-03-24_A; 2015-03-25_B; 2015-03-25_B), a community center, an ICT center (2015-03-23_A; 2015-03-25_A; 2015-03-18_B; 2015-02-18_D; 2015-03-17_B; 2015-03-26_D2; 2015-02-12_D) and they have helped with the repairation of the road (2015-02-12_A). The ICT center however is an empty building: the material was never delivered and the centre was never operational: “It is termed as a white elephant” (2015-03-26_A). Golden Star also engages in malaria prevention, a local health worker says (2015-03-26_B). Moreover, the company grants scholarships to promising students (2015-02-17_A; 2015-02-18_B;) and has organized trainings for youth in masonry, electricity, carpentry etc. (2015-02-17_C).

Sankofa Gold is a subsidiary of Ghana National Petroleum Corporation (GNPC) that buys residue from galamsey miners to process. They have been accused of buying from illegal operations (Graphic Online, 2013) but continue operating. According to our interviewees Sankofa has built a library for Prestec Secondary School (2015-03-23_A), they have engaged in some repairing of the road (2015-03-24_B), and provided some material for Prestea hospital (2015-03-26_A). Apart from these two companies, a small scale mining entrepreneur has also invested in public infrastructure, constructing and rehabilitating some roads in Himan (2015-03-23_B).

In Dumasi, Golden Star installed the polytanks for water provision after the cyanide leak: one of the tanks is filled with water from a borehole, the others are filled with water from the tanker sent by Golden Star (2015-03-20_A; Danoucaras et al, 2014). The company also rehabilitated a public school (2015-03-20_A). As has been said, the palm oil plantation (Golden Star Oil Palm Plantation or GSOPP), established in 2006, is considered to be a success. The plantation of a few hundred hectares (964ha for the Bogoso and Wassa plantation together) has been subdivided into 4ha and further into 10 acre plots. Community members jointly propose experienced farmers to be in charge of a plot, and local labour is hired to cultivate those. Part of the profits generated by the company is reinvested to acquire more land to accommodate other farmers. The company also plans to buy a mill that can process the palm nuts in order to add more value before they sell (2015-02-19_A).

But CSR interventions also reach out beyond the immediately affected areas to the whole ‘catchment area’. This includes the town of Prestea, where Golden Star has rehabilitated the police station and the post office (2015-02-13_E), as well as Bogoso town, which was small at first, “but since Golden Star has a presence there, it has extended and become a real town, it has become big” (2015-02-13_E).

Golden Star’s development interventions are funded by the Development Foundation which was established in 2006. The agreement on the Development Foundation has been signed on 31 October 2012 between Golden Star and representatives of all communities in the catchment area31. It is managed by a Board of Trustees composed by five members: a chairman and two members nominated

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31 Agreement between Golden Star (Bogoso/Prestea) Limited and Bogoso/Prestea Mine Local Community on Golden Star Bogoso/Prestea Development Foundation, 31 October 2012.
by the company, the Community Affairs and Sustainable Development Manager of Golden Star and two members nominated by the community (2015-02-19_A). The submission and approval of projects is regulated as follows: Community Consultative Committees can conduct scoping studies to assess the needs of their communities. On the basis of these studies they may select and prioritise project proposals to the Community/Mine Consultative Committee (CMCC) (2015-02-14_A; 2015-02-18_D). The CMCC shall in turn nominate projects to the Foundation. Projects are approved or declined on the basis of various criteria: in the first place relevance and impact in terms of sustainable development, but there is also a distribution key between the different communities that takes into account population size, surface area, degree of impact of mining activities and even “commitment” to the goals of this Agreement (2015-03-26_D2). The Development Foundation is financed by 1 USD for every ounce of gold sold by Golden Star (2015-03-11_A; 2015-03-26_D2), as well as 0,1% of net pre-tax profits. The agreement also stipulates that contractors may make donations to the Foundation, but are not required to do so. One community member makes the comment that he does not know whether any money has already been deposited in the Development Foundation, nor is he aware of who is managing it (2015-02-18_A).

4.1.6. Distribution of mining rents

At the next level of interaction we are looking at the national system for royalty distribution, which was explained earlier. 55% of it goes to the district assemblies, who decide themselves on how the money will be spent. As an assemblyman explains:

“When the money comes then we sit down with the staff and decide on how to divide the money among the electoral areas like Prestea-Huni Valley constituency and we give the money to the contractors undertaking the projects. As an assemblyman, if I am lucky and my electoral area is elected, then I will be monitoring the project” (2015-02-12_A).

According to one local chief, the DA is not transparent about how the money is spent; it “follows the orders from the central government: do this, do that. So the community they don’t see what benefits they get from the mineral royalties. So they think that the chief collected the money and then just ate the money but that is not true” (2015-02-12_A). Indeed, there are concerns about transparency:

“The district assembly. If you look at the royalties, the 55% that should go to the DA, we don’t know what that is used for! They don’t give information or emphasis to the community about what they are spending it on. They are not accountable, there is no transparency for that. So that is the other side” (2015-02-10).

Part of the royalties goes to the traditional council and the chief. A local chief says that since 2012 this money has not come regularly and there are quite some delays (2015-02-14_A). He also explains what they are supposed to use it for:

“That money, we have to use it to pay some of the royal members, the chief needs it to buy clothes, something that you wear, I mean for all the stool regalia, that money is meant for that. That money is not for the community, it is for the chief himself to make himself proper, when he goes out, when he sit, so that everybody sees that the chief is... [makes a gesture] ehee. And that money is also used to host some people in your palace, that give you water, that give you drinks etc” (2015-02-14_A).

One of the elders explains that the royalties trickle down from the central to the local level, through the paramount chief, who takes his part and sends the remainder to the divisional and village chiefs. He says the Omahene used to come every three months, but lately he only comes once a year (2015-02-11_C). A former unit committee member in Himan explains that when the money was paid to the

33 Idem: 8.
divisional chief, this was announced to the whole community and the chief distributed the money to the different family heads, while putting something aside for community development (to be managed by the unit committee) (2015-02-12_F). Yet since the dispute in Himan, he argues, this has come to an end. Another source confirms that the process used to be more transparent in the past. Now, he says, it takes place

“behind closed doors. You only hear: eh, the chief had about 40,000 Ghana Cedis. And the chief will come out and say: hey I have constructed this gutter. When you are going to Ankobra, you know there are two gutters that have been constructed by the chief. So I went to him and said: that’s not your job! Appoint people, we have the committee here, the assemblyman is here, give them the money and tell them this is where I have got the money from. All the money will be released. Instead of standing in front of the street, picking up a shovel... So that has been the system here right now” (2015-02-12_F).

Indeed, it appears that most community members are not aware of how the royalties are paid (neither those going to the DA, nor those going to the chiefs), let alone how they are spent:

“We don’t know how much they companies are paying. We used to hear that the mining companies pay royalties but as to where it goes and how much comes, we don’t know” (2015-03-25_B).

Even some assemblymen themselves do not appear to know what this money is used for (2015-02-10). As has already become clear, part of the money in Bogoso has been used for building a new office for the DA, which now stands a bit isolated on top of a small hill near the main road. Brand new bungalows for senior staff members are surrounding the office (2015-02-12_C; 2015-02-17_Fieldnotes). Although this fact has been extensively criticized in the abovementioned report of the Auditor General, a local government representative we interviewed is proud of it:

“If you look at the development that has taken place during this short period as compared to other older districts, you will notice we have moved ahead of them all because of the mining activities. We get royalties from the companies which are used in building schools; this edifice we are sitting in was also got from the royalties. Other older districts are still housed in small buildings. There are also new bungalows for our staff built recently” (2015-02-17_A).

A representative at the Ministry of Mines says that unfortunately there were no guidelines and no follow up as to how this money was spent, with the known results. Now guidelines have been developed and the Administrator of Stool Lands will follow up closely (2015-03-12_AB). This entails a tighter central control. However, some company representatives seem to ask exactly the opposite: they are pleading for a direct payment of the royalties at community level, not passing through the central state level because that is where part of the money “sticks” (2015-02-19_A). The representative of Ghana Chamber of Mines also argues in favour of increasing the share for local communities, but he says the responsibility should be left to the government. Second, he pleads for stricter guidelines on the use of the money:

“So you cannot use the royalties for whatever expenses you want, you cannot use the royalties to pay salaries, you should not use royalties to do waste management or pay your bills. You should tie the royalties to projects, if it is in water and sanitation, or health, education or roads, then you can see the visible impact of the royalties” (2015-03-11_A).

