

GREEN  **SCENERY**

**Perception Assessment
Of
Host Communities of Sierra Rutile Mine
After
Dredge Solondo Capsized.**

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Introduction

On July 25, 2008, the world's largest dredge toppled sideways and fell into the self-created depths less than one year after its commission by President Ernest Koroma. The dredge Solondo, named after a powerful warrior of his own time in that region lies on its side with approximately half of its structure (from floater/Pontoon at the bottom to the complex engineering, electrification and construction above water) in the depths it has created. This depicts the irony of self-demise, as the world's largest dredge lies helpless in its own lake with millions of Dollars worth of machinery and equipments damaged or near damaged.

Brief Background of Sierra Rutile Mining

Sierra Rutile Limited (SRL) is the owner and operator of the Sierra Rutile Project, located in the Southern Province of Sierra Leone approximately 135 kilometers (km) southeast of the capital Freetown and approximately 30 km east from the Atlantic Ocean. The Project lies within the Upper and Lower Banta Chiefdoms of the Moyamba District and the Imperi and Jong Chiefdoms of the Bonthe District. The Project is an existing dredge mining and processing operation that commenced operations in 1979. The project operated more-or-less continuously from 1979 until 1995.¹

During active operations, the Sierra Rutile Project was an excellent producer of rutile (titanium dioxide), with ilmenite and zircon produced as by-products. In its rudimentary use, rutile pigment provide brightness, whiteness, and opacity to products such as paints, coatings, plastics, paper, inks, fibers, food, and cosmetics. The ore is common in mineral sand deposits in coastal regions.² Mining operations were suspended in January of 1995, as the facility was overtaken by rebels and subjected to destruction. Equipments were rendered inoperable while infrastructure was completely damaged as the civil war consumed much of Sierra Leone. The mining site was idle since that time until the end of the conflict when stability gradually returned and SRL began evaluating the technical and economic feasibility of refurbishing the Project and recommencing mining operations at the site. The feasibility study which started in 2001 produced a technically viable and financially sound redevelopment plan that was followed through leading to the present revitalization of Rutile Mine operation and subsequently to the commissioning of the second dredge, the world's largest, in November 2008. The feasibility study included, among others, elements such as investments into the development and operation of environmental and social programs, as well as employee occupational health and safety programs, was an integral part of the economic package.³

Why this Investigation?

The construction of Solondo dredge consumed a significant proportion of resources of the Sierra Rutile project. While some company sources estimated the cost of the dredge at US\$ 30 million, others have said only the construction costs that much and if the purchase of the components were included, the cost would be higher. In a recent report, the company placed a book value of

¹ Environmental and Social Assessment, prepared for Sierra Rutile Limited. Knight Piesold and Co, October 2001.

² Ibid.

³ Ibid.



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Solondo dredge at US\$ 40 million.⁴ The cost associated with the dredge is a big dent to the company considering what it will take to cover up such loss. But what is of colossal impact to all stakeholders: government, shareholders, the management, communities, workers and businesses is that mining operations have been slashed down by over 50% with the demise of Solondo and streams of revenue servicing various stakeholders is currently very unstable and likely to dry up as a result of this drastic reduction in mining operations.

Solondo's demise has therefore raised many issues in and out of Sierra Leone just as it has evoked feelings and fears among employees and communities whose lives are impacted by the mining activities either economically, socially and politically or all of these. The cost of the dredge is monumental enough to bring levels of instability in the operations of the company considering the pay back of loans and the need for resources to addressing other operations vital to the buoyancy of the company.

The investigation leading to this report is seeking to understand the fears, feelings, and perceptions of all rungs of persons within the Sierra Rutile Mines enclave. This report will not look at other stakeholders outside the bracket mentioned above although it will present analysis that will point to critical issues that will be insightful for various interest groups. It also intends to present findings and recommendations for a number of stakeholders including but not limited to the government, the company, communities, NGOs and advocates.

