

CHAPTER 5

PROJECT IMPACTS

The Mine Area is 3,111 hectares in size. This area is subject to a change in use as a result of the construction or operation of the Project.

This Chapter details the impacts of this land take. It describes the Company's efforts to minimize resettlement, and then provides an overview of impacts on households, public facilities, public access, and host communities.

5.1 Efforts to Minimize Resettlement

The Company has minimized the scope of physical and economic displacement associated with the Project through the following actions:

- Minimizing the size of Project components and the distances between them
- Minimizing buffers around Project components
- Restricting the Mine Area to a sparsely populated, rural area.

With respect to the first point, the Company minimized the size of Project components and the distances between them, in order to compact the Mine Area. Doing so is important from the standpoint of the social footprint of the Project, but also from the standpoint of Project efficiency: shorter roads mean lower construction and operating costs.

With respect to the second point, the Company minimized buffers around Project components, without compromising the health and safety of nearby residents. In late 2003, the Mine Area included 1,762 hectares of buffers, which included large setbacks around all Project components. Through internal deliberation and consultation with appropriate authorities and Project-affected persons / households, the Company reduced this area significantly. The largest remaining buffer is that of 500 meters around each of the open pits. This 500 meter buffer is an international standard required to ensure that people remain outside of the "blast radius" of mining operations.

With respect to the third point, the Company worked to ensure that the Mine Area is located in a sparsely populated, rural area, distant from sizeable communities and major public facilities or infrastructure. It directed exploration activities and mine planning activities away from Ntotoroso (population of 2,643 people) and Kenyase 2 (population of 7,451 people), with the knowledge that the social footprint for the Project would become significantly larger should either community be considered for resettlement. It also directed – and continues to direct – exploration and mine planning activities away from both the Kenyase and Ntotoroso Resettlement Villages, with the understanding that resettling the same persons / households twice is unacceptable.

5.2 Households

Impacted households comprise “resident” households and “non-resident” households, each of which are described below.

5.2.1 RESIDENT HOUSEHOLDS

Resident households are those owning houses in the Mine Area that were built on or before 10 February 2004. These households are physically displaced and are eligible for resettlement or relocation (**Figure 18**).

The Company has identified 823 resident households, with a total population of 5,185 (6.3 persons / household). These households live primarily in rural homesteads scattered throughout the Footprint, with small clusters at Kodiwohia (117 households) and Kwakyekrom (89 households).

This section describes the structures, farm fields and businesses of resident households, and defines the difference between resettling and relocating households.

Structures

Each resident household possesses a set of completed structures, including residential and non-residential buildings. It is important to note that a large proportion of these structures were built solely to capture compensation. Many have never been lived in and the owners don't have any intention of living in them. They are referred to locally as “traps,” the implication being that they are traps to catch the Company. However, these households did make an investment and they are reaping a return based on that investment.

In addition to these completed structures, these households in total possess a few (< 20) structures (or sets of structures) that were partially constructed as of the entitlement cut-off date.

Finally, these households possess a total of about 45 structures (or sets of structures) that were constructed after the entitlement cut-off date and are therefore ineligible for compensation.

Cropped Fields

Resident households cultivate an average of 5 fields (totaling 1.7 hectares), for a total area of 1,399 hectares. They also possess fallowed landholdings, and collect fuelwood during the clearance of new farm fields and from fallowed landholdings (**Figure 19**).

Businesses

Eight resident households run small businesses: six operate corn mills and two kiosks. The Company has consulted extensively with the proprietors of these businesses. They do not anticipate any loss of income due to the Project, and have only requested that the Company assist them in moving their structures.

There is one business owner of a Cocoa Marketing Board shed. The owner of the shed was able to move to another structure in Ntotoroso of sufficient capacity. The Company assisted in the move and

Figure 18: Mine Area Home



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Figure 19: Cocoa Plantation



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is paying rent until the replacement structure is complete. There are also a number of Garri and Akpoteshie makers (alcohol made from oil palm). These operations are easily moved. In some instances, there are permanent structures in the form of cemented holes for cooling the alcohol vapour, which are compensated.

Resettling Households and Relocating Households

Resident households can be divided into two general groups:

- Those for which their residence in the Mine Area is their primary residence
- Those for which their residence in the Mine Area is not their primary or sole residence.

Households in the first group number 399, and have a total population of 2,594 (6.5 persons / household). These households are moving to one of two resettlement villages constructed by the Company.

Households in the second group own an alternative residence elsewhere in the district or have already moved from their Mine Area residence to settle outside of the district. Such households number 424, and have a total population of 2,586 (6.1 persons / household). These households are eligible for relocation compensation, if they so choose, subject to verification of their alternative residence by the Resettlement Negotiation Committee.

Further details on resettlement and relocation are provided in **Chapters 6, 7 and 8** below.

Temporary Housing

In the instances where resettling households are requested to move from the Mine Area prior to the completion of new residences, assistance is provided for households to find temporary accommodation. Assistance includes a rent allowance, which is supplied to households for a period of one year. It is up to the households to find temporary housing. Most move to quarters owned by members of their extended family. For one reason and another, some persons take rental allowance and do not move. The Company attempts to find a solution for refusal to move, but in no instance has the Company forced movement to temporary housing. Details of the rent allowance appear in **Section 8.1.4**.

5.2.2 NON-RESIDENT HOUSEHOLDS

Non-resident households are those households residing outside the Mine Area but that possess land, usage rights or businesses within the Mine Area. These households are economically displaced by the Project.

This section describes the structures, farms and businesses held by non-resident households.

Structures

As a general rule, non-resident households do not possess any completed structures in the Mine Area (i.e., lean-to, farm sheds) with some exceptions (e.g. fish ponds). In these cases, households will be compensated on a one-off basis.

Non-resident households, however, do possess about 142 structures (or sets of structures) that were partially constructed, or incomplete, as of the entitlement cut-off date and are eligible for compensation. These households also possess about 380 structures (or sets of structures) that were constructed after the entitlement cut-off date, an indication of the strength of the speculative boom in the area. These structures are ineligible for compensation.

Farm Fields

The Company identified 878 non-resident households that possess farm fields in the Mine Area, with a total population of 4,390 (5.0 persons / household). These households live in nearby communities (Kenyase 1 and 2, Ntotoroso, Gyedu and Wamahinso) and in rural homesteads surrounding the Mine Area. These same households own the vast majority of incomplete structures and ineligible structures.

These households cultivate an average of 3 fields each, for a total area of 888 hectares. They also possess fallowed landholdings, and collect fuel wood during the clearance of new farm fields and from fallowed landholdings.

Businesses

There are a number of small businesses located around the Mine Area. There is one grain mill and three Cocoa Marketing Board sheds in Manushed. There is a kiosk and Cocoa Marketing Board shed in Dokyekrom. Neither Manushed nor Dokyekrom are located in the Mine Area, and – like the proprietors of the businesses located within the Mine Area – the proprietors do not anticipate any negative impact to their business from the resettlement process.

5.2.3 SUMMARY OF IMPACTS TO HOUSEHOLDS

The Company identified 1,701 impacted households, with a total population of 9,575 (~5.6 persons / household). These households:

- Own a total of 1,426 structures (or sets of structures), including 862 completed structures, 142 incomplete structures and about 422 ineligible structures, in the Mine Area
- Own a total of eight businesses, comprising six corn mills and two kiosks, in the Mine Area
- Cultivate a total of 7,193 fields (4.2 fields / household), with a total area of 2,426 hectares (1.4 hectares / household).

5.3 Fallow Land

Fallow lands are an important part of the agricultural system in use throughout the Project Area. Fallow thicket and secondary forest provide owners with building materials, fuel, food, and medicine. Fallowing gives soil an opportunity to regain structure and fertility lost during continuous cultivation. Typically, farmers clear fallows after a number of years to re-initiate cultivation of food and cash crops.

The Company estimates that >95% of unfarmed land in the Mine Area, including un-cropped 'voids' within individual cropped fields, is fallow (**Section 4.47**). The Company has determined ownership of

interior fallow through crop compensation surveys. The Company has not determined ownership of exterior fallow by parcel.

The state of fallow land is in transition. As a result of the Project, fallow land is opened by farmers who have lost access to land. Further complication occurs because farmers are initiating crop compensation claims in fallow land to get compensation for the few domestic plants that survive in the fallow e.g. cocoyam, cassava, mango, oil palm, teak.

The Company is committed to monitoring and studying fallow in order to understand the impact of its loss and to support appropriate mitigation measures that are agreeable to traditional authorities and affected farmers (**Chapter 15**).

5.4 Public Facilities

Public facilities located in the Mine Area include schools and Cocoa Marketing Board sheds. These public facilities are physically displaced by the Project.

The Mine Area contains four schools:

- Three schools in Kodiwohia, comprising a total of 12 classrooms (840 square feet each), four offices, three storerooms, one library, a four-seat KVIP latrine, urinals, two kitchens and a football park (**Figure 20**).
- One primary school in Kwakyekrom, comprising four classrooms (840 square feet each), an office, a storeroom, a four-seat KVIP latrine, urinals, and a football field.

All school buildings feature concrete floors, metal roofing sheets and plastered and painted sandcrete walls. Only the primary school in Kwakyekrom has a supply of potable water, and none have electricity.

- The Mine Area contains four Cocoa Marketing Board sheds. One is sandcrete block with galvanized roof sheets, one is clad with roof sheets, and two are wattle and daub. The sheds are in varying states of disrepair and use.

5.5 Public Access

Two public roads will be impacted: the Manushed Access Road and Dokyekrom Access Road. Loss of these roads will impact the access of Manushed and Dokyekrom residents to the market towns of Ntotoroso and Kenyase 1 and 2, as well as related public facilities.

The Company is aware of the network of exploration and logging tracks and narrow foot / bicycle paths in the Mine Area. Displacement of these roads and footpaths may disrupt household access to productive assets and / or usage rights and / or livelihood capacities located outside of the Mine Area.

5.6 Host Communities

The Company is in the process of constructing resettlement villages on the outskirts of Kenyase 2 and Ntotoroso for the 399 resettling households. In 2004, Kenyase 2 was home to 1,770 households (8,321 people) and Ntotoroso to 557 households (2,952 people).

Of the 399 resettling households:

- 312 households (2,028 persons) will move to the Kenyase 2 Resettlement Village
- 87 households (566 persons) to the Ntotoroso Resettlement Village

The addition of resettling households represents roughly a 20% increase of households and 30% increase in population for Kenyase 2, and roughly a 15% increase of households and 20% increase in population for Ntotoroso.

Despite the rapid growth anticipated by both communities, impacts are expected to be manageable. As discussed in **Chapter 8**, resettlement compensation includes the construction of infrastructure and community facilities, and the creation of other physical spaces, required by resettling households, thereby minimizing impacts on the existing communities. In addition, the Company has defined a number of community development and livelihood enhancement measures, which will target, in large part, resettling households and their host communities. Furthermore, both communities already serve as the market-towns for resettling households: resettling households are familiar with the host communities and in many cases have a social network of support already in place. All resettlement households will be resettled in the stools to which they bare allegiance.

Both Ntotoroso and Kenyase 2 view their role as “host community” as a significant benefit. The traditional and political leadership of both communities specifically requested to host the resettlement villages because they see it as contributing to their economic development.

The Company expects both host communities to grow quickly in the near future. Resettling households represent one source of new arrivals. Migrant households seeking to participate in the economic boom triggered by Project construction and operation represent another potentially significant source. The Company has not yet estimated the cumulative impact of the Project on the population and housing stock of the host communities, or other district communities. It is clear, however, that a significant proportion of compensation paid to date is going into new building and building additions for family use and for rent.

Although the Company is making a great effort to lower in-migration by hiring locals and by bussing them to and from the Project site, the changes in district communities are notable and a source of concern to the traditional and local government and to many citizens because of the pressure on services, particularly sanitation.

Finally, the Company has identified 25 households residing in the resettlement villages themselves. The Company is incorporating these households, together with their existing structures and lots, into the resettlement villages, and is consulting with them on an ongoing basis.

Figure 20: Students – Kodiwohia



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5.7 Summary of Impacts

Table 11 outlines the impacts of the Project on land, crops, structures, access and businesses:

Table 11: Summary of Project Impacts

IMPACT	IMPACTS BY PROJECT*
Loss of Land	
Mine Footprint	3,111 hectares
Crop Land	2,426 hectares
Loss of Crops	Cultivated land included variety of crops grown in the area, including: Cassava, Oil Palm (Agriculture and Wild), Plantain, Banana, Citrus, Maize / Guinea Corn, Millet / Sorghum, Teak, Avocado, Mango, Kola, Coconut, Cashew, Coffee, Cocoa, Pineapple, Yam, Cocoyam, Rice, Sugarcane, Pawpaw (wild and agriculture), Garden eggs, Tomatoes, Okra, Onion, Pepper
Loss of Structures	
Residential Household Structures	823 completed structures
Non-Residential Household Structures	142 partially constructed structures 422 post entitlement cut-off date/ineligible structures
Business Structures	6 Corn Mills 2 Kiosks
Institutional Structures	4 Schools 4 Cocoa Marketing Board sheds
Loss of Fallow	Situation is being analyzed with traditional leaders and farmers.
Loss of Access	Manushed Access Road Dokyekrom Access Road Displacement of smaller network of logging and exploration tracks, and foot and bicycle paths
Loss of Business	Minimal impacts

CHAPTER 6

PUBLIC PARTICIPATION

This Chapter describes public and stakeholder participation in the resettlement planning process, and has been divided into the following sections:

- Overview of the Public Consultation and Disclosure Plan for the Project
- Description of the main resettlement stakeholders
- Summary of resettlement-related consultation and disclosure activities, including a review of formal meetings and community outreach activities
- Overview of the resettlement negotiations process, including activities of the Resettlement Negotiation Committee, and a review of key issues
- Assessment of the entire public participation process.

6.1 Public Consultation and Disclosure Plan

The Company has produced and is in the process of implementing a comprehensive Public Consultation and Disclosure Plan, the goal of which is to improve Company decision-making through dialogue with individuals, groups and organizations having a legitimate interest in the Project.

The Plan include the following key features:

- Creation of multi-stakeholder committees to identify and address Project impacts and community concerns
- Ensuring that front-line community workers are knowledgeable of Company policies and capable of responding to question / comments appropriately in both *Twi* and English
- Establishment of Public Information Centers, furnished with information on Company policies, Project details and status, answers to frequently asked questions, and rights and responsibilities of affected people
- Hosting of regular and thoroughly documented meetings between community workers, affected people, and their representatives
- Maintenance of an open-door policy, such that stakeholders are comfortable approaching community workers to ask questions and express concerns
- Creation of a responsive management system for recording and responding to comments and concerns.

The Plan also includes a summary of public and stakeholder participation in the resettlement planning and implementation process, as detailed in subsequent sections of this Chapter, as well as the following:

- Records of public consultation and disclosure activities undertaken by Normandy for the Sefwi Belt Gold Project and the Ntotroso Gold Project

- Description of public consultation, disclosure, and engagement activities undertaken by the Company since 2003, including those led by Stratcom¹², on diverse topics, including training, employment and procurement
- Records demonstrating that all Project stakeholders have been actively engaged in the consultation process.

Key issues that have emerged through consultation and disclosure process include:

- Employment – community desire and demand for a high level of employment, coupled with fear that the limited local skill base would result in exclusion
- Resettlement – impacts and compensation measures for economic and physical displacement
- Worker and job seeker inflows – negative consequences on social infrastructure (potable water, toilets, schools, health service, rents / housing) and social problems (crime, prostitution, disrespect of established authority)
- Environmental impacts – water, air and noise pollution
- Health and safety – proliferation of HIV / AIDS, over-burdened health facilities and traffic accidents.

These concerns have helped inform Project development generally and resettlement planning specifically.

6.2 Resettlement Stakeholders

Resettlement stakeholders are individuals, groups and organizations with a legitimate interest in the resettlement process, including – in particular – affected peoples, households, and communities, relevant traditional and political authorities, responsible government agencies, and interested civil society organizations (**Table 12**).

For resettlement planning, the most important stakeholders are those persons and households directly impacted by the Project, viz:

- Persons and households with residential and non-residential structures in the Mine Area (i.e., those physically displaced by the Project)
- Persons and households with productive assets, usage rights or livelihood capacities in the Mine Area (i.e., those economically displaced by the Project)
- Persons and households living within the five communities adjacent to the Mine Area.

These three groups are not mutually exclusive. For example, all physically displaced persons and households are also economically displaced because they all engage in cropping in the Mine Area. Some

¹² Stratcom is an Accra-based communications and public relations firm, which has a full-time team of communications experts at the Project site since November 2003. Stratcom has organized a number of workshops, seminars, and public meetings for stakeholders to introduce the Company and the Project. At these events, Stratcom has successfully employed a variety of innovative communication techniques, such as puppet shows, to ensure that people with low levels of literacy can understand and participate in the event.

residents of all five adjacent communities also farm within the Mine Area. Two of these adjacent communities (Kenyase 2 and Ntotoroso) are host to resettlement villages, and three (Kenyase 1 and 2 and Ntotoroso) are market centers for Mine Area produce and are being impacted by influx of workers and job seekers.

Disadvantaged groups within the above categories, including the destitute, infirm and women-headed households, receive specific attention to ensure care and obviate neglect.

Table 12: Resettlement Stakeholders

STAKEHOLDERS*	STAKEHOLDERS
1. Project Proponent	6. Regional Government of Brong-Ahafo (6)
Newmont Mining Corporation	Office of the Minister for Brong-Ahafo
Newmont Ghana Gold Ltd.	Reg. Coordinating Council
	Reg. Ministry of Energy and Mines
2. Residents of Towns + Villages	Minerals Commission
Villages in Mine Area: KwakyeKrom, Kodiwohia	Mines Department
Rural Homesteads in Mine Area	Reg. Ministry of Environment, Science + Tech.
Communities adjacent to Mine Area: including	Environmental Protection Agency
Kenyase 1, Kenyase 2, Ntotoroso, Gyedu,	Town and Country Planning
Wamahinso, Dokyekrom, Manushed	Reg. Ministry of Lands + Forests
	Lands Commission
3. Traditional Leadership in Asutifi District	Land Valuation Board
Paramourty of Kenyase 1	Stool Lands Administration
Paramourty of Kenyase 2	Reg. Ministry of Local Government + Rural Dev't
Divisional Chief of Ntotoroso	Reg. Ministry of Manpower Dev't + Social Welfare
Divisional Chief of Wamahinso	Reg. Ministry of Health
Divisional Chief of Gyedu	Ghana Health Service
4. Social Groups and Associations	7. Civil Society Organizations
Kenyase 1 Youth Association	Centre for Active Development
Kenyase 2 Youth Association	Action Aid
Ntotoroso Youth Association	Centre for Public Interest Law
Landlord Farmers' Association	Guardians of the Earth
Caretaker Farmers' Association	Network of Non-Governmental Organizations
5. District Government of Asutifi	8. Government of Ghana
Asutifi District Assembly	Ministry of Mines and Energy
Central Administration Department	Minerals Commission
Ghana Education Service	Mines Department
District Health Department	Ministry of Environment, Science + Tech.
Agriculture Department	Environmental Protection Agency
Forestry Department	Town and Country Planning
Social Welfare + Community Dev't Department	Ministry of Lands and Forestry
Physical Planning Department	Lands Commission
Works Department	Land Valuation Board
Industry + Trade Department	Stool Lands Administration
	Ministry Agriculture
	Ministry of Finance and Economic Planning
	National Development Planning Commission
	Ministry of Local Government and Rural Dev't
	Ministry of Manpower Dev't and Social Welfare
	Ministry of Health

6.3 Resettlement Consultation and Disclosure Activities

The Company has undertaken a comprehensive and formal negotiations process with representatives of Project-affected people / households and other stakeholders to arrive at mutually agreed compensation policies, procedures and rates.

This negotiations process – described in detail below -- has been complemented by a series of consultation and disclosure activities, which both preceded and have paralleled negotiations. These activities have comprised both a series of formal meetings with community leaders and representatives, and an informal dialogue with stakeholders on a daily basis.

Through such meetings and dialogue, the Company has ensured that the stakeholders listed in **Table 12** above have been engaged in the resettlement planning and implementation process, above and beyond their participation in the formal negotiations process.

This section provides a description of the formal meetings and informal dialogue undertaken by the Company.

6.3.1 FORMAL MEETINGS

Beginning 29 March 2003, before formation of RNC, the Company held 22 formal consultation meetings regarding the resettlement (**Table 13**). These meetings served to:

- Provide information about the Project to stakeholders
- Respond to questions and record concerns
- Notify stakeholders that a collaborative negotiation process would be undertaken to develop compensation policies, procedures and rates and that they should elect representatives to participate on their behalf (before February 2004)
- Build understanding and consensus around agreements reached by the Resettlement Negotiation Committee (after February 2004).

6.3.2 Informal Dialogue

The External Affairs Team has undertaken an extensive informal dialogue with stakeholders throughout the resettlement planning process. In so doing, it has built trust and facilitated open information exchange among stakeholders. The Team engages with the community on a daily basis and consults on a broad range of issues with local traditional and political leadership, impacted people / households, youth, and the general public.

The Community Relations and Development Department, assisted by the Resettlement Project Manager, spearheads community outreach efforts by setting strategy and coordinating the outreach activities of all External Affairs Team members. In addition, the Community Relations and Development Department is often called upon to carry messages or support initiatives of other Teams within the Company.

Table 13: Formal Stakeholder Consultation Meetings regarding Resettlement

DATE	VENUE	PARTICIPANTS	ISSUES DISCUSSED
29 Mar. 2003	Asutifi District Assembly	Traditional and political leaders, gov't functionaries, NGO representatives	Introductory resettlement program discussion, including: process, timelines, compensation modalities, livelihood enhancement
01 Apr.	Kodiwohia	General community	Crop compensation; resettlement housing plans; training programs
04 Apr.	Kwakyekrom	Chiefs and elders of community and vicinity	Resettlement timelines; housing policy; proposed household survey; resettlement vs. relocation
26 Apr.	Kenyase I	Chiefs and Queen Mothers	Resettlement planning information exchange; consultation meeting protocols; general Project related information dissemination
09 May	Kwakyekrom	Caretakers and sharecroppers	Crop compensation procedures; resettlement policy; local employment policy; farm survey; formation of resettlement committee
13 May	Asutifi District Assembly	Landlords	Resettlement policy; employment policy; rental payment to chiefs; farm survey.
16 May	Asutifi District Assembly	Political leaders, government functionaries and NGO officials	Formation of resettlement committee; land acquisition policy; rental payments to chiefs; compensation; resettlement program progress
11 Sept.	Kenyase 1, Kenyase 2, Ntotoroso, Gyedu	Political and traditional leaders, government functionaries, community members	Company local recruitment policy; crop compensation
23 Sept.	Kwakyekrom	Farmers	Letter from Asutifi Concerned Farmers Association
11 Jan. 2004	Kenyase I	Political and traditional leaders, and government functionaries	General discussion of stakeholder engagement
14 Jan.	Ntotoroso	Youth Association	Local employment; local contracts; community health; crop compensation; Social License to Operate
24 Jan.	Kenyase 2	Youth Association	Local employment; local contracts; community health; crop compensation; Social License to Operate
29 Apr.	Kenyase I	Youth Association	Local employment; local contracts; community health; crop compensation; Social License to Operate
02 Jun.	Ntotoroso	Chiefs and community of Ntotoroso	Resettlement site; planning
08 Jul.	Company Office (Kenyase 2)	Kenyase 1, Kenyase 2 and Ntotoroso Youth Associations	Speculative farming activities
11 Nov.	Company Office (Kenyase 2)	Traditional Authorities	Company activity update
15 Nov.	Company Office (Kenyase 2)	Assembly Members	Company activity update
16 Nov.	Company Office (Kenyase 2)	Youth Association Executives	Company activity update
19 Nov.	Company Office (Kenyase 2)	Chiefs and Elders	Company activity update
23 Nov.	Asutifi District Assembly	Public Forum	Environmental Protection Agency Public Hearing for the Project Environmental Impact Statement
04 Dec.	St. Peters RCC Kenyase	Assembly members, all traditional councils, all youth associations	Resettlement house room size
25 Jan. 2005	Home of Nana Ntotoroso	Nanom Ntotoroso, ECD2 Legal Landowners, Chairman of Site Selection Subcommittee	Speculation management

The 13-member OICI team, in their tripartite role as socio-economic surveyors, household case workers, and community development planners, are integral to community outreach efforts. Immersed

in the community since late 2003, they enjoy exceptional stakeholder access and serve an important intermediary function between the Company and the community.

In March 2004, the Community Relations and Development Department initiated a series of consultations on resettlement. The meetings were either community education meetings or focus group meetings. Community education meetings were held in a town or village and open to the public. Focus group meetings targeted specific groups and organizations (such as a dressmaker's association, football teams, etc.). The meetings provided residents with information ranging from resettlement negotiations to community development (**Annex L**).

In community centers at Kenyase 1, Kenyase 2, Ntotoroso, and Wamahinso, important messages on resettlement, compensation and negotiation were conveyed by theatre. Compensation rates were discussed specifically, as were channels to express concern, the building moratorium, and the message that no compensation would be paid for speculative buildings. Performers were a drumming troupe (Adi Kanfo) and a puppet troupe (Perfect Stars), both based in Accra (**Figures 21 and 22**).

The immovable asset surveyors retained by the Company also interface on a daily basis with Project stakeholders, further enhancing the Company's strategy of proactive outreach.

6.4 Resettlement Negotiations

The negotiations process lies at the heart of public participation in the resettlement planning and implementation process, and has:

- Involved the formation of a Resettlement Negotiations Committee, which comprises representatives from a broad cross-section of interested groups, including the Company, representatives of Project-affected persons / households, and other Project stakeholders
- Entailed intensive, ongoing collaboration between the above stakeholder groups at the Resettlement Negotiation Committee, through which it has successfully secured the participation of all people affected by the Project in their own resettlement planning and implementation
- Resulted in the agreement of the compensation principles, policies, procedures and rates described in the remainder of this document
- Served to alleviate pressures, fears and anxieties for both impacted persons / households and the Company
- Contributed to broad community support for the Project.

This section summarizes the resettlement negotiations process, and comprises the following:

- Description of the background to the process
- Summary of procedures guiding negotiations
- Detailed log of Resettlement Negotiation Committee meetings

Figures 21 & 22: Public Consultation Puppeteers



Overview of work undertaken on behalf of the Resettlement Negotiation Committee by the Site Selection Committee

- Summary of key issues that emerged during negotiations.

6.4.1 BACKGROUND

To lay the foundation for formal negotiations, the Company, in consultation with stakeholders, undertook the following:

- Discussed the Project, including anticipated impacts, with a broad cross-section of stakeholder groups (see **Table 12**)
- Designated the former Inspector General of Police as Chairman of the Resettlement Negotiations Committee¹³
- Identified a Company negotiating team, comprising the Company Resettlement Manager, Community Relations Manager, External Relations Manager, Community Relations Site Supervisor, and consulting Resettlement Project Manager, to serve on the Resettlement Negotiation Committee
- Mobilized Project-affected people / households and traditional authorities to elect representatives to serve on the Resettlement Negotiation Committee
- Invited political leaders, government agencies and non-governmental organizations with a potential interest in the Project to participate as observers at Resettlement Negotiation Committee meetings.