4.2. Modes of interaction

4.2.1 Conflict and resistance

In Ghana there is a strong anti-mining movement, spearheaded by local activists and NGOs. A company representative complains about “the cropping up of anti-mining NGOs”: “They want to put more emphasis of the negative aspects of mining and they always try to ignore the positive aspects because they have an agenda” (2015-02-19_A). The same company representative is accusing these NGOs of wanting to create problems, not solutions. He argues that mining companies, through their CSR
programmes, come up with solutions and draws upon his own experience as a former NGO staff member:

“When I was working with the NGO I experienced that we were just blankly condemning mining and for me I saw the situation as trying to scare off the wild animal by making noise ‘eeeeiiieee’ and then the animal will become confused and doesn’t even know which direction it is going. So I saw the NGO workers just being too noisy to confuse the mines, and I thought that approach is not entirely what I stand for. [...] I saw that the NGOs were being hypocritical because they were always looking for funding but they were not funded. The mines have funds, so instead of sitting there so listen guys you have the money there and you are wasting it, you are not hitting the right target, you are just doing it wrong, we believe we can even do it right with even less than what you spend” (2015-02-19_A).

According to a representative of the Ghana Chamber of Mines, those anti-mining sentiments were stronger in the past, but now, people have come to realize that it is better to cooperate:

“Initially it was like: when there is mining, everybody will die. And we had some NGOs also championing those causes. They tried to tell the communities to reject mining, which was not helpful, because Ghana depends on mining. And so some of the anti-mining lobbies who came from other countries, from other places, and tell people to be against mining companies. Meanwhile in their own countries they have mining companies! So they went to the communities showing some studies that showed that mining pollution is killing people and the community got apprehensive about drinking water, about all those things. I know that mining has an impact on water and everything, just like construction has an impact on water, just like agriculture has an impact on water. But how do we manage those impacts? So now people are beginning to understand that there is life after mining. And so now the apprehension is going down. It has improved. I won’t say it’s 100% but there is more willingness to understand, to negotiate [...] Initially it was like: hey don’t allow them to come in here. When they come here they’ll destroy all your land, you’ll have no food to eat! They said that after 5 or 10 years there would be no food to eat, everything will die. But now we are 10 years, it is still there! And nobody is dying. Nobody is getting all the lung cancers and the skin cancers and all the babies dying.. nothing is happening. Because one, mining companies are more diligent, more regulated, there is more engagement” (2015-03-11_A).

Indeed, more and more NGOs are partnering up with companies for the implementation of development projects. In the words of the Ghana Chamber of Mines, “the anti-mining NGOs have changed and now the NGOs are looking for a win-win situation” (2015-03-11_A). The Minerals Commission also pays special attention to potential conflict triggers and has hired a social scientist whose task it is to follow up on these and intervene if conflicts risk to erupt (2015-03-11_B).

Also in the case of Golden Star, the conflicts and tense relations that characterized company-community relations in the beginning (early 2000s) have slowly evolved (see also Dashwood and Puplampu, 2010: 34). After an internal review of community relations practices the company decided to adopt CSR and sustainability as key concerns. The CSR policy is steered from the level of top executive leadership: “the company took Board level decisions for its management to be more directly involved with the communities where it has operations” (idem). Moreover a specific Community Relations Department was created in Bogoso in 2005. In 2007 they also started releasing annual sustainability reports (Dashwood and Puplampu, 2010: 34).

Still we came across several incidences of (violent) confrontation during our research. A first instance is when people are denied access to their farms (2015-02-17_A; 2015-03-23_B), as the following two testimonies show:

“Even as you hold your cutlass cutting some firewood from your farm then the white men from BGL will send their security force to come and arrest you, yesterday we were working on our farm BGL company sent their security to stop us because where we are working doesn’t belong to us is for them, meanwhile, there hasn’t been any work in the community and if we try to do
our little work then they will command their soldiers to catch us and if they were able to catch them straight they send them to jail” (2015-03-18_C).

“Let’s assume that you are not a bad person, just put on your garment and put your cutlass in your armpit then let decide to walk on BGL road, do you know what will happen? Within some seconds soldiers from BGL will come and arrest you, simply they don’t know you and even if you identify yourself to them that you are from Himan and you want to go there to take your things” (2015-03-23_A).

A second instance is when galamsey are illegally working in the concession (2015-02-17_A; 2015-02-17_B; see Dashwood and Puplampu, 2010). At several occasions the company has destroyed galamsey equipment (2015-03-25_B). Once they came to disturb the activities in a place that had been given to the galamsey by the chief and the elders (2015-03-19_B), while the former often invest a lot of money in their pits (2015-02-12_C; 2015-03-18_C; 2015-03-26_A). There is a lot of uncertainty for these galamsey, because during some periods the company seems to tolerate the galamsey, while at other times they feel the urge to chase them out with the help of their security guards or the military (2015-03-25_B). Galamsey are asking for permission to work on parts of the land that have been abandoned by the company, but “if you try to go there right now, they will call in soldiers to attack us. […] Oh, they hate us for no reason” (2015-03-25_A). There have been demonstrations that ended in shooting (2015-02-12_C). And according to some sources, the company can already arrest you if they only suspect you are a galamsey miner:

“A: But since Golden Star came here. There is this footwear that we call Kayas [points at his shoes], some time ago, if you would wear Kayas they would arrest you.
B: If you come on their property?
A: No! Even here, in this community, if you wear that Kayas, they need to come after him.
B: I don’t understand.
A: We have this footwear we used to wear for going to galamsey work. If they would see you wear it, they catch you.
C: And you know galamsey is not a criminal job” (2015-02-12_C).

The repression against galamsey activities actually fits within a nation-wide strategy and sensitization campaign that highlights the environmental and social destructive effects of galamsey activities (Hilson and Yakovleva, 2007; Hilson et al, 2007). The government has set a taskforce in place to drive galamsey miners out of their sites. Yet a representative of the Minerals Commission acknowledges that this is very difficult to put into practice:

“Now we have put a taskforce in place. But it is also very expensive to run this taskforce. Keeping soldiers and police at the districts too. [fight the galamsey …] It is an unsustainable activity. The country doesn’t have money to keep them there for so long. So they go and leave there, by the time they [taskforce] leave there they [galamsey] are back to work. And you know there is a lot of mistrust in the system, to the extent that the taskforce itself, you cannot trust them. Because of they are going somewhere, they have their people to warn that the taskforce is coming. So they relocate. By the time you get there, there is nobody. When they leave, they come back. But at least the Minerals Commission, according to law, we are positioned in such a way that we are able to regulate the small-scale activities, which we license” (2015-03-11_B).

But such conflicts do not only emerge as direct confrontations between the company and the community. Indirectly, the presence of the company – and the financial and material opportunities that come with it – may also create intra-community conflict. In the case of Himan, tensions built up
in 2002 around the issue of employment, up to the point where “the youth channeled our anger through our chief and elders” (2015-03-25_B). The tensions got out of control when soldiers intervened and two young community members were shot (2015-02-12_E). Here is a summary account of what happened, which has been confirmed by others (2015-03-25_B; 2015-03-23_B; 2015-03-24_A, see also section 4.1.1):

“So let’s say that was Wednesday when they went to the Palace and told the chief that they have heard something that the company needed, let’s say 10 people, but they have heard that they have gone for the money. So the chief should speak out. Either he is going to let the company to employ them, or they destool him. So the chief asked them to go and to come back at 4pm, then he would tell them what to do. So at 4 o’clock, they went there and the chief was not there. So that was a disaster. The people went there and they didn’t see the chief. They thought that the chief was fooling them. So they started destroying things in the palace. So in the process of destroying things, the DCE [district chief executive] came and met the people. He gathered them and asked them to stop. He solved everything. After he had said that, the DCE left. And when he left, let’s say it was 2 hours time, when the soldiers came into town, let’s say it was 7 o’clock. So the people thought it was the DCE who had sent the soldiers into the town. But what I heard, the soldiers said they were just patrolling because it was the night. So the people blocked the road. They started throwing stones to the soldiers. And as they are soldiers, they started shooting at the people. So they killed two of us. So after the killing of the 2 people, the people thought that it was because of the DCE. And the DCE had parked his car at the junction there. So they thought it was the DCE who had sent the soldiers and they thought, the soldiers can kill two of us, why should we allow the car to be there? They thought the DCE was in the car. They went straight away to beat him. But the DCE had left already, so they just found the car there. They set fire to the car and it was gone, so they burnt the car” (2015-02-12_E).

