

How Can Mining in Côte d'Ivoire Better Serve Local Communities Without Exacerbating Conflict?

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Côte d'Ivoire is currently experiencing a mining boom. The country's growing mining sector is quickly becoming an important source of national income, and could help to finance part of the government's development agenda in the coming years. Côte d'Ivoire, however, still faces political and security challenges, such as the mutinies that occurred in 2017. In fact, poorly managed mining booms can exacerbate social and political grievances. Weak governance and the perception that the benefits from mining are inequitably distributed have led to rioting in mining communities. Critical attention should be given to mitigating potential tensions relating to the impact and benefits of mining, both at local and national levels, to ensure that renewed bouts of violent conflict do not occur.

The Ity gold mine in the western region of Côte d'Ivoire was the focus of the project: Large development investment and local peace-building in rural Africa: building and sustaining peace at the margins. Ity, which started in 1991, is the oldest gold mine in Côte d'Ivoire. Before the exploitation of the mine, the main livelihood of the local population was agriculture. The mine is situated near the Guinean and Liberian borders and attracts a workforce from these countries and as far as Ghana. The region has been labelled the 'Great West' due to the level of violence that happened between 2000 and 2010. During that period, the region was under the control of different warlords in Liberia and Sierra Leone and then under the administration of a military sub-prefect of then president Laurent Gbagbo. Over the years, the violent conflicts have reduced economic opportunities for people.

Creating and implementing a governance system of mining

Prior to the Mining Code of 2014 and the implementation of the Extractive Industries Transparency Initiative (EITI), the governance



▲ Gold panning in western Côte d'Ivoire.

PHOTOGRAPH: ZOUHOU BI GOULIZAN RAOUF

system involved the central government and the company governing the operations of the mine. Relationships between mining companies and local people in mining communities were informal. The Mining Code 2014 therefore tried to formalise relationships between mining companies and the local people, through the creation of the Mining Local Development Committee (*Comité de Développement Local Minier – CDLM*).

What is the role of the CDLM?

The CDLM as identified in the Mining Code 2014 is the body responsible for managing the development funds and identifying the development projects for each year. The mining company consults the CDLM when it is developing the annual development plan. At the time of research, the CDLM was not operating in Ity due to a dispute over its composition. Stakeholders have different interpretations of the composition, role and powers of the CDLM, often giving rise to tensions.

For example, one group believed that there should be political representatives to ensure their political interests, whereas another group wanted the Chef de Canton to serve on the CDLM in addition to the village chiefs. This prompted a conflict of interests among the stakeholders, and continues to undermine the setting up and functioning of the CDLM, the aim of which is to ensure effective, transparent and accountable governance of mining benefits for communities.

However, despite efforts to manage the different interests and tensions, the Mining Code 2014 has not provided a robust regulatory framework for the effective monitoring and oversight of the mining sector. Currently, the government is not ensuring or monitoring the promotion of social responsibility practices by both mining companies and artisanal gold miners.¹ The lack of political oversight of the conduct of mining companies and artisanal miners only creates opportunities for bad practices. Such practices could cause significant damage to the environment and health problems among local people. Many local farmers have been forced to turn their land over to artisanal miners, thereby losing their ability to contribute to food security. All this has contributed to limiting the mining sector's ability to significantly impact the livelihoods of people in mining communities and more broadly to contribute to national development.

Whose business is it anyway?

There have been changes in the government shareholding proportion of the Ity mine since the gold mining company, Société des Mines d'Ity (SMI), was established as a public company. More government shares were sold off which means the mine now operates as a private enterprise for profit. In May 2017, the Council of Ministers adopted a decree authorising the sale of government shares in the Ity gold mine of about 25 per cent. In the face of this privatisation, issues around mining are occasionally raised at the National Ministerial Council, but these are ad hoc and procedural and do not allow for significant debate, analysis and decision.

The government has tried to control unregulated artisanal gold mining through a triennial rationalisation programme of gold panning (*'un programme triennal de rationalisation de l'orpailage'*). However, this programme has had limited impact because people are clearly unfamiliar with the procedures for obtaining the gold mining permit.

Who benefits from the revenue?

As it stands, the Ivorian government has not produced a clear policy framework to articulate how mining-related investment and revenue should contribute to the national development agenda. The government has done this for other sectors such as agriculture and rural development through cocoa farming. Relevant government ministries have not coordinated their efforts towards mining, thereby missing potential development gains while allowing conditions leading to conflict to develop. Currently, the funds negotiated through the lease contracts go directly to the Treasury.

Local people from the Ity gold mine communities do not believe that they benefit from gold mining. They see the negative consequences of mining outweighing its potential advantages in their local areas. A survey conducted as part of the research project found that of 154 households in the eight mining communities around the mine, in the Tonkpi region, 53 per cent revealed that their purchasing power was below 50,000 CFA (\$91) per month (below the national monthly average household income of around \$287 (GDP per capita purchasing power parity)). The respondents also indicated that local food security has deteriorated over time as more lands are leased from farming for gold mining.

The impact of mining on women and youth

Different forms of mining including industrial and artisanal have affected the livelihoods and rights of people in the eight mining communities around the Ity gold mine. The impact of mining has introduced challenges that affect women and youth directly, including loss of land through the sale of land for concessions. This has caused a shift away from farming, leading to food insecurity.

The influx of workforce from neighbouring countries including Ghana, Guinea, Mali and Burkina Faso has

¹ Artisanal mining refers to informal mining activities carried out using low technology or with minimal machinery and practised by individuals, groups or communities.

resulted in changing roles for many. Some women and youth have had to resort to illicit forms of work such as prostitution and artisanal gold mining as their traditional sources of income (agriculture) have either disappeared due to new mining sites, or becoming less attractive and less economically viable compared to other activities. These activities have also taken the youth away from their communities and several have dropped out of school.