The composition of the Resettlement Negotiation Committee appears in **Table 14** with origins of representation presented in **Figure 23**. The first Resettlement Negotiation Committee meeting was held on 10 February 2004.

6.4.2 PROCEDURES

During initial Resettlement Negotiation Committee meetings, the following were adopted unanimously:

- Mr. Ernest Owusu Poku, former Inspector General of Police, would be Chairman
- Minutes would be taken and circulated with an agenda prior to meetings
- Members who speak during deliberations would be named in the minutes
- Members authority to negotiate on behalf of constituents would be confirmed by submission and registration of signed Authorization for Representation forms
- Meetings would be held once a week, or as needed, for the duration of negotiations, and no meeting would last more than 4 hours

¹³ The former Inspector General is from Asutifi District and is extremely well-regarded.

- Venue would be the Asutifi District Assembly
- Transportation for meetings and lunch would be provided by the Company
- *Twi* would be the primary language of negotiations, with qualified *Twi* / English interpreters always at hand
- Representatives of government and non-governmental organizations would be welcome to meetings as active observers
- Resettlement Negotiation Committee milestones, definitions, criteria, and decisions would be recorded and circulated to members.

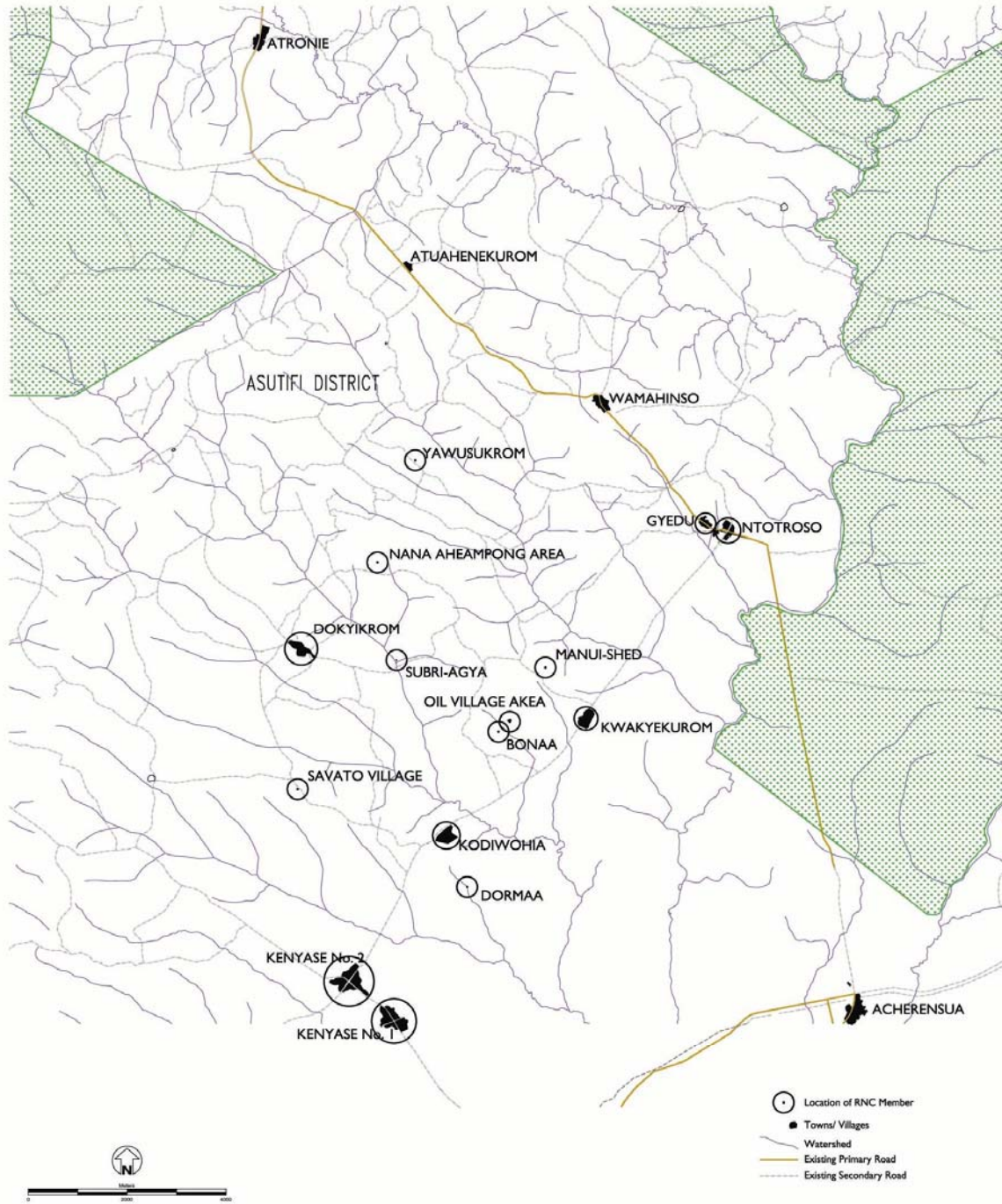
6.4.3 MEETINGS

Resettlement Negotiation Committee meetings have served as the primary vehicle for negotiating compensation principles, policies, procedures and rates. Importantly, these meetings have also solidified a spirit of cooperation between the Company and the representatives of impacted people / households. This spirit has enabled the committee to resolve contentious resettlement issues, maintain focus on complex issues, solve problems, and assess individual complaints on a case-by-case basis.

Throughout these negotiations, information has been disclosed in transparent, culturally appropriate ways. A broad range of Project stakeholder expertise has been brought to bear on issue resolution and overall resettlement planning, fostering a broad sense of ownership in the process.

From 10 February 2004 to late August 2005, the Resettlement Negotiation Committee met 31 times (**Table 15**). Example minutes appear in **Annex E**.

Figure 23: Origins of the Resettlement Negotiation Committee Representatives



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Table 14: Composition of Resettlement Negotiation Committee

NAME	AFFILIATION	NAME	AFFILIATION
Traditional Leaders		Company	
Nana Kontor-Fofi, Krontihene	Kenyase 2	Jim Stinson, Manager, Resettlement	Company
Nana Appiah Kubi, Gyasihene	Kenyase 1	Akwasi Gyima-Bota, Manager, Community Relations	Company
Nana Kusi Appiah Sanaahene	Kenyase 1	Randy Barnes, Manager, External Affairs	Company
Barima Twereku Ampem II	Ntotoroso	Emmanuel Aubynn, Community Relations Superintendent	Company
Odeneho Kwabena Nsiah Ababio	Kenyase 2	Jonathan Jenness, Resettlement Project Manager	planningAlliance
Nana Owusu Ababio	Gyedu		
		Government Agencies	
Reps. of Impacted Persons / Households		Hon. Michael Nsiah-Agyapong, District Chief Executive	Asutifi District Assembly
Francis Manyo	Kodiwohia	S.B.K. Kyei, District Coordinating Director	Asutifi District Assembly
Alex Agyare	Kodiwohia	Franklin Oppong Obiri, Regional Deputy Director	Stool Lands Administration
Godfred Opoku	Dokyikrom	Osei Akoto, Regional Program Officer	Environmental Protection Agency
Stephen Donkor	Yawusukrom	K. M. Fordjour, District Director	Ministry of Food and Agriculture
Charles Appiah	Dokyikrom	Ahinakwa Ofoli-Tibboh, Regional Deputy Director	Land Valuation Board
A. K. Asare	Manushed	Maxwell Amponsah, Representing the Director	Town and Country Planning
Yaw Ohemeng	Manushed	John K. Zida, Lands Commission	Regional Government
Ernest Manyo	Manushed		
O. P. Kwasi Owusu	Oil Village Akea	Non-Governmental Organisations	
Owusu Amoateng	Yawusukrom	Guards of the Earth	Kenyase Chapter
Issifu Dauda	Kodiwohia	Actionaid Ghana	Regional Chapter
Osei Nicholas	Kenyase 1	Centre for Active Development	Kenyase Chapter
Afua Dufie	Dokyikrom	Network of NGOs	Kenyase Chapter
Yaw Frimpong	Kenyase 1		
Robert Anane Nyarko	Dormaa		
Thomas Addae	Subri-Agya		
Emmanuel Gator	Kwakyekrom		
Eric Addae	Bonaa		
Obeng Amoah	Yawusukrom		
Dauda Alhassan	Subri-Agya		
Nana Baah-Siakwan	Ntotoroso		
Da-Costa Attakora	Kenyase 2		
Osei Yaw Akoto	Kenyase 1		
Nana Ama Bonsu	Kenyase 2		
Kojo Poku	Kenyase 2		

Table 15: Log of Resettlement Negotiation Committee Meetings

DATE	TOPICS ADDRESSED
10 Feb. 2004	Project overview; Company guiding principles; Committee nominations and procedures; crop and building moratorium.
20 Feb.	Negotiation procedures; crop rates; crop and building moratorium.
02 Mar.	Crop rates; resettlement and relocation definitions; general discussion, including status of observers.
05 Mar.	Crop rates; potential allowances and community development programs; resettlement and relocation package details / distinctions.
12 Mar.	Alternative resettlement sites; potential resettlement house designs; KVIP latrine discussions; money management training and other community development initiatives; status of physical asset survey; dissemination of Committee discussions by People's Representatives to constituents; Mine Area.
19 Mar.	Authorization of representatives; Kenyase Bypass Inspection Committee report; moratorium; money management training update; crop densities assumed in crop rates; milestones and agreed definitions and criteria.
26 Mar.	Nursery seedlings; authorization of representatives; alternative resettlement sites and house designs; mobilization allowance; temporary accommodation for resettlers; land rent / royalty payments; crop compensation payment schedule.
02 Apr.	Calculation of mobilization allowance; Site Selection Committee report; potential house design committee; transportation for seedlings; bypass resettlement; presentation from StratCom (communications consultant for Newmont); contracting procedures; discussion of concerns / complaints, including crop compensation delays.
13 Apr.	Resettlement / relocation preferences; moratorium-affected areas; validation of farm / crop status; Kenyase Bypass status; general discussion, including compensation delays.
16 Apr.	Relocation package; feedback on preference for resettlement or relocation; progress on crop compensation payment.
23 Apr.	General matters, including breaches of moratorium; review of relocation conditions / criteria for payment; update on Kenyase Bypass resettlement / relocation; process / strategy for crop compensation payment; site safety; Site Selection Committee report; relocation contract form
30 Apr.	Special Farm Inspection Committee report; Site Selection Committee report on Kenyase Bypass resettlement / relocation; Company resettlement philosophy, relocation contract agreement form; feedback on farms / crops status validation form; feedback from representatives on resettlement or relocation; education fund / scholarship schemes; process / strategy for crop compensation payment.
14 May	Feedback on relocation contract agreement; Newmont employment procedure; update on Kenyase Bypass relocation and compensation; take area boundary demarcation and erection of "Stop Farm" signboards; proposal for disturbance allowance for resettled landlords; fate of local contractors.
28 May	Speculative house construction; Site Selection Committee report; transport for construction workers to and from work.
11 Jun.	Speculative structures and buildings; Site Selection Committee report; Mine Area Area boundary demarcation; resettlement package; validation exercise for skilled jobs postings; alternative livelihoods program.
09 Jul.	Speculative farming; feedback from General Youth Association meeting; Resettlement / Relocation Preference Form; final proposed resettlement package; tour of resettlement communities in the Western Region; status of crop compensation payments; small-scale mining activity alert; proposals for outstanding and unresolved issues.
23 Jul.	Proposed resettlement village infrastructure; persons not showing up for farm measurement; feedback on tour of resettlement communities; nominating representatives to sign negotiation minutes.
06 Aug.	Memorandum of understanding; feedback on the Site Selection Committee meetings; feedback on Kwakyekrom plot selection process at the Ntotoroso Resettlement Village; information on planning for Kwakyekrom school replacement; warranty for structural defects of buildings; video clip on community tour to mining areas.
20 Aug.	Feedback on site selection committee meetings; field trip with Nana Ama Bonsu; feedback on money management training; road safety; resettlement village landscaping.
03 Sept.	Feedback on abandoned houses in water storage facility; Site Selection Committee feedback; structure and crop survey and valuation demonstration; labor statistics on local labor pool; replacement farmland for resettlers.
01 Oct.	Blasting information and process; Site Selection Committee feedback; feedback on abandoned houses in water storage facility; feedback on Kwakyekrom school move.
22 Oct.	Site Selection Committee feedback; progress on resettlement sites; transition from RNC to Consultative Liaison Committee.
30 Nov.	Revision of room size for resettlement housing.
09 Dec.	Revision of room size for resettlement housing.

DATE	TOPICS ADDRESSED
14 Jan. 2005	Feedback on community development workshop; speculative building and farming in Mine Area; employment update.
21 Jan.	Up-grading Kenyase Health Centre; speculative building and farming in Mine Area; labor pool briefing; closing of Area E mop-up list.
28 Jan.	Feedback on Community Development Workshop, and the launch of the Livelihood Enhancement and Community Empowerment Program; speculative building and farming in Mine Area; employment update
04 Feb.	Moving KwakyeKrom community to Ntotoroso Resettlement Village; update of crop compensation at Environmental Control Dam #2 and Kenyase East; expansion in Mine Area required for new Environmental Control Dam and for Water Dam Spillway; employment update.
08 Feb.	Speculation in Environmental Control Dam #2 and Kenyase East.
18 Feb.	Livelihood Enhancement and Community Empowerment Program Launch; Feedback of Site Selection Committee Visit to Ntotoroso Resettlement Village; feedback on crop and building compensation at Environmental Control Dam #2 and Kenyase East; expansion in Mine Area for new environmental control dam; employment update
22 Mar.	Incident at spillway area – speculative buildings; speculative farming still going on; resettlement house handover documents and progress of starting to move people to new resettlement houses; crop compensation review; other matters.

6.4.4 SITE SELECTION COMMITTEE

In March 2004, the Resettlement Negotiation Committee established a Site Selection Committee (**Table 16**). Since its formation, the Site Selection Committee has had four assignments from the Resettlement Negotiation Committee:

- Site selection for resettlement villages and review of ongoing planning and engineering
- Review of resettlement house designs and plot layouts
- Determination of eligibility for relocation, both the implementation of an overall policy and the approval / denial of all applicants for relocation
- Management of speculation activities.

The Site Selection Committee is not a final decision-making body. The committee presents its findings to the Resettlement Negotiation Committee for review and approval.

By 24 August 2005, the Site Selection Committee had met 59 times. A log of these meetings appears in **Table 17**.

In addition, for resettlement village planning and approvals, smaller working meetings were held on a weekly basis from April to August 2004, between the Company and government agency staff, to agree on technical matters related to resettlement houses, subdivision plans and infrastructure.

Table 16: Composition of Site Selection Committee

NAME	AFFILIATION	NAME	AFFILIATION
Traditional Leaders		Company	
Nana Kontor Fofie, Krontihene	Kenyase 2	Emmanuel Aubynn, Superintendent Community Relations	Company
Barimah Twereku Ampem III, Ntotoroso Hene	Ntotoroso	Randy Barnes, Manager, External Affairs	Company
Nana Appia-Kubi, Gyasihene	Kenyase I	Jonathan Jenness, Resettlement Project Manager	planningAlliance
		Robert Osei Kofi, Community Development Worker	OICI
Government Agencies		Alpha B. Benjamin, Community Development Worker	OICI
Hon. Michael Nsiah-Agyapong, District Chief Executive	Asutifi District Assembly	Paul Dawson and subsequently Leo Tawiah, Head, Database and Accounts	Company / planningAlliance
Osei Akoto, Regional Program Officer	Environmental Protection Agency		
Oppong John Kwaku, Assistant Valuer	Land Valuation Board	Landlords and Caretakers	
Ahimakwa Ofoli-Tibboh, Regional Deputy Director	Land Valuation Board	Osei Mensah Nicholas	Kenyase I
Amponsah Maxwell, Planning Officer	Town and Country Planning	J. K. Asante	Ntorotoro
Vincent Asigbee, Regional Director	Town and Country Planning	Kojo Poku	Kenyase I
K. M. Fordjour, District Director	Ministry of Food and Agriculture		
Randolf Wilson, Planning Officer	Asutifi District Assembly		
Martin Oppong	Stool Lands Administration		
Kwadwo Korankye, District Officer	Social Welfare		

Table 17: Log of Site Selection Committee Meetings

DATE	TOPICS ADDRESSED
30 Mar.	Appointment of chairman and secretary; visit to proposed sites; deliberations and selection of two sites
20 Apr.	Discussion of resettlement houses, sites and infrastructure, including refuse management, roads, electricity, water supply, and sanitation
27 Apr.	Decisions regarding eligibility for resettlement, relocation and compensation for specific households
21 May	Decisions regarding eligibility for resettlement, relocation and compensation for specific households
09 Jun.	Decisions regarding eligibility for resettlement, relocation and compensation for specific households
16 Jun.	Discussion of alternative resettlement sites, site visit to and approval of Kenyase 2 West site
18 Jun.	Discussion with affected households regarding their ongoing farming activities in proposed resettlement sites vis-à-vis the entitlement cut-off date and ongoing survey work
02 Jul.	Decisions regarding eligibility for resettlement, relocation and compensation for specific households
07 July	As above
21 Jul.	As above
28 Jul.	As above
08 Aug.	As above
11 Aug.	As above
18 Aug.	As above
01 Sept.	As above
08 Sept.	As above
15 Sept.	As above
16 Sept.	As above
22 Sept.	As above
29 Sept.	As above
06 Oct.	As above
07 Oct.	As above
13 Oct.	As above
27 Oct.	As above
29 Oct.	As above
03 Nov.	As above
10 Nov.	As above
17 Nov.	As above
24 Nov.	As above
01 Dec.	As above
16 Dec.	As above
12 Jan. 2005	As above
19 Jan.	As above
26 Jan.	As above
02 Feb.	As above
09 Feb.	As above
17 Feb.	As above
23 Feb.	As above
02 Mar.	As above
09 Mar.	As above
16 Mar.	As above
23 Mar.	As above
30 Mar.	As above
06 Apr.	As above
13 Apr.	As above
20 Apr.	As above
04 May.	As above
18 May.	As above
01 Jun.	As above + Deliberation on proposed location of affected Cocoa Shed with Cocoa Board Officials.
08 Jun.	Decisions regarding eligibility for resettlement, relocation and compensation for specific households
15 Jun.	As above

DATE	TOPICS ADDRESSED
22 Jun.	As above
29 Jun.	As above
06 Jul.	As above
13 Jul.	As above
20 Jul.	As above
27 Jul.	As above
17 Aug.	As above
24 Aug.	As above

6.4.5 KEY ISSUES

Key issues related to the negotiations process have included:

- Nomination of individuals to serve on the Resettlement Negotiation Committee
- Disclosure of Resettlement Negotiation Committee agreements
- Definition of a entitlement cut-off date
- Identification of crop compensation rates
- Rental payment on crop compensation
- Resettlement house room sizes
- Livelihood enhancement and community development
- Disclosure of the Resettlement Action Plan
- Resettlement implementation.

This section provides a brief overview of each.

Election of Individuals to Serve on the Resettlement Negotiation Committee

The negotiations were free from coercion and based on prior informed consent.

Before the initiation of negotiations, during consultation meetings with Project stakeholders, the Company introduced the idea of negotiating resettlement compensation. The Company also introduced the idea that stakeholder groups should nominate individuals to be elected as their representatives.

In late 2003, the Company asked many of the groups listed in **Table 12** to elect one or more representatives to participate on the Resettlement Negotiations Committee. Representatives were elected by acclamation during community gatherings and group meetings. The Company observed these meetings to ensure elections were fair and transparent. The election process had widespread public support.

After the election and presentation of representatives, the Company asked groups to confirm that their representatives were in fact genuine advocates of the views of their members. To do so, it issued Authorization for Representation Forms, which all members of each group signed and submitted to the Company (**Annex D**).

Disclosure of Resettlement Negotiation Committee Agreements

Formal disclosure of resettlement-related information to the general public, including Project-affected persons and households, has included the following activities:

- Public Hearings held by the Environmental Protection Agency in 2000, 2001 and 2004 to present draft Environmental Impact Statements for the Project and discuss any community concerns
- Formal meetings held with a broad range of stakeholder groups (**Table 13**)
- Resettlement Negotiation Committee meetings (**Table 15**)
- Site Selection Committee meetings (**Table 17**).

Since the onset of negotiations, disclosure of resettlement-related information has occurred at every Resettlement Negotiation Committee meeting. Specifically, the Company circulates draft minutes from every Resettlement Negotiation Committee meeting prior to the next meeting, along with a proposed agenda. Often, the minutes include attachments, such as a map of the Mine Area, agreed crop rates, etc.

The Company has also circulated, from time-to-time, a summary of definitions agreed and milestones achieved for Resettlement Negotiation Committee representatives to review and present to constituents.

Initially, the Company expected that all this information would be shared by Resettlement Negotiation Committee representatives with their constituents. It soon became apparent, however, that contentious issues, especially the establishment of an entitlement cut-off date¹⁴, were often not shared and explained. Representatives put personal limits on the amount of contentious news each was prepared to debate or even share with constituents. As a result, the task of informing and debating some issues devolved to Company Community Relations and Development staff, OICI, and members of the Youth Task Force, working with individual or small groups of impacted persons / households, both in the field and in the office, on a daily basis.

Definition of an Entitlement Cut-Off Date

The entitlement cut-off is a specific date (10 February 2004) agreed by the RNC. The date establishes a deadline for entitlement to compensation in the Mine Area. Up to and including that date, structures and crops in the Mine Area are eligible for resettlement assistance and compensation. Structures and crops established in the Project Area after the entitlement cut-off date are not eligible for resettlement assistance and compensation.

The crop and building moratorium was one of the first issues discussed by the RNC. Given the accelerating speculative activity in the Mine Area, and legal rights under the terms of its mining leases, the Company determined to establish a crop and building moratorium in the Mine Area. This moratorium was the subject of intense debate at the Resettlement Negotiation Committee. To begin, the Company proposed an entitlement cut-off date of 28 December 2003, the date of the satellite

¹⁴ The cut-off date established a crop and building moratorium in the Mine Area.

imagery referred to in **Chapter 4** above. This date was rejected in favor of a contemporaneous date, that of 10 February 2004.

Crop Compensation Rate Negotiations

In 2000, 2001 and 2003, the Company set crop compensation rates in consultation with a multi-stakeholder negotiating body, comprising representatives of traditional authorities, chief farmers, impacted farmers, the Land Valuation Board, and the Stool Lands Administration. The Company used agreed rates to compensate farmers for any crop losses related to exploration activities. Annual adjustments to specific rates, if deemed necessary, were negotiated on the basis of changes in local market crop prices and other economic conditions.

In January 2004, the Company renegotiated crop compensation rates with the same multi-stakeholder group of representatives as in previous years, and then presented these rates to the RNC for discussion in February. Resettlement Negotiation Committee members reviewed the rates and negotiated a further five percent across the board increase with the Company on all the rates previously agreed to in January.

Informal disclosure of Land Valuation Board approved crop compensation rates in other jurisdictions revealed that the Company is paying higher crop compensation rates than the government.

The Company position is that crop compensation rates used to date are full and fair compensation for lost crops. The company will initiate an independent study by a qualified agricultural economist to assist in the review of future crop compensation rates.

Rental Payment on Crop Compensation

A demand by traditional leaders for rental payment on crop compensation paid to farmers also commanded attention during early Resettlement Negotiation Committee meetings. Traditional leaders, as the customary owners of farmland, felt entitled to a share of crop compensation. Farmers objected. Company mediated consultation involving all interested stakeholders and reference to relevant legislation facilitated resolution of the issue, and as a result no part of the crop compensation is paid to traditional authorities.

Resettlement House Room Sizes

The issue of resettlement house room sizes arose in November 2004 at a Public Hearing held by the Environmental Protection Agency to discuss the draft updated Environmental Impact Statement for the Project.

At that hearing, resettlement-related matters dominated discussion, and the issue of greatest public concern was the room size of the resettlement houses. During negotiations, the Resettlement Negotiation Committee had agreed – with the support of local authorities – to the following: the first bedroom in every resettlement house would be 120 square feet and the second and subsequent bedrooms would be 90 square feet in area. These dimensions conformed to the National Building Regulations (1988), and represent in most cases an increase in the room size relative to existing residential structures in the Mine Area.

However, the concern firmly voiced at the Public Forum was that 90 square foot bedrooms would be too small, and that the second and subsequent bedroom areas should be larger than set forth in the National Building Regulations. The issue of room size was subsequently resolved by the Resettlement Negotiation Committee and the Company agreeing that all bedrooms in resettlement houses would be 120 square feet.

Livelihood Enhancement and Community Development

The Company has adopted a three-prong approach to livelihood enhancement and community development: aggressive local recruitment targets for both the Company and its contractors, a money management course for all people receiving cash compensation from the Company, and a comprehensive Livelihood Enhancement and Community Empowerment Program.

These three initiatives are summarized below, and further details are provided in **Chapter 11**.

Local recruitment: In keeping with Newmont corporate philosophy, the Company has introduced a proactive local recruitment policy, with a complementary skills training program, to ensure maximum local capture of the economic benefits of the Project. Specifically, the Company seeks to meet 100% of its unskilled labor needs with local recruitment. This target applies equally to all Company contractors. While specific targets have not been set for skilled recruitment, procedures are in place to support and encourage local capture of these positions.

Money management course: The Company has retained OICI to deliver a series of money management and micro-enterprise development training courses for Project-affected households. The course is designed to help impacted households apply compensation payments appropriately in support of sustainable livelihood enhancement. The course consists of 12 modules, delivered over a six-week period. Over 1,200 people have participated in this course to date. All impacted persons / households are eligible to participate, and the Company provides assistance, in the form of a small training allowance, to facilitate their participation.

Livelihood Enhancement and Community Empowerment Program: The Company contracted OICI to prepare a high-impact, results-focused, sustainable livelihood enhancement and community development program. The resulting program focuses on economic growth, wealth creation, quality of life, and empowerment. The first phase of the program involves targeted assistance for Project-affected households to ensure livelihood enhancement during resettlement and relocation. The second phase of the program is in development and will involve long term community development initiatives. Community consultative workshops were held on 14 / 15 December 2004 and on 24 January 2005 to discuss the draft program with representatives of impacted persons / households, the local community, the Resettlement Negotiation Committee, and the district and regional government. The official program launch was on 15 February 2005.

Disclosure of the Resettlement Action Plan

As a next step in the public participation process, this Resettlement Action Plan will be released to the public in the district and elsewhere in Ghana. Specifically, the Company plans to disclose this document in the following ways:

- Hosting public information sessions in local communities, including Kenyase and Ntotroso

- Translating RAP summary into *Twi*
- Distributing the summary to all Resettlement Negotiation Committee representatives, along with a letter explaining where the Resettlement Action Plan is available for review
- Depositing the summary, as well as the complete document, with the national, regional and district offices of Town and Country Planning, the Asutifi District Assembly, and traditional authorities in Kenyase 1 and 2, Ntotoroso, Gyedu, and Wamahinso and have the copies available at the NGGL Kenyase office, which is the designated NGGL Ahafo South Project public outreach office, and the NGGL Accra office
- Publicizing the existence of this Resettlement Action Plan in the national and regional media, the means to access it, and the establishment of a 60-day period for registration of comment
- Placing the summary and document on the Company website.