As a result of this conflict the chief was destooled and left Himan to go and live in nearby Prestea (2015-02-12_E; 2015-02-13_A). Some interviewees expressed indignation over the fact that the victims’ families were never compensated (idem).

The point is that these demonstrations were not directed towards the company, but rather towards community leaders – first the chief, later the DCE – whom are believed to benefit from the company’s presence at the expense of other community members. Although many people indeed point their finger to local leaders who strategically take advantage of their relations with the company (2015-03-20_A; 2015-02-13_C and D), some people also believe that this is a deliberate strategy of the company to mislead and create divisions in the community. Two of our interviewees formulates it as follows:

“Since the existence of this company we have been going through several confusions. They have a strategy of divide and rule. So the company has brought about litigations within the chieftaincy institutions in our area. [...] Because of this company we have changed about 3 to 4 chiefs because the company always lies to the people that they [company] want to do this, they want to do that, but the chief said they shouldn’t do it. And we believed what they were saying. So it turned out that it created litigations, and the chief must go” (2015-02-12_C).

“What he is saying is that the youth wants to blame the leaders. But he has been able to convince the youth that it is not the fault of the leaders but that the company is trying to deceive the community. Because at first the youth were thinking that the leaders were trying to fill their bags. They have been able to convince the youth that it is not the leaders. They should blame the company” (2015-02-13_C and D).

It is true that chieftaincy disputes are quite common in Ghana (Valsecchi, 2007). A representative of the Ministry of Chieftaincy explains that such disputes most of the time concern succession and that the key motivating factor for people to aspire to the throne, is prestige (2015-03-12-C). Yet it is clear that in gold producing regions the prestige goes hand in hand with privileged relations and financial opportunities.
Apart from intra-community conflict, mining activities have also impacted on inter-community relations. One clear example is the abovementioned case of the creation of a new divisional chief in Bogoso. Understandably this creates quite some frustrations, although these seem to linger under the surface and people do not seem eager to openly protest (2015-02-12_F; 2015-02-13_A; 2015-03-26_D2). This may surely be a hidden discourse; people do not usually talk openly about conflict, but they use euphemisms such as ‘confusion’ or ‘misunderstanding’. One interviewee for example, referring to the case of Himan and Bogoso, said that “every now and then there is some katakata [confusion] inside that matter” (2015-02-23_A). First, people in Himan are frustrated that Bogoso land has been “taken away” from them (idem). An implicit reason behind this, is the fact that Bogoso now also benefits from the largest share in the royalties, as was demonstrated. Second, people in Himan are frustrated that Prestea has overtaken them in terms of population, but also in terms of services and infrastructure, while Himan “is a very old town and Prestea land is Himan land!” (idem). Clearly the stakes are high. Some of our interviewees again suggested that such conflict is convenient for mining companies: “the more the community and the chief are in dispute and the longer the dispute lingers on, then the mining companies will use that opportunity to start their operation” (2015-03-26_D2).

4.2.2. Expectations

Community members have high expectations of what companies can and should do for community development. Such expectations include building, rehabilitating or tarring roads, building hospitals and schools (2015-03-23_A; 2015-02-11_A). But even more, interviewees also talk about school and health fees and health insurance: “There is the health clinic. You have to pay fees and if you don’t have money you don’t have access to health services. Health insurance is not working here” (2015-02-11_A). A company representative says people expect them to pay for everything, even things that are entirely outside of their responsibilities:

“You know as we are a mining company, people think you have the money so you can pay anything even if you don’t have anything to do with it they expect you to come and pay. There is a place here that always floods, every time when there is torrential rain, the place always floods the road. So we investigated that complaint and we found out it is not the fault of the company, the company has not caused anything like that, it is rather the activities of these illegal miners, these galamsey” (2015-03-24_C).

A representative of the Ghana Chamber of Mines says that “sometimes the expectations are just too much for the company to bear” (2015-03-11_A). This frustration is also expressed by a representative of the Community Relations Departments at Tarkwa Goldfields:

“I think what often happens is that when you do research, you read a report, people always have either a pro-community or pro-company opinion. They often see the community as ‘poor, illiterate farmers’, and then you have ‘rich, white, male-dominated’ companies, multinationals that come and chase away the local population. But the other side, how these supposedly poor, innocent and illiterate farmers also try to get out as much as possible for themselves. You know how they use all the tricks. You see, the mine has come. You don’t have water. The mine is providing water. But how do you manage the water? You know when we look at sustainability we are not only looking at the green, and the environment, but also sustainability of institutions. If you look at all the water pollution in Ghana. Our laws, the convention is that water is private. You buy water. Even in the village. Even when projects come, they provide like 80% of the costs, or the district assembly is supposed to take part of the costs. All of this is done with the idea that it should be managed at the local level. They are trained, it is the women who fetch the water.. You see all these nice concepts are done. So now you are going to the town which is not close to the mines, it’s a normal town, and this is what happens. People fetch the water and they pay something. But in mining towns, people don’t want to pay
for the water. Even if companies provide the water facilities and they ask them afterwards to pay, they will not pay. Especially in the resettlement areas! People would say: we used to drink from the streams, and you have taken our streams away and polluted them. So no way we are going to pay for it. But then, gold is a finite resource, and tomorrow the gold price may crash and we will leave. And you have made the people dependent. We do not build their capacity. But our institutions have always worked like that! It was like that even when we were kids. You had to pay for the water, either at the pump, or of you had water in the house, you paid the ill. And it worked. But because of the mining, people don’t want to see it. And the district assembly should do its job. So that is the other side of it. There is a village here a bit farther away, Samanhu. The company had provided water pipes for them. Now they are building the road. The contractor destroys the water pipes. The people come to see me and demand that I repair it. But it is for the government, you should go and complain there! You see, if the company would have destroyed this, it would already have been on the radio! And now nobody talks about it” (2015-02-10).

Even more, one company representative talks about ‘ingratitude’ and says:
“There are several instances where even you were going to support the community to get a school, and they want to sell you the land on which to build the school... so you ask yourself if I hadn’t made the decision to give you a school, would I have this response?” (2015-02-19_A).

A representative at the Ministry of Lands and Natural Resources confirms some of the community expectations are unrealistic and risk to overlook the fact that many investments are being done:
“So there are physical structures on the ground that you can go and see, that the companies have put in place. Those structures were not there before the companies put them in place. So there is a story to tell you that this thing was not here. Because of the mining company, this things is there. But what the mining communities like, what they put into their mouth daily. They want a regular income, assured living conditions, they want jobs that are equally paying like the mining companies, and that is what they want. So you go there, they’ll tell you that no, our conditions have not improved. I would like communities to say that ‘the companies have not met our expectations’. [...] But you can have unrealistic expectations. Because investors invest a lot, the communities don’t know how much the investors put in, but they want to reap more than the investor. So that is the position of the communities. And I think that you are not realistic. If you are realistic, what is the investor’s contribution? When do you say: we are making maximum benefit? There must be a line. What are the parameters? We have not developed the parameters that communities and mining companies think that is a fair way of doing things” (2015-03-12_A and B).

Yet, most people are not so naïve to think that the company can solve every problem for everybody:
“So it’s like a father with plenty of children. No matter how, he must cater for all those children. So as for me, I don’t too much blame some company that is coming, and which already spends a lot of money to do the mining work, so if he cannot, if he is not doing it for you, maybe he is doing it for someone else. Maybe for the neighbouring village, a school building, a community center” (2015-02-11_B).

It is true though that community members generally expect more from the company than from government actors. According to a representative of the Ghana Chamber of Mines, this is because “the company is an easier target” (2015-03-11_A). Asked why, he explains that the company is “in their backyard”, as opposed to the governmental services: the national ones are too far away and for the local ones people have too little instruments to put pressure on them. “But for the company they can go and destroy the company’s activities. So it is an easier target,” he continues, “they know the company has a soft spot, even if I have paid all the royalties and taxes, I have done my social responsibility, even if another person is not doing his bit they tend to easily go to the company to demonstrate, block the roads, and those things” (2015-03-11_A). Community members themselves often advance their disappointment in the government as the main reason to look in the companies’
direction: “they should do so many things. So far... I can’t really see an achievement” (2015-02-12_B)
Another interviewee just laughed when we asked him what he thinks the government can do better (2015-02-12_E). A representative at the Ministry of Chieftaincy and Traditional Affairs says that in the rural setting people also rely a lot on chiefs as they are “closer with the chiefs than with government officials” (2015-03-12_C).