Objectives of the Investigation

- ❖ To determine the fears, concerns and perceptions of communities and workers in the Rutile mines enclave
- ❖ To determine impact of the fallen Solondo dredge on the various tiers of society within the mining enclave
- ❖ To assess economic and social development trends in the communities affected by the operations of Sierra Rutile company

Methodology

Interviews with key informants, interview with company representatives, community meetings, community analysis and observations and personal observations, review of information on Sierra Rutile Limited (SRL) from Titanium Resource Group and other company documents. Data or information collected forms discussion points, which further build into analysis leading to findings and recommendations.

A total number of four community (focused group) meetings were held during which a number of issues were raised, discussed, and analysed. Further more community observations were encouraged to form part of the meetings since these are crucial to understanding the dynamics and web of relationships within the communities and between the communities and the company and employees of the company. Individual meetings with key informants within the communities

⁴ "Interim Results and Operational Update Announcement" at the TRG website



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were also undertaken. It was important because it helped to hold in focus the real issues within the communities and the company as well as giving deeper insights into the issues of the investigation. The discussion section that follows generates from the perspectives of various stakeholders within the Sierra Rutile Mines.

To accomplish this task a three-day visit to the field was undertaken. A number of villages were visited but particular emphases were placed on Junctionla, Lungi, Madina and Foinda. In addition to the villages visited, were also key areas like the experimental plots, the sand tailings, pond/dammed areas and the collapsed site of dredge Solondo.

DISCUSSIONS

Communities

A mix feeling about the fate of dredge Solondo exists among the community people in the communities visited. As was clearly expressed the only sympathy they have is for those that have lost their lives and for their families but the sympathy towards the company is lacking. Many reasons forwarded for this position of the communities visited, which reasons stem from deep-seated grudges due to frustrations for unmet needs and expectations. Below are some of the reasons they proffered:

There is no positive development for Gangama where the Solondo dredge was constructed. Upon flooding of Gangama and the subsequent relocation of its inhabitants, the people expected to be better off than how they were before resettlement, but they claim they are now worse off due to the operations of the company.

Community people feel grossly cheated on crop compensation impressing that they have lost their tree crops forever to the company in a one-off meager payment. The crops they claim are capable of servicing three generations at annual yields that gives far more income than what the company paid and is paying as compensation in a one-off payment.

Families have lost hundreds of acres of land to the company, which are being rendered sterile for agricultural production. A family claimed that they have lost an estimated 500 acres of fertile swampland from which they use to produce rice three times a year and get thatch from raffia to cover their homes. According to them they now live in perpetual hunger and poorer shelter as they have no land on which to carry out farming or acquire materials for proper shelter to sustain them simply because the company did not make appropriate provision for the resettling communities to acquire land from host communities. Even when land is acquired, the increase in population in host communities is adding severe pressure on cherished land resources, which is contributing to some level of tension in the communities.

Surface Rent and Crop Compensation

There is sharp criticism of the annual surface rent payment. Communities say they feel poorer and very insecure now with the operations of the company than before.



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They argue that before Sierra Rutile's operations commenced, they would farm on their land and be assured of yields that would fetch income that far exceeds what the company is paying as surface rent per acre. For instance, an analysis presented for a high yielding variety of cassava that produces 20 bags of garrie⁵/acre at a cost Le 25,000 per bag derives about Le 500,000 (US\$ 169) per acre per year. What the company pays in surface rent when an acre of land is converted to their use is US\$ 10. Out of this meager amount, only a fraction goes to the land holding family. The US\$10 is divided in the following ratio:

- 45% (US\$4.5) goes to the land holding family
- 20% (US\$2) Chiefdom Development Fund
- 15% - 20% (US\$1.5 – 2) District Council
- 15% (US\$1.5) Paramount Chief
- 05% (US\$0.5) Town Council

Further more in the instance that an acre of land with cassava is converted to the mines only Le 300,000 (US\$100) is paid out as one-off crop compensation. The payment of these amounts according to the communities is fraught with delays and such delays have grossly affected the livelihoods of communities simply because it becomes difficult to plan on expected yet inconsistent income.