The Company will record and tabulate all comments received. The Company will report on and respond to the comments received in a timely manner.

As part of these disclosure activities, this Resettlement Action Plan will be presented formally to the Land Valuation Board for review and approval. The Land Valuation Board is national government's designated arbitrator for land development-related compensation.

Resettlement Implementation

Working with the Company and Project-affected persons / households, the Resettlement Negotiation Committee oversees implementation of resettlement, to ensure that the agreed policies, procedures and rates are applied fairly.

It is important to note that Project impacts (e.g., loss of crops) have been in all instances preceded by an agreement with the Resettlement Negotiation Committee regarding appropriate compensation, as documented in the minutes kept of all Resettlement Negotiation Committee meetings.

Upon conclusion of resettlement, the Resettlement Negotiation Committee will conclude its work. A consultative liaison committee will then be formed with broader stakeholder representation to provide a structured and sustainable consultation mechanism for the life of the Project. The committee will cover all communities within the operational area of the Company and will be responsible for addressing all issues that arise. In addition, the committee will, as one of its principle purposes, be significantly involved in the ongoing evolution and implementation of the Livelihood Enhancement and Community Empowerment Program.

6.5 Assessment of Public Participation

The Project engages with all government institutions on a regular and frequent basis. These institutions are in broad support of the Project, and include the central, regional and district governments and traditional authorities.

The Project engages with individuals directly impacted by the Project on a daily and on-demand basis. These individuals are those physically and economically displaced by the Project, and those seeking employment. They speak on behalf of themselves, their households, their extended families, their neighborhoods, and their communities. They are eloquent. The Project interfaces with tens of such individuals on a daily basis, in the process of administering compensation, handling complaints, and training workers for inclusion in the labor pool. A strong impression of those interacting with the community on a daily basis is that affected individuals want prompt solution to their individual problems, but on balance want the Project to be a success. This support is not without misgivings and some fear, including a deep regret of the fact that the Project is not generating more employment for locals and is taking cropland. Expectation management is proving to be a key challenge for the Company.

It is not possible to negotiate the intricacies of compensation, resettlement and development with single individuals, one-on-one. As a result, the Company established a central committee for negotiation: the Resettlement Negotiation Committee. The functions, compositions and activities / achievements of this committee have been highlighted above. A subcommittee of the Resettlement Negotiation Committee, the Site Selection Committee, has been instrumental in resettlement planning, and specifically bears the responsibility to assign the right to relocate to those physically displaced (i.e., receive a cash compensation package as opposed to an in-kind compensation package). An additional committee – called the Community Liaison Committee – to act as interlocutor on development investment is in the process of formation, and will guide implementation of the Livelihood Enhancement and Community Empowerment Program.

Both the Resettlement Negotiation Committee and the Community Liaison Committee include representatives of traditional authorities, the district government, directly impacted persons / households in the Mine Area, and all land tenure categories (i.e., landlords, sharecroppers and caretakers). The members have not been appointed by the Company but by and in the fashion of the established socio-political structure, which includes institutions of modern government, traditional government, and community organization – neighborhood and town meetings, youth meetings, etc. There were two women on the Resettlement Negotiation Committee: an area representative and a Queen Mother.

As is evident in the minutes of the RNC, support for the Project is broad-based and firm, albeit negotiations are often intense. When the Company needs assistance in managing specific persons, households or groups, the RNC, local government and traditional authorities combined effort in negotiation to resolve problems and keep the work of the Company on track.

CHAPTER 7

COMPENSATION STRATEGY

This Chapter outlines the compensation strategy defined in the negotiations. It consists of the following sections:

- Company goals and objectives with respect to the Project and resettlement compensation
- Compensation eligibility – i.e., the types of impacts that are eligible for compensation
- Compensation entitlements – i.e., the compensation available for eligible impacts.

7.1 Summary of Main Issues and Principles

Several legal, socio-economic and administrative procedures are fundamental to this RAP:

- The constitutional requirement to resettle displaced people
- All persons with property affected by the Project before an agreed entitlement cut off date are compensated
- Facilitating replacement arable land through the traditional system
- Monitoring both agricultural livelihood restoration and any emergent hardship
- Training and community development to restore agricultural income and create alternative sources of income
- Applying a gender strategy that ensures accessibility and representation of women in all aspects of the resettlement
- Monitoring and assisting vulnerable persons during life of project.

7.2 Company Objectives

As presented at the first Resettlement Negotiation Committee meeting on 10 February 2004, Company objectives for the Project are to:

- Operate profitably an open pit gold mine
- Provide income to the Government of Ghana through royalties and taxes
- Create employment and training opportunities, with an emphasis on communities in the immediate vicinity of the mine
- Conduct discussions and negotiations with Project-affected persons and communities in an open and transparent fashion and in keeping with Ghanaian law

- Provide fair and timely compensation to persons and communities displaced – physically or economically – by mine infrastructure and works
- Promote sustainable livelihoods and enterprise in local communities, which will remain after mine closure
- Develop a tripartite working relationship between the Asutifi District Assembly, local communities and the Company.

Company objectives with respect to resettlement, also presented at the first Resettlement Negotiation Committee meeting, are to:

- Define compensation policies and procedures in a comprehensive manner, combining social, economic and environmental considerations
- Define compensation policies and procedures in an open and transparent manner through discussion and negotiation with representatives of impacted peoples, households and communities
- Understand that legal standing is not synonymous with eligibility for compensation
- Provide impacted people / households with a choice between acceptable, fair and equitable alternatives for compensation
- Restore and improve the livelihoods and welfare of impacted peoples, households and communities such that they are equal to or better off than before Project impact
- Address the immediate, interim and long-term well-being of impacted peoples / households
- Reward self-reliance, encourage self-help and respect, and build upon the socio-economy of the district.

7.3 Eligibility

This section summarizes the eligibility policy defined by the Resettlement Negotiation Committee, outlines the legal basis of that policy, and provides an overview of activities undertaken to implement it.

7.3.1 ELIGIBILITY POLICY

Impacted persons / households / communities are eligible for resettlement compensation if they have a “legitimate interest”¹⁵ in immovable assets in the Mine Area that were in place (i.e., planted or constructed) as of the entitlement cut-off date established by the Resettlement Negotiation Committee.

Immovable assets comprise:

¹⁵ “Legitimate interest” is not synonymous with ownership. Even those Project-affected persons / households / communities with no recognizable legal right or claim to the assets they are occupying or using are considered eligible for resettlement assistance.

- Crops – food, cash and tree crops
- Land – cultivated land, homestead land,
- Structures – household residential structures (for living, sleeping, cooking, storing) and non-residential structures (wells, fishponds, animal pens), school buildings, and business structures (Cocoa Marketing Board sheds, grain mills, kiosks)
- Access – all government recognized roads.

Immoveable assets that were in place as of the entitlement cut-off date comprise:

- Completed immoveable assets – assets that were fully planted or constructed as of the entitlement cut-off date
- Incomplete immoveable assets – assets that were only partially planted or constructed as of the entitlement cut-off date.

Immoveable assets that were constructed or planted after the entitlement cut-off date are not included in compensation calculations.

The types of impacts identified as eligible for compensation are:

- Loss of crops
- Loss of land
- Loss of structures
- Loss of access
- Loss of business.

Within a household, the “legitimate interest” in immoveable assets is usually held by a single member: the household head. Through tradition and family court practice, the household head is typically the most senior male member of the household. In some instances, the “legitimate interest” may be held jointly e.g. by the household head and his/her spouse) or by other members of the extended family. When the household head dies, the Company insists that other household members get a court order that identifies the inheritor.

7.3.2 LEGAL BASIS

Under Ghanaian law, specifically Section 70 of the Minerals and Mining Law (PNDC Law 153), the Company as holder of a mining lease granted by the Government of Ghana has the right to control land-based activities within its mining lease area, viz:

- The lawful occupier of the of any land within an area subject to a mineral right shall retain the right to graze livestock upon or to cultivate the surface of such land in so far as such grazing or cultivation does not interfere with the mineral operations in the area.

- In the case of a mining area, the owner or lawful occupier of the land within the mining area shall not erect and building of structure thereon without the consent of the holder of the mining lease, or if such consent is unreasonable withheld, without the consent of the Secretary.

7.3.3 IMPLEMENTATION

The Company has inventoried all immovable assets located in the Mine Area as of the entitlement cut-off date, namely: crops, land, structures and access.

Each entry in the Company's inventory was verified by the responsible owner, specifically:

- Every crop survey was verified by the responsible farmer and witnessed by a chief farmer or his / her designate
- Every cadastral survey was accompanied by the responsible landlord or his / her designate
- Every structure survey was verified by the responsible owner and a representative of the Resettlement Negotiation Committee.¹⁶

The inventory of immovable assets forms the basis for compensation of Project-affected persons / households. In conjunction with compensation rates (below), the inventory determines the compensation entitlement for each impacted person / household.

7.4 Entitlements

The Company provides a broad range of appropriate and fair compensation and assistance for eligible impacts. All of the provisions were negotiated and agreed to by the Resettlement Negotiation Committee.

This section outlines the compensation entitlements available for loss of crops, loss of land, loss of structures, loss of access, and loss of business. These entitlements are summarized in **Table 18**.

With respect to compensation in cash, all compensation rates, compensation calculations, and compensation payments are in the legal currency of Ghana: the Ghanaian Cedis.

7.4.1 LOSS OF CROPS

The Company compensates for all crops located in the Mine Area that were planted as of the entitlement cut-off date. Specifically, the Company pays compensation to those who have the right to consume, give away, or sell produce of the land.

This section describes the following:

- Crop compensation rates
- Calculation and payment of crop compensation

¹⁶ At times, the owner of ineligible buildings could not be identified, and this was noted by the representative of the Resettlement Negotiation Committee and the government licensed valuer.

- Specific provisions regarding ineligible crops.

Crop Compensation Rates

In January 2004, the Company re-negotiated crop compensation rates with the same multi-stakeholder body as in previous years, and then presented these rates to the Resettlement Negotiation Committee for discussion in February. In response to pressure from a few members, the Company agreed to a 5% mark-up on all agreed rates.

Table 18: Entitlement Matrix

IMPACT	COMPENSATION
Loss of Crops	Compensation in cash at agreed replacement rates AND All sharecropping and caretaking contracts honored
Loss of Land	Facilitation of land allocation to impacted farmers by traditional authorities, with a monitoring program in place to ensure impacted farmers receive access to land through this traditional allocation process
Cultivated Land	Compensation for crops
Residential Plots	Replacement at a resettlement village (i.e. homestead plot) OR Nil (if eligible for cash compensation of residential structures)
Institutional Plots	Replacement at a resettlement village
Loss of Structures	Replacement of structures OR Compensation in cash for structures
Residential Household Structures	For structure owners: Replacement with a selected sandcrete structure at a resettlement village for owners OR If eligible, compensation in cash at the replacement rate of a sandcrete structure for owners For structure occupants (not owners): Dealt with case-by-case Usually involves payment of 1 year's rental allowance OR Involves owner providing alternative accommodation
Non-Residential Household Structures	Compensation in cash calculated at the structure's true replacement value
Business Structures	Dealt with case-by-case OR Involves replacement of structure with a custom designed sandcrete structure
Institutional Structures	Replacement of structures, often to improved standard and sometimes increased area
Loss of Fallow	To be based on the outcome of further study, and analysis with traditional leaders and affected farmers.
Loss of Access	Dealt with on a case-by-case basis to restore access with consideration for ensuring safety and to ensure prevention of accidental entry into mining project areas
Loss of Business	For business activities, compensation in cash for any impacts to net profits AND For business structures, compensation in cash calculated at the structure's true replacement value or Replacement of structure at a resettlement village

The agreed rates for 2005 appear in **Table 19** and have been used in the calculation of compensation for all crop losses since 31 May 2005. The agreed rates, as in all previous years, reflect market prices, costs of production and other factors.

Informal disclosure of Land Valuation Board-approved crop compensation rates in other jurisdictions revealed that the Company is paying significantly higher crop compensation rates than both the government and other mining companies in Ghana.

Calculation of Crop Compensation

With the results of the crop survey, compensation for a given field can be calculated using either unit rates or area rates. The area rates reflect crop density recommendations from the Ministry of Food and Agriculture. The decision of whether to use unit rates or acre rates is made by the Company crop surveyor in the field, in consultation with the impacted person and chief farmer of the area.

Table 19: Crop Compensation Rates

Crops / rates	Unit Rates (¢ / Plant)				Area Rates (¢ / Acre)			
	Matured ¢	Medium ¢	Small ¢	Seedling ¢	Matured ¢	Medium ¢	Small ¢	Seedling ¢
Cassava	4,620	2,970	2,200	440	3,694,383	2,461,305	1,963,500	985,060
Oil Palm (Agric)	150,150	112,035	59,730	27,500	9,009,000	6,722,100	3,583,800	1,650,000
Oil Palm (Wild)	34,660	24,200	17,325	3,465				
Plantain	17,325	12,320	8,635	1,540	11,936,925	8,515,007	5,964,420	1,056,825
Banana	11,550	8,250	4,950	880	7,957,950	5,684,250	3,410,550	606,320
Citrus	86,625	64,900	34,650	15,565	9,528,750	7,139,000	3,811,500	1,712,150
Maize / Guinea Corn	1,386	935	660	275	2,772,000	2,084,544	1,389,696	740,335
Millet / Sorghum	1,388	935	660	275	2,772,000	2,084,544	1,389,696	740,335
Teak	86,625	66,935	38,115	4,345	38,201,625	29,518,335	16,808,715	1,916,145
Avocado	86,625	66,935	38,115	4,345	6,150,375	4,752,385	2,706,165	984,060
Mango	86,625	66,935	38,115	4,345	6,150,375	4,752,385	2,706,165	984,060
Kola	86,625	66,935	38,115	4,345	6,150,375	4,752,385	2,706,165	984,060
Coconut	95,288	64,900	43,340	13,420				
Cashew	95,288	71,500	47,630	14,740	10,481,625	7,865,000	5,239,300	1,621,400
Coffee	17,325	12,100	8,690	5,170	7,640,325	5,336,100	3,032,290	2,279,970
Cocoa	69,300	51,975	30,030	6,930	37,699,200	28,274,400	16,336,320	3,769,920
Pineapple	8,305	5,500	4,840	1,760	4,793,250	3,451,140	2,492,490	1,437,975
Yam	9,240	6,160	4,840	2,640	3,534,300	2,624,160	1,867,058	1,175,790
Cocoyam	2,310	1,650	1,210	550	2,587,200	1,924,230	1,358,280	861,861
Rice (rain fed)					5,197,500	3,984,750	2,598,750	1,559,250
Sugarcane					3,465,000	2,252,250	1,386,000	995,875
Pawpaw (wild)	1,705	1,210	660	330				
Pawpaw (agric)	6,930	4,950	2,585	550				
Garden eggs	NEGOTIATED ON SITE							
Tomatoes								
Okra								
Onion								
Pepper								

*Exchange rate used is ¢9,200 Cedis / US\$1.00

Payment of Crop Compensation

The Company pays crop compensation to impacted persons in a one-time, lump-sum payment, for each field measured and assessed prior to crop destruction.

The Company pays crop compensation to the most directly impacted person, namely the planter / owner of the crop itself, whether they be a landlord, sharecropper or caretaker. Payees are then responsible for sharing the compensation with all others with a legitimate interest in the crop, namely any interested landlords, sharecroppers and caretakers. In fact, payment is contingent on the sharing of compensation among those with a legitimate interest, according to the terms of any caretaking and sharecropping contract. A grievance mechanism is in place to resolve disputes (**Chapter 13**).

The Company spends much effort, on a case by case basis, to ensure that caretaking and sharecropping contracts are respected when crop compensation is issued. Thus far, the Company has assisted contending parties to resolve all substantial complaints regarding the division of crop compensation. The Company is unaware of any injustice that hasn't involved outright theft, for example, by impersonation. The Company tries to limit impersonation by requiring each compensatee to be photographed prior to receiving his / her compensation at the bank, and has hired locally knowledgeable persons to attest each applicant for payment is indeed the entitled person.

After payment of crop compensation, and prior to destruction as much as is practicable, the Company allows crop owners to salvage (harvest or transplant) their crops.

The Company provides a six-day (2 sessions / day) money management course for all those receiving cash compensation for structures or crops. To facilitate attendance, the Company also provides a training allowance to each compensatee: i.e. payment for attendance of this course. The course teaches micro-enterprise organization, SWOT analysis, resource mobilization, money management, sourcing and managing credit, costing / pricing and marketing.

Ineligible Crops

Crops planted within the Mine Area (i.e., the declared moratorium area) after the entitlement cut-off date of 10 February 2004 are not eligible for compensation. Non-eligibility is a constant source of friction, as many farmers aggressively demand that crops planted after the entitlement cut-off date are included in compensation calculations. The determination of whether crops are ineligible is made in the field by the Company crop survey teams, in consultation with the farmer and Chief Farmer.

As soon as the Company detected “speculative planting” by individuals who did not want to respect the agreed entitlement cut-off date for planting, the Company met with the local Youth Associations to attempt to find a solution to the problem and avoid conflict. The Youth Association leaders recommended that a Task Force made up of representatives of the various Youth Associations should be formed to assist the Company in convincing the farmers of the need to accept the agreed moratorium and stop planting new crops in the Mine Area to force the Company to pay compensation. The formation and use of a Youth Association Task Force has generally been successful in limiting speculative planting.

7.4.2 LOSS OF LAND

Under Ghanaian law and practice, the Company is not required to purchase required land, or to compensate for required land per se. Instead, the Company is required to compensate for assets affixed to the land: i.e., crops and structures.

Notwithstanding its legal obligations, the Company recognizes that loss of land is of critical importance for impacted persons / households, particularly those with land-based livelihoods, and has devised a strategy to ensure the provision of replacement land in kind.

This section describes the following:

- Newmont corporate philosophy with respect to land access and acquisition
- Land ownership in the Project area
- Replacement strategy for cultivated land, residential plots and institutional plots
- Management of future activities.

Corporate Philosophy

Newmont has developed a Standard for Land Access and Acquisition, with a management plan to achieve, as far as is practicable, the following:

- Early identification and engagement with potentially impacted landholders
- Consultation with government bodies, local landholders and other impacted stakeholders to ensure recognition of both legal and customary title and where these may be in conflict to seek a negotiated resolution
- Develop an approach to land acquisition founded on the principle of prior informed consent and that transactions are made, to the extent possible, in a way that provides sustainable benefit to the former landholders
- Procedures to ensure that all the conditions of permits and permissions are properly fulfilled
- Records of the access and acquisitions are complete and accessible by future generations of the facilities management
- Involuntary resettlement and relocations of families and communities be, at a minimum, in accordance with the World Bank (Involuntary Resettlement in Development Projects Policy Guidelines in WB Financed Projects).
- Assessment and where practical the development of a formal strategy for addressing historical issues with past inadequate permissions and acquisitions.¹⁷

Land Ownership in the Project Area

Within the Mine Area and throughout Asutifi District, customary ownership predominates. Specifically, traditional authorities hold the land in trust and allocate lands at their discretion to families and individuals for cultivation and habitation. Through inheritance, allocated lands remain in families.

Historically, traditional authorities encouraged immigration to the area because of a perceived abundance of land. At one point after Independence, the national government allocated itself large

¹⁷ Newmont Community & External Relations Standard NEM-CER-S.022 for Land Access and Acquisition Version 2.0

tracts of land in the Project Area in order to establish large-scale government farms. These farms did not flourish and most of the acquired land was reabsorbed by the respective traditional authorities.

This role and responsibility of the traditional authorities in land allocation is seen by the Company as crucial to maintaining the following:

- Customary title to land
- Established mechanisms for land allocation
- Existing socio-economic system
- Avoidance of dependency on the Company.

Before the Project, farmers acquired land in the Project Area in a number of ways according to the tenure of land desired:

- Private land – the farmer would approach the family head and elders.
- Stool land – the farmer would approach the Chief and traditional elders.

For private or stool land, farmers approach landowners or Chiefs with land requests. Negotiation covers size, tenure and price of the requested parcel. Commonly, a sharecropping arrangement is agreed between occupier and owner. When the negotiation is satisfactory, elders witness the arrangement and view the parcel of land. The occupier sometimes sets out corners of the plot by planting trees.

Fallow Land

The Company has an overall commitment to ensure resettlers and relocatees have an equal or better quality of life as a result of the Project. About a third of Project affected land is fallow. The impacts on communities, families, and individuals from a loss of fallow are not known. The fallow land use system in the Mine Area will not be fully understood without further monitoring and study.

The Company is not legally required to pay compensation for fallow land. The Company has paid compensation on crops claimed by farmers in the fallow. The Company also recognizes the individual and community importance placed on fallow land (i.e., land allocated to new family members for cultivation, collection of firewood, or additional income through exchange). The Company will undertake further study and analysis of fallow, with the objectives being:

- Understanding its role in the agricultural system
- Assessing Project impact on fallow availability and use
- Designing mitigation measures as appropriate.

Access to Cultivated Land

In order to achieve a balance between Newmont's Standard, Ghanaian law and practice, and the existing land tenure system in the Project area, the Company has adopted a strategy and action plan in consultation with relevant traditional authorities to enable access to cultivated land within the Mine Area.

Like the Company, these traditional authorities recognize the fact that, if the Company were to attempt to replace land for land for all households with farm holdings in the Mine Area, it would create additional problems that could effectively destroy the established mechanisms for land allocation and potentially cause serious inflation in the price of land in the area. Therefore, the Company will not purchase replacement farmland for economically displaced households.

Instead, the traditional authorities have publicly stated and made it known to Project-affected persons / households that they, the traditional authorities, have land available for allocation for those that need it.¹⁸ Furthermore, they have encouraged farmers seeking land for agriculture to come forward for consideration.

Based on this, the Company's strategy for loss of cultivated land is to:

- Facilitate the grouping of farmers who have been compensated and have lost land through the development of the Project. The traditional authorities have stated they support the grouping of farmers for land allocation purposes, rather than dealing with single farmers one at-a-time.
- Group farmers under a village traditional leader (e.g Chief of Kwakyekrom or Chief of Kodiwohia) so that these leaders, together with the farmers seeking land, would approach their respective traditional authorities to present their needs for land in hectares per farmer and proposed use of the land.
- Assist in land allocation by the traditional authorities to these farmers.
- Maintain and expand as required the existing monitoring of impacted farmers to determine the following (see **Chapter 15** for more detail):
 - Farmers who are interested or are in need of additional land for agriculture
 - Farmers who have lost all their farm land to the Project
 - Opening of fallow land outside the Mine Area and whether it is impacted farmers who are opening up this land or other locals or immigrants
 - Constraints, real and perceived, to acquiring land for agriculture
 - Use of crop compensation money and its effectiveness in establishing income generating capacity in agriculture or alternative income generating enterprises
 - Potential means to support the traditional authority and family land allocation system
 - Abuse by traditional leaders of the land allocation process.

It should be noted that, quite apart from approaching traditional authorities, impacted farmers may be coping with cultivated land losses by clearing their own fallow lands or by clearing fallow land held by

¹⁸ The Company's own investigations have confirmed the existence of uncultivated land. As presented in **Annex F**, land cover in Project area includes some 13,460.6 hectares of fallows and natural areas, equivalent to 80% of the area covered by the satellite image.

members of their extended family. Approaching their traditional authority is only one of several coping mechanisms available to farmers, but it is the only mechanism with which the Company can assist.

The monitoring dimensions of the above strategy are critical. Through the monitoring program, the Company will track those households for which alternate land does not become available.

The Company has not inventoried the total landholdings of resident and non-resident households, and as a result is not in a position to assess how significant a loss the Mine Area is to these households (i.e. how much of their total landholdings are lost), and therefore how "easy" it will be for them to cope.

In order to track the local customary land exchange process, the Company will implement a monitoring program to track individual landowners and sharecroppers involved in the customary land exchange process (**Chapter 15**). The results of the monitoring program will allow the Company to identify and track those that do not appear to be coping well. A main component of the monitoring program will include twice yearly land acquisition surveys to assess overall landholdings and OICI monitoring of Project-affected households to track agricultural livelihood restoration.

Monitoring access and availability of land for Project-affected persons will also rely on current community relation and residential and non-residential surveys undertaken by OICI. In combination with OICI efforts, the Company maintains open lines of communications with the local NGO's, Action Aid, Guards of the Earth and the Vulnerables. These NGO's have roots in local farming and are keeping watch on the effects of the compensation and resettlement of Project-affected persons. Building and supporting these ties to local community organizations provides the most effective monitoring. Project-affected persons who find themselves in difficult situations are encouraged to approach the Company in order to come to a mutually agreeable solution.

Replacement of Homestead Residential Plots

For resettling persons / households who are losing their residential land (i.e., homestead plots) within the Mine Area, the Company provides a replacement plot within a resettlement village for their residential use. The plots provided are within the range of standard plot sizes in Ghana and dependent on the size of the replacement house.

Specifically, the Company provides a plot of 540 square meters to those persons / households resettling into a one to three bedroom resettlement house, and a plot of 810 square meters to those resettling into a four bedroom or larger resettlement house.

Replacement of Institutional Plots

For land occupied by government bodies, namely schools and Cocoa Marketing Board (CMB) sheds, the Company has agreed to appropriate compensation, in the form of replacement structures located on suitable land within the resettlement villages.

Management of Future Activities

As noted above, the Company is developing a land bank of Mine Area lands, and lands elsewhere in their Mining Lease, that will be made available to impacted households on a short-term and carefully controlled basis.

7.4.3 LOSS OF STRUCTURES

The Company compensates for all structures (residential or non-residential) located in the Mine Area that were fully or partially constructed as of the entitlement cut-off date.

This section describes the following:

- Structure compensation rates
- Calculation and payment of structure compensation (i.e., either in cash or in kind)
- Specific provisions for the potentially vulnerable and for ineligible structure
- Replacement strategy for institutional structures
- Management of future activities.

Structure Compensation Rates

The Company retained a registered professional valuer to define replacement rates for all types of structures found within the Mine Area, in accordance with Land Valuation Board practice (**Table 20**). Replacement rates represent the replacement value of the structure plus transaction costs, with no consideration of depreciation or the value of salvaged materials.

The compensation rates meet the definition of full replacement value as specified by the LVB.

The LVB defines replacement rate as the total current market cost of materials to build its replacement to the original area and with equal or better quality than the affected structure, or to repair a partially affected structure, plus associated site acquisition and preparation costs. Costs of transporting materials to the construction site, labor, construction fees, registration costs, and transfer taxes are included in the rates. The calculation of compensation rates does not consider depreciation of the asset and value of the salvage material.

Annex M contains the replacement cost definition plus examples of three building material compensation rates. These rates show the differences between material costs and the selected material that is used in the resettlement villages.