One of the Minerals Commission staff members also puts part of the blame on the company as they make a lot of promises in order to win a social license to operate:
“Because at the instance of community entry, that is at the time that they have to do a community entry activity, a debat blabla, you know, in the quest to win a social license to operate from the community, there are going to be a lot of promises including about employment, without the caveat that you need so and so requisites in order to be employed. I can show you a document, a recording that communities have complained that a particular mining company promised to them that after 5 years into mining, 100% of mineral jobs will be allocated to the communities. But they failed to explain that they need such and such skills to be able to do that. And so when the community has patience with you for the first 5 years, after that they expect you implement a 100%. By the end of the day you realize that other factors come into play that will not allow you to achieve that target. That becomes a problem” (2015-03-11_B).

4.2.3. Negotiations

Mining companies have community relations departments whose task it is to prevent and manage company-community conflicts. One of the staff members of such a department explains that in the beginning such jobs were being done by people in the human resources department, but “over time they realized no, this is not an HR thing and gradually they empowered a whole unit of people in the social side of the business to really help structure a mutual co-existence, so that at least we move from purely conflict to cooperation” (2015-02-19_A). From the perspective of the mining company, this shift in attitude reflects the will to win a social license to operate and maintain social peace in the concession, so as to hinder production as little as possible. As a local government representative says on the subject of company-community relations:
“It is now a little bit better than previously. Because this time around, when something happens, they will come to you, sit down and negotiate. Unlike in the previous time, they come and arrest you, or send you to court or to the police station or they will instruct their security guards to fights you. It is not like that anymore” (2015-03-16_A).

Most companies for example work with a so-called community liaison officer who is from the community, is based there and whose job it is to be a broker. One man who is doing this job, says it is a “tedious job” because people will come to you with all their complaints and unpleasant messages (2015-02-18_C). Still, another liaison officer says the position is of crucial importance as it helps to bring both parties closer together – literally- and thereby reduces tensions:
“In the past, many times there would be demonstrations, like the community used to take the streets, like when they weren’t satisfied with the company they just went and demonstrate. They could do anything. Sometimes the company would even go and bring the military in. Initially it was bad, but now since the opening of this office... like for example when you have a problem at Bogoso, you need to use your own car to go to the plant to complain. But here the company has been brought to your doorstep so you can easily come here anytime” (2015-03-24).

A representative of local administration is very positive about company-community relations, saying that:
“It is very good, because all the companies have community relations officers, and they have dedicated people in charge of community and stakeholders engagement, and they have
community consultative groups made up of opinion leaders, chiefs and the companies. And they will meet regularly to debate and discuss issues around the community needs, what the company can do and what the company cannot. And what the company should give back to the communities in terms of social responsibilities. So community consultation is one key part of mining. Otherwise, if the community is not consulted they won’t understand what you do” (2015-03-11_A).

Mining companies are obliged to better communicate and involve communities, not only because they need to win a social license to operate, but also because nowadays, communities are better informed and more demanding, as one company representative says:

“There is the internet. If something happens, it will immediately appear on the internet. You know in 2013, when we published our Annual Report, there was a young guy in town. He read it. It was about the money from the Foundation. When we were doing the negotiations the community insisted that the money would be made available in USD instead of Ghana CEDI because of the devaluation. So when we wrote our Annual Report and it was published, and they saw that the amount was mentioned in USD, they said: You see! You should give it to us in dollars! Knowledge is abound now! So you see a lot of change is taking place” (2015-02-10).

This move from conflict or confrontation to more collaboration and negotiation is visible in many mining projects. The representative of the Ghana Chamber of Mines attributes this shifted attitude, on the side of communities, to a growing consciousness. He believes that people are now more willing to collaborate with companies, as they see that the disastrous effects they were afraid of have not materialized:

“Initially people were not used to surface mining, they only knew underground mining. Surface mining takes land, and the issues of resettlement and compensation. [...] There is more interaction now, more openness between the parties. Before they thought that mining is secretive, mining is killing, that was the misconception: that when there is a mine in your backyard you are going to die within 5 years. But we have had mines in our backyards for the past 10 years and nobody has died from mining. So they are now beginning to shed off some of that apprehension” (2015-03-11_A).

But the interpretation can also be much more pragmatic: some members of the community have come to realize that mining companies are there to stay, that further resistance may be inefficient or counterproductive, or that they might as well go for the associated benefits. Yet this is not to say that conflict disappears. It may (re)emerge around very specific issues and among specific groups in the community, as this section will show. In Himan and Dumasi, many people complained that either a) the contact between company and community was there in the past, but has diminished now, b) that the contact only concerns very specific issues, c) that there may have been contact but this never resulted in anything beneficial for the community, or d) that the company only engages with selected community members.

With respect to the issue a), people said that “it could be that they only come once a year” (2015-03-17_B), “things are going down, things are changing” (2015-02-11_C). With respect to issue b) people say the company only wants to discuss very specific issues such as the resettlement, leaving no room for more general questions about community wellbeing (2015-03-18_A). With respect to issue c) interviewees say:

“In the past, we will sometimes hear an announcement from the information center that people from the company will be meeting the community on a set date. On that day, we will meet them and tell them everything but nothing happens after that” (2015-03-17_A).

“We have had a lot of meetings with the mining company but it hasn’t produced any results for us” (2015-03-17).

With respect to d), many people state that the company only talks with selected elite members, instead of involving the whole community in the process:
“The representatives from the mining companies and the leaders of this community will first meet to discuss something before we the individual bodies [are informed about it]” (2015-03-23_A).

“Whenever there is a problem in the community between the mining companies and the community, the leaders from the companies will come and meet with our opinion leaders and decide on a common solution but right after the meeting, we will never see or hear any result from the mining” (2015-03-26_D2).

“Even if they are to come here, no notices will be given us and before you realize, you shall see their cars parked in front of the chief palace and you wouldn’t be aware about what transpired in their meeting with the leaders, hence they don’t have meetings with the community” (2015-03-25_A).

“Maybe if you see the chief and his elders their might say the relationship is very cordial. Apart from them, I don’t think anybody will say that” (2015-03-23_B).

“Sometimes when they are about to do something, they should inform us but that hasn’t be the case. Also when they want to do employment, instead of informing the community, they only inform the elders and by the time you realize, the employment has already became and the people they want have been selected” (2015-03-19_A).

This latter point concerns the exact issue that caused the conflict in Himan. It is for the large part a matter of communication, as people think all resources are channelled through the chief and the latter does not bring them back into the community (2015-02-13_C and D). However, not everybody agrees that the chief is that influential vis-à-vis the company:

“Actually you cannot say that it is entirely his fault. Because he often tried to go to the company and say to them: this is what my people are saying. And they will accept it, they say: we’ll come and do it, but then they don’t. So you cannot really blame the chief for that, the company does not listen to him, he has nothing to say” (2015-02-13_A).

At the level of the communities, Community Consultative Committees (CCC) have been set up (2015-02-12_A; 2015-02-18_D) consisting of representatives of different groups (elders, religious bodies, government, women, youth, etc.). In the Golden Star catchment area, nine such committees exist (for Prestea, Bogoso, Dumasi, Himan, Bondaye, Mbease Nsuta, Adamanso, Boppoh, Ehyireso) with ten members each. The most influential member is considered to be the chief (divisional or village chief), who may discuss with the assemblymen, the unit committee chairman and his elders (2015-03-23_A; 2015-03-26_A). The CCCs are supposed to meet monthly and every three months there is a meeting with all CCCs from the whole catchment area, where development needs and projects are proposed and coordinated (2015-02-19_A). These proposals are then sent to the Community-Mine Consultative Committee (CMCC), which approves or declines the proposal depending on the available budget and priorities. This committee, established by the company, has 40 members and also includes company representatives as well as the district assembly and its technical services (2015-02-17_A). According to one of the CCC members, however, over the past year those meetings have no longer been organized (2015-02-12_C).