Social Facilities

The very least of social facilities are lacking in the communities. There is no health center in any of the communities visited, a disused clinic exists in an old resettled village of Madina where the market and Church roofs have caved in since the conflict years and have not been repaired. A school in this same village was not completely rehabilitated. Its painting was incomplete, and no toilet facilities exist for the children. A single well, (never been treated by the company only World Vision seldom does some form of treatment) exists and serves 30 households. Nevertheless, Madina is very lucky having disused and dilapidated structures, others like Lungi, Junctionla and Foinda are not so lucky. These communities cannot boast of a school, a clinic, a church/mosque or water well that is constructed by the company. The only properly constructed school in the Junctionla-Lungi communities is one recently pioneered and constructed by a local NGO, CADEM. Before this time, children from these communities sat in makeshift structure poorly constructed from community efforts.

Poor social facilities as these are contributing in no small way to the poverty level of the communities and the company is seen promoting this. They complained as communities that health is poor, food security is nil and education for the children and posterity is grim. Is the Titanium wealth of these communities ever going to benefit them is the question to reflect on?

⁵ Processed cassava tuber baked into fine edible gritty grains. It can be eaten raw or with a wide range of sauce or liquid milk with sugar.



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The Case of Foinda The Hard-To-Resettle Community

The Foinda Community was frozen in all aspect of development since 1992. The former management of Sierra Rutile Limited had put on hold all development activities of Foinda as the village was one that was to be relocated. All assessments (crops, land, housing and others) were carried out. The inhabitants were advice in their interest not to undertake any form of development initiatives including further construction of homes of which there were about 200 (data derived from community members) and even major repairs as resettlement was eminent. Land site was allocated for the resettled village that would twin with Madina to be referred to as Madina-Foinda. While resettlement strategy was being worked out the conflict reached the rutile mines in 1995 and company operations stopped, affecting the Foinda relocation programme.

In 2001, a new management of Sierra Rutile Company held a meeting with the Foinda inhabitants assuring them of a definite relocation with a reassessment carried out at which only some 80 houses were verified by the company that would be relocated. The inhabitants argue that in the first assessment of the company some 200 homes where documented for relocation that the company's freezing of their activities coupled with the effect of the war had led to the destruction of many homes. Many inhabitants have left the Foinda community for neighbouring villages due to housing problems and at present the homes are evidently over crowded. These people it is claimed will return for resettlement and they are legitimately entitled to it.

Foinda inhabitants upon further instruction by this management to desist from any form of development are still waiting to be relocated seven years on. They have a forlorn hope of relocation and their condition continues to be increasingly miserable. During this visit at least one house was collapsing due to the heavy down pour of rain. They fear that the longer it takes them to be relocated the poorer they will become as options for livelihoods are getting slimmer due to a stop of their farming practices. Homes continue to fall and these may not be included in the next assessment when it happens.

The Foinda inhabitants are ever more uncertain of their resettlement with the demise of Solondo dredge. They claim that it has been difficult for the company to relocate them when situations were better that is when the company was realizing some benefits from the operations of Solondo. Will the company in a long shot think of their plight with such loss? While this uncertainty lingers, climate conditions such as the rainy season imposes extreme hardship on Foinda as is now cut off from the rest of the region due to very bad roads that can hardly be used by normal vehicles.

In a Resettlement Action Plan for Foinda (Oct. 2001) the Sierra Rutile document stated that physical relocation will be completed in 2003. It is also reported in that document that the relocation of Foinda village was interrupted in 1995 and that in the 1994 assessment there were 1080 people and 135 houses in the village.



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A collapsing house in Foida

Community Involvement in Decision Making

The question of whether the impact of the demise of the dredge has been discussed with them by authorities of the company was not comprehended because the company hardly ever discuss issues of their operations with them. The communities visited have not been visited by the company explaining to them what has happened and what the future holds for them from the company. “We are completely excluded from everything the company does. Information hardly flows to us from them,” an elder complained. “How can we have sympathy when our issues are not treated with the sympathy it deserve,” another lamented.