Calculation of Structure Compensation

With the area measurements of the structure survey, the replacement value for any given structure that existed in the Mine Area as of the entitlement cut-off date can be calculated using the unit rates listed above. Where a range of values is provided, the professional valuer determines what the rate will be for any specific structure.

As a policy, agreed to by the Resettlement Negotiation Committee, the Company decided that all completed residential structures would be compensated at the highest possible rate listed above: that of sandcrete block, rendered and plastered. Given the vast majority of residential structures in the Mine Area are made of “lesser” building materials, this decision has meant a significant boost in the amount of compensation for residential structure owners.

For all non-residential structures and for all incomplete (i.e., partially constructed) structures that existed in the Mine Area, as of the entitlement cut-off date, owners receive cash compensation calculated at the structure’s true replacement value (**Table 20**).

Table 20: Replacement Rates for Structures

STRUCTURE TYPE	RATES (USD / m ²)*
Sandcrete Block – block-rendered and plastered	\$81
Sundried Brick – with cement plaster	\$76
Landcrete - with cement plaster	\$71
Swish (Atakpame) or Mud Brick – with cement plaster	\$67
Wattle + Daub - sand screed floor, plastered, corrugated iron sheet (CIS) roof	\$40
Wattle + Daub – screed floor, rendered, battened doors, CIS roof	\$36
Wattle + Daub - rammed earth floor, rendered, battened doors, CIS roof	\$32 - \$35
Wattle + Daub - rammed earth floor, battened doors, thatch roof	\$27
Wattle + Daub - rammed earth floor, raffia doors, thatch roof	\$22
Wattle + Daub - rammed earth floor, no doors, thatch roof	\$18 - \$20
Wattle + Daub – to roofing level, but with no roof	\$13
Kitchen - wattle + daub, rammed earth floor	\$18 - \$20
Shed – with pillars and CIS roof	\$18
Stakes - with CIS roof	\$13
Concrete Pavement	\$9
Raffia-Clad Structure - with rammed earth	\$5
Wattle – framework only	\$5 - \$7
Shed / Bath Cubicle (detached) – wattle + daub without screed	\$4
Shed - stakes with thatch	\$4
Kitchen – raffia palm	\$3
Bathroom – unroofed with wood cladding	\$2
Stakes / Sticks – only	\$2
Kiosk	\$50 - \$57

Payment of Structure Compensation

For completed residential structures that existed in the Mine Area as of the entitlement cut-off date, owners have the option to choose either resettlement or relocation, as defined below:

- Resettlement – compensation in which owners receive a replacement residential structure built in sandcrete block within a resettlement village located within the jurisdictional area of their traditional authority
- Relocation – compensation in which owners receive a lump-sum cash payment for their existing residential structures based on the replacement rate for sandcrete block multiplied by the area measurement of their structure.

Local political and traditional leaders prefer resettlement to relocation. This preference is shared by the Company, Resettlement Negotiation Committee, and the Government of Ghana. Accordingly, the Resettlement Negotiation Committee set specific conditions under which requesting households would be eligible for relocation. These conditions are presented in **Chapter 9**.

For all other eligible structures, the Company pays structure compensation to impacted persons in a one-time lump-sum payment, prior to structure destruction.

The Company provides an opportunity for all persons / households to salvage their structures prior to destruction, and works closely with those resettling owners and their spouses to select a resettlement house and plot and to assist with moving.

Provisions for the Potentially Vulnerable

The vast majority of persons / households living in the Mine Area own their own residence. The few building tenants (i.e., non-builders) that exist are newcomers to the area (i.e., less than two years) who have not yet built their own residence.

The Company recognizes these newcomers are among the most vulnerable impacted persons / households. In consultation with the Resettlement Negotiation Committee, the Company:

- Identifies and closely monitors these persons / households.
- Provides appropriate assistance on a case-by-case basis (e.g. rental allowance and / or transport allowance) to provide a measure of financial freedom

In addition, the Company and Resettlement Negotiation Committee have agreed to protect caretakers and sharecroppers from landlords (in the sense of owners of the land) who might try to gain the right to compensation for structures on their land that have been constructed and are occupied by caretakers and sharecroppers.

Specifically, as with all structure owners, landlords (in the sense of owners of the land) are entitled to compensation for structures that s / he owns. However, the Company and Resettlement Negotiation Committee deny landlords the opportunity to force sharecroppers or caretakers to request relocation so as to receive a cash package that the landlord can tap. The Company and the Resettlement Negotiation Committee also deny landlords the opportunity to part-own entitled resettlement houses of their sharecroppers or caretakers.

Ineligible Structures

Structures constructed within the Mine Area after the entitlement cut-off date of 10 February 2005 are not eligible for compensation. The determination of structure age is made in the field, during the structure survey, by the registered professional valuer, after consultation with the owner / owner's household and the two representatives of the Resettlement Negotiation Committee who accompany the building valuation team full-time.

For each ineligible structure (or set of structures), the Company hand-delivers a letter to the owner informing that their structures are not eligible for compensation and must be removed from the area, and if not removed may be torn down after a designated date.

Replacement of Institutional Structures

The Company is committed to comparable or improved access to education for all impacted children and has consulted extensively to that end with district education officials, including the District Director of Education and the District Oversight Committee.

As a result of these discussions and through mutual agreement, the Company is replacing physically displaced schools with new schools, as follows:

- Replacement of the Kwakyekrom Primary School with a new primary school within the grounds of the existing St. Lawrence Primary School, which adjoins the Ntotoroso Resettlement Village.
- Replacement of the Kodiwohia school complex with a new school complex within the Kenyase Resettlement Village.

The existing Kwakyekrom School consists of a sandcrete three-classroom block, with an office, storeroom, and single-room mudbrick shed that is being used as a classroom. In addition, there is a four seat KVIP latrine.

The new school complex will comprise a four-classroom block, with an office, storeroom, and four seat KVIP latrine. In addition, as a community development initiative, the Company is providing an additional four-classroom block, as well as an office, storeroom, two seat KVIP latrine for teachers, two additional KVIP latrine seats for students, and recreation facilities. This expansion is required because the existing Kwakyekrom Primary School accommodates eight classes (i.e., kindergarten one and two, and grades one through six) in four classrooms, and thereby needs to effectively double its infrastructure.

The existing Kodiwohia school complex comprises a kindergarten, primary school and junior secondary school. The Company is currently designing the replacement school complex in discussion with district education officials.

The Company is also currently negotiating compensation with the Cocoa Marketing Board for impacted Cocoa Marketing Board sheds. These sheds will be replaced in locations approved by the Cocoa Marketing Board.

Management of Future Activities

The Company is in the process of establishing a permitting process for the construction of new structures, such that any owner or lawful occupier of the land within its mining lease can obtain consent from the Company to erect a structure in areas of the mining lease that will not interfere with the Company's present or future operations. This process will not apply to towns and villages within the mining lease, which are already under a planning and permitting process via the district Town and Country Planning authorities.

7.4.4 LOSS OF ACCESS

Loss of access includes the displacement of road access and the displacement of traditional access.

With respect to the displacement of road access, the Company is upgrading the Kenyase 2 – Ntotoroso local distributor road to ensure the safe passage of public and Project traffic in the area. The Company is also building a separate pedestrian walkway alongside this road from the Kenyase Bypass to the Plant Site, as well as on an as needed basis in nearby communities, to ensure the safety of pedestrians and particularly of children walking to school. The Company is planning to construct new sections of the access roads from the Kenyase 2 – Ntotoroso local distributor road to the communities of Manu Shed

and Dokyekrom, because small portions of each fall within the Mine Area and as a result will be impacted by Project construction.

With respect to the displacement of traditional access, impacted persons / households include those that are:

- Physically or economically displaced or
- Located near the edge of the Mine Area but not displaced.

With regard to the first group, the Company is compensating impacted persons / households in accordance with the entitlements outlined above. In general, the resettlement villages have improved access for many of requirements of resettling persons / households. Compensation for loss of access to any remaining assets is negotiated on a case-by-case basis.

With regard to the second group, the only potentially problematic cases appear to be those households that remain outside but near the northern edges of the water reservoir. As the Company will build a four-wheel track around the entire perimeter of the reservoir, only a few of these households anticipate future difficulties in accessing paths, roads, and service centers. The larger perceived problem is a sense of no longer having access in the neighborhood to their neighbors within the Mine Area who are being resettled. The Company will continue to consult with these households.

In general, the Company has been working to ensure public foot and vehicle access around, and even across the active work sites, including haul roads, and has built six kilometers of tracks for just this purpose.

7.4.5 LOSS OF BUSINESS

The Company is assisting affected local businesses to salvage their materials and rebuild their business structures in the resettlement villages. As noted in **Chapter 5**, the Company has consulted extensively with the proprietors of these businesses, and none anticipates loss of income due to the Project. If such loss of income does occur as a result of the resettlement, the Company will negotiate fair recompense on a case by case basis.

CHAPTER 8

RESETTLEMENT PACKAGE

Owners of residential structures that are physically displaced are eligible for resettlement. As noted above, resettlement is compensation in which owners are provided with a replacement residential structure in a resettlement village located within the jurisdictional area of their traditional authority (**Figure 24**).

This Chapter summarizes the policies guiding resettlement compensation, as well as an overview of the planning and design process for the resettlement villages.

8.1 Policy

To compensate for the loss of residential structures that were in place as of the entitlement cut-off date, owners and their spouses are entitled to choose a replacement residential structure (“resettlement house”) and plot within their designated resettlement village.

This section describes the following:

- Designation of resettlement villages
- Selection of resettlement houses and plots
- Miscellaneous rights and allowances

8.1.1 RESETTLEMENT VILLAGES

The Resettlement Negotiation Committee decided that resettlers must remain in their host stool. Company consultation with every single resettling household indicates that this decision enjoys widespread support. The Company has not encountered a single instance in which this decision has been contended.

Resettling people currently living in the stool of the Kenyase 2 Chief will move to the Kenyase Resettlement Village, and those living in the stool of the Ntotoroso Chief will move to the Ntotoroso Resettlement Village. The one case of a resettling household living in the stool of the Kenyase 1 Chief is being handled by construction of a resettlement house on a plot in Kenyase 1, as selected by the Kenyase 1 Chief and agreed to by the affected owner.

8.1.2 RESETTLEMENT HOUSES

Resettling house owners and their spouses select their own resettlement house in accordance with the following principles:

- **Area-for-Area**– resettling households select a resettlement house with an internal area equal to the external area of all rooms and verandas at their existing residence, except kitchens.
 - For replacement areas that are less than that of the minimum house provided by the Company, resettling households receive the minimum house: one bedroom (120 square feet [internal area]),

one bathroom (38.75 square feet [internal area]) and a veranda. The minimum house has 250 square feet of external area. Each replacement house has one KVIP latrine.

- Replacement areas that fall between the standard building sizes developed by the design team are entitled to upgrade to the next larger house in that design category.
- Resettlers cannot bargain for larger houses than they are eligible, given the calculations described above. The Company will consider requests from resettling persons / households to “downsize” their allotted house based on extenuating circumstances and receive a cash offset payment: i.e., an elderly couple may be eligible if entitled to a too-big residence. So far, no such case has emerged. By contrast, some family members have requested to extract a portion of entitlement from their elders. No such request has been salient enough to honor. The few requests have been opportunistic attempts at displacing elders.
- **Kitchen-for-Kitchen** – resettling households can select a resettlement house with a constructed kitchen, provided that they have a kitchen at their existing residence. If their existing kitchen is larger in area than the standard kitchen size being provided, then the excess area is added to the total area of the bedrooms and verandas.
- **Desired Layout** – resettling people / households can choose an open courtyard-type house or a closed courtyard-type house.

These principles ensure that the resettlement package for households represents a significant benefit, as follows:

- Vast majority of existing houses are constructed with wattle-and-daub – therefore, replacement, area for area, with a sandcrete block structure represents more than a 100% premium
- Use of exterior dimensions for all replacement calculations is an additional benefit – standard practice in Ghana is to use interior dimensions.
- Inclusion of a KVIP latrine for each resettlement house is a valuable public health benefit, as it ensures safe management of sanitary waste.

As noted in **Chapter 7**, for non-residential structures, and incomplete structures, resettling owners receive cash compensation calculated at the structures’ replacement rate. The Company does not replace these assets at the resettlement village.

8.1.3 RESETTLEMENT PLOTS

Residential plots within the resettlement villages are allocated to resettling households by lottery. Families, neighbors and social networks can request to be kept together. The use of a lottery to achieve fairness was approved by the Resettlement Negotiation Committee.

Resettlement houses with one, two or three bedrooms are assigned a 540 square meter (18 meters x 30 meters) plot. These plots can accommodate up to six bedrooms.

Figure 24: Resettlement Home



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Resettlement houses with four to six bedrooms are assigned an 810 square meter plot (27 meters x 30 meters). These plots can accommodate up to nine bedrooms.

Resettlement houses with more than six bedrooms are custom-designed and an appropriate plot size defined in consultation with the owner.

8.1.4 MISCELLANEOUS RIGHTS AND ALLOWANCES

Resettling households are entitled to transportation from their original house to their resettlement house for themselves, plus one large truckload for their goods, salvaged materials and domestic animals. They get a mobilization allowance (\$54.95) and a training allowance (\$40) for attending the money management course. They have the right to salvage any materials from their original residence.

The Company provides a 12-month housing allowance to those resettling households who are impacted by the construction of advanced infrastructure (**Table 21**). The concept and rates for rental allowance were agreed in the Resettlement Negotiating Committee. This allowance is paid in a lump-sum to resettling households who are willing to be displaced before their resettlement house is ready. The amount of the allowance is based on family size, numbers of rooms required and the rental market in the district. It is more than sufficient to provide acceptable rental housing in the area.

Table 21: Temporary Housing Allowance

FAMILY SIZE	ALLOWABLE NO. OF ROOMS	LUMP SUM PAYMENT (USD)
H + W + 1 C	2	\$ 278
H + W + 2 C	2	\$ 278
H + W + 3 C	3	\$ 343
H + W + 4 C	3	\$ 343
H + W + 5 C	4	\$ 408
H + W + 6 C	4	\$ 408
H + W + 7 C	5	\$ 473
H + W + 8 C	5	\$ 473
H + W + 9 C	6	\$ 539
H + W + 10 C	6	\$ 539
H + W + 11 C	8	\$ 669
H + W + 12 C	8	\$ 669

Notes:

1. H = Husband; W = Wife; C = Child / Children.

2. If there are 3, 5, 7, 9, or 11 children then the rooms provided have been rounded up to the next level. Also if there are more than 12 children then the rooms provided will remain at a maximum of 8 rooms.)

One hundred and ninety seven households have received rental allowance. It is a popular concept and sum. A few households have taken the allowance and refused to move. A few households have refused to take the rental allowance because they refuse to move until their resettlement house is ready. The Company has not forced the issue in either circumstance. The rental allowance is available but not forced on affected households, and no one has had to move who did not want to move.

8.2 Planning and Design

Resettlement planning and design has addressed:

- Identification and physical planning of resettlement villages
- Design of replacement residential structures and plots
- Design of infrastructure and public facilities.

This section describes each of the above.

8.2.1 RESETTLEMENT VILLAGES

The Company in consultation with the Resettlement Negotiation Committee has identified and planned two resettlement villages. This section provides an overview of the site selection process and the physical specifications of the resettlement villages.

Site Selection Process

The Site Selection Committee required that potential resettlement village sites:

- Be consistent with existing settlement pattern
- Be largely unoccupied, to minimize effort and expense to acquire the land and to plan, design and construct the resettlement village
- Have enough area to accommodate the number of households likely to resettle and be developable (e.g., have suitable soil, hydrological conditions, slopes, etc.)
- Be located close to the Mine Area, to maximize home-area continuity for resettlers
- Include for consideration at least one site in the stool lands of both Kenyase 2 and Ntotoroso.

Using these criteria, the Company and Site Selection Committee identified and evaluated a total of eight alternatives (**Table 22**).

Table 22: Resettlement Site Alternatives

NO.	SITE NAME	DESCRIPTION	# PLOTS AVAILABLE
1	Ntotoroso South	>160 ha. adjacent to Ntotoroso and available for residential development	~600 +
2	Ntotoroso Infill	Vacant 900 square meter plots within Ntotoroso	>10
3	Kenyase 2 Southwest	~ 18 ha. adjacent to Kenyase 2	~150
4	Kenyase 1 and 2 North	~ 20 ha. located to south of proposed bypass, adjacent to existing communities of Kenyase I and II	~250
5	Kenyase 1 East	~ 16 ha. east of the proposed bypass, adjacent Kenyase I	~150
6	Kenyase 1 and 2 Infill	Vacant 900 square meter plots within the existing communities of Kenyase I and II	>20
7	Kenyase 2 West (Ola)	~ 64 ha. adjacent to Kenyase 2, west of the Ola School	~400 +
8	Rural Resettlement	~ 200 ha. in one block plus uncounted small areas	Not calculated

The Company and Site Selection Committee evaluated these eight alternatives, as follows:

- Alternatives 2 and 6 were eliminated because it was feared infill development would dilute the vibrancy and critical mass of the eventual resettlement villages.
- Alternatives 3 and 4 were eliminated because the traditional authorities and district town planners had already planned and allocated residential plots in these sites and residential construction was underway, thereby increasing the complexity, cost and disturbance of developing a resettlement village.
- Alternative 5 was located outside of the traditional stool lands of Kenyase 2. The Chief's desire, supported by the Site Selection Committee, to keep his impacted subjects on his stool land was an important consideration, as was a widespread sentiment that Kenyase 2 would be disproportionately impacted by the Project and so deserved commensurate benefits, such as provided by a resettlement village.
- Alternative 8 was dismissed by all local stakeholders and the Site Selection Committee as undesirable. It was felt that all impacted people / households would want to live "in town" at a formally planned resettlement village rather than remaining in a rural setting.

The Company and Site Selection Committee jointly selected two preferred alternatives: Alternative 1 (Ntotoroso South, hereinafter referred to as the "Ntotoroso Resettlement Village") and Alternative 7 (Kenyase 2 West, hereinafter referred to as the "Kenyase 2 Resettlement Village"). These alternatives were thereafter agreed to by the whole Resettlement Negotiation Committee.

Village Specifications

The Company has planned the resettlement villages with consideration for the following:

- Existing levels of service/facilities in host communities
- Standards and guidelines of relevant Ghanaian government agencies
- Estimated number of resettlers.

The Ntotoroso Resettlement Village site covers 161 hectares, and is located immediately south of the existing communities of Ntotoroso and Gyedu (**Figure 25**). The site is bisected by several ephemeral streams, which flow north and east into a low-lying area that forms the southern limit of the built-up area of both towns. The site is largely farmland and is home to a handful of households, with whom the Company has consulted extensively. The Company has compensated for the loss of crops and has planned for resident households to remain in their current buildings. The subdivision plan includes 485 residential plots and 8.6 kilometers of roads. Long-term planning includes the possibility of one of the roads forming part of a ring-road around Ntotoroso and Gyedu.

The Ola Resettlement Village site covers 51 hectares, and is located to the west of the existing community, adjacent to the Ola School (**Figure 26**). The built-up area of Kenyase 2 is expanding rapidly into this area, and the Kenyase 2 Royal Family has developed a site plan for a large parcel adjacent to the resettlement village, which is known as the Royal Family Lands.¹⁹ The site is largely

¹⁹ The Kenyase 2 Paramount Chief allocated this parcel to his family, hence the name "Royal Family Lands."

farmland, and there are no resident households. The Company has compensated all farmers for loss of crops. The subdivision plan includes 357 residential plots and 6.4 kilometers of roads. There is an active borrow pit to the south of the site which the Company will rehabilitate fully upon completion of the resettlement village.

As required by *Planning Standards for all Settlements in Ghana (1988)*, the subdivision plan for each resettlement village provides adequate physical space for non-residential land uses, including community, institutional, commercial and industrial uses. Both resettlement villages include space for a market and bus station / taxi stand.

Specifically, the subdivision plans include:

- 842 residential plots for resettling households and future allocation
- 21 sites for civic and community use
- 2 sites for markets
- 61 plots for commercial, retail and light industrial use
- 45 public open spaces
- 21 sanitary areas for solid waste collection and management
- 2 school complexes – a kindergarten, primary and junior secondary school in the Kenyase Resettlement Village (to replace the Kodiwohia school complex) and a primary school in the Ntotoroso Resettlement Village (to replace the Kwakyekrom Primary School)
- Greenbelts along streams running through and adjacent to the resettlement villages.

The Site Selection Committee, the Resettlement Negotiation Committee, the Asutifi District, the Brong-Ahafo Regional Town and Country Planning and other government regulating agencies have approved the final subdivision plans for both resettlement villages.

8.2.2 RESETTLEMENT HOUSES

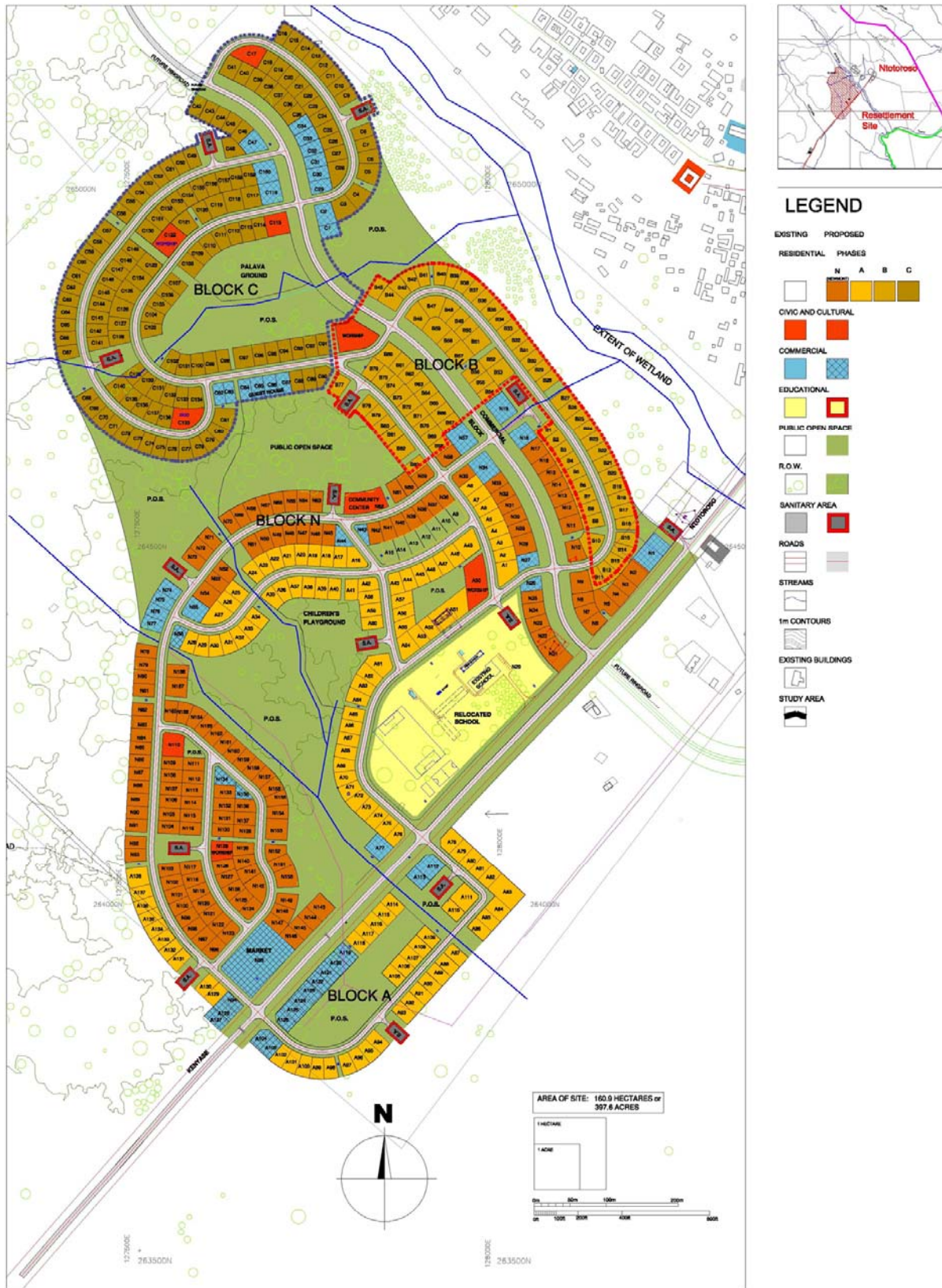
The Company has designed replacement houses for the selection of resettling households in consultation with the Asutifi District and the Brong-Ahafo Regional Town and Country Planning, and the Site Selection Committee.

Design Objectives

Objectives that guided house design were:

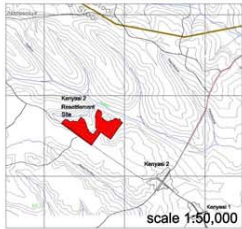
- **Affordability** – construction costs are affordable for the Company, and maintenance costs are affordable for residents
- **Familiarity and simplicity** – materials, technology and design are familiar to local contractors and residents, meet socio-cultural requirements and are easy to maintain
- **Availability** – building materials and appropriate construction competence are available locally
- **High performance** – materials and designs provide a good quality of life

Figure 25: Ntoroso Resettlement Village Subdivision Plan



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Figure 26: Kenyase Resettlement Village Subdivision Plan



LEGEND

EXISTING	PROPOSED	PROPOSED
SANITARY AREA	RESIDENTIAL	BLOCK A
ROADS	BLOCK B	BLOCK C
STREAMS	CIVIC AND CULTURAL	COMMERCIAL
1m CONTOURS	EDUCATIONAL	EDUCATIONAL
EXISTING BUILDINGS	PUBLIC OPEN SPACE	
STUDY AREA		

blank

- Flexibility – designs provide for residents to change uses over time (e.g. change in function of rooms)
- Potential for expansion – designs and plot layout provide the potential to add new rooms, as residents’ needs and economic situation change.

House Specifications

All resettlement houses conform to or exceed Ghanaian minimum standards, as defined by the National Building Regulations (summarized in **Table 23**). All bedrooms are a minimum of 120 square feet.

The houses are built with “modern materials,” namely: sandcrete blocks, aluzinc roofing sheets, wooden window louvers, screeded concrete floors, and plastered internal and external walls.

Sample concrete cubes and sandcrete blocks are routinely tested for compliance with technical specifications.

Table 23: Relevant Building Standards

ROOM	RELEVANT SECTION OF NATIONAL BUILDING REGULATIONS (1996 L. I. 1630)
Hallway Width	Section 19 (8) “The width of a hallway within a dwelling unit shall be at least 900mm.”
Living Areas	Section 19 (11) “Living areas within dwelling units, either as separate rooms or in combination with other spaces, shall have at least 13.47 square meters of floor area and shall have no dimension of one side being less than 3 meters within the required areas. Where the area of a living space is combined with a kitchen and dining area, the living area alone in the dwelling unit shall be at least 11.15 square meters.”
Dining Area	Section 19 (12) “A dining space in combination with other space shall have a minimum floor area of 3.25 square meters. Dining rooms not combined with other spaces shall have a minimum area of 6.50 square meters.”
Kitchen	Section 19 (15) “Kitchen areas within dwelling units either separate or in combination with other space shall have at least 7.43 square meters of floor area including the area occupied by the base cabinets, except that where a dining area is also provided in the kitchen, the minimum floor area shall be 3.72 square meters.”
Bedroom	Section 19 (17) “Except as provided in subregulation (19) of this regulation at least one bedroom in every dwelling unit shall have at least 11.15 square meters of floor area where built-in cabinets are provided. The minimum dimension of one side within the required area shall be 2.7 meters.”