In Dumasi, there is the specificity of the resettlement, which required a separate negotiation process and the establishment of the abovementioned Dumasi Negotiations Team. Most interviewees know about this committee and they have a vague idea about who was in there (2015-03-19_B; 2015-03-18_A; 2015-03-18_C). The Negotiations Team was dissolved after the signing of the Resettlement Agreement, as their mission had been accomplished. However, to oversee the implementation of the resettlement project and the construction works at the resettlement site, another committee has been set up: Dumasi Resettlement Local Monitoring Committee (DRLMC). This was also stipulated in the

Dumasi Resettlement Agreement\textsuperscript{38}, which proposes the following membership for the monitoring committee: a works engineer and two planning officers from the district assembly, two representatives from Golden Star and three community representatives. Yet in practice, there is a lot of confusion concerning the composition of this committee. Interviewees more or less agree that the Monitoring Committee consists of 6 to 8 members (the assemblywoman, the chief farmer, the chief, unit committee chairman, Mr. P (businessman), lawyer B.) who have been selected among the members of the Negotiations Team, but this selection has been done, according to some interviewees, on the basis of dubious criteria. They “selected themselves”, they have “monopolized everything” and they “don’t inform us about what is going on”, people say (2015-02-09\_B). Or as somebody else frames it: “How can someone choose himself to be a leader of the community without the community in the monitoring team? How can somebody in Accra or in Kumasi come and monitor what is going on here? [...] The company requested for three people to represent the Monitoring Committee but they chose six to fill the vacancy when one travels or becomes sick. But my problem was: why is it that they have to choose themselves, knowing that there was a lot going on behind the scene?” (2015-02-18\_B).

Indeed, the constitution of such CCCs, Negotiation Teams or Monitoring Committees raises many concerns about representativity and legitimacy. Who is ‘the community’? For analytical purposes I use the term in this paper, being fully conscious about the fact that the community is an extremely heterogeneous group. A representative of the Minerals Commission says:

“When you see a mining community, I always categorize them into 3. There are people who, one, are working in the mines. They work on the mine, they are paid by the mine. Two, there are people who have been drifted to the area also as a result of mining, and their activities are applying around the mine. They are not employees of the mine, but the activities they do are involved around the mine. They are not necessarily community members but they are there because of the boom of the business. Now the third category are the natives. They have an ancestral attach to the land. Now these people, as a result of the treatment in the past that they’ve had, they think that mining companies are intimidating them they can’t allow them to come in. [...] And these people are hard-core people to reach, because of the mind-set. If you don’t make conscious effort to get them to meetings, they won’t come. So at the end of the day the project that you decide may not go to address the core needs of the indigenous, but it goes to address those who have come as a result of the mining! And the danger is that when the mine closes, they will go away unless maybe those who have married and they have gotten ties to the community. But when the mine closes, the indigenous will be there to continue to live. So if you don’t involve them the projects will become less for them. So you need to make a conscious effort to come together to the fore” (2015-03-11\_B).

People from the first group are in an ambiguous position. Still, some people we interviewed and who worked for the company, were not afraid to be critical about their employer’s work, especially when they were working for subcontracting companies, but also when working directly for Golden Star. The second group is in itself also heterogeneous. Some of these people who were attracted by the economic opportunities, do succeed as they are employed by the company or they become successful in business (often by establishing good contacts with the company); others won’t be able to benefit. They may stay around, disillusioned, or they may move on, or back from where they came.

Let us look a bit more in detail at those individuals who are supposed to represent the community, those who are influential in the local political arena. In Ghana, ‘opinion leaders’ is a term that is often used. One of our interviewees defines them as ‘elderly respected people’:

“Well, the opinion leaders. You see we have the chief. And then we have his elders, when it comes to taking decisions for the community, they go into their closed session and take a decision on behalf of the community. And there are also elders that the community looks up.

\textsuperscript{38} Dumasi Resettlement Agreement, 30 January 2013: 17.
to. So when the chief is not there and they have an issue, even when the chief is there, they see you as an elderly person who will be able to address the issue. So opinion leaders are normally respected elderly people in the community. Assemblyman is also there. They can have the religious leader. Or a pensioner public servant, or whoever pensioner who is respected. So it is basically respected elderly people. There are some elderly people who are not respected, they are always creating problems here and there, they cannot be taken as opinion leaders. So these are the people. So they come together and decide on what decisions to be made. After that the decisions go back to the CCC to formulate a proposal. The role of the chief is also to ensure that there is this business-like, peaceful atmosphere in the community for the investors to be able to do their business peacefully as much as possible. They are also there to also assist to serve as a link between the community and the mining company. So if the community has an issue that bothers them in their livelihood, or their health, the chief is expected to table this concern to the companies. So their role is very key when it comes to community development” (2015-03-11_B).

Another interviewee gave a similar description, emphasizing their respectability, but also their role as brokers:

“Well when they talk about opinion leaders, there are... what is the best description... they must be powerful people in the communities who are not chiefs. Chiefs are powerful, no doubt about it. They are the final authority, in terms of the traditional set-up, in the community. But in the same way, you go to every community and then you find a couple of people in there who know the tradition of the area, who understand the culture of the people, who must have lived in the community all their life, who probably have a good job to do, and earns quite a respectable income, and whose opinion is respected by those who matter in the traditional set-up. So such people sometimes serve as intermediaries between the traditional set-up and the people. Sometimes they are able to mobilize people in the community to present requests before traditional leaders, before government officials, yes. You have such people in traditional set-ups, they are very influential, they have a lot of knowledge, they understand the custom, the tradition of the area, and they have charisma, if I should put it that way. So they are able to mobilize the youth of the area. They are able to speak. I believe those are the kinds of people they are referring to” (2015-03-12_C).

The opinion leaders are often accused of being corrupted. They are seeking their personal benefit and do not dare to be critical vis-à-vis the company:

“Some of the opinion leaders want recognition from the mining company. Because where some agitations take place, when the mining companies identify the leaders and start giving them contracts, they keep quiet! (2015-03-12_AB).

“Our leaders are not good, they are cheaters. When they go to the mine, they will always collect money and then they will shut their mouth [... the opinion leaders. They will all go for the contracts. Because they have contracts there, that is why they don’t want to put pressure on them. If you put pressure on them, the project will go fast, and they are afraid, when they put pressure on them, they will quit the contracts” (2015-03-16_A).

“If our leaders go and meet BGL staffs, by the time they will return each and every one will be given a package with food and five hundred thousand so they cannot speak for us” (2015-03-18_C).

“Sometimes, the company will buy them over (bribe). They will try to prove their point but since they have one leader, they will settle the matter with him” (2015-02-18_E).

“Some of the members here, some of the people, both women and men, some eat from them. Some even gossip before they will get, when someone sees me sitting with you here, some will go and tell the company: go and see [name], she has brought a white lady to her house to interfere in your affairs” (2015-03-16_A).
“You know some of the elders in the community have already made a connection with the BGL staffs by giving them money to them any time they organize meeting together” (2015-03-19_A).

This shows how the arrival of a transnational mining company, and the subsequent flow of resources through CSR interventions or resettlement projects, also created intra-community divisions, as it includes certain groups of people in negotiations and contacts with the company, while excluding other groups that may be more critical or less well connected.
4. Some first thoughts on hybrid governance in mining concessions

Focusing on hybrid governance, the aim of the broader research project is to analyse everyday governance practices in a mining concession: to see how public and private, local, national and international actors interact when governing (security, social service provision, public infrastructures), and to see what this means in terms of governance outcomes and the production of legitimate authority. This will be further analysed in the next stages of the research project. In this section, I merely want to look at how our interviewees perceive the ‘governance functions’ of different public and private actors. In part this goes back to what was said about ‘expectations’. ‘Governance functions’ are often framed in terms of ‘responsibilities’.

According to most interviewees the government is not taking up its responsibility:

“Government? [laughs] Look, if I say the government or even these assemblypeople here, I can say: since I was born in this town up to now, I am over 70 years, what I can say is that … toilets about 1..2..3 are brought by the government. Nothing else! Nothing! They don’t do anything for us” (2015-02-13_A).