But the company through its Community Affairs says they are in constant dialogue with the Paramount Chiefs about the situation infact it was suggested by the chiefs to pour libation to appease the ancestors. If this is the case then no knowledge of such development has reached the communities. The company seems to be making the same mistake it acknowledged in its Resettlement Action Plan that it consulted chieftdom authorities in designing and planning certain



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initiatives with no involvement of inhabitants leading to the lack of the local ownership of these initiatives.

The Myth, Belief or Tradition?

The issue of pouring libation is of significant importance in this region. Mythical stories of warriors and shrines abound and the one of the warrior, Solondo has a high point in all the communities visited. Inhabitants view the naming of the dredge Solondo as a serious error. Solondo was a warrior who defended their region against enemies, by giving such a name to the dredge believed to be waging war on the land of their ancestors was nothing short of self destruction as it is seen that Solondo will never wage a war against his own people.

The Gangama inhabitants on whose soil the dredge was assembled played no role in the commissioning process of the dredge, their village is inundated, their cemeteries and shrines have all been desecrated by the rutile operation and Solondo was now the new player in the destruction process. It is a strong belief in these mining affected villages that the ancestral fathers will never allow a destruction machine bearing one of their names to undertake such act.

The communities believe that Solondo met its demise in the whereabouts of their ancient war front beyond which no warrior attacking them would pass. This mythical front line is said to have been supernaturally constructed by warriors like Solondo. To date a forest shrine exist in which Solondo's foot print and seating stool print were left in a rock. It is in this shrine that any libation to the ancestors must be poured, inhabitants have expressed.

The Sierra Rutile Foundation

On the onset of Sierra Rutile's and Sierra Mineral's operations in the rutile and bauxite mines, it was decided that both companies contribute to a development foundation to which each of the companies should contribute funds. The starting funds from each company were US\$100,000 and US\$50,000 from Sierra Rutile and Sierra Minerals Respectively. According to TRG web site the SRL Foundation was then established to finance sustainable community development initiatives that will improve the socio-economic and infrastructural conditions in the eight rutile and bauxite mining chiefdoms of Imperi, Jong and Kpanda Kemo in the Bonthe District; Upper Banta, Lower Banta, Dasse and Bagruwa in the Moyamba District and Bumpe Ngao in the Bo District, and any other chiefdoms that SRL/SML mining activities may affect in due course.⁶

⁶ Titanium Resources Group website, <http://www.titaniumresources.com>



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Since the establishment of the Foundation in 2006 the funds have accumulated appreciably and should by now be able to support many dearly needed development projects that would help alleviate poverty and improve the lives and conditions of the inhabitants of communities affected by the mining activities. However, this has not been the case, the Foundation money have been diverted into the company's own project.⁷ Without consultation with the communities regarding the investment of the Foundation Fund, Sierra Rutile diverted the funds to a biofuel project. This project has since stalled and has encountered a number of problems to start. Investigation reveals that the initial stock of palm oil purchased by the company had contaminants that would affect the quality of the biofuel intended as fuel for generating electricity for the company.



Community people expressing their fears about the Trust Fund

The communities are questioning the agenda of Sierra Rutile with regards the Foundation fund. Given that the Foundation was set up for the development aspirations of the communities, the funds therefore are entrusted to a body that should manage the funds for its intended purpose and impact on the lives of people hardpressed by the operations of the company. What therefore is the acuring benefit to the communities if Sierra Rutile spends that resources on biofuel? The project is seen by the communities as one that will engender further hardship, since mass purchase of palm oil will deepen the demand side of the product and eventually lead to increase in scarcity or price or both scarcity and price. A continuous spending of this money also further delays community development and will contribute to deepen poverty in the region.

⁷ TRG web site at, http://www.titaniumresources.com/site/en-GB/Page_20.aspx



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It was revealed and even confirmed by the parent company TRG that the Bauxite mines have been sold off. How was this new development going to affect the funds? No information about the new owners's position regarding commitment to this fund was available.