Schools excepting, there are no covered latrines or KVIP latrines in the Mine Area. In the interest of public health, however, all resettlement houses include a bathroom, an on-plot soakaway for sullage, and a KVIP latrine. The standards adopted for this on-plot infrastructure are the Community Water and Sanitation Agency Regulations and National Building Regulations.

Resettlement houses do not include any plumbing, electrical or kitchen fixtures, given that there are none in existing buildings. However, infrastructure is being provided to each resettlement village such that resettling households can easily hook-up in the future.

Table 24 presents resettlement house and KVIP latrine specification.

Resettlement house designs vary in the following:

- Number of bedrooms
- Kitchen – included or not included
- Type of courtyard – either closed or open.

Using these variables and in consultation with district and regional Town and Country Planners and the Site selection Committee, the Company has designed 37 resettlement house types that range in area from 250 square feet for the minimum house (1 bedroom + bathroom + KVIP latrine) to 1,350 square feet for the largest house designed thus far (6 bedrooms + bathroom + kitchen + KVIP latrine; **Table 25**). Resettlement houses with more than six bedrooms will be custom-designed.

Example resettlement houses appear in **Figure 27**.

Table 24: Resettlement House and KVIP Latrine Specifications

STRUCTURE	BUILDING MATERIAL
House	
Walls	5" solid sandcrete blockwork in foundation trenches
Footings	17" x 9" plain in-situ concrete (1:2:4) poured against faces of excavation
Floor	4" plain in-situ concrete (1:2:4) laid on compacted hardcore with a monolithic trowel finish
Roof	0.35mm gauge Industrial Deep Trough (IDT) aluzinc roofing sheets
Ceiling	¼" redcore plywood painted ceiling in bedrooms and kitchens only
Windows	Fixed louvered wooden windows provided with framed, hinged mosquito netting
Doors	Wooden panel doors with mortise lock
Baths	Same wall finishing as the rest of the building Non-slip monolithic trowel finish to in-situ concrete All baths are to have a 48" x 48" x 48" deep lined soakaway at the back
KVIP Latrine	Double-pit on-plot KVIP latrine with 5" solid sandcrete substructure and superstructure blockwalls Superstructure wall plastered and painted on both faces Metal roof covering as exists in the houses.

Table 25: Alternative Resettlement Houses

HOUSE TYPE	OPTION A (Open Courtyard)		OPTION B (Open Courtyard)		OPTION D (Closed Courtyard)		OPTION E (Closed Courtyard)	
	Name	Area (ft ²)	Name	Area (ft ²)	Name	Area (ft ²)	Name	Area (ft ²)
1BD+B+L	A1	250			D1	250	E1	250
1BD+B+K+L	A1K	360					E1K	360
2BD+B+L	A2	360	B2	360	D2	360	E2	360
2BD+B+K+L	A2K	500	B2K	500			E2K	500
3BD+B+L	A3	500	B3	500			E3	660
3BD+B+K+L	A3K	630	B3K	630			E3K	750
4BD+B+L	A4	660	B4	640			E4	850
4BD+B+K+L	A4K	770	B4K	750			E4K	1015
5BD+B+L	A5	750	B5	750			E5	1030
5BD+B+K+L	A5K	920	B5K	850			E5K	1200
6BD+B+L	A6	900	B6	900			E6	1200
6BD+B+K+L	A6K	1150	B6K	1000	D6K	1100	E6K	1350

Note: BD = Bedroom; B = Bathroom; K = Kitchen; L = KVIP Latrine

Figure 27: Resettlement House Examples

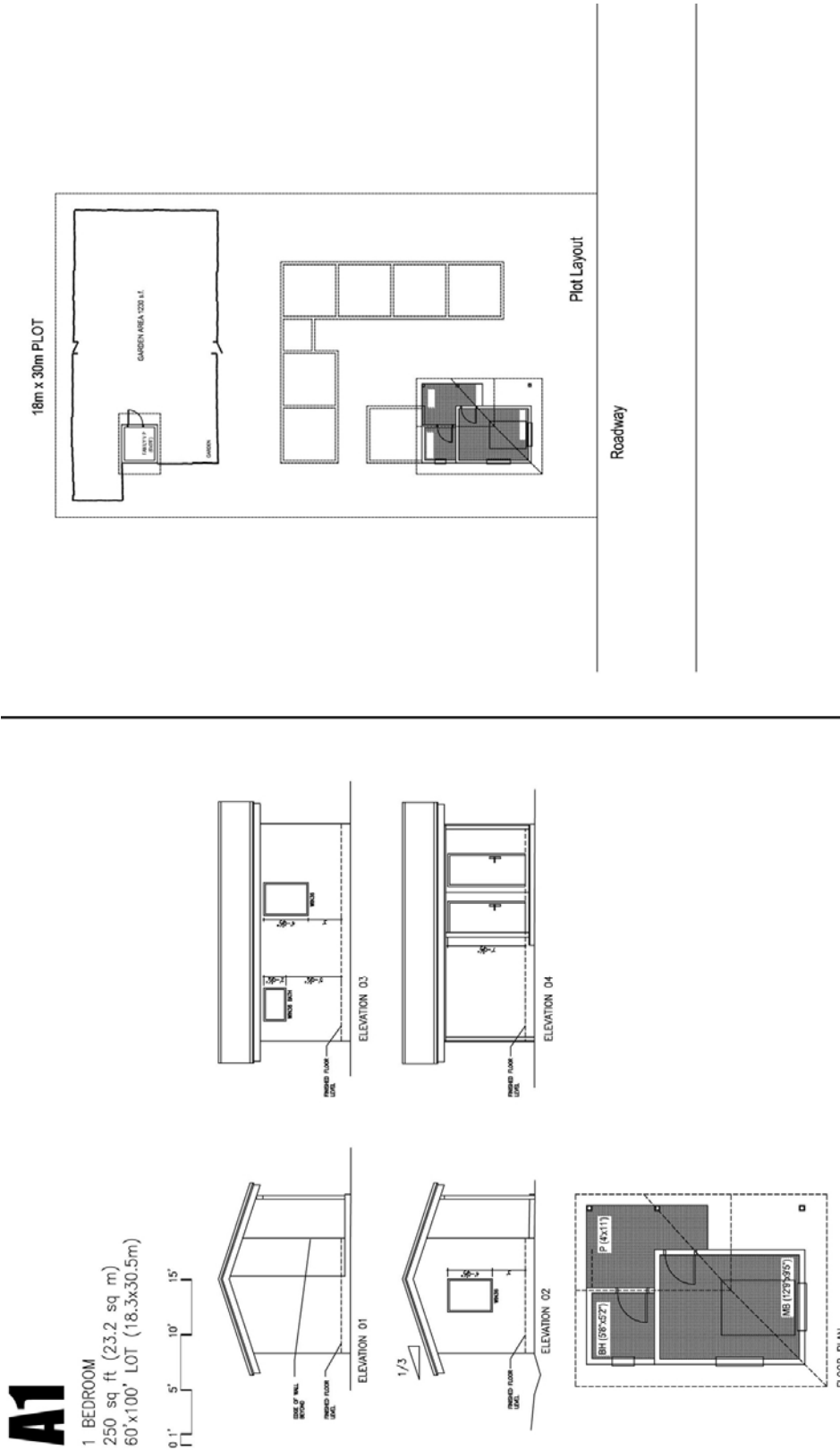
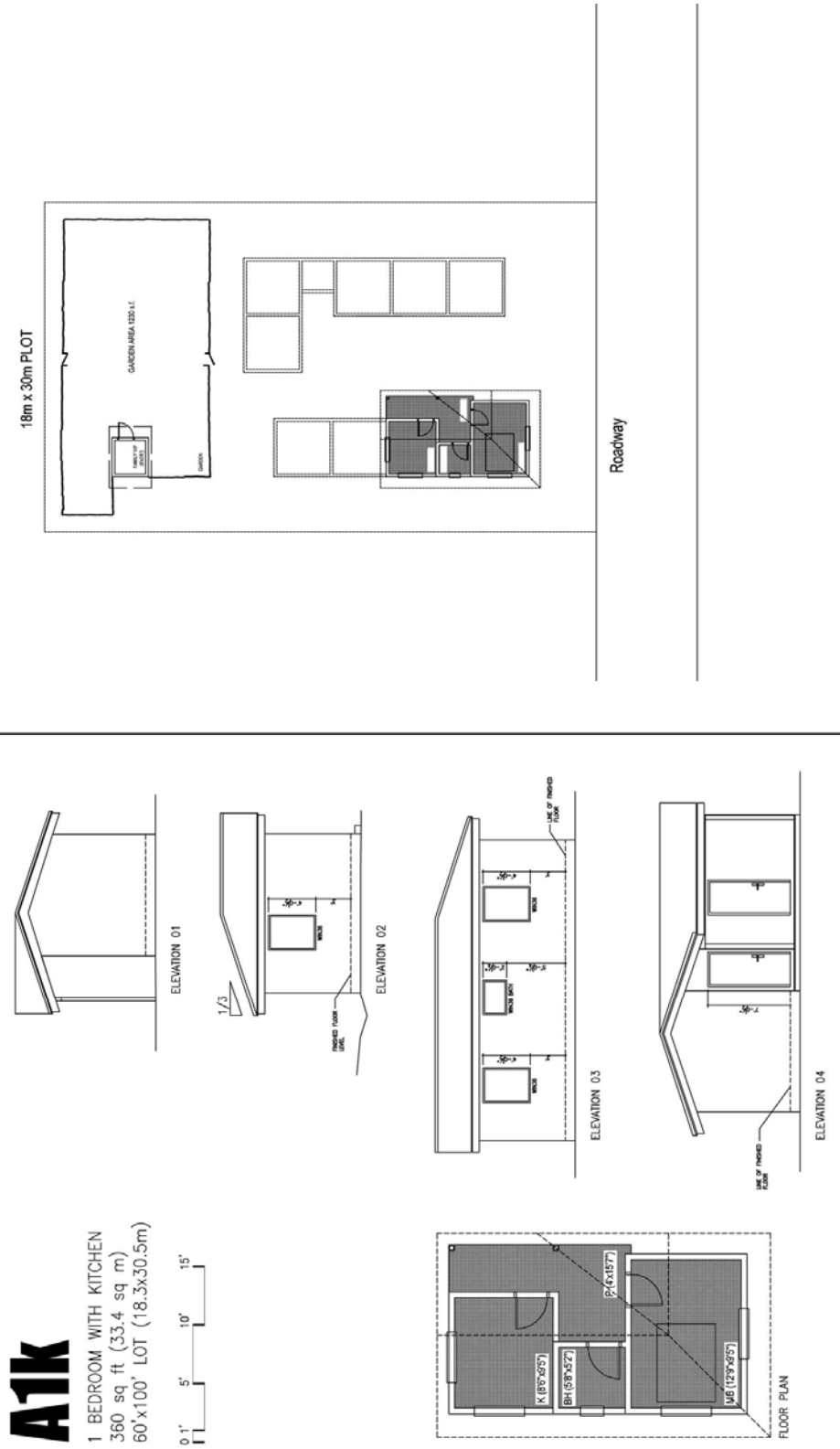


Figure 27: Resettlement House Examples (cont.)



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1 BEDROOM WITH KITCHEN
 360 sq. ft. (33.4 sq. m)
 60' x 100' LOT (18.3 x 30.5m)

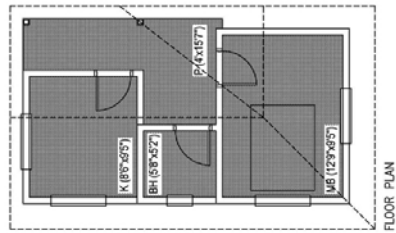


Figure 27: Resettlement House Examples (cont.)

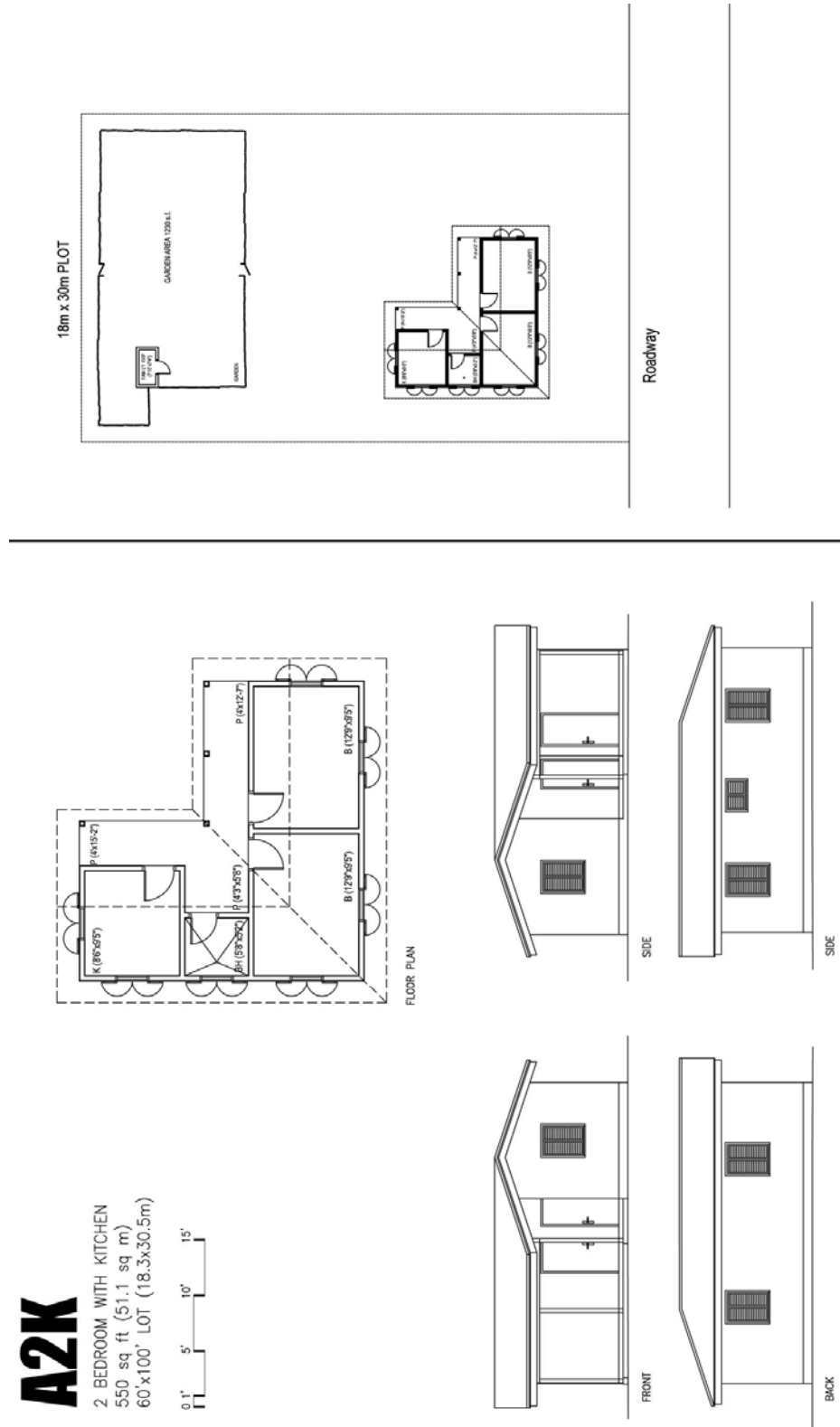


Figure 27: Resettlement House Examples (cont.)

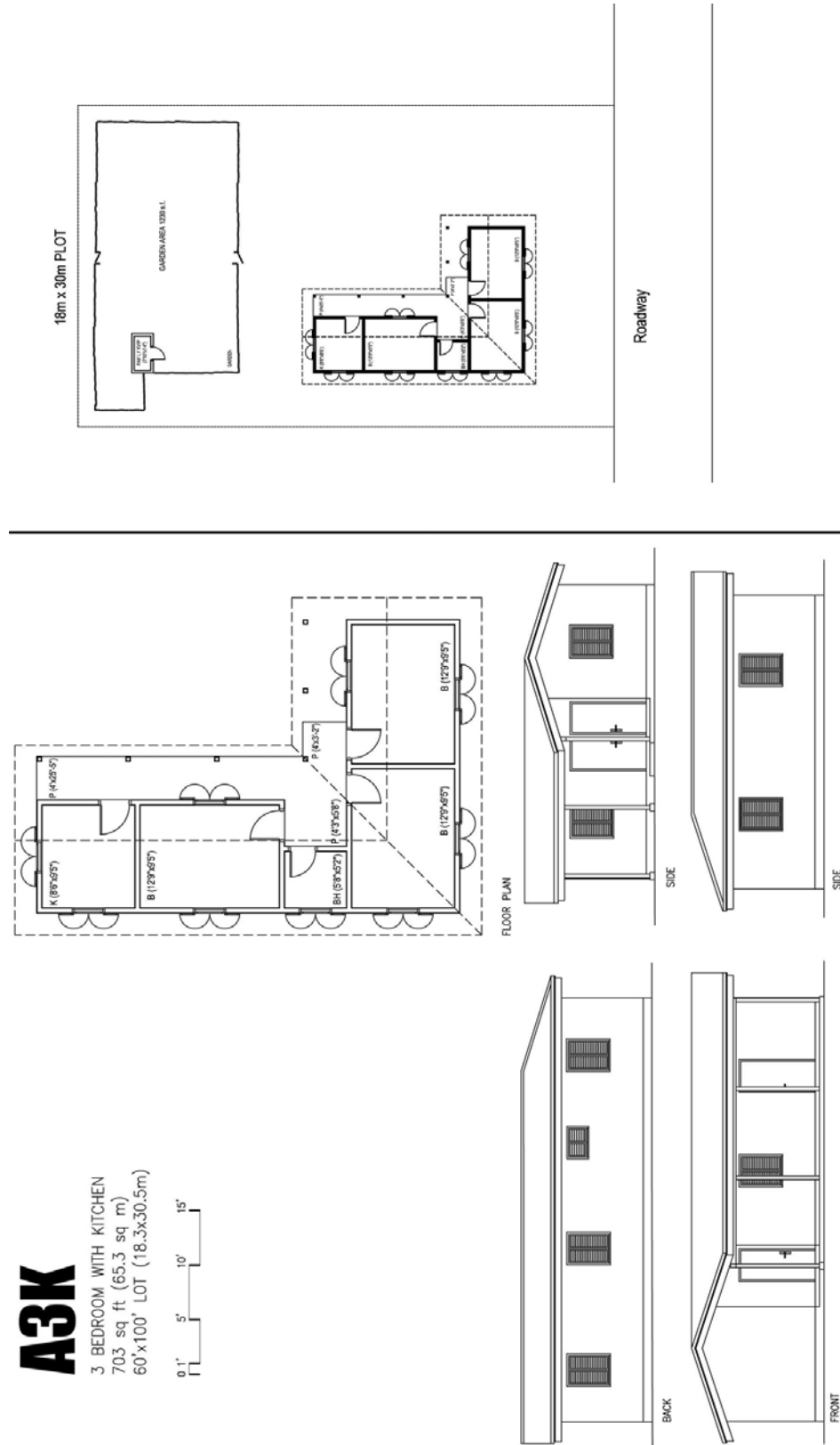


Figure 27: Resettlement House Examples (cont.)

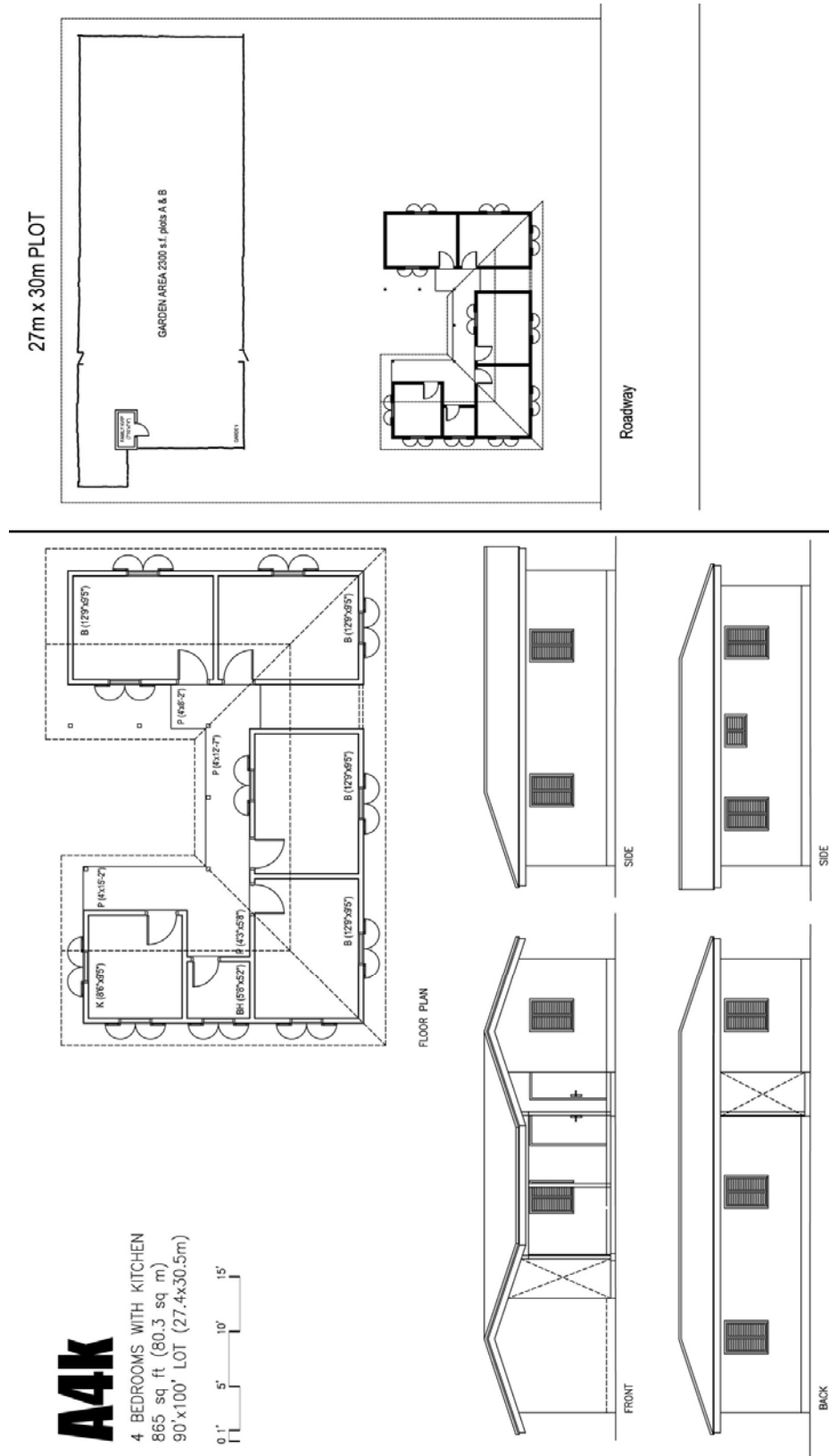
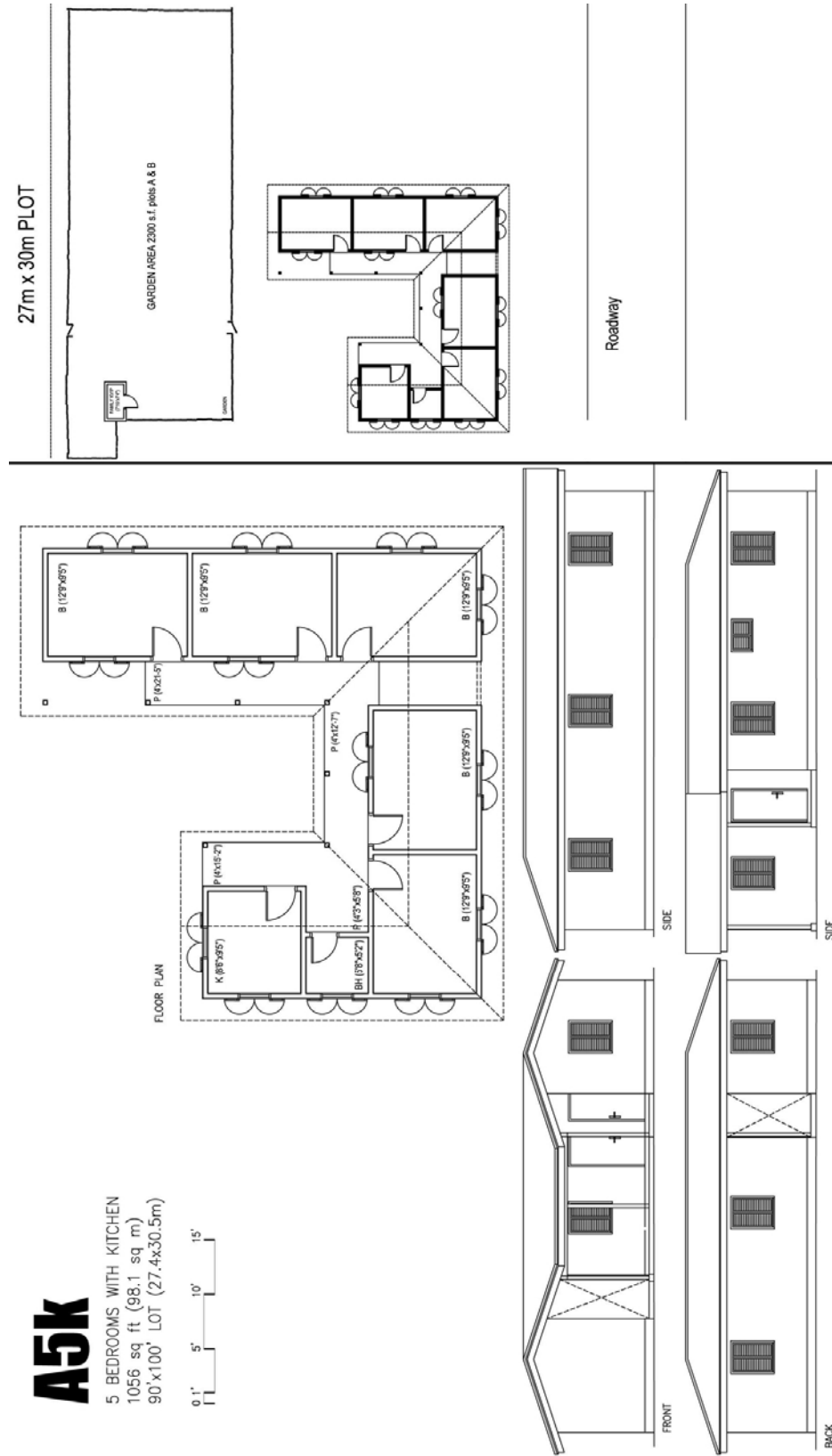


Figure 27: Resettlement House Examples (cont.)