“Personally I think the government provides services. Whether they are adequate... in my opinion I wouldn’t say they are. What saddens me is that if you look at the mining districts of Ghana, the mining areas, in spite of all the money that government gets in term of income tax, company tax, royalties and all other forms of payment: licenses, permits, vehicle insurance... all that money that goes there, the bulk of Ghanaians or the national citizens that work here... until recently that they started road construction the road was bad. So how do you treat the hen that lays the egg? We are Ghanaians! Our tax for a month can fix this road, our income tax. So why must it become a request? So that is my point I think that the government should come to look and put in some facilities here that makes those who are working healthier, more productive, so that is my opinion” (2015-02-19).

In such a context, community members expect companies to do so:

“When the mining companies do arrive and start their operations in our locality, our expectation is that when the community is in need and they report to the mining companies and the government hasn’t come to our aid, the mining companies are supposed to perform their social responsibilities in order to assist the communities around” (2015-03-26_D2).

As was said before, they probably expect more from the company than from the government, which can be attributed to their previous experience with the government’s poor performance and to the fact, as one interviewee framed it, that the company is an “easier target” (2015-03-11_A). Yet a few community members do acknowledge that mining companies cannot do everything: “The actual fact is that they have done a lot but they can’t do everything” (2015-02-18_B).

According to a company representative, the high expectations are bothering them, and creates even more tensions:

“All that did give us more trouble, making the communities feel more entitled. Just under social pressure you are now giving us more. Then it means that we have not, we can’t even define what is more, there a cycle of ingratitude starts and dependency increases and you will notice that in most cases government spends less in our area than what we operate and they are able to spend less because we provide some amenities” (2015-02-19).

What is more, the government also expects the company to take up some of these functions, particularly in public infrastructure. But while they are shedding of some of their responsibility, he adds, the government at the same time wants to take credit for the positive achievements:

“Government is scared of losing members, so instead of praise you government says you are bad, government knows that you are helping them because you have reduced the expenditure within that year, and government is scared that the public should know such things, because
of power. And at the end of the day it is like, no good deed goes unpunished. You do good, and it is like: you can do more” (2015-02-19_A).

According to some sources the government prefers the company to give them the money, for example for road construction, so that they can execute the project as a government and show off the results, instead of the company doing the work (2015-02-09_Fieldnotes).

But what are the governance responsibilities of local actors? Here we look, in the first place, at the chiefs, and then at two (partly) elected bodies: unit committees and district assemblies.

Chiefs’ legitimacy is rooted in they being representatives of the people (2015-02-06_B). According to some, people “look to the chief to spearhead development in the community” (2015-02-06_B). A chief has to “care for his people”, “plan” and “leave something for the next generation” (2015-03-26_B). When there is conflict between chiefs and government representatives, this is mainly due to “personality conflicts” (2015-02-06_B) because they are supposed to work together. If the Assembly want to build something, they need to see the chief to ask for access to the land (2015-02-12_A; 2015-02-17_A): “They may not have money, but they have the land” (2015-02-06_B).

A unit committee consists of 10 elected and 5 government-appointed members and forms the base of the local government structure. Its duties are to organize communal labour, in consultation with the chief, to ensure environmental cleanliness, to register births and deaths, to implement and monitor self-help projects and to raise revenues, among others (Ahwoi, 2010: 103 and 2015-02-12_F). A unit committee member says that sometimes they call upon the company to repair some infrastructures, to build public toilets and gutters, etc. (2015-02-14_B). Apart from that, their resources come from the internal revenue fund through which they collect money for funeral rites, from the use of toilets, pipes, market stalls etc. (2015-02-14_B; 2015-02-13_C and D).

A district assembly (DA) consists of the district chief executive (DCE), 70% of elected members and 30% appointed by the President, after consultation with the traditional authorities and other interest groups (such as trade unions, professional organisations, religious bodies, farmers’ associations and civil society organisations) in the district and the Members of Parliament from the constituency (Ahwoi, 2010: 79). They appoint people “who have other people’s confidence and who have good ideas to help the Assembly” (2015-02-17_A). Assemblymembers’ duties include representing the electorate, collecting their views and proposals, communicating those to the Assembly and reporting back to the electorate “about the actions the assemblymember has taken to solve the problems of the residents of the electoral area” (idem: 81). The Assembly’s functions are to “exercise political and administrative authority in the district, provide guidance and give direction to and supervise all other administrative authorities in the district” (idem: 82). With respect to development specifically, the District Planning Coordinating Unit must ensure the preparation and submission of the District Development Plan (a Medium Term Development Plan for 4 years and a yearly Annual Action Plan) to the National Development Planning Commission for approval, as well as the submission of the budget (idem: 82 and 157; 2015-02-17_A). They should further initiate and oversee the execution of those plans, in collaboration with one of the technical departments, such as the District Health Department, the Education Department, the Department of Agriculture or the Department of Social Welfare and Community Development (Ahwoi, 2010: 140). One of the interviewees believes local government’s results depends a lot on individual performance of assemblymembers:

“The local government system [...] in our areas is not working. Because our representative is not active. The needs of the people are not addressed. He doesn’t bother” (2015-02-12_C).

Individual assemblymembers are indeed supposed to regularly consult with and lobby for their constituencies (Ahwoi, 2010: 89). In this sense, it is important to know that the mandate of a non-performing assemblymember can be revoked even before the end of the 4 year tenure of office (Ahwoi, 2010: 8).
In Prestea-Huni Valley District there are six systematic development priorities: private sector, energy, infrastructure, human resources, agriculture and good governance. Once the budget for this plan has been approved by the Ministry of Finance, they start a consultation with the local chiefs and other stakeholders (2015-02-17_A). According to one of the planning officers, they also coordinate with the company on an annual basis,

“so that there wouldn’t be any duplication. You want to put up a clinic here. Maybe they also have their plan to do the same. So that is what they have been doing. But sometimes we also need machines to construct the road, we need maybe some materials to fill, and then we call upon them for sponsorships, for occasions and other things: Farmer’s day, they will come and donate, my first day at school, 6th of March and other social gatherings” (2015-02-17_B).

There is indeed a strong need for coordination on development interventions. A representative of the Minerals Commission states that such coordination was/is sometimes lacking:

“You know sometimes you go to a community and you see a whole school structure, while there are only 3 pupils. Or you have pupils and teachers are not posted to that school. Because the projects are not done after consultation with the appropriate authorities, the appropriate stakeholders, one. The education service at the District who has to post the teachers to the school, at the end of the day, so if you don’t consult them and they advise you that this is not an appropriate community to put a school, you may put a school and at the end of the day may not get anybody coming to the school. You put a health post and you don’t contact the District Health Directorate. You put it up and you don’t get anybody send a nurse or a doctor to man a clinic” (2015-03-11_B).

Therefore, the Minerals Commission has included the obligation to discuss with local government in its CSR guidelines. For each intervention a company wants to do, they need to consult the district assembly. If the project is health related, they should inform the District Health Directorate and so on (idem). A representative of the Ministry of Land and Natural Resources says they are doing the same with district assemblies: encouraging them to communicate with companies, find out what their budget and plans are for community development, and develop joint projects for which the impact will be more far reaching (2015-03-12_AB).

In terms of governance outcomes, this may indeed be much more efficient. But it will probably add to the confusion about who is providing which services. Often community members do not really know who has provided a particular service. Numerous discussions during focus group interviews testify of that. In Himan for example there was a discussion about who constructed the gutters and the toilet:

“A: I still think the chief is the one constructing the gutters because he said since he was enstooled he has never done anything for the community so this is his opportunity.
B: It is not true. The chief said it but he couldn’t do much so the MP came in and persuaded the Assembly to help as initially proposed so it is the Assembly that is funding the project, not the chief” (2015-03-23_B).
“A: Do you think is BGL who put up this toilet facility because if it were BGL you would have seen their sign board or post on it.
B: Then who build it?
C: I know it is Mr. A.
B: Is not Mr. A.
IB: Then you would have seen BGL sign post on it, they haven’t done anything here” (2015-03-24_B)"

This demonstrates the hybrid nature of governance interventions and certainly plays a role in the production of legitimate authority.
5. Recommendations: what would our interviewees do with the development money?

The closing question of our group interviews was: if you were given the 100,000 USD project money, in which areas would you invest it (three priorities). This list thus gives a good idea about what people deem important and urgent. Every x stands for an individual who mentioned this particular service (on the rows) as his or her first, second or third priority (in the columns). In Dumasi, hospitals, schools and drinking water come out as the most pressing issues. In Himan, hospitals, schools and the road come out as urgent needs. We think it is very important to take due account of these views in the design of new interventions.