Environment and Human Security

The fate of the mines environment still remains very uncertain and the communities will pay the highest price if this continues. Huge proportion of the land is covered by large ponds or lakes and sand from tailings of the operations of the dredges. In the company's Environmental and Social Action Plan, it is stated that a foreseeable 7,500 hectares will be added by current operations to an already 3,675 hectares that has been disturbed. Even though the Company in the ESAP committed to honour its past reclamation obligations (i.e 3,675 hectares) yet it contradicts itself by stating that " some 786 hectares of land that is now disturbed will be reclaimed under the current project plan." The understanding portrayed here is that under this current project plan, only 786 hectares out of a total 11,000 hectares that will be eventually disturbed is to be reclaimed.

The mining method employed by the company is dredge mining, which allows dams to be constructed, and reservoirs of water kept over the ore deposit with a floating dredge scooping and processing the ore deposit. The waste comprising of sand and slime from the processed mineral is sent back to the dredge pond. Water used in mining, is often moved about as operations proceed. This hydrologic movement leads to diverting natural drainage into man-made dams hence reversing the natural flow between surface and ground water in the operational areas of the company. This condition believed to lead to the depletion of natural ground water is likely to be affecting community access to safe natural ground water.

The Executive Summary of the Environmental and Social Assessment (ESA) mentioned that certain chemicals are introduced in the Feed Preparation Plant (FPP) for efficient separation of the rutile from the tailings. The tailings from the FPP and those from the dry plant are pumped to the total tailings facilities. It is clear therefore that chemicals are strongly associated with the mine tailings which serve as linings to the ponds and reservoirs. Very often community inhabitants use this water for many purposes including laundry and bathing and they claim to contract skin blemishes quite often.

Chemical	Use	Historic and Proposed Usage
Sodium Fluoride (NaF)	Zircon Activator	No Longer Used
Potassium Amyl-Xanthate (PAX)	Flotation Agent	Future Use sulphide Flotation Collector
Sodium Isopropyl Xanthate (PIX)	Flotation Agent	Future Use sulphide Flotation Collector
Calgon Cagulate 25	Water Treatment	Future Use Water Treatment
Aluminum Sulphate	Water Treatment	Future Use
Sodium Hydroxide (NaOH) 45-99%	1st Stage Attrition pH Adjuster and Silica Surface Cleaner	No Longer Used
Acetic Acid Glacial	Generally used in manufacture of various acetates and acetyl compounds. An acidulant and solvent for gums, resins, and	No Longer Used
Sulphuric Acid (66 degree Be 91-93%)	pH Adjuster	No Longer Used
Hydrochloric Acid (concentrated)	Zircon Plant	No Longer Used
Soda Ash	pH Adjuster	Future Use
Hydrated Lime	pH Adjuster	Future Use
Ciba Drimax (anionic surfactant)	Dewatering Agent for Table Plant	Future Use Possible
Amine Aerosurf	Zircon Plant	No Longer Used
Dow Froth: methyl ethers of polypropylene glycol	Flotation Frother	Future Use Possible
Cocooamine: C8-C18 and C18 saturated alkyl 95%	Zircon Flotation Collector	No Longer Used

Table of chemicals formerly used in past operations and those proposed to be used in current operation. Source ESA report



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An examination of the sand tailings indicated that it is practically inert of food nutrient for crop production. Vast dunes of sand tailings can be seen with absolutely no tree vegetation. The only form of plants that could be seen patched on such soil are those that endure extreme conditions and these are the grasses. Very little is observed to be done at land rehabilitation. What is being shown as land reclamation is the establishment of 16 experimental plots demonstrating experiments with compost and top soil. All the sites visited had few trees that were doing well, yet the company claims (on their signboards) that they are undertaking rehabilitation.