8.2.3 RESETTLEMENT PLOTS

The Company has designed resettlement plots in consultation with district and regional Town and Country Planners and the Site Selection Committee.

Design Objectives

Objectives that guided resettlement plot design were:

- Plots should be large enough to provide for a kitchen garden
- Plots should provide for house extensions
- Plots should conform with the typical size of rural homestead compounds, as well as urban planning standards.

Specifications

The Company defined two plot sizes, as follows:

- 18 meters x 30 meters (540 square meters)
- 27 meters x 30 meters (810 square meters).

Planned land use within resettlement plots are typical of rural and urban homesteads, namely buildings, gardens, animal pens, fruit and shade trees.

All plots front onto roads and have access to infrastructure services.

Building setbacks are five meters from the front lot-line and three meters from side lot-lines.

Resettlement houses with one, two or three bedrooms are assigned a 540 square meter plot. These plots can accommodate up to six bedrooms.

Resettlement houses with four to six bedrooms are assigned an 810 square meter plot. These plots can accommodate up to nine bedrooms.

For resettlement houses with more than six bedrooms, the Company will define an appropriate plot size in consultation with the resettling household and the Site Selection Committee.

8.2.4 RESETTLEMENT VILLAGE INFRASTRUCTURE

The Company, in consultation with regional and district Town and Country Planners and the Site Selection Committee, has designed resettlement village infrastructure to conform with Government of Ghana and international standards. The infrastructure plan has been approved by the responsible government regulating agencies.

The level of service adopted is based on:

- Existing level of service in host communities (i.e., Kenyase 2 and Ntotoroso)
- Standards and guidelines of various Ghanaian government agencies
- World Bank and other applicable international standards / guidelines.

The level of service exceeds that available to rural homesteads and communities in the Mine Area.

This section describes the infrastructure provided in the two resettlement villages, namely:

- Roads and stormwater drainage
- Potable water supply system
- Solid waste collection points
- Electricity supply and streetlights.

Roads and Stormwater Drainage

The design of roads and the stormwater drainage system is based on Ghana Planning Standards and the Road Design Guide from the Ghana Highway Authority (March 1991 Edition).

Resettlement villages contain two types of gravel road:

- Local distributors – 11.3 meter wide single-carriageway including shoulders with 40-meter right-of-way
- Local access roads – 8 meter wide single-carriageway including shoulders with 15-meter right-of-way.

Each road has drains competent to transport runoff from the roads and plots. Catchment drains are provided where necessary. To control erosion, grasses / shrubs are planted as and where required.

The Company contracted Ghana Highway Authority to undertake all necessary geotechnical investigations and all quality control tests during construction.

Potable Water Supply System

The design of the potable water supply system is based on Ghana Planning Standards, Community Water and Sanitation Agency guidelines and World Bank guidelines.

The potable water supply system consists of:

- Boreholes equipped with electric submersible pumps
- Water storage reservoirs
- Communal standpipes
- Pipes connecting the above.

The Kenyase Resettlement Village system is being integrated into the existing Kenyase 2 water supply system. At the Ntotoroso Resettlement Village, the system is designed for future integration into the forthcoming Ntotoroso Small Towns Water Supply System, to be funded in part by the World Bank.

Communal standpipes are distributed throughout the resettlement villages to achieve a maximum walking distance of 125 meters for any household. The maximum walking distances recommended by the Community Water and Sanitation Agency in Ghana and the World Bank is between 250 meters and 500 meters.

The systems are designed to meet a per capita daily demand of 40 liters at the communal standpipes. The minimum per capita daily water demand recommended by the Community Water and Sanitation Agency for communal standpipes is 20 liters.

No individual household connections are provided within the resettlement villages. The system has been designed to facilitate household connection, with the application of individual house owners to the Water and Sanitation Committee within each community. Accordingly, the system has also been designed to meet per capita daily demands of 80 liters for individual household connections. The minimum per capita daily water demand recommended by the Community Water and Sanitation Agency for household connections is 60 liters.

During construction, the Company invited / hosted the Ghana Community Water and Sanitation Authority for periodic inspection of the works.

Solid Waste Management System

The design of the solid waste management system is based on Ghana Planning Standards and Ghana National Building Regulations (1996, L.I. 1630).

Refuse collection stations (i.e. transfer stations) are provided at vantage points for onward collection and transportation by skip vehicle(s) to a final disposal site. Location of transfer stations in each resettled community is such that the walking distance to each station does not exceed the recommended 200 meters.

During construction, the Company invited / hosted the Community Water and Sanitation Agency for periodic inspection of the works.

Electrical System

The design of the electricity system is based on Volta River Authority and Ghana Planning Regulations.

The 34.5kV overhead power lines in the host communities of Kenyase 2 and Ntotoroso have been extended to the resettlement villages and stepped down to a 415V AC 3-phase overhead system with appropriate pole-mounted step-down transformers. The low voltage electrical network extends throughout the villages, and a number of pole-mounted street lights are provided for safety and security.

No individual household connections are provided within the resettlement community. The system is designed to facilitate household connection, with the application of individual house owners to the Volta River Authority. Connection of all households can be done without the addition of new poles.

During construction, the Company invited / hosted the Volta River Authority for periodic inspection of the works.

8.2.5 HANDOVER (OPERATION AND MAINTENANCE)

Operation and maintenance have been key concerns of resettlement village planning and design. Twin objectives have been to:

- Avoid a paternal / dependent relationship between the Company and resettlement villages following construction
- Ensure management, operation and maintenance of the resettlement villages is similar to other Ghanaian communities of comparable size.

Appropriate handover procedures have been defined in consultation with local authorities. The Company met regularly with senior officers of Town and Country Planning at the district and regional levels throughout the planning and design process, and worked closely with these officers through their representation on the Resettlement Negotiations Committee and the Site Selection Committee. In addition, the Company has retained a highly experienced district planner from a neighboring district as a part-time consultant since May 2004.

As a result of this work, the resettlement villages will fit into local, regional and national settlement planning and practice, as described below, and the Company will not be responsible for the management, operation or maintenance of the resettlement villages following their occupation.

This section describes the handover procedures in place for the following:

- Resettlement houses, plots and on-plot infrastructure
- Village infrastructure

Resettlement Houses, Plots and On-Plot Infrastructure

Resettling households select their particular house type and such details as exterior finish (color of paint). They are provided with the opportunity of maintaining existing social networks with other resettling households by settling together within the new villages.

Once they have moved into their new house, resettlers will be given title to their individual resettlement plot in the form of a Certificate of Occupation granted by the Lands Commission. This Certificate is tantamount to a 99-year lease, the maximum allowed under Ghanaian law for urban plots.

The Company will provide lorry and bus transport for each household, along with their goods, salvaged materials and domestic animals. The Company has contracted OICI to provide case officers to manage the re-establishment of each individual resettling household. Case officers will assist households, one-at-a-time, to understand the intricacies of living in a sandcrete block building with a KVIP latrine, in an organized settlement with rules and regulations that don't exist in the scattered rural homesteads currently occupied. Supportive visits will continue as necessary to ensure that households are re-established successfully. OICI Case Officers will be in the resettlement villages three days a week initially.

On occupation of their new house, the responsibilities of each house owner will include those typical of organized towns, such as:

- Maintenance of structures and grounds
- Payment of annual ground rent to the Lands Commission at the regional government.

The annual ground rent for resettlement village plots is as follows:

- 540 square meter plot – US\$ 1.41
- 810 square meter plot – US\$ 2.17.

This cost represents a new, albeit minor, expense for resettling households. The Company will monitor the capacity of resettlers to afford this expense over time.

Village Infrastructure

Resettlement roads and drainage will be handed over to and managed by the Asutifi District Assembly.

With respect to water supply, the Company has contracted OICI to organize and train Water and Sanitation Committees in the resettlement villages to operate and maintain the water supply systems. These local committees will be overseen by the Brong-Ahafo Regional Community Water and Sanitation Agency.

These Water and Sanitation Committees will appoint a number of standpipe attendants and will charge a small amount of money for water consumption. This money will be used to pay attendants, as well as all operation and maintenance costs. The Committees will also oversee individual household connections, upon application by individual owners. Frequency of use per household can be monitored at the standpipes.

At present, residents in Kenyase 1 and 2 pay roughly US\$ 0.01 for a standard 18-litre bucket of water. At a per capita daily consumption of 40 liters, resettling households of 6.5 members can expect to pay roughly US\$ 0.16 per day. This cost represents a new expense for the vast majority of resettling households, which currently draw water from protected wells and various unprotected sources. The Company will monitor the capacity of resettlers to afford this expense over time. Notwithstanding this expense, the use of standpipes is expected to provide a significant public health benefit to resettling households, most of which currently rely on unsafe drinking water supplies.

The Company will provide additional capacity and connections to supply or receive water from the Kenyase 2 water system. This linkage will increase the reliability of both the K2 system and the Resettlement Site system. The joint system will allow more flexibility in water distribution than if each system were to stand alone.

Solid waste disposal from the transfer sites will be done by the Asutifi District Assembly. National law requires that the Asutifi District Assembly be responsible for the provision of suitable refuse containers and collection of waste at these transfer stations. The district owns equipment for this purpose, and is exploring possible locations for permanent landfill sites. As part of the Company's sustainable development program, the Company is working with the District Assembly on solid waste management.

The electricity system will be managed and maintained by the Volta River Authority, which is the power provider. Individual household connections will be done by the VRA upon application by individual owners.

CHAPTER 9

RELOCATION

Owners of residential structures that are physically displaced are under certain conditions eligible for relocation. Relocation is compensation in which eligible owners receive a lump-sum cash payment for their existing residential structures based on the replacement rate for sandcrete block multiplied by the area measurement of their structure.

This Chapter describes the eligibility criteria and compensation policies for relocation, including compensation for loss of structures and for miscellaneous rights and allowances.

9.1 Eligibility for Relocation

Local political and traditional leaders prefer resettlement to relocation. This preference is shared by the Company, Resettlement Negotiation Committee and the Government of Ghana.

On a case-by-case basis, every single request for Relocation goes first to the Site Selection Committee and subsequently to the Resettlement Negotiation Committee for approval or rejection. To receive relocation, owners of eligible residential structures must meet one of the following two conditions:

- They must own an acceptable alternative residence located outside the Mine Area, subject to verification by the Resettlement Negotiation Committee or
- They must have already moved from their Mine Area residence to settle outside of the district in an acceptable alternative residence, subject to verification by the Resettlement Negotiation Committee.

9.2 Relocation Compensation Policies

Eligible owners and their spouses are entitled to cash compensation for the loss of their eligible structures, as well as a number of miscellaneous rights and allowances. Each is described below.

9.2.1 COMPENSATION FOR LOSS OF STRUCTURES

For structures completed before the entitlement cut-off date and located in the Mine Area, relocating owners are entitled to cash compensation when their structures are signed over to the Company. The cash amount is calculated as follows:

- For residential structures -- gross floor area (as defined by external dimensions) multiplied by the replacement value of a sandcrete block structure, regardless of construction material
- For non-residential structures – replacement value of the structure, as determined by the registered professional valuer retained by the Company.

This compensation package represents a significant benefit for relocating owners. The vast majority of houses are constructed with wattle-and-daub. Compensation at the replacement value of a sandcrete

block structure represents a 100% premium. Similarly, the use of exterior dimensions for all compensation calculations is an additional benefit: standard practice in Ghana is to use interior dimensions.

9.2.2 MISCELLANEOUS RIGHTS AND ALLOWANCES

Allowances made to relocating owners include a transportation allowance, mobilization allowance, and a training allowance.

Transportation allowance is provided to each relocating owner to pay for transport of household members and goods to their completed residence, as follows:

- For transport to <50 kilometers from their Mine Area residence, a lump-sum of US\$ 54.95
- For transport to a location >50 kilometers from their Mine Area residence, a lump-sum of US\$ 54.95, plus US\$ 0.11 for every additional kilometer to a maximum total distance of 550 kilometers.

To defray other than transport costs of relocation, the Company pays a Mobilization allowance of US\$ 54.95 to each relocating owner.

Each relocating owner has the right to salvage any materials from his buildings for seven days after the buildings are signed over to the Company. The Company provides ad hoc salvage assistance and salvaged materials transport when a move is urgent for Project work, or when a household is in particular need.

An allowance is provided to enable attendance at the OICI money management course.

CHAPTER 10

COMPENSATION PROCESSING

This Chapter presents in summary form the process to effect transparent administration of compensation agreements reached with the Resettlement Negotiation Committee. A detailed flow chart is in **Annex N**.

Compensation is based on agreed entitlement, measurement by survey teams, record processing by a database team, receipt of money at a bank by those receiving cash compensation, and / or receipt of “keys” to a house for resettlers.

Agreed entitlements are described fully in **Chapters 7, 8 and 9**.

The survey teams are of four types:

- Cadastral survey teams – Up to 6 compass-and-chain teams, each of which has theodolite back-up for controls. Each team demarcates farm fields in the presence of the farmer, and records principal crops and the presence of any buildings. The survey data is entered in a geographic information system by a data processing team using SURPAC software. The geographic information system is used to produce maps for subsequent work of crop survey teams, the compensation database team, and management.
- Crop survey teams – Up to 5 teams, each of which records compensatable crops by area and / or number, in the presence of the farmer. The farmer then signs-off the record, by signature or thumbprint. A copy of the record entitles him / her to cash compensation when the record is processed. Each crop survey team has a chief farmer and often members of the Youth Task Force in attendance as witnesses to the process.
- Structure survey teams – Up to 3 teams, all from a contracted company of government certified valuers. Each structure survey team, if at all possible in the presence of the relevant owner(s), measures, describes and values all structures, complete or incomplete. The team also determines the age of buildings. This information is used to determine if the structures were built before the compensation entitlement cut-off date of 10 February 2004. Each structure survey team is accompanied by one or two representatives of the Resettlement Negotiation Committee to act as witnesses to the survey and to identify owners.
- OICI case officers – For every entitled building owner (i.e., physically displaced owner), OICI case officers do an abbreviated household interview and assessment of preference for resettlement or relocation.

All survey information is entered into the database by the database team. The database team processes all entitlements that lead to cash outlay. Cash calls are made weekly to Company headquarters in Accra. The Accra office arranges transfers in the correct amounts to designated local banks. All those entitled to cash payment are photographed and identified as the entitled person by Company employees who have been nominated by the Resettlement Negotiating Committee.

If a person is entitled to a resettlement house, the database team passes the information to the resettlement planning and engineering team. Members of this team help the entitled person and spouse to select a house type and plot type. Those entitled are subsequently provided with plans and elevations of their house plus a set of as-built photographs. The team assists the entitled person and spouse to select their plot, by lottery, and house paints of their choice. Entitled persons sign-off on house type and plot allocation. They are provided with a copy of the building survey (including values) and photographs of their former buildings, as well as the OICI case officer report on their preference for resettlement. Finally, the entitled persons sign an Acknowledgement / Undertaking of Receipt of Building(s) / Plot and receive the keys to their new home (**Annex O**). The undertaking is witnessed by the relevant area representative of the Resettlement Negotiating Committee, a representative of the traditional authority, and a representative of the Company.

The Company processes all necessary paperwork for the Certificates of Occupation and pays the required fees directly to the Lands Commission. The resulting Certificates of Occupation are delivered directly to the entitled person.

The Acknowledgement / Undertaking of Receipt of Building(s) / Plot has a detailed description of the defect liability guidelines for the resettlement buildings (**Annex O**). These guidelines are fully read and explained to entitled persons. Contractors constructing the resettlement villages are under contract to the Company, which is responsible for overseeing the final inspection after 6 months for structural and one year for electrical and water and subsequently releasing the defects liability certificates.

When an owner elects for the relocation cash package, the head of the database team presents all information on the case to the Site Selection Committee. In the presence of the applicant, and usually after questioning, the Site Selection Committee determines if the person meets the strict criteria for relocation and is, or is not, entitled to relocation. If the answer is positive, the claim goes back into the normal cash claim process. Before accessing the cash package, the owner must sign-off a Contract for Residence and Building / Structures Compensation. This contract is witnessed by a representative of the Resettlement Negotiating Committee. After payment of the cash package, the owner is given a Notice to Salvage Materials. This provides for a week to salvage building materials. Thereafter, the Company may demolish the building.

The documents noted above are in English. A team member reads and explains each word, line and concept in whatever language is relevant.

CHAPTER 11

LIVELIHOODS AND COMMUNITY DEVELOPMENT

The Company has defined a number of livelihood enhancement initiatives to help Project-affected persons / households re-establish their livelihoods or create new ones, and long-term community development initiatives to assist communities, local and regional government, and traditional council in the Project Area establish social programs and infrastructure.

11.1 Employment

The Company has publicly committed to employing as many local people as possible at all stages of the Project in order to ensure maximum local capture of the economic benefits of the Project. To this end, it has introduced a proactive local recruitment policy, with a complementary skills training program.

This section describes the local employment program, focusing in turn on unskilled labor, semi skilled labor and craft, apprentice or artisan labor.

11.1.1 UNSKILLED LABOR

Prior to the commencement of construction, the Company established an unskilled labor pool of local people to meet unskilled labor requirements.

For the purposes of this pool, the Company – in consultation with traditional authorities and political leaders – defined “local” as encompassing Asutifi District and the Tano North District (where future expansions of phases of activity associated with the overall Ahafo Project are likely) and set a target of meeting 100% of unskilled recruitment in this area.

The Company worked with community leaders to establish a population-based quota system consisting of an agreed percentage of unskilled jobs to be allocated through the labor pool to every local community in and around the Mine Area. Then, the Company – together with StratCom – communicated its plan to employ as many local people as possible throughout the “local” area and solicited applications from interested locals. In all, the Company received 13,223 applications. The Company asked all interested local applicants to obtain verification from their respective community leaders that they were legitimately “local”. The Company then screened verified applications and identified a short-list of applicants consistent with the quota system. These verified, short-listed local applicants were then asked to undertake a very basic skills test and a “fit for work” medical examination, and were enrolled in a three-week work-orientation training program.

Successful graduates of this program form the unskilled labor pool, and are offered employment by the Company and contractors on an as-needed basis. As their contracted employment finishes, they are then re-circulated through the pool. The Company maintains comprehensive data on each and every member of the unskilled labor pool, including training and work performance results.

The Company meets the majority of its unskilled labor positions with workers drawn from this pool, and requires all contractors to do the same. The total estimated number of unskilled job positions in the construction phase is 650 and this determined the quota size for the labor pool. Currently, there

are 636 workers in the unskilled labor pool. To date, 447 residents of local communities in and around the Mine Area fill these unskilled labor positions and resettlers fill 18 positions.

11.1.2 SEMI-SKILLED LABOR

Following establishment of the unskilled labor pool, the Company began to identify local people to fill semi-skilled positions. First, the Company defined relevant pre-requisites for these positions, and then began identifying potential candidates within the unskilled labor pool and the original database of 13,223 applicants, ensuring balanced representation across local communities. Potential candidates are provided with a semi-skilled pre-employment training program. In all, 77 individuals have graduated from this program, and to date 19 have been offered employment. The eventual target is for approximately 300 semi-skilled positions to be filled by local labor, in the areas of steel work, concrete work, welding, pipefitting / mechanical, millwright, electrical and administration. These positions will involve further on-the-job training.

The Company tracks the performance and development progress of each and every semi-skilled local employee, and provides a monthly report. It is expected, subject to individual performance, that at least 70 of about 300 local semi-skilled laborers will reach a first-year apprentice equivalent standard.

11.1.3 CRAFT, APPRENTICE OR ARTISAN LABOR

Prior to operations start-up, the Company will establish apprentice programs in the areas of welding, pipefitting / mechanical, millwright and electrical work. Candidates for these programs will be sourced from those among the semi-skilled group that achieve the first-year apprentice equivalent standard.

The Company has developed a comprehensive Learning and Development Management System, which satisfies relevant accreditation authorities, and expects to issue accredited City and Guilds Certificates in trade and other relevant areas. The system supports competency based training with assessment on and off the job. Standard Task and Operating Procedures are the basis for measuring on the job competency and all off job training is supported by training modules and relevant learning resource modules.

11.1.4 BUS SERVICE

Importantly, the Company has contracted a number of bus owners to implement an extensive bus service between communities across the Project Area and the Mine Area. The Company utilizes between 30 and 35 buses at any one time, ranging in size from 32 seats / bus up to 72 seats / bus during peak construction. This service allows unskilled and skilled workers to live “at home” while working for the Company, reduces in-migration to the district significantly, and provides business to local enterprises.

11.1.5 CASE EXAMPLE: RESETTLEMENT VILLAGE CONSTRUCTION

As a case example, to date, the Company has hired 25 contractors to construct the resettlement villages. All are Ghanaian companies, with 23 headquartered in the regions of Brong-Ahafo and Ashanti. Six are based in communities surrounding the Project Footprint: namely, Ntoroso, Gyedu and Kenyase I / 2.

The total workforce mobilized by these contractors is 832 workers, roughly split evenly between skilled and unskilled workers. Overall, more than half of workers are drawn from “local” communities, with the vast majority drawn from the communities surrounding the Project Footprint. Contractors are required by contract to meet 100% of their unskilled labor requirements using the unskilled labor pool, and the Company is currently following-up to ensure compliance.

11.2 Money Management

OICI is delivering a series of money management and micro-enterprise development training courses for Project-impacted persons / households. The course is designed to help impacted persons / households apply compensation payments appropriately in support of sustainable livelihoods.

The course consists of 12 modules, delivered over a six-week period. The 12 modules are:

- Group formation
- Team building and leadership
- Roles and responsibilities of members of a group
- Introduction to micro-enterprise development
- Identifying the strengths, weaknesses, opportunities and threats of a micro-enterprise
- Mobilizing resources for micro-enterprise development
- How to start a micro-enterprise
- Sourcing credit
- Credit management
- Costing and pricing
- Marketing
- Role playing game: Making Cents.

Each module consists of a two to three hours facilitated workshop. Group size is limited to 30 to 40 people.

OICI has run this course in every community in the Project area, and estimates that over 1,200 people have participated in this course to date.

All impacted persons / households are eligible to participate, and the Company provides assistance, in the form of a small training allowance, to facilitate their participation. Attendees receive the equivalent of US\$ 40 for their participation in all 12 modules, and receive less for every module they miss.

11.3 Livelihood Enhancement and Community Empowerment Program

The census and socio-economic survey described in **Chapter 4** served as the basis for design of a Livelihood Enhancement and Community Empowerment Program (LEEP).²⁰

²⁰ This overview has been extracted from a more detailed document entitled *Livelihood Enhancement and Community Empowerment Program* prepared by OICI and submitted to the Company on March 15, 2005 (see **Annex P**)

LEEP was defined by OICI and has been approved by the Company, as well as representatives of impacted persons / households, the local communities, the Resettlement Negotiation Committee, and the district and regional governments. Consultative workshops with these representatives were held on 14 / 15 December 2004 and on 24 January 2005 to present and discuss the draft program. The official LEEP launch was on 15 February 2005.

The vision of LEEP is that of a high-impact, results-focused, sustainable livelihood enhancement and community development program, which focuses on economic growth, wealth creation, quality of life, and empowerment. The Program involves Company-targeted assistance in the near-term for impacted households to ensure the establishment of sustainable livelihoods and in the long-term for households, communities, and traditional council in the Project Area establish social programs and infrastructure to improve quality of life and promote community empowerment.

Specifically, LEEP Phase One comprises a comprehensive 18-month strategy, action plan, timetable and budget. The Company considers this part of a longer term sustainable development plan that will be implemented once Project operations start in 2006. **Annex P** contains the detailed budget of Phase One. Phase Two of LEEP is a component of the overall Sustainable Community Development Plan. Phase Two will be implemented over five years. Phase Two has been framed and an initial budget allocated.

This section describes LEEP and is divided into the following sections:

- Proposed oversight committee (i.e., the Community Liaison Committee)
- LEEP goals and objectives
- Targeting and beneficiary selection

11.3.1 COMMUNITY LIAISON COMMITTEE

The work and focus of the Resettlement Negotiation Committee is coming to a logical conclusion in the near future (i.e., September 2005). The Company proposes to constitute a new committee called the Community Liaison Committee, which will have as one of its principle purposes the mobilization of human, material and financial resources, as well as technical expertise, from a broad coalition of participants for the implementation, monitoring and evaluation of LEEP.

11.3.2 GOALS AND OBJECTIVES LEEP PHASE ONE

The goal of LEEP Phase One is to improve livelihood security and the quality of life of up to 10,000 poor, vulnerable, men, women and children who are directly impacted by the Project as well as ensure households and communities in the Project Area have improved quality of life and enhanced opportunity.

Target groups comprise the following:

- Households that are economically displaced by the Project
- Households that are physically displaced and being resettled and / or relocated by the Project.

Implementation of LEEP Phase One will help ensure that, in the near future, the quality of life of impacted peoples / households will be equal to or better than their current situation.

Program objectives include the following, and are described further below:

- To enhance livelihood capacities of 2,000 households reaching a total of 10,000 direct beneficiaries
- To enhance human capabilities of 2,000 households in health, nutrition, and education to improve the quality of life of a total of 10,000 men, women and children
- To enhance community resiliency and participation of resettled households.

Objective I: To Enhance Livelihood Capacities

This objective seeks to enhance livelihood capacities of target groups through small and medium enterprise development, increased agriculture production, agri-business development, and vocational and technical skills training for employment for adults and youth.

The diversification of non-farm income generating activities as well as agriculture growth in the area are necessary to ensure food security, especially of the vulnerable relocated or resettled populations, and is critical to the enhancement of rural livelihoods and community resiliency. Food security defined as the availability (production / supply), access to (income) and utilization (adequate nutrition) of food. Unless there are rapid improvements in agricultural productivity as well as alternative livelihood creation and efficiencies, those displaced by the Project will remain vulnerable and impoverished.

To diversify and increase income, LEEP will promote income-generating activities and provide vocational and technical skills training in, for example, tailoring, masonry, carpentry, catering, food processing and value added technologies, and training in small- and medium-sized enterprise creation and expansion to encourage development of viable businesses. LEEP will provide business development services to the existing groups identified in the livelihood survey as well as facilitate the creation of new small- and medium-sized enterprises. These new small- and medium-sized enterprises will be created to support some of the new services and needs that will arise out of a population influx into the community due to the Project. These include businesses such as tailoring for mine worker uniforms, block-making for construction, high value vegetable and fruit production, livestock / meat production, and transportation services.

To support the small- and medium-sized enterprise creation and expansion, LEEP will also undertake the development of a revolving micro-credit with education scheme, targeting both farmer and business groups. The scheme, once developed and funded, will provide cash and in-kind loans at low interest rates with flexible repayment schedules. Funding for the scheme has yet to be sourced.

