Large scale miners - Communities partnerships: A plausible option for communities survival beyond mine closure

T. Zvarivadza

School of Mining Engineering, University of the Witwatersrand, Private Bag 3, WITS, 2050 Johannesburg, South Africa

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ABSTRACT

A sound relationship between Large Scale Mining/Miners (LSMs) and communities is key to a successful and mutually beneficial mining venture. This relationship has to be carefully managed to ensure a conducive operating environment. Merely sticking to the dictates of a government issued mining licence by LSMs and not facing reality on the ground may spark stiff resistance from the communities on which the mining company has to operate. Two competing priorities have to be balanced - the LSM, having a mining licence, argue that they have a legal right from the government to mine while the community, which have stayed on the mining area for generations, claim the area as their birth right and believe they inherently have the mining right. A well-co-ordinated consultative approach and cooperation with communities is vitally important in breaking this impasse.

Community empowerment is one of the central themes discussed in the paper. The mining companies need to leave a lasting positive legacy for the communities so that they can sustain life well beyond mine closure. The mineral resource capital needs to be converted to other capitals on which the community can thrive well beyond mine closure. The paper discusses different strategies which can be adopted to ensure productive partnerships between LSMs and the communities to realise the lasting positive legacy. The strategies include: investment in education, which may lead to employment in other sectors of the economy, establishment of survival community projects, investment in adequately managed community trusts, designation of areas amenable to Artisanal and Small Scale Mining (ASM), attainment of social licence to operate, procurement of labour from the communities wherever possible and strategic accommodation planning to avert ghost towns among others.

Four compelling case studies are used to give impetus to the arguments expressed in the paper. These include the partnerships of the following LSMs with communities in their mining areas: Royal Bafokeng Holdings and the Roya Bafokeng Nation in South Africa, Zimbabwe Platinum Mines (Zimplats) and Mhondoro Ngezi, Chegutu and Zvimba communities in Zimbabwe, Anglo Gold Mining Company and Sadiola in Mali as well as Ghana Consolidated Diamonds and Akwatia in Ghana.

1. Introduction

Long lasting honest mutual cooperation based on sound trust is the cornerstone of a successful partnership between any Large Scale Mining/Miner (LSM) and the community in which it operates. Honest engagement devoid of unrealistic promises breeds a strong foundation on which the two can work for economic development that flourishes. Without the support from the community, the LSM can find it difficult to operate despite having a legal licence to operate. A LSM cannot just go to an allocated mining area and mine on the strength of a government issued mining licence since an inherent conflict of two ideals exist. Communities which have stayed in the mining area since time immemorial do believe the land is their birth right and they have every reason to benefit from both that is on and below it. LSMs that do not realise this reality believe they are with the blessings of the government and therefore have every right to thwart any resistance from the communities. This is a sensitive scenario which needs to be appropriately managed.

Several realistic approaches can be adopted to address this impasse as discussed in the coming sections of this paper. The approaches support sustainable development since they enable communities to participate in economic development, allowing them to be weaned from reliance on LSMs. This enables the communities to survive on their own even after LSMs close. These partnerships are particularly important considering that mineral resources are non-renewable in human terms. The extreme geological time period going beyond millions to replenish mineral resources and consider them renewable goes against the dictates of sustainable development as it means millions, if not billions of future generations will not realise the benefits of current resources when exhausted without proper management. It is against this

background that researchers like Sarkar et al. (2010) have argued that the concept of sustainability within the mining sector applies not to the practices of extraction, but rather to the conversion of the natural capital of mineral wealth into human, economic, and social capital, through for example more sustainable livelihood opportunities and community relationships. This approach undoubtedly resources future generations by equipping them with alternative means of livelihood. The economy is diversified and can move from primary mining industry to service industries whose activities not only serve the mining industry but different sectors of the economy. One of the multitudes of examples can be finance and accounts professionals trained for the mining industry who can use the same base skills in other sectors of the economy.

A conducive cooperative environment established through solid mutual trust between LSMs and communities facilitates the LSMs to fulfil their fiduciary duties (duty of care) for the communities in which they operate with easy. The LSMs fulfil their corporate social responsibility (CSR) and manage to contribute towards the drive against the resource cure, the paradox of poverty in the midst of plentiful resources. This is a significant achievement the partnerships can achieve since the legacies of the resource curse are overly deplorable. It leads to stunted economic growth and triggers all sorts of unconceivable social, environmental, political etc. ills. While governments may enact regulations aimed at ensuring LSM CSR fulfilment, it is advisable that the terms of reference are drawn through mutual cooperation and genuine commitments of both parties. The four case studies expressed in this paper put across practical lessons on the attainment of beneficial LSMs-Communities partnerships.