At work Solondo eating the land away and sending sand tailings and slime back into the pond

The survival of the community inhabitants is intricately related to the possession of fertile land for farming purposes. The guarantee of livelihoods and the standard of living by the community people has not been improved by the operations of the company. It is instead deteriorating their conditions. For instance a particular village chief claimed that his family land including swamps estimated at some 500 acres was taken over by the company while another Land holding family claim that they have systematically lost 534 acres of land over a period of 20 years. The chief's land particularly the swamps assured them of rice production which they no longer do. In addition they have been resettled into another community from which they should rent land for farming. Women are particularly affected by loss of land. For instance those that were resettled in the community of Mbelleh are now facing reduced agricultural output due to land scarcity and competition for land. A woman said that she used to grow beans and would harvest 4 bushels of broad beans on her land but now that there is land constriction she now grows and gets



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less than one bushel. Women are now making hard choices of which child or children should go to school or not as a result of this new hardship. The chief in this village said that before the resettled community there was enough land for all to farm, but new settlers have added more demand on land, which has led to reduced available land for agriculture and in turn affecting income per family. The agricultural development funds (ADF) meant to improve output from available land is now being channelled through the Government. This fund is observed to be trickling into the communities rather than ensuring that the funds meet its desired goal. Food security by every indication in these communities is an illusion. Contributing to this are a combination of factors like constriction of arable land through mining, the rendering of the land useless for agricultural purposes by mining operations, and lack of support for actions and innovations that would increase agricultural output. The combination of environmental stress and human insecurity in the rutile mining communities are recipe for violent conflicts and the conditions are gradually reaching proximate causes.

Unemployment

In the past Sierra Rutile accounted for 11% of the country's wage earning population or some 1,800 people. In the present project the work force has been steadily increasing since the rutile operation started until Solondo capsized when this trend reversed. Yet all communities visited expressed that they have not benefited much from Sierra Rutile's employment scheme. According to them, some form of understanding between the company and the communities about supply of local work force was agreed upon, but the company seems to have abrogated on this understanding.

The Community Development Policy (CDP) of the company states it will contribute sustainably to the physical and economic development of proximate communities and to limit their economic dependence on the company's operations. The company also stated in its Environmental and Social Impact Assessment (ESIA) that it would maintain (the 17%) previous employment record of the company or increase this level for locals as a hiring objective.⁸ Whether these measures are being taken was not delved into. However, inhabitants in the communities visited impressed that the company's employment record was low insofar as it involves employing locals from host communities.

If anything has jeopardised Sierra Rutile's employment scheme is dredge Solondo's demise. This investigation reveals that over 600 casual workers have been laid off. At the supervisory level over 100 has also been laid off. The company said in a recent report that "regrettably, as a direct result of the loss of production at D2, the Company has had to make significant headcount reductions until the dredge is working again and these retrenchments are being made in order to reduce costs so that our financial resources can be focused on the rapid rehabilitation of D2."⁹

⁸ Environmental and Social Assessment, Vol. 1, - Environmental and Social Impact Assessment, Sierra Rutile Limited. October 2001, p99.

⁹ Interim Results and Operational Update, Titanium Resource Group, 10 September 2008.



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The work force of the company is very worried. Inside sources have confirmed that this retrenchment is likely to affect every level of the work force from senior management to international recruits. This will have a snowball effect, which effect will be felt at a number of levels. For instance, at the government level, redundancy means reduced government revenue in Pay As You Earn (PAYE) and other forms of income taxes such as withholding taxes on contracts and supplies.

At the private sector level, down scaling in service and products acquisition is bound to affect those service and products providers. For instance, energy demand by the dredge was comparably very high. The stop in demand by the dredge has lead to less electricity supply and a concomitant low consumption in fuel. Local service providers such as entertainment were quick to feel the impact. A local entertainment spot in the Mogbemoh area had reduced clients during a weekend, a situation that would hardly obtain at normal times. A source close to the proprietor of this entertainment spot expressed that the proprietor is equally worried about the rate of redundancy, which calculates as loss of profit for the enterprise. Sex workers too were over heard raising concerns about the drop in their carrying capacity.