In the past, agriculture growth has been achieved through expanding cultivation, but the land available for new farming is limited, a situation compounded by the land take associated with the Project. In order to alleviate this, accelerated growth must involve a transition to more intensive farming and improved husbandry, applying increased inputs to farms, promoting livestock / crop integration, increasing crop diversification, and improving access to technical expertise, inputs, agricultural technology and credit (**Figure 28**). LEEP will address food security and vulnerability factors, and provide training in areas such as improved farming techniques, soil fertility, natural resource management, participatory farm management, marketing, seed production and integrated pest management in order to increase food production and productivity for farmers.

On cash crops, in particular cocoa, LEEP will solicit input from the Sustainable Tree Crop Program. The proposed program aims at improving the economic and social well being of smallholder cocoa farmers and the environmental sustainability of tree crop farming. This will be achieved by strengthening farmer and community based organizations, transfer of production technologies and development of trade and market information systems around cocoa. These key activities will be executed by conducting capacity needs assessment of producer organizations, delivering targeted training to improve capacity of these organizations, training farmers in improved cocoa cropping systems using discovery based learning approaches, and studying internal cocoa marketing to identify weakness and design interventions to make the market more efficient.

In order to save more food, LEEP will train farmers on post-harvest loss reduction techniques and on construction of household and community storage structures. An inventory credit and storage services management program will also be implemented to help farm households protect and save household food production for consumption and for sale.

Specific activities related to this objective are outlined below.

- Improve sustainable food and cash crop production among 750 farming households. Activities include:
 - Training of 750 farmers in sustainable crop production systems
 - Provision and facilitation of access to agricultural inputs, equipment and tools
 - Training in participatory farm management and agri-business development and marketing
 - Training of cocoa farmers in sustainable production methods, technologies and marketing.
- Reduce post-harvest handling and storage losses for 750 households to 5%. Activities include:
 - Training of 750 farmers in post-harvest handling and safe storage technologies for grains, tubers, and vegetables
 - Construction of 250 household grain / produce storage structures and 1 community storage structure.
- Create and strengthen small and medium size enterprises to generate income for 1,500 women and men. Activities include:
 - Money and financial management training for all compensated farmers
 - Entrepreneurial skills and business development training for 60 groups, or about 1500 clients
 - Training in micro-enterprise development, management and marketing development coupled with business development services, business planning advice and counseling
 - Formation of women, men and youth business groups for market and input access
 - Training of ten community livestock workers in animal husbandry and production
 - Provision of improved breed animals for animal production.
- Improve technical and organizational capacity among women in the following ways:

Figure 28: LEEP Agricultural Training Farm



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- Skills training in value addition and food processing and introducing appropriate technology that will save women time and energy
- Training in income generating strategies that will target mainly women and adolescent girls
- Target women in the all its water and sanitation education and infrastructure provision programs.
- Enhance technical and vocational skills for 600 youth for employment and self-employment. Activities include:
 - Provision of vocational skills training in areas such as tailoring, carpentry, masonry, block-making, driving, catering, computer, and office skills with basic literacy and numeracy
 - Technical skills training and appropriate technology transfer for rural processing and value-addition in such activities as palm oil production, snail rearing, vegetable production, backyard poultry, soap making, beekeeping, and fish farming
 - Vocational and motivational counseling to youth for appropriate career selection, job placement, and self-employment
 - Life skills and marketing training.
- Increase access to micro-credit for 800 clients for business creation, expansion and performance. Activities include:
 - Formation of 60 business affinity groups for group lending
 - Training of 60 groups in credit access and management and basic book and record keeping
 - Provision of back-up technical training to recipient producer groups
 - Monitoring of loan recovery
 - Counseling and advisory services to groups
 - Requesting a grant from USDA Food for Progress for a micro-credit fund.

Objective 2: To Enhance Human Capabilities

This objective aims at improving the quality of life of target groups through interventions to improve health, nutrition and education.

LEEP will work with the Ghana Health Services to construct and rehabilitate health clinics, as well as assist with some provision of basic medicines and equipment to rural health posts. LEEP also intends to assist directly in the upgrading of the district health clinic by partnering with the Asutifi District Assembly and Asutifi District Health Directorate to develop the following:

- A complete plan of the assessed needs of the district with respect to a district health facility, including needs for infrastructure, equipment and human resources

- Identification of available resources from all partners in this project, namely Asutifi District Health Directorate, Ministry of Health through the Brong Ahafo Regional Health Directorate, Asutifi District Assembly, the Company, and any interested NGO partners
- A phased plan, which matches the available resources, outlining the needs for infrastructure, equipment and human resources that will progressively add beneficial service delivery to the district and at the same time provide revenue generation to the district health facility allowing sustainability to be developed.

LEEP will also increase access to potable water and sanitation facilities for 10,000 people through the establishment and training of four Water and Sanitation Committees in the resettlement villages, and the formation and training of four borehole pump and sanitation facilities maintenance teams. Key health messages on prevention and basic treatment methods will also be disseminated, especially to women in the communities.

Finally, in order to improve children's access to education, LEEP will rehabilitate and upgrade within available resources existing nursery, primary, and secondary schools and libraries as well as construct new ones where necessary. The program will link up with an agency such as the International Foundation for Education and Self-Help and the Ghana Education Service for the provision of teachers, formation of parent teacher associations, and creation of a teacher's resource center.

Objective 3: To Enhance Community Resiliency and Participation

This objective focuses on building the capacity of communities to deal with the change and shocks associated with mining projects, and also provide training to ensure sustainability of the program itself.

The provision of material and physical things must be accompanied by the building of the people's capacities in two realms. The first is the social / organization capacity of community members: communities get things done when this capacity is strengthened. It enables leadership to emerge among community members and strengthens the decision-making process in problem identification, planning and implementation. The second is attitudinal / motivational capacity: a highly motivated people with positive attitudes have always surmounted the problems that emerge in their communities because they start from a position of faith in their abilities to succeed.

LEEP will increase social / organizational and attitudinal / motivational capacities of resettled and relocated youth through the following:

- Training in participatory decision-making and problem solving
- Formation of community youth support groups in resettlement areas
- Capacity building and training for groups for maintenance of social services in resettlement areas.

LEEP will also provide training and support to the Resettlement Negotiation Committee and Community Liaison Committee, as needed, as well as other community support or welfare groups.

11.3.3 TARGETING AND BENEFICIARY SELECTION

Phase One

Phase One of LEEP will target the following groups:

- Households that are economically displaced by the Project
- Households that are physically displaced and relocated and / or resettled by the Project.

Participants will be selected based on a vulnerability assessment and also on willingness to participate in the program.

As discussed above, vulnerability of all target households will be assessed using a set of criteria that evaluate the likelihood of livelihood loss and economic need in areas of agricultural production, post-harvest loss prevalence, income generation capacities, and quality of life.

Application of these criteria will enable the Company to rank households in target groups and communities according to their level of vulnerability and to identify their priority needs. Consequently, the households that rank as the most vulnerable will be selected to participate in the development assistance programs immediately followed by households that are the most willing to participate. The LEEP programs are available to all affected households.

OICI staff will meet with target groups and present the menu of LEEP programs and services, as well as the criteria for selection of beneficiaries. The selection of interventions will be done by target group members, will be demand-driven, and will be based on their most critical needs. Beneficiaries will “self-select” by applying to participate in specific groups.

11.3.4 GOALS AND OBJECTIVES LEEP PHASE TWO

Phase Two

Phase Two of LEEP will target the following:

- Communities in the Project Area identified by the Company as experiencing impacts to resident’s quality of life and physical infrastructure as a result of the Project.

Phase Two of LEEP will expand on the objectives from Phase One towards assisting households, communities, and traditional council located in and around the Project Area develop social programs and infrastructure to improve quality of life and promote community empowerment in those areas experiencing negative impacts from the development of the Project.

Phase Two of LEEP will consist of community development programs and infrastructure in the following areas:

- Health
- Education
- Infrastructure

- **Livelihood / Capacity Building**

OICI and External Affairs will identify recipient communities on the basis of a participatory evaluation. This evaluation will assess community health and state of infrastructure using a set of criteria that measures the strengths and weaknesses of community health facilities, sanitation, waste management, water, education, and livelihood capacity / economic opportunities.

Once communities are assessed, programs can then be identified that assist in developing health facilities; infrastructure, including water, sanitation, and waste management; education, including schools and teachers housing; and economic opportunities, including crop storage, and technical training facilities. These programs will be developed in tandem with responsible authorities, which will ultimately provide long-term management and oversight.

11.4 Community Development

A larger Sustainable Community Development Plan has been framed and is being prepared.

The goal of the Sustainable Community Development Plan is to maintain and enhance the quality of life for those residing outside of the immediate Project Area.

The Sustainable Community Development Plan requires participation from various levels of government and traditional authorities. The Company will work with the Brong Ahafo Regional Coordinating Council, Asutifi District Assembly, local councils, Youth Associations, focus groups and Paramount and Divisional Chiefs to coordinate and identify sustainable approaches to ongoing social programs and physical planning.

The Sustainable Community Development Plan will work in tandem with Phase Two of LEEP. Additional targeting will be infrastructure based, including sanitation, water and waste management.

11.4.1 COMMUNITY HEALTH AWARENESS

The Company is preparing HIV / AIDS and malaria workplace and community health awareness programs. These programs are part of the Company's Social Action Plan also released August of 2005.

CHAPTER 12

VULNERABLE PERSONS

12.1 Government Assistance to Vulnerable People

The Fourth Ghana Living Standards Survey (GLSS 4) defines extremely poor as those whose living standard is not sufficient to meet their nutritional requirements, even if they devote their entire consumption budget to food. On a national basis, GLSS 4 and various participatory poverty assessments have identified the following groups as including the extremely poor, the vulnerable and the excluded:

- rural agricultural producers, especial migrant workers and sharecroppers
- children in difficult circumstances
- persons living with HIV/AIDS
- displaced communities, including communities affected by mining
- disadvantaged women, particularly single mothers
- the elderly
- physically challenged persons
- persons suffering from chronic debilitating disease
- drug addicts
- victims of abuse and harmful traditional practices
- unemployed, especially unskilled retrenched workers and the unemployed youth

Ghana's Poverty Reductions Strategy (GPRS) 2003-2005 states the policy, strategy and program the Government has chosen to support poverty reduction. In addition to twin goals of macro-economic stability and agro-based industrial growth, the GPRS prioritizes measures to ensure universal access to basic social services and democratic participation. Social security and essential service coverage are being expanded, and systems to enforce the rights of the vulnerable are being developed.

Ghana will introduce a national health insurance scheme in April 2005. The scheme is designed to offer affordable medical care to all Ghanaians. The Government has committed to subsidizing premiums for the elderly, the poor, and children whose parents subscribe to the scheme.

In recognition of the comparative advantage of non-governmental organizations to address the needs of the vulnerable, direct government support is focused on areas where service delivery is not to standard and NGOs can assist. Government/NGO partnerships are in place for (a) community-based rehabilitation and education for physically and mentally infirm persons, (b) provision of facilities and supplies for (i) schools for the blind and deaf (ii) orphanages and (iii) community-based initiatives for the elderly.

12.2 Vulnerability in Resettlement

The dominant risks of involuntary resettlement are:

- landlessness
- joblessness

- homelessness
- economic setback
- increased morbidity and mortality
- food insecurity/malnutrition
- social disorganization
- loss of common property

International experience is that vulnerable households are especially disadvantaged by resettlement, with increased rates of impoverishment, sickness and death. Resettlement especially stresses persons and households that are:

- without adequate income or assets
- without sufficient family support, e.g. children, without adults for support, elderly persons, without working adults for support, single parents, especially single mothers;
- stigmatized due to gender, ethnicity, occupation, illness
- highly dependent due to age (the elderly and children), mental or physical disability.

A reality of resettlement is that several risks are often realized simultaneously e.g. loss of land, employment, home, in a deteriorating social structure. This cascade tends to drive those already living close to the edge, over the edge.

12.3 Vulnerability in the Mine Area

By most measures of poverty in Ghana, Asutifi District and the Project Area are poor (**Chapter 4**). In terms of nationally identified risks, the Mine Area specifically has a high proportion of migrant food producers, is undergoing rapid change as a result of open pit mine construction, and has a high proportion of unskilled persons seeking employment (GLSS4).

On the positive side, the extended family remains the foundation of family life. Individuals and households are tightly held in an extended family support network, unless they have behaved in an exceptionally anti-social fashion. Modally, the elderly and insane, single mothers, convicted criminals, children who have lost their biologic parents remain integrated in their extended family. Persons and households without extended family support tend strongly to be recent immigrants seeking employment on the mine or land to sharecrop. Further, especially in the towns, community solidarity is strong, with many forms of mutual support in place.

Nevertheless, there are vulnerable persons and households in the Mine Area.

The most prominent categories are:

- caretakers / sharecroppers with no buildings or fields of their own, or who are losing all the land they work.
- poor female-headed-households without extended family support

- elderly poor, especially those without extended family support

12.4 Assistance Measures

The Company is specifically identifying, registering, and tracking the vulnerable by means of:

- OICI socio-economic survey and case work on household composition, assets, source of income, and food security
- Community identified households receiving charity
- OICI and Department of External Affairs case work on each household being resettled
- District Department of Social Welfare.

OICI initially identified vulnerable persons and households through two socio-economic baseline studies (**Annex I**). Subsequently, OICI have become responsible for resettlement case work.

On a daily basis, OICI engages affected persons, especially those to be resettled and relocated. OICI educates and counsels households about their options and choices regarding resettlement and relocation. OICI counsels and helps households move to their new homes and to relocate either within or outside of the area. OICI also markets LEEP and recruits households to participate in the program. While not engaging in grievance resolution, OICI staff listen to household grievances, and report the grievances to External Affairs. In their daily work, OICI staff make note of vulnerables and report on these observations at least weekly to the Department of External Affairs.

In the second half of 2005, OICI will commence a household vulnerability tracking and monitoring project that: (a) assesses the socio-economic condition of compensated, resettled and relocated households; (b) identifies impacts of resettlement, relocation, compensation and mining activities; (c) identifies vulnerable households and those at risk of food insecurity and impoverishment.

The monitoring project will be implemented by OICI community development officers. Each CDO will be assigned 25 households to track on a weekly basis. Using a contact sheet, monitoring questionnaire and checklist, the CDOs will visit and informally interview diverse (age/sex) members of the households; observe conditions in the home, e.g. health of householders, and level of food stocks. Vulnerable households will be identified and their needs will be assessed by the CDO. The CDO will provide advice and encourage household members to participate in the LEEP. If these households need urgent or special assistance then their case will be presented to the Department of External Relations. OICI will prepare and provide a written report and an oral report at weekly External Relations meetings.

On a quarterly basis, OICI will conduct a rapid assessment of all (approximately 400 resettled households and a sample of 100 non-resident households (relocatees and compensated farmers) using a questionnaire, informal interviews and focus groups. This exercise will provide a comprehensive and reliable report on socio-economic conditions in the area.

In keeping with the established practice of the Department of Social Welfare, the Company has adopted a community based strategy for dealing with vulnerables. For each case, the Company consults with the household and as appropriate with the Site Selection Committee, traditional authorities, responsible landlords, neighbors, and extended family elders in order to craft a resolution.

To date, direct provision by the Company to enhance self-sufficiency and strengthen community support has included:

- payment of crop compensation in compliance with caretaking/sharecropping contracts
- following local practice (that buildings belong to the builder/occupier not the land owner) for building compensation entitlement
- exceptional payment of rental allowance to persons occupying but not owning a building
- exceptional transport allowance to allow recent immigrants without land or buildings to return home
- extra assistance with the logistics of resettlement
- resettlement near family, friends and neighbors to help maintain informal social/support network
- enrollment in OICI money management training

In two cases, the Company has successfully encouraged building owners to share building compensation with building tenants who would otherwise have no entitlement.

The LEEP (**Chapter II**) will target identified vulnerables, and persons not previously identified as 'vulnerable' but seen to be coping inadequately with the challenges of resettlement

In cases of frank difficulty, the Company, in cooperation with the community, traditional authorities, and the Asutifi District Department of Social Welfare, will provide case by case support to vulnerables.

CHAPTER 13

GRIEVANCES AND DISPUTES

The Company is committed to facilitating expression by stakeholders of questions, concerns, complaints and grievances regarding the resettlement process. According to its public statements, the Company:

“... aims to engage, as much as possible, with its local communities to ensure interactions are relevant, conflicts are resolved quickly and to the mutual benefit of both parties and in such a way that stakeholders feel positive about their involvement with the Company.” (www.newmont.com, 2004)

To meet its policy objectives, the Company maintains both informal and formal grievance mechanisms.

13.1 Informal Resolution

Asutifi District communication is not heavily dependent on paper. About half of all adults are non-literate. Therefore, informal grievance resolution starts with the Company welcoming face-to-face discussion between persons with a complaint and External Affairs Team staff in the field and at the External Affairs Team office in Kenyase 2. In fact, the Asutifi public demands the opportunity to express individual or group concerns to the External Affairs Team throughout each work-day. Although the External Affairs Team office maintains an open door policy, most petitioners assemble at the office between 0700 and 1000 hours because they know that many persons who can answer questions effectively spend most of the day in the field and must be caught early before they leave the office.

Most concerns are handled quickly and easily, as they involve queries regarding the timing of compensation payment or other logistical matters. For more complex issues, complainants are invited for a sit-down discussion with one or more responsible persons, typically in the presence of family members or “witnesses” of one sort and another. These discussions take place outdoors under shade trees or indoors in either the database office or one of two conference rooms. These grievances are logged on a form, which however does provide for tracking the process of resolution. For especially sensitive or potentially serious complaints, the responsible officer takes notes and sometimes writes a note for the record. Otherwise, there is no written record of these dense and very important interactions.

Over 90% of queries, complaints and grievances are heard and resolved within these informal interactions. Agreement is “proved” by the complainant’s continued participation in the resettlement planning and implementation process and / or not taking the issue into the formal grievance resolution mechanism (described below).

If the informal process does not seem to be resolving the issue, complainants are urged to make their complaint in writing. Many persons, even non-literate persons, do prepare letters. Non-literate persons employ professional letter-writers. The trade of letter-writing is practiced in nearby communities.

13.2 Formal Resolution

13.2.1 FIRST ORDER MECHANISM

The first order mechanism involves the management of substantive and / or written comments and concerns.

For all such comments, the External Affairs Team maintains a detailed record.

The Company responds to written grievances within a maximum of one month. Typically, the External Affairs Team either responds directly or passes these grievances onto the appropriate individual / department within the Company (e.g., the Legal Department in Accra) for a response. Responses often include a settlement proposal, with the exception of complex cases where additional investigation or involvement of third parties is required.

In these more complex cases, the Team routinely seeks the advice, and, where appropriate, intervention, of traditional authorities and members of the Resettlement Negotiation Committee to help resolve disputes. Ghana's is a "mediation" society, and the Company makes use of these and other mediators to help resolve disputes.

In addition, the Project Engineering Department and Security Department maintain an incident register, which they share with the External Affairs Team on a weekly basis.

13.2.2 SECOND ORDER MECHANISM

The Resettlement Negotiation Committee plays a significant role in grievance management. Members frequently raise any number of questions, concerns and grievances at Resettlement Negotiation Committee meetings. Unresolved issues are flagged for future deliberation. The Company also tables grievances for discussion and resolution. These discussions are all recorded in the minutes.

Upon completion of resettlement, the Resettlement Negotiation Committee will have completed its work. Focus will then shift to the Community Liaison Committee. This Committee, to convene on a regular basis (i.e. monthly), will provide a forum at which individual and community grievances may be raised, discussed and resolved with Company officials.

13.2.3 THIRD ORDER MECHANISMS

Impacted persons / households have the right under Ghanaian law to take their grievances for resolution into the court system, to the Commission on Human Rights and Administrative Justice and to the Department of Social Welfare.

Since the Company assumed ownership of the Project in February 2002, there have been very few such actions, the majority of which are cases involving disputes within extended families over compensation payments.

Specifically, impacted persons / households have initiated the following:

- 19 court cases, 18 of which are related to the sharing of compensation payments within extended families. Only three cases name the Company as a defendant, two of which are related to the sharing of compensation payments (the Company is a secondary defendant) and one of which is related to the findings of the physical asset inventory (the Company is the primary defendant).
- 21 complaints lodged with the Commission on Human Rights and Administrative Justice, eight of which are related to the sharing of compensation payments within extended families. Thirteen complaints name the Company as a defendant and are related to either the physical asset inventory of crops or structures or to the compensation entitlement determined on the basis of that inventory.
- One complaint lodged with the Ministry of Social Welfare, which is related to the sharing of compensation payments within an extended family.

The External Affairs Team tracks each of the above cases closely and suspends all compensation processing and payments pending resolution. Where feasible, the team invites the parties involved in the complaint / case to a sit-down meeting at the Project offices in Kenyase 2 to try and resolve differences.

For cases involving the physical asset inventory or compensation entitlement, the Team reviews all documentation related to the impacted person / household with them, including signed and witnessed asset inventories, photographs, and compensation calculations, and involves all relevant members of the External Affairs Team. All cases / complaints related to the physical asset inventory or compensation entitlement are related to the entitlement cut-off date and the determination of whether particular assets are eligible for compensation or not.

The Company does not resume compensation processing or payments on a specific case until a resolution has been achieved among all interested parties, including the signing and witnessing of settlement agreements.

In all, 8 of the 19 court cases have been resolved, 6 of the 20 complaints at the Commission have been resolved.

The Company plans to institute a grievance documentation system, which records on Excel spreadsheet, the origin, source, nature, follow-up action, and progress with resolution of all grievances. This spreadsheet will be monitored monthly.

In view of the many complaints to be expected as resettlers occupy their new houses, which if neglected, might grow to grievances, the Company has explained to each resettlement household head, the necessity to make all defect complaints to pA supervising engineers. One Supervising Engineer on the External Affairs Team will be the point person for complaints.

It is worth noting that the Company's December 2003 Investment Agreement with the Government of Ghana details a compensation and dispute resolution protocol. Paragraph 18.1 c states:

“(Newmont), the Government, and any owner or other lawful occupier of affected land, in addition to any other right or remedy granted by Law, shall each have the right to refer any disputed matter relating to compensation under this Agreement or under any Law for resolution by binding arbitration to be conducted in Ghana by not more than three arbitrators agreed upon by the parties to such arbitration or,

failing agreement, then jointly chosen by the Minister and the principal officer of the Chamber of Mines of Ghana. The arbitrators shall be Persons trained in the common law tradition, but need not be citizens of Ghana. Their decision shall be based upon the laws of Ghana and the terms of this Agreement, shall be final and binding, and shall not be subject to appeal to any court except on the grounds of fraud or dishonesty by the arbitrators, or that they have decided matters beyond the scope of the authority granted in this Agreement. Any award made to the lawful occupier of land shall fully offset any claim asserted by the owner of the affected land against (Newmont). Any award made to an owner of land shall foreclose any claim against (Newmont) on the part of a lawful occupier of that same land.”

This protocol governs court-adjudicated dispute resolution proceedings, but has not yet been used.

CHAPTER 14

ORGANIZATION

The Company is responsible for the implementation of the Resettlement Action Plan, in consultation with the Resettlement Negotiation Committee, and with the cooperation of government agencies at the district, regional and national level.

14.1 Company

The Company has assembled a large, experienced team of professionals and field / office workers to prepare and implement the Resettlement Action Plan. The External Affairs Team is shown in **Figure 29**. The figure identifies lines of authority. Lines of communication are complicated and interwoven in keeping with the team nature of the organization.

Company senior management is responsible for providing strategic direction to the External Affairs Team and for reviewing draft policies, procedures and rates related to the Resettlement Action Plan. Senior management are particularly concerned with ensuring that the Resettlement Action Plan helps meet the Company's Project objectives, including the Company's Social License to Operate and the Project's overall schedule and budget.

Team managers are senior Company employees and consultants who are tasked with overseeing preparation and implementation of land acquisition, compensation and resettlement. This Team includes four full-time on-site project managers, two senior managers based in Accra, and two Canada-based consultants.

The External Affairs Team is divided in five units:

- Land, structures, crop and household surveys – responsible for physical asset and socio-economic surveys
- Database and accounts – responsible for entering, storing, analyzing and reporting on surveyed data, and for administering compensation payments
- Office management – responsible for filing resettlement information, coordinating the formal grievance process, and transport / logistics, including logistics of the resettlement
- Planning and engineering – responsible for planning, design and construction management of the resettlement villages, including houses, infrastructure, and public facilities
- Community relations and development – responsible for liaising with traditional authorities and local government, assisting households through the resettlement process, including explanation of compensation policies and procedures, and all livelihood enhancement and community development measures.

14.2 Government Involvement

Many government agencies, at the district, regional and national levels, are involved in preparation and implementation of the Resettlement Action Plan, including:

- Asutifi District Assembly
- Brong Ahafo Regional Minister
- Environmental Protection Agency
- Lands Commission.
- Ministry of Food and Agriculture
- Land Valuation Board
- Town and Country Planning
- Stool Lands Administration
- Social Welfare.

The role of these agencies includes:

- Participation as observers in the Resettlement Negotiation Committee and the Site Selection Committee, with responsibility for advising the Company and impacted peoples' representatives on relevant government policy and practice
- Participation in the permitting and approvals process.

Government agency roles in post-handover services management in the resettlement villages is described in **Chapter 8**.