Table 2. Requested development interventions in Dumasi

<table>
<thead>
<tr>
<th>Services</th>
<th>Priority 1</th>
<th>Priority 2</th>
<th>Priority 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital</td>
<td>xxxxxxxxxx</td>
<td>xx</td>
<td>xxx</td>
</tr>
<tr>
<td>Health insurance</td>
<td></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Police station</td>
<td>xxx</td>
<td></td>
<td>xxx</td>
</tr>
<tr>
<td>Security</td>
<td>x</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Public toilets</td>
<td>xx</td>
<td>xxx</td>
<td>xxx</td>
</tr>
<tr>
<td>Market</td>
<td>xx</td>
<td>xx</td>
<td></td>
</tr>
<tr>
<td>School</td>
<td>xxxxxxxx</td>
<td>xxx</td>
<td>xxxxxx</td>
</tr>
<tr>
<td>School equipment (computer, library, etc)</td>
<td>xx</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>School fees</td>
<td></td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Teachers’ cottages</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recreational infrastructure</td>
<td></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Drinking water</td>
<td>xxxxxxxx</td>
<td>xxxxxx</td>
<td>xx</td>
</tr>
<tr>
<td>Electricity</td>
<td></td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Access to farms</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Place to mine artisanally</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employment by company</td>
<td>x</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Employment other</td>
<td>xxx</td>
<td>x</td>
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Source: Group interviews

Table 3. Requested development interventions in Himan

<table>
<thead>
<tr>
<th>Services</th>
<th>Priority 1</th>
<th>Priority 2</th>
<th>Priority 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital</td>
<td>xxx</td>
<td>xxxxxxxxxx</td>
<td>xx</td>
</tr>
<tr>
<td>Nurses’ cottages</td>
<td></td>
<td></td>
<td>xx</td>
</tr>
<tr>
<td>Police station</td>
<td></td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>School</td>
<td>xxxxxxxxxx</td>
<td>xxx</td>
<td>x</td>
</tr>
<tr>
<td>School equipment (computer, library, etc)</td>
<td>xx</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>School fees</td>
<td>xx</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Public toilet</strong></td>
<td>xxxxx</td>
<td>xx</td>
<td></td>
</tr>
<tr>
<td>----------------------</td>
<td>-------</td>
<td>----</td>
<td></td>
</tr>
<tr>
<td><strong>Market</strong></td>
<td>x</td>
<td>xxxx</td>
<td></td>
</tr>
<tr>
<td><strong>Teachers’ cottages</strong></td>
<td></td>
<td>x</td>
<td></td>
</tr>
<tr>
<td><strong>Recreational infrastructure</strong></td>
<td>xx</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td><strong>Drinking water</strong></td>
<td>xxxx</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td><strong>Improving/tarring the road</strong></td>
<td>xxxxxxxxxx</td>
<td>xxx</td>
<td>xxxxxx</td>
</tr>
<tr>
<td><strong>Street lights</strong></td>
<td>x</td>
<td>xx</td>
<td></td>
</tr>
<tr>
<td><strong>Plant trees</strong></td>
<td></td>
<td>x</td>
<td></td>
</tr>
<tr>
<td><strong>Access to farms</strong></td>
<td>xx</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td><strong>Machine for grinding palm nuts</strong></td>
<td>xx</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td><strong>Renovate chief’s palace</strong></td>
<td></td>
<td>x</td>
<td></td>
</tr>
<tr>
<td><strong>Expand community centre</strong></td>
<td></td>
<td>x</td>
<td></td>
</tr>
<tr>
<td><strong>Gutters</strong></td>
<td>xx</td>
<td>x</td>
<td>xx</td>
</tr>
<tr>
<td><strong>Childcare</strong></td>
<td></td>
<td>x</td>
<td></td>
</tr>
<tr>
<td><strong>Improve church buildings/support churches</strong></td>
<td>x</td>
<td>xx</td>
<td></td>
</tr>
</tbody>
</table>

Source: Group interviews
6. Conclusion

This research has tried to give some first insights into the following questions: How does the arrival of a transnational company impact on (power relations in) a local political arena? What outcomes does this produce in terms of hybrid governance? We have considered three main actors: companies (and more specifically we interviewed representatives of their Community Relations Departments), government (we interviewed local as well as central governmental services dealing with the mining sector) and communities (we interviewed opinion leaders and other community members individually or in group), starting with a focus on their interactions. In terms of company-community interaction, we have identified six different levels – ranging from direct to indirect – and three modes. These help to understand the ambiguity and dynamism of the relations between companies and communities, as well as the complex relation with government and the heterogeneity within communities.

We find that modes of interaction change over time as well as between different groups in the community. At some point, particular groups may be included in or excluded from negotiations over a particular topic, which may create (new) tensions. The resettlement in Dumasi is a nice example of this, as it produced a lot of conflict and suspicion in the very beginning, led to quite a broad negotiation process later, but is now facing disappointment, impatience and frustration on the part of some – some who used to be involved, but now feel excluded from the negotiation process.

In the remainder of the research I will go deeper into questions about power and legitimate authority, trying to answer the question about the implications of all this in terms of the production of public authority, the provision of public goods and the search for legitimacy in a mining concession.
Reference list


Bush, R. (2009) “‘Soon there will be no-one left to take the corpses to the morgue’: accumulation and abjection in Ghana’s mining communities” Resources Policy, 34: 57-63.


Table 4. List of individual interviews conducted – all interviews have been anonymized