At the community level, petty trading at Solondo's operation site has ceased to exist and women stand to lose most since they were the majority hawkers of food and other essentials to workers in the dredge. Women in some of the communities visited confirm that this was a significant loss of income for them. Income to those locals employed as casuals has also ceased for those laid off and this amounts to significant losses, noting income levels of people in the region. Locals were laid off from processing operations, civil works, driving and electricity generation. Many of these workers have immediate and extended families to support. Business in the surrounding communities has dropped according to a local trader in Moriba Town. The purchasing power of some residents has reduced and this is affecting sales of petty traders dealing in sundry items. Even top up card sales have noticeably reduced within Moriba Town.

The Demise

Since Solondo's commission in November 2007, the dredge has not worked 24 hours, information revealed. The dredge capsized after its first 24-hour earth-eating debut and sources close to the operation of the dredge indicated that since it started working the dredge has shown regular levels of instability. This instability, the sources claim are very likely design and technical related. The dredge is perceived as not been appropriately staffed. Instances are many in which the total staff put together on the dredge would not exceed 35. The day before 25 July when the dredge capsized, there were no more than 25 workers, yet the company officials in their press announcement informed the public of 50 workers on the dredge including one of the managers, Sahr Wonday, on the day of the incident. The incident had two people reportedly drowned.

There were many comments about the reluctance of the company's insurance to pay claims for the incident, however the official position of the company as stated on their web site is that the company has filed claims for insurance and that the insurance company is investigating the claim. With half of the dredge still under water, the company said it is reviewing a detailed rehabilitation project to restart Solondo believing that this would be accomplished in 14 months with resources meant to complete dredge 3 diverted to the rehabilitation of Solondo. A clear



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picture of what it takes in monetary terms to salvage Solondo had not emerged but unconfirmed information is putting the figures at US\$ 8 million this excludes its rehabilitation. The salvaging of Solondo is however, based on confirmed recovery specialists' recommendation a recent company reported stated.

Solondo's demise has other acute implications in relation to production output and generation of revenue for both the company and the government. While Titanium ore production reached 7000 tonnes per month when both Solondo and Payne dredges were in operation, this trend has reversed considerably to 2000 tonnes per month with only Payne working.¹⁰ This means that government revenue from this will be small and further more would influence payment of a Euro 25million government loan. In its recent report, the company reported a US\$ 20.2 million loss after tax.

Findings

1. There is much grudge in the communities for the company due to unfulfilled expectations. This grudge is intensifying and would likely lead to violent eruption.
2. Communities appear to be poorer. This researcher has been regularly visiting communities affected by the mines and has observed the state of the communities since. Gradual infrastructural decaying is taking place. Madina is a typical example where the market, the clinic and barrie are fast decaying. Community livelihoods are also becoming evermore insecured. Farming, the life blood of community people is shrinking every time the company takes up land for mining. Health facilities are unavailable and secondary school children trek to school for an average 3 – 7 miles every school day.
3. Community voice is very weak and could hardly be heard. This is largely because the land owners are not organised into a force that can constructively demand their rights. This weakness has been exploited by the company, the governemnt and chiefs.
4. Land reclamation has not taken any meaningful dimension that would demonstrate any positive committment by the company. The company has commenced operations since 2003, it therefore must be seen doing serious reclamation. The only reclamation programme in place is the experimental plots that have been established in partnership with the Darwin Initiative.
5. The company assisted some communities to reduce the impact of a recent natural disaster that struct them. Some schools in the communities benefited from this initiative.
6. The company has embarked upon retrenchment of work force this would have dire consequences at especially community level.

¹⁰ Payne dredge is referred as D1. This dredge was in operation while D2 (Solondo) was constructed.