There has also been an impact on gender relations and roles within families, as men increasingly move away to other areas for artisanal gold mining. As a result, many families now fall under the care of women. Despite the increased pressures that these shifts have caused them, women in the mining communities are consulted on a largely ad hoc basis, with little urgency shown by the CDLM to address their concerns.

The payment of compensation and royalties to men, traditional rulers, local authorities and certain youth leaders 'on behalf of' families and communities systematically denies women's access to and control over the financial benefits of mining, disempowering women. The mining company SMI has said that it is developing its own plan to integrate women into their community relations work. Yet to date, women in the Ity mining communities have not been consulted by SMI to determine their priorities.

With regards to youth, unfortunately, while SMI had previously focused its recruitment efforts towards young people, due to pressing demands for youth employment, most local youth lacked the required technical skills, causing SMI to source skilled labour from elsewhere. This has often caused tensions resulting in youth riots against the mining company.

Policy recommendations

1 Strengthen coordination across government ministries

The set-up of the Ity gold mine was granted before an acceptable and more advanced environmental regulation was put into place. If there had been inter-ministerial coordination from the outset, it would have ensured that the mine was working in accordance with global regulations and reflected the environmental laws of Côte d'Ivoire. There is a need for coordination at all levels and across sectors to ensure that key aspects are not overlooked and that negative impacts for the local community and environment are minimised.

- Coordination between the Ministries of Environment, Mining, and Agriculture and Rural Development would ensure that mining entities such as the gold mining company SMI and artisanal miners abide by national and international regulations, and are working to mitigate the risks of mining which affect food productivity and food security in mining communities.
- Addressing the challenges of cross-border migration and illegal mining, especially in terms of artisanal gold mining groups and individuals crossing over from neighbouring countries such as Ghana, Guinea and Liberia to find work, also requires significant

collaboration and coordination. Coordination between the Ministries of Environment, Mining and Regional Integration can address these challenges through bilateral or regional relationships.

- The lack of coordination also means that there is no clear oversight role at the local level to monitor and ensure that mining companies and artisanal miners adhere to regulations. Through ministerial oversight, tensions relating to governance issues can be mitigated through dialogues, in which clarity and learning can challenge and shift perceptions.
- As there is no coordination among the decentralised offices of various ministries, regional development plans should be implemented to ensure that the priorities and concerns of people in mining communities inform policy response mechanisms.

2 Promote a social and development strategy, particularly to ensure the inclusion of women in decision-making in the implementation of the Mining Code 2014

The Mining Code 2014 does not provide for social dialogue to mitigate tensions. It also does not specify the role of the local population in the development of the annual plan which should set community development priorities. There is the need for a strategy that enables government to support local mining communities more effectively. There should be greater support to people in the mining communities whose livelihoods have been affected by the mining; for example those who gave up their land, those who used to work with resources from farmlands and fishing. Government ministries should coordinate to develop this strategy, ensuring the inclusion of women in decision-making.

- A social and gender impact assessment should be conducted by the Ministry of Mining in collaboration with other ministries on a regular basis to identify not only the challenges that affect women and youth in mining communities, but also opportunities for transforming the livelihoods of the people. For this to be effective, women's and young people's capacities should be developed so they have voice and agency



▲ Environmental degradation caused by open mining in western Côte d'Ivoire.

PHOTOGRAPH: ZOUHOU BI GOULIZAN RAOUF

to interact with bodies like the CDLM and the local authorities in determining priorities for the annual development fund.

- The Ministry of Women, Child Welfare and Solidarity in collaboration with the Ministry of Justice and Human Rights should monitor contributions of mining companies to the promotion of human rights, gender equality and women's empowerment. There should be a joint strategy with core elements of human and gender rights and a regular effort to undertake human rights impact assessments; integrate gender rights throughout company projects; and track reporting performance in these areas.

3 Strengthen mining governance at the local level

Strengthening the CDLM so that they enable effective communication between the authorities and the local population will help to foster the social contract between government and citizens. This will create a more robust mining sector that delivers both national and local economic and social benefits.

- It is important for the leaders of the CDLM to be aware of the provisions of the Mining Code 2014 and regulations of the sector, and to communicate these to the local population. This will enable people in mining communities to assist in monitoring the performance

of the mining companies and artisanal gold miners. In addition to the lack of understanding of the major tenets of the Mining Code 2014, local people still do not understand the composition and the role of the CDLM.

- While the Mining Code 2014 specifies membership of the CDLM, the stakeholders do not have a common understanding on the composition and function of the CDLM. Government needs to reflect on the role of the CDLM. The CDLM needs to have the capacity to perform its governance role to ensure that the interests and grievances of people in the mining communities are addressed through effective decision-making.
- The lack of communication channels between the multiple stakeholders gives rise to a culture of rumours, which informs local perceptions. If not addressed with the right information, this could lead to tensions and conflicts. Without proper communication channels the obligations of the government to its citizens cannot be effectively achieved. There is a need for dialogue between stakeholders – government and the mining company (currently SMI), and between communities and SMI – to ensure understanding on the implications of the changes, to resolve differences and to mitigate related tensions.

Further reading

This Policy Briefing draws on the following publications:

Allouche, J. and Padonou, O. (2017) 'Côte d'Ivoire: The Mutiny May Be Over, But the Army's Problems are Not', *African Arguments*, africanarguments.org/2017/05/17/cote-divoire-the-mutiny-may-be-over-but-the-armys-problems-are-not/ (accessed 8 August 2017)

Transparency Initiative Extractive Industry (2012) *Interministerial Order No. 37 MEF/EPROM* of 17 February 2012



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