<table>
<thead>
<tr>
<th>#</th>
<th>Interview</th>
<th>Location</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Interview at Minerals Commission</td>
<td>Accra, 06-02-2015</td>
<td>2015-02-06_A</td>
</tr>
<tr>
<td>2</td>
<td>Interview at Office of the Administrator of Stool Lands</td>
<td>Accra, 06-02-2015</td>
<td>2015-02-06_B</td>
</tr>
<tr>
<td>3</td>
<td>Interview with elder</td>
<td>Dumasi, 09-02-2015</td>
<td>2015-02-09_A</td>
</tr>
<tr>
<td>4</td>
<td>Interview with local leader</td>
<td>Dumasi, 09-02-2015</td>
<td>2015-02-09_B</td>
</tr>
<tr>
<td>5</td>
<td>Interview at Public Relations, Goldfield Ghana</td>
<td>Tarkwa Goldfield Ghana Limited, 10-02-2015</td>
<td>2015-02-10_A</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2015-02-10_B</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2015-02-10_C</td>
</tr>
<tr>
<td>6</td>
<td>Interview with gold buyer</td>
<td>Himan, 11-02-2015</td>
<td>2015-02-11_A</td>
</tr>
<tr>
<td>7</td>
<td>Interview with community member</td>
<td>Himan, 11-02-2015</td>
<td>2015-02-11_B</td>
</tr>
<tr>
<td>8</td>
<td>Interview with elder</td>
<td>Himan, 11-02-2015</td>
<td>2015-02-11_C</td>
</tr>
<tr>
<td>9</td>
<td>Interview with local politician</td>
<td>Prestea, 12-02-2015</td>
<td>2015-02-12_A</td>
</tr>
<tr>
<td>10</td>
<td>Interview with local politician</td>
<td>Himan, 12-02-2015</td>
<td>2015-02-12_B</td>
</tr>
<tr>
<td>11</td>
<td>Interview with local politician</td>
<td>Himan, 12-02-2015</td>
<td>2015-02-12_C</td>
</tr>
<tr>
<td>12</td>
<td>Interview with galamsey miner</td>
<td>Himan, 12-02-2015</td>
<td>2015-02-12_D</td>
</tr>
<tr>
<td>13</td>
<td>Interview with beneficiary GSBPL programme and galamsey miner</td>
<td>Himan, 12-02-2015</td>
<td>2015-02-12_E</td>
</tr>
<tr>
<td>14</td>
<td>Interview with farmer and former unit committee member</td>
<td>Himan, 12-02-2015</td>
<td>2015-02-12_F</td>
</tr>
<tr>
<td>15</td>
<td>Interview with three elders</td>
<td>Himan, 13-02-2015</td>
<td>2015-02-13_A</td>
</tr>
<tr>
<td>16</td>
<td>Interview with businessman</td>
<td>Himan, 13-02-2015</td>
<td>2015-02-13_B</td>
</tr>
<tr>
<td>17</td>
<td>Interview with local politician</td>
<td>Himan, 13-02-2015</td>
<td>2015-02-13_C</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2015-02-13_D</td>
</tr>
<tr>
<td>18</td>
<td>Interview with GSBPL worker</td>
<td>Himan, 13-02-2015</td>
<td>2015-02-13_E</td>
</tr>
<tr>
<td>19</td>
<td>Interview with elder</td>
<td>Bogoslo, 14-02-2015</td>
<td>2015-02-14_A</td>
</tr>
<tr>
<td>20</td>
<td>Interview with local politician</td>
<td>Bogoslo, 14-02-2015</td>
<td>2015-02-14_B</td>
</tr>
<tr>
<td></td>
<td>Interview with agent in public administration</td>
<td>Bogoso, 17-02-2015</td>
<td>2015-02-17_A</td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------------------------</td>
<td>-------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>22</td>
<td>Interview with local politician</td>
<td>Bogoso, 17-02-2015</td>
<td>2015-02-17_B</td>
</tr>
<tr>
<td>23</td>
<td>Interview with local politician</td>
<td>Dumasi, 17-02-2015</td>
<td>2015-02-17_C</td>
</tr>
<tr>
<td>24</td>
<td>Interview with local leader</td>
<td>Dumasi, 18-02-2015</td>
<td>2015-02-18_A</td>
</tr>
<tr>
<td>25</td>
<td>Interview with local leader</td>
<td>Dumasi, 18-02-2015</td>
<td>2015-02-18_B</td>
</tr>
<tr>
<td>26</td>
<td>Interview with GSBPL worker</td>
<td>Dumasi, 18-02-2015</td>
<td>2015-02-18_C</td>
</tr>
<tr>
<td>27</td>
<td>Interview with youth leader</td>
<td>Dumasi, 18-02-2015</td>
<td>2015-02-18_D</td>
</tr>
<tr>
<td>28</td>
<td>Interview with local contractor</td>
<td>Bogoso, 18-02-2015</td>
<td>2015-02-18_E</td>
</tr>
<tr>
<td>29</td>
<td>Interview at Public Relations, GSBPL</td>
<td>Bogoso, 19-02-2015</td>
<td>2015-02-19_A</td>
</tr>
<tr>
<td>30</td>
<td>Interview with community member</td>
<td>Anikoko, 19-02-2015</td>
<td>2015-02-19_B</td>
</tr>
<tr>
<td>31</td>
<td>Interview with community member</td>
<td>Anikoko, 19-02-2015</td>
<td>2015-02-19_C</td>
</tr>
<tr>
<td>32</td>
<td>Interview at Ghana Chamber of Mines</td>
<td>Accra, 11-03-2015</td>
<td>2015-03-11_A</td>
</tr>
<tr>
<td>33</td>
<td>Interview at Minerals Commission</td>
<td>Accra, 11-03-2015</td>
<td>2015-03-11_B</td>
</tr>
<tr>
<td>34</td>
<td>Interview at Ministry of Lands and Natural Resources</td>
<td>Accra, 12-03-2015</td>
<td>2015-03-12_AB</td>
</tr>
<tr>
<td>35</td>
<td>Interview at Ministry of Chieftaincy and Traditional Affairs</td>
<td>Accra, 12-03-2015</td>
<td>2015-03-12_C</td>
</tr>
<tr>
<td>36</td>
<td>Interview with local politician</td>
<td>Dumasi, 16-03-2015</td>
<td>2015-03-16_A</td>
</tr>
<tr>
<td>37</td>
<td>Interview with farmer</td>
<td>Dumasi, 17-03-2015</td>
<td>2015-03-17_C</td>
</tr>
<tr>
<td>38</td>
<td>Interview with GSBPL worker</td>
<td>Himan, 24-03-2015</td>
<td>2015-03-24_C</td>
</tr>
<tr>
<td>39</td>
<td>Interview at health center</td>
<td>Himan, 26-03-2015</td>
<td>2015-03-26_B</td>
</tr>
<tr>
<td>40</td>
<td>Interview at Sankofa</td>
<td>Prestea, 26-03-2015</td>
<td>2015-03-26_C</td>
</tr>
</tbody>
</table>

Table 5. List of group interviews conducted – all interviews have been anonymized

<table>
<thead>
<tr>
<th></th>
<th>Group interview with market women 1</th>
<th>Dumasi, 17-03-2015</th>
<th>2015-03-17_A1_A2_A3</th>
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<tbody>
<tr>
<td>2</td>
<td>Group interview with farmers 1</td>
<td>Dumasi, 17-03-2015</td>
<td>2015-03-17_B</td>
</tr>
<tr>
<td>3</td>
<td>Group interview with galamsey</td>
<td>Dumasi, 18-03-2015</td>
<td>2015-03-18_A</td>
</tr>
</tbody>
</table>
4 Group interview with market women 2 Dumasi, 18-03-2015 2015-03-18_B
5 Group interview with farmers 2 Dumasi, 18-03-2015 2015-03-18_C
6 Group interview with youth Dumasi, 19-03-2015 2015-03-19_A
7 Group interview with taxi drivers Dumasi, 19-03-2015 2015-03-19_B
8 Group interview with teachers Dumasi, 20-03-2015 2015-03-20_A
9 Group interview with resettlement committee members Dumasi, 20-03-2015 2015-03-20_B
10 Group interview with church representatives Dumasi, 20-03-2015 2015-03-20_C
11 Group interview with galamsey 1 Himan, 23-03-2015 2015-03-23_A
12 Group interview with farmers 1 Himan, 23-03-2015 2015-03-23_B1 and B2
13 Group interview with traders Himan, 24-03-2015 2015-03-24_A
14 Group interview with farmers 2 Himan, 24-03-2015 2015-03-24_B
15 Group interview with galamsey 2 Himan, 25-03-2015 2015-03-25_A
16 Group interview with teachers Himan, 25-03-2015 2015-03-25_B
17 Group interview with church leaders Himan, 26-03-2015 2015-03-26_A
18 Group interview with youth Himan, 26-03-2015 2015-03-26_D1 and D2

Table 6. Mining companies’ total CSR contribution in Ghana

<table>
<thead>
<tr>
<th>Socio-economic contributions</th>
<th>2009 (US$)</th>
<th>2010 (US$)</th>
<th>2011 (US$)</th>
<th>2012 (US$)</th>
<th>2013 (US$)</th>
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<tbody>
<tr>
<td>Education</td>
<td>1,259,262</td>
<td>2,826,680</td>
<td>2,627,407.16</td>
<td>1,615,766.16</td>
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<tr>
<td>Health</td>
<td>777,486</td>
<td>1,055,260</td>
<td>696,266.57</td>
<td>1,479,903.75</td>
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<tr>
<td>Electricity</td>
<td>285,319</td>
<td>526,218</td>
<td>675,837.11</td>
<td>405,800.88</td>
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<td>Roads</td>
<td>1,375,626</td>
<td>1,459,049</td>
<td>1,619,277.35</td>
<td>2,029,583.76</td>
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<tr>
<td>Water</td>
<td>284,668</td>
<td>678,976</td>
<td>1,001,818.36</td>
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<tr>
<td>Housing</td>
<td>112,635</td>
<td>155,266</td>
<td>264,198.39</td>
<td>305,544.37</td>
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<tr>
<td>Agro-Industry</td>
<td>50,624</td>
<td>-</td>
<td>155,544.37</td>
<td>130,560.57</td>
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<td>Agriculture</td>
<td>610,353</td>
<td>809,228</td>
<td>1,531,716.27</td>
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<td>Sanitation</td>
<td>227,844</td>
<td>196,428</td>
<td>404,766.78</td>
<td>583,384.62</td>
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<tr>
<td>Resettlement Action Plan</td>
<td>800,188</td>
<td>1,190,371</td>
<td>7,583,139.83</td>
<td>68,624.74</td>
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<tr>
<td>ALP</td>
<td>798,658</td>
<td>2,214,584</td>
<td>2,373,942.34</td>
<td>1,236,645.74</td>
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<tr>
<td>Others</td>
<td>2,841,649</td>
<td>6,478,411</td>
<td>8,250,046.11</td>
<td>2,373,942.34</td>
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<tr>
<td>Total</td>
<td>9,424,312</td>
<td>17,590,471</td>
<td>26,676,354.02</td>
<td>12,124,052.70</td>
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</table>

US$110,702,765.14 million