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7. The management of the Agricultural Development Fund (ADF) has changed managership from the company to the Ministry of Mineral Resources. This appears to be having a negative impact on agricultural productivity in the region. Communities are hardly informed about availability of the funds and how and when it is been disbursed. According to a company document Le 602,386,000 (US\$ 204,198 at today's rate) was paid out for the periods 2005 – 2007 and for 2008 the amount of Le 311,010,000 (US\$105,427) was paid to the Ministry of Miniral Resources.
8. The SRL Foundation fund has been converted into the company's project instead of allowing the communities to benefit from the fund. No prior discussions were held with the beneficiaries of the fund to rationalise why the funds were been channelled to a biofuel project of the company. The biofuel project is seen as a poverty aggravator. Further more with the disposal of Sierra Minerals it is not clear if the new owners will continue this obligation.
9. Surface rent and crop compensation are rediculusly very unrealistic. Furthermore, the distribution of surface rent is to the disadvantage of the land holding families. A land holding family with 10 family heads would receive a mere US\$ 0.45 per acre of land per family while a Paramount chief alone gets US\$1.5 per acre in addition to what the chief gets for his/her own land. This distribution is very unfair. Crop compensation too is very low compared to the real economic value of the crops.
10. Foinda village is still waiting to be relocated. Inhabitans are increasingly getting concern about the fate of their resettlement. Homes are collapsing and they fear that the company will carry out another reassessment which will leave out those homes because the physical structures are no more.

Recommendations

1. To reduce grudge and mistrust between the company and the communities, a regular dialogue (not monologue) must be put in place. Dialogue that encourages open and frank discussions that leads to a win-win situation. What seems to be the current "dialogue" is more of monologue during which company officials would come and talk down to community people. Most often company hold discussions only with the chiefs. A forum or platform must be established where stakeholders irrespective of economic or political power interact at the same level to agree on mutual interests.
2. The concept of the Foundation is a very viable one because it ensures sustainability of development. It enables mining affected communities to endure even after mine closure, because development funds will always be available to service even posterity. If this fund is well invested and managed it will be the power house of development for these mining communities and driver of pover reduction. The Trust Fund must be made to be managed by an independent body purely for that purpose.



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3. Surface rent and crop compensation should be reviewed. The surface rent for instance must be increased to a realistic level based on current land trends in the country. A surface rent of US\$100 per acre is still unrealistic but would be a laudable starting point. After all it is from the rented land that much wealth is removed.
4. Surface rent distribution must also be reviewed in favour of the land holding families. 70% of surface rent going back to the land holding families is quite realistic. The rest can be divided among the other stakeholders with the Paramount chief receiving not more than 8%.
5. Compensation for crops must be realistic and must be reviewed using the following formula: All tree crops must be paid for over a period of 4 years to allow their owners to establish such plantations in their new settlement. All annual crops should attract the cost of the yield plus cost to acquire crop stake or seeds using the formula $1.5 \times (\text{assessed value of crop})$ where the factor one compensates for the yield and 0.5 compensates for the stake or seeds.
6. The strategies used in managing the Agricultural Development Fund must be unpacked and analysed for their failures and new options designed with the participation of all mining affected communities.
7. The village of Foinda must be resettled immediately at all cost or left alone and inhabitants allowed to carry on with their development aspirations. Freezing the people's development is serious human rights violations.¹¹
8. Land degradation in this region be reversed. The spate at which sand tailings are piling is a serious cause for concern. This is creating a more or less desertification condition. Very little effort is directed at reclamation of both denuded and sterile land, conditions of which are created by the company's operations. Lots of efforts must be directed at land reclamation particularly and measures must be put in place to generally ensure mitigation of environmental risks.
9. Surface hydrologic movement must be carefully studied to avoid drastic impact on the transient movement between surface and ground water, which can be causal factor for the depletion of ground water likely servicing communities.
10. Community capacity should be enhanced for positive engagement with the company and other stakeholders. This can be done by NGOs with support from other interested groups including the company. Much efforts should be made to recruit into the labour force

¹¹ See articles 20, 22, 24 of the African Charter on Human and Peoples Rights and article 17 of the Universal Declaration of Human Rights. Also, see the International Covenant on Economic, Social and Cultural Rights.



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11. Much efforts should be made to recruit into the labour force of SRL a targeted percentage of people from mining affected communities
12. A more comprehensive research must be undertaken. One that should have deeper investigations on the following themes: Environment, Social issues, Human Security, political, economic and gender issues.

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