2. Strategies for productive partnerships between LSMs and the communities

The strategies discussed here revolve around the wheel of sustainable partnership agreement and are supported by the conducive pillars for effective LSM-community partnership. It is imperative to realise that fruitful partnerships are based on clear and honest communication which foster mutual trust. Fig. 1 illustrates pertinent attributes necessary for a sustainable agreement between LSMs and communities.

Once the partnership has been established it is necessary for the pillars of sustainable partnership illustrated in Fig. 2 to be strengthened.

These pillars which support a sustainable partnership have to be whole heartedly embraced by both parties. The success of the partnership creates a favourable investment environment which can attract Foreign Direct Investment (FDI) for the LSM. FDI is crucial for a

Fig. 1. Wheel of sustainable partnership agreement.

financially healthy mining operation. The investment triggers socio-economic development which the locals may have never thought possible.

2.1. Honest and transparent community engagement

This can be argued as one of the crucial initial steps towards a long lasting prosperous partnership. Not as a formality, but a whole hearted desire to understand community needs and concerns. A true sense of trust has to be cultivated on a two way communication platform where the community is encouraged to lend an ear to the LSM. It is also incumbent on the community to frankly seek understanding of the needs of the LSM so that amicable solutions can be reached.

It is vitally important to bear in mind that communities bear the brunt of mining and by all reasons expect to be part of mining companies decision making organs to minimise the brunt. By this reason, the common law of natural justice does not allow governments to impose mining operations on communities. Social greenlight has to be sought to avert any tense relations which often turn out to be counterproductive. Community engagement has to prevail from outset all the way to mine closure if the partnerships are to stand the test of time.

2.1.1. Simplified communication channels

Community to be kept abreast of the developments using communication modes which are understandable. Conveyers of information have to take cognisance of the fact that some of the grass root communities are illiterate so appropriate communication channels have to be opened for this class of people. It is crucial that the communication is understood by all affected parties to foster an environment of constructive engagement.

Whenever problems have risen, it is not enough for the mine to just solve the problem, it is good practice for the mine to communicate to the community the solutions which are being implemented. This way the community is kept up-to-date and any unrest is averted. Again, It is important for the communication to be two way for it to be effective. The effective two way communication enables the communities to express their concern and affords the LSM to respond appropriately.

2.1.2. Modes of communication

While formal communication channels like television, radio and newspapers are appealing, the conveyed message may be accessed by the elite only while grass root communities are left in the dark. Careful thought must go into devising appropriate communication channels. The following communication channels can also be explored to spread the reach of information: *consultative forums, decentralised communication, community leaders, theatre, community suggestion boxes and phones among others.*

It is vitally important to engage the community using the most appropriate communication platform for each situation of interest. The communities should be involved right from the conception of the mining operation and throughout the mine life. Closure planning needs to open up to community concerns and incorporate them in order to leave a lasting legacy to the communities around the mining operations. Any consultation with community leaders has to utilise efficient and effective channels aimed at accurately informing the leaders on matters of particular interest to convey to the community. Any issues raised by community leaders characterised by ignorance and an element of being remote from reality should be appropriately clarified and communicated in the best possible diplomatic terms. Both parties to the partnership must be accountable and each concern adequately communicated and addressed despite how little it is perceived to be. Any arising grievances should be professionally handled with absolute respect to all parties involved and firmly embrace the attributes of honest, trust and transparency among other key elements. Grievances procedures have to be outlined in no uncertain circumstances and dispute resolution practit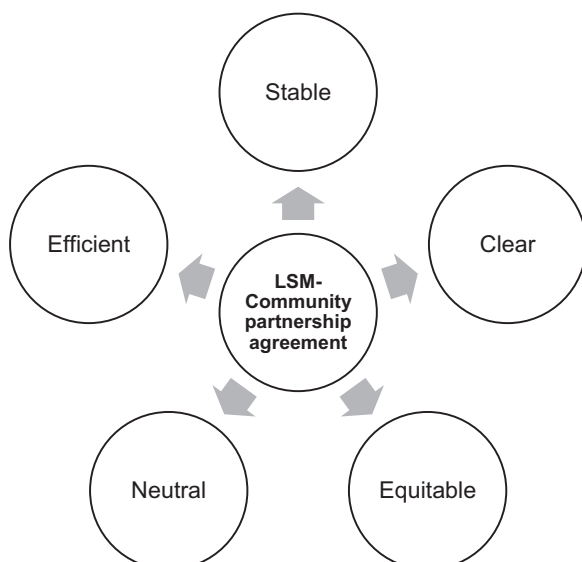ioners have to be easily accessible to all.