14.3 Resettlement Negotiation Committee

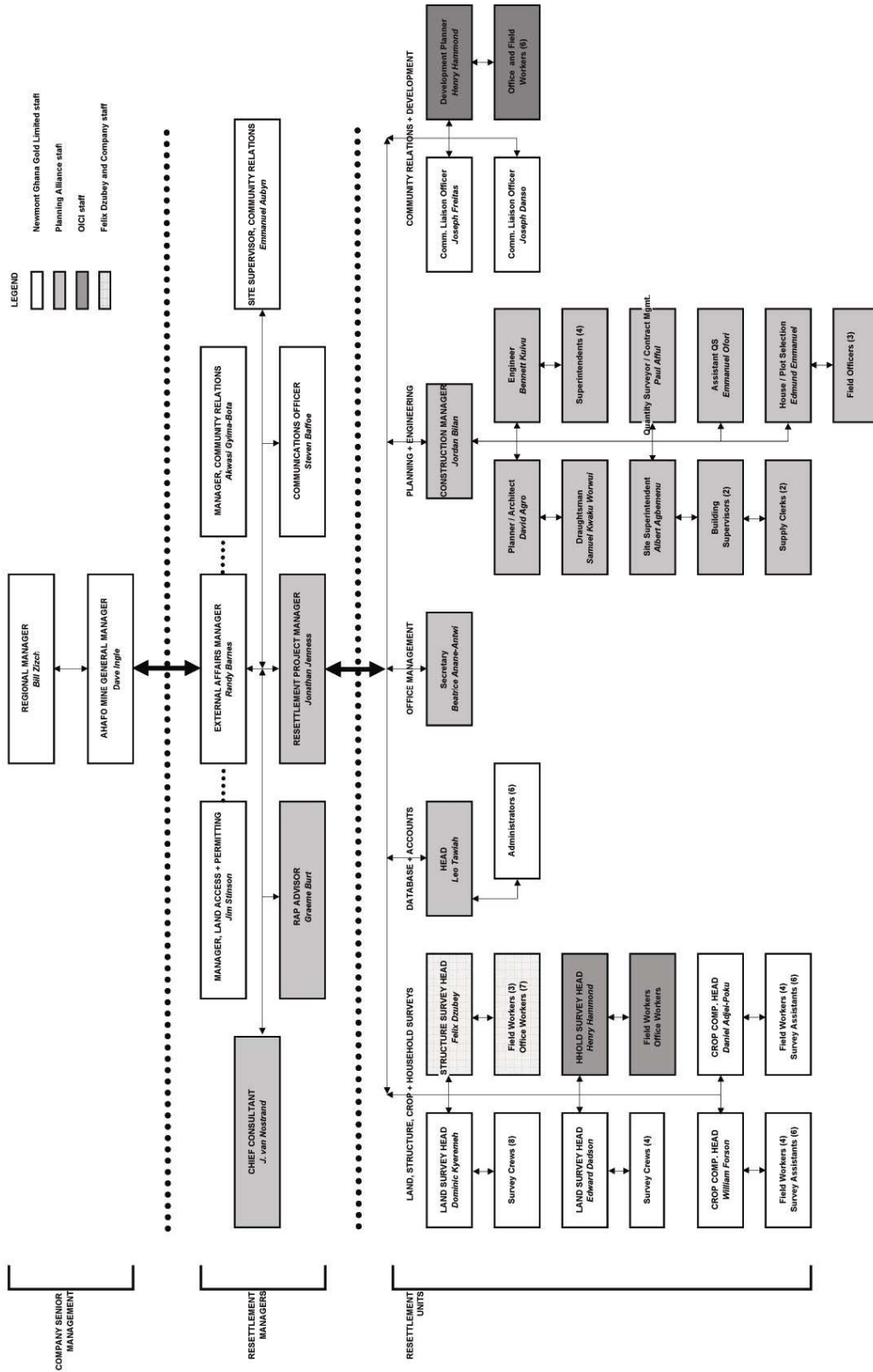
The mandate of the Resettlement Negotiation Committee is to negotiate fair and just compensation for Project-affected persons.

The Resettlement Negotiation Committee consists of Project-affected persons / households, representatives of traditional leaders, representatives from government agencies, and representatives from Non-Governmental Organizations.

During negotiations over compensation and resettlement, the Resettlement Negotiation Committee met 31 times from the 10 Feb 2004 to the 22 March 2005 (see **Table 15**). Minutes were recorded for each of the meetings and are publicly available from the External Affairs Team.

The Resettlement Negotiation Committee has four representatives from the Company including the Company's Manager of Resettlement and three representatives from External Affairs. Also present on the Resettlement Negotiation Committee is the Resettlement Project Manager. The Resettlement Project Manager is responsible for the assessment, design and implementation of the overall resettlement plus management of day-to-day External Affairs Team activities and staff. In this way, the RNC interacts with the External Affairs Team directly through community relations and resettlement management.

Figure 29: External Affairs Team



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CHAPTER 15

MONITORING AND EVALUATING

This Chapter describes a monitoring and evaluating program during and following implementation. Monitoring and evaluating are key components of the Resettlement Action Plan, and as such are part of the Company's commitments.

Monitoring and evaluating have the following general objectives:

- monitoring specific situations or difficulties arising from the implementation, and of the compliance of the implementation with objectives and methods set out in the Resettlement Action Plan,
- evaluating emergent, mid- and long-term impacts of the Project on the welfare of impacted households, communities, and local government.

Monitoring and evaluating reference documents include:

- Resettlement Action Plan, OICI Livelihood Studies (**Annex I**) and LEEP documentation (**Annex P**)
- Ghanaian laws and regulations (**Chapter 3**)
- Applicable World Bank Safeguard Policies.

15.1 Monitoring

15.1.1 PURPOSE

The purpose of monitoring is to provide Project management, and directly affected persons, households and communities, with timely, concise, indicative information on whether compensation, resettlement and development investments are on track to achieve sustainable restoration and improvement in the welfare of the affected people, or that course adjustments are needed.

Monitoring verifies that:

- actions and commitments for compensation, resettlement, land access, and development in the RAP are implemented fully and on time;
- entitled persons receive their compensation and replacement housing on time;
- compensation and LEEP investments are achieving sustainable restoration and improvement in the welfare of Project affected persons, households and communities;
- complaints and grievances are followed up with appropriate corrective action;
- vulnerable persons are tracked and assisted as necessary.

In brief, monitoring answers the question: Are Project compensation, resettlement and development investments on time and having the intended effects?

15.1.2 FRAMEWORK

Monitoring consists of (a) internal monitoring by the Company as an integral part of Company management, and (b) external monitoring by Company appointed consultants, working with impacted communities (**Figure 30**).

Monitoring will be done by:

- audit,
- conventional sample surveys, and
- community participation.

A substantial proportion of monitoring will be participatory. Affected communities will cooperate in determining: (a) what is important to monitor, (b) the various methods and indices chosen for monitoring and (c) answers to the basic question: How are things? Consultants will use workshops, site visits, training, and concept instruments that require little literacy or math skill to elicit the participation and views of affected people.

Monitoring will be based on indicators of change in:

- delivery of compensation,
- resolution of grievances,
- land access,
- increase or decrease in household assets,
- social stability, and
- health .

Indicators will be in the form of:

- done/not done, present/not present, achieved/not achieved etc,
- easily measured, relevant quantities suitable for trend analysis; or
- judgments of the affected people and their traditional authorities, as revealed by participative socio-economic survey and interviews.

Monitoring will be linked to past surveys (baseline information) but will not use control areas. Where important baseline information is not available, but the subject requires monitoring, the preferred objective will be to identify any trends, year on year.

Monitoring is of necessity a long-term and potentially open-ended activity. The Company and the community will define end-points and goals, which achieved, will allow monitoring to drop to a low level in trouble-free domains, while maintaining focus on problematic areas.

Figure 30: Monitoring Indicators Matrix

Domain	Sub-Domain	Indicator	Method	Period	Manpower	Comment
Project Affected Households	Fields Buildings	Various	Rapid Socio-economic Assessment of all Resettlement Households plus sample of Relocation and Compensation Households/quarterly, OICI Database	Quarterly	LEEP	Provides indicative information
		Number, value, % remaining to completion/monthly	Database	Monthly	In-house staff	Measures RAP delivery
		Number, value, % remaining to completion/monthly	Database	Monthly	In-house staff	Measures RAP delivery
Compensation	Enterprise	Satisfaction (field, building and enterprise compensation-timeliness, as expected, fairness) remaining to completion/monthly	Annual household sample survey; Women's focus groups, Traditional Authority interview, Database	Annual	External	Capture reasons and allows follow-up of dissatisfaction
		Number, value, relocation (vicinity, elsewhere), % remaining to completion/monthly	Database, Annual household sample survey	Monthly	In-house staff	Measures RAP delivery
Relocation	Cash Package	Satisfaction	Annual household sample survey; Traditional Authority interviews, Database	Annual	External	Capture reasons and allows follow-up of dissatisfaction
		Number, value, % remaining to completion, handed over/weekly as above	Database, Traditional Authority interview, pA construction records	Monthly	In-house staff	Measures RAP delivery
Resettlement	Mtotoroso Ola	Type and number, value, % remaining to completion, handed over/monthly	pA construction records, Traditional Authority and District Assembly interviews	Monthly	In-house staff	Measures RAP delivery
		Water usage, payment, disruptions, WATSAN functioning	WATSAN and District Water Board records	Monthly	In-house staff	Measures RAP delivery
		Satisfaction (buildings, infrastructure, services, rehabilitation)	Annual household sample survey	Annual	External	Measures accessibility and administration
Grievance	Complaints/ Grievances	Number, type, cause/new, old, resolved/year, ease of access	Annual household sample survey, Traditional Authority and District Assembly interviews, Women's focus groups	Annual	External	Capture reasons and allows follow-up of dissatisfaction
		Field check/vulnerable household/month, Rapid assessment of all resettled households and sample of relocatees/quarterly	Department External Affairs, CHRAJ, and District Court records and key informant interviews	Monthly	In-house staff	Measures level and resolution of dissatisfaction
Unintended Impact	Vulnerables	Number, type, cause/new, old, resolved/year	Department External Affairs records, key informant interviews	Monthly	In-house staff	Tracking necessity
		Resettlement Negotiating Committee, Community Consultative Committee, Crop Compensation Committee, Site Selection Committee meetings/issues.	OICI Annual household sample survey, Department External Affairs records, key informant interviews	Quarterly	LEEP	Measure of social safety net
Consultation	Committees Government Community	Traditional Authorities and Youth, District Assembly, Public Meetings, Women's Organizations and "Beating the Gong-Gong"	Meeting Minutes, key informant interviews	Monthly	In-house staff	Measure of communication density, indicative of changes in quality of life (improved/declined) and of specific hardship caused by the Project.
		Qualitative / Quantitative Analysis of Consultation Effectiveness	Department External Affairs records, key informant interviews	Monthly	In-house staff	Measure of communication density
		Occupied/unoccupied by location, area, planning	Department External Affairs records, key informant interviews	Monthly	In-house staff	Measure of communication density
		Land in Mine take as % of total holding, newly acquired land by source and cost/six months	Annual household sample survey, Department External Affairs records, key informant interviews	Monthly	In-house staff	Measure of communication density
Land Use	Mine Take Owners / Sharesroppers Innovators Occupation of ex-Mine Take Fallow Facilitation of Access to Arable Land Resettlement Sites erosion	Number and area affected by uptake of new technology and organization (cooperative/group	Database	Annual	External	Basic measure of economic impact at area level
		Occupation of fallow on lands surrounding the Mine take.	Land acquisition survey/half-yearly (sample size, 5% hh = estimate of 80 hh) Interview (2hrs) = 2hr/day, Survey Team (6 prs) = 2hh/day	Semi-annual	In-house staff	Basic measure of economic impact and adjustment at household level
		Company-facilitated land acquisition: Number of persons and parcel, by area/monthly	Annual household sample survey, plus data review of land acquisition survey/half-yearly	Annual	External	Measure of adjustment to arable land loss by increasing productivity
		Presence of erosion; garden use, tree planting and maintenance	Ministry of Agriculture and key informant interviews, LEEP Annual household sample survey plus LEEP data review	Quarterly	LEEP	Measure of adjustment to loss of arable in Mine take
			Semi-annual survey using Asiameth study as baseline, aerial photography (4x 20 km strips) 2 seasons and data analysis and reporting	Semi-annual	External	Measures Company assisted adjustment to loss of arable in Mine Take.
		Database and OICI records	Weekly environmental inspection	Monthly	In-house staff	Measures of rehabilitation and productive use

Figure 30: Monitoring Indicators Matrix (cont.)

Domain	Sub-Domain	Indicator	Method	Period	Mannpower	Comment	
Employment	Project	Number by category (unskilled, skilled, professional) by source (local-local, other) and gender	Company Human Resource records	Monthly	In-house staff	Basic measure of economic impact	
	Other	Number by category and gender	Annual household sample survey	Annual	External	Basic measure of economic impact	
Cost of Living	Cost of Market Basket	Price by item (food, clothing, services, housing rental, energy)/month	Monthly market survey	Monthly	In-house staff	Basic means to measure price change	
	Impacted / Compensated New	Type and number operating/closed/year Type and number operating/failed/year	Annual household sample survey Annual household sample survey as above, OICI, District Assembly	Annual	External	Measures RAP delivery Development indicator	
Social Structure	Household Composition	Age, gender, residence status (daily, month end, schooling, employment)	Annual household sample survey	Annual	External	Indicative of change in household welfare	
		Ownership of buildings, land, livestock, furnishings, equipment,	as above	Annual	External	Basic measure of wealth/ living standard	
	Bank Accounts	Possession of Bank Accounts Purchase of Treasury Bonds	Annual household sample survey, Bank survey	Annual	External	Measure of fungible wealth	
	Fuel consumption	Cooking and lighting by fuel source	Annual household sample survey	Annual	External	Indicative of change in supply and disposable income	
	Service hookup	Household water, electricity	as above	Annual	External	Indicative of change in disposable income	
Community Status	Perception	Is household: Better off? The same? Worse off? Why?/year	Annual household sample survey, Womens' focus groups	Annual	External	problem, in livelihood restoration, alternative enterprise, access to credit, health, education,	
	Traditional Authority	Sense of status, principle and emergent concerns	Traditional Authority and Youth interviews	Annual	External	Indicative of social stability	
	Social Pathology	Crime, violence, drug use, traditional cases/year	Police, hospital, health centre, Traditional Authority records, Annual household sample survey, Womens' focus groups	Annual	External	Indicative of socio-economic stress	
	Health, Education, Water Supply	Project provision by number, type, value	Monitor, collect data and maintain database records	Quarterly	In-house staff	Indicative of investment to support host communities	
	Education	Enrollment by age, gender, level household type (resettlement/relocation/other)	Department External Affairs and LEEP records	Annual	External	Indicative of increase in population and/or disposable income	
	Training	Pass rates as above	School records, Department database, annual household survey	Annual	External	Capacity building a key to alternative livelihoods	
	Perception	Number, age, gender/course, trainee satisfaction	Monitor, collect data and maintain database records	Quarterly	In-house staff	Indicative judgment of success and problem	
	Mortality	Is community: Better off? The same? Worse off? Why/year	Traditional Authority, Youth, District Assembly interviews, Womens' focus groups	Annual	External	Indicative judgment of success and problem	
	Natality	Number of deaths/year by age, gender, cause	Traditional Authority, Youth, District Assembly interviews, Womens' focus groups	Annual	External	Indicative judgment of success and problem	
	Nutrition	Number of births/year by gender	Collect data and maintain database records	Quarterly	In-house staff	Basic data for measurement of health	
Health	Assistance with (family, TBA, medical staff)/location of birth (home, health facility)	Childrens' weight, height, age and gender records birth to 5 years	Hospital and health centre records, District Assembly, Annual household sample survey	Annual	External	Basic data for measurement of health	
		Record review of kwashiorkor, marasmus, pellagra anemia in children, women and the elderly	Collect data and maintain database records	Annual	External	Measures uptake of health service	
	Disease	Number/year, by gender and age, of principle diseases malaria upper respiratory infections, skin infections, HIV/AIDS	Childrens' weight, height, age and gender records birth to 5 years	Monitor, collect data and maintain database records Hospital, clinic, and health centre records.	Semi-annual	In-house staff	Effective means to gauge malnutrition
		Number/year, by gender and age, of principle diseases malaria upper respiratory infections, skin infections, HIV/AIDS	Record review of kwashiorkor, marasmus, pellagra anemia in children, women and the elderly	as above	Annual	External	Effective means to gauge malnutrition
	Disease	Number/year, by gender and age, of principle diseases malaria upper respiratory infections, skin infections, HIV/AIDS	Number/year, by gender and age, of principle diseases malaria upper respiratory infections, skin infections, HIV/AIDS	Monitor, collect data and maintain database records as above and in cooperation with ESIA annual monitoring	Semi-annual	In-house staff	Basic data for measurement of health
Number/year, by gender and age, of principle diseases malaria upper respiratory infections, skin infections, HIV/AIDS		Record review of kwashiorkor, marasmus, pellagra anemia in children, women and the elderly	as above	Annual	External	Effective means to gauge malnutrition	

Broadly speaking, the Company itself will monitor inputs, outputs and impacts.

Input monitoring establishes if staff, organization, finance, equipment, supplies and other inputs are on schedule, in the requisite quantity and quality.

Output monitoring establishes if agreed outputs are being realized timely for

- communication with the affected communities
- agreed resettlement and compensation policy, procedures, and rates
- compensation for crops, buildings, and lost business
- construction and occupation of infrastructure and housing,
- LEEP delivery and uptake.
- grievance resolution,
- attention to vulnerables.

Impact monitoring is to determine that:

- resettlement objectives and goals are being met
- resettlement villages are functioning as intended
- resettlers and relocatees have an equal or better quality of life as a result of the Project
- unintended impacts are identified and addressed

Impact monitoring covers:

- social structures- traditional authorities, formal social groups e.g. churches, neighborhood networks for reciprocal help, family,
- economic status of resettlers and relocates, including employment, arable land and livestock holdings, employment, non-agricultural enterprise, household assets,
- land use- cropland availability, opening of new cropland, fallow use,
- availability of natural resources- e.g. wood, bush foods and medicines,
- cost of a market basket of essentials, including rental accommodation,
- access and use of public facilities- water supply, sanitation, health and education services,
- employment- on the Project and in the impact area,
- health of Project-affected persons and host communities- mortality, morbidity of prominent diseases, status of vulnerables, and nutrition of children specifically,
- crime,
- public perception of the Project- judgments on Company, Project, prospects for place and community.

Input, output and impact monitoring are essential aspects of management by the Company's External Affairs Department. Monitoring takes place thrice weekly when Departmental unit leaders meet with in-house consultants (OICI, pA, and Stratcom) to coordinate their work and observations on community relations, compensation and resettlement. The department prepares monthly reports.

External monitoring consultants will also undertake input, output, and impact monitoring and will report directly to the External Affairs Manager for immediate action if necessary. External input and output monitoring is intended to provide an additional level of oversight and will cover:

- internal monitoring procedures, reports and records, to identify recurring problems or areas of non-compliance with the RAP;
- progress against program for compensation, resettlement, income restoration and community development.
- grievance records, to identify implementation problems and status of grievance resolution;
- compliance with OD 4:30.

External impact monitoring will focus on the degree to which affected peoples' livelihoods, standard of living and general welfare are being restored or bettered as a result of the Project. Monitoring will be accomplished by surveys of households, enterprises, and community institutions, especially traditional authorities, the local government, education and health services.

The external monitor will survey and report annually. However, the monitor will bring emergent problems (e.g. substantial task short-falls, unintended negative consequences or trends) to the attention of Company management as they become apparent.

The annual monitoring report summarizing the external monitoring findings will be released to the public annually. The annual monitoring reporting will continue for life of the mine.

15.1.3 INFORMATION MANAGEMENT

The External Affairs Department has a well established data base and ancillary hard copy archive that contain all data on compensation entitlements and compensation payments, resettlement entitlements, delivery of resettlement infrastructure and housing. The data base and archive are being expanded to cover grievance handling and dealing with vulnerables.

External consultant monitoring will require additional database architecture and capacity to cope with the varied, repetitive and long term nature of the monitoring program.

15.2 Evaluating

Evaluating is done to determine:

- compliance of RAP implementation with RAP objectives and procedures

- compliance of RAP implementation with the laws, regulations and applicable international best practice
- RAP impact on standard of living, with a focus on the “no worse-off if not better-off” objective

NGGL will use an independent consultant periodically to evaluate RAP implementation and compliance with objectives, procedures, policies, laws and regulations. The Evaluator will be an independent consultant with deep experience in the conduct of resettlement. The Evaluator will be carefully chosen on the basis of hands on experience, no previous involvement in the Project, and proven ability to identify actions that improve implementation and mitigate negative impacts of resettlement.

Resettlement implementation will be evaluated against a number of key performance criteria, which will be identified by the Company in consultation with the Community Liaison Committee. These criteria will likely include access to employment and arable land, livelihood restoration and enterprise, health and nutrition, community cohesion, plus durability, maintenance costs and convenience of housing and infrastructure.

Vulnerable persons will be put into specific focus, and the methods for assisting them will be assessed.

The grievance management system will be evaluated.

The schedule for independent evaluation of RAP implementation is:

- after completion of RAP final draft – December 2005
- six months following completion of RAP implementation (March 2006) – this evaluation will verify that (a) compensation payments have been made as promised, (b) have been properly processed, and (c) recommendations of previous assessments are being implemented
- one year after physical resettlement is complete – October 2006
- subsequent review schedule will be determined during prior evaluation.

One external review of the resettlement occurred during an IFC field assessment from 30 May to 3 June 2004.

The Company has initiated five internal reviews / audits of resettlement planning, including:

- February to March 2003 and April to June 2003- Review of the Company’s social license to operate
- July 2003- Site visit and resettlement stakeholder verification
- August 2004- Update to the project risk assessment
- September 2004- Review scope of displacement and compensation

CHAPTER 16

RESETTLEMENT SCHEDULE

Resettlement implementation has paralleled negotiations. During negotiations, as points of agreement were reached, the Resettlement Negotiations Committee and the Company also agreed to proceed with implementation of specific civil works, specific area by specific area, along with their associated compensation and resettlement activities.

While the Company initiated these compensation and resettlement activities prior to the completion of negotiations and public disclosure of this Resettlement Action Plan, it should be noted that Project-affected residents:

- Were kept aware of the negotiations process and the items addressed by the Resettlement Negotiation Committee
- Had continuous opportunity to make their views known directly to the Company or to the Resettlement Negotiations Committee through their duly elected representatives
- Were aware of the agreements reached in the negotiations
- Were aware what go-aheads for implementation had been agreed in the Resettlement Negotiations Committee
- Were aware of how to express concerns or grievances.

The Project construction schedule (i.e., the mine-building schedule) required:

- 17 months of overlap with resettlement planning – i.e., construction began on April 1, 2004, and resettlement planning will end on August 31, 2005, with commencement of the public disclosure period for this document
- 22 months of overlap with resettlement implementation – i.e., construction began on April 1, 2004, and resettlement implementation will end with the move of resettling households into their new houses and the handover of resettlement village management responsibility by January 31, 2006.

The resettlement planning and implementation schedule is presented in **Figure 31**. A detailed resettlement construction schedule is provided in **Figure 32**.

The Company began formal negotiations with the Resettlement Negotiation Committee on 10 February 2004, and began the first compensation activities in March 2004:

- Relocation compensation began 20 March 2004
- Crop compensation²¹ began 21 March 2004

²¹ This date refers to crop compensation related to Project construction: crop compensation related to the exploration program began in the early 1990s.

- Payment of a rental allowance for temporary housing began 14 June 2004 and will end with the final move in October 2005.

As of late August 2005, notable achievements included:

- 341 resettlement houses are built
- 229 households had received their resettlement houses
- Relocation payment to 296 households, with a total payment of US\$ 920,694
- Compensation payment for 6,907 fields, with total payment of US\$ 12,878,990
- Temporary voluntary resettlement of 197 households, with a total payment of US\$ 90,643
- The first permanent resettlement – i.e., occupation of the first resettlement houses – will begin the week of 28 March 2005.

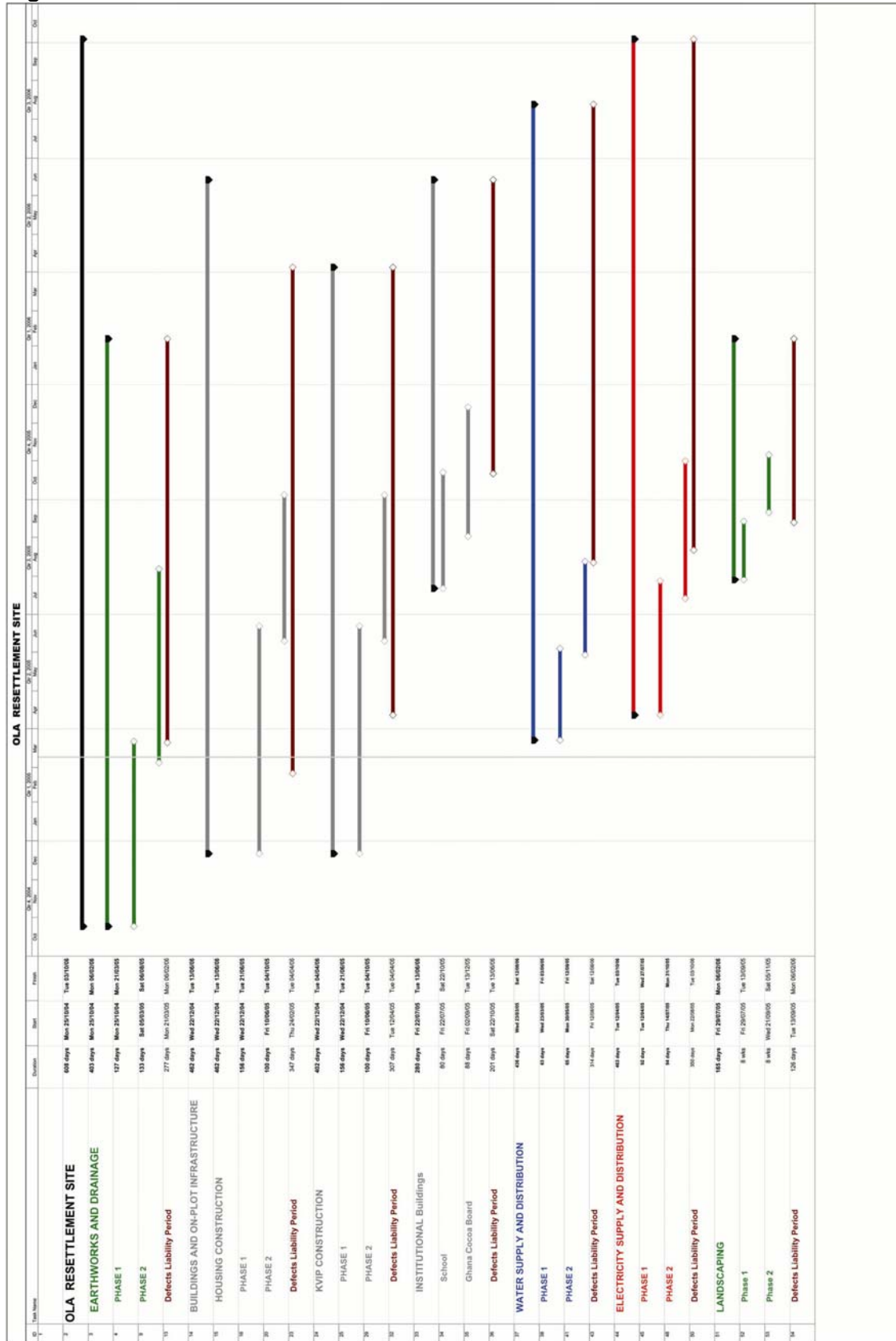
The Company anticipates disclosing this Resettlement Action Plan locally on 29 August 2005 for a period of 120 days.

Figure 31: Resettlement Schedule



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Figure 32: Resettlement Construction Schedule



CHAPTER 17

RESETTLEMENT BUDGET

The total budget for preparation and implementation of this Resettlement Action Plan is as follows:

Crop Compensation	=	US\$ 13,414,945
Structure Compensation	=	US\$ 1,620,008
Resettlement Villages	=	US\$ 11,721,642
Related Programs	=	US\$ 18,794,600
Professional Fees	=	US\$ 5,452,680
Total Budget	=	US\$ 51,003,875

Crop compensation refers to cash compensation for loss of crops.

Structure compensation refers to cash compensation for loss of incomplete and ancillary structures, both residential and non-residential. It also covers all of the costs associated with relocating households, including their mobilization allowance, transportation allowance, and structure compensation. It also covers some of the costs associated with resettling households, namely their mobilization allowance and structure compensation (i.e., non-residential structures). Finally, it includes miscellaneous costs associated with fishponds, the temporary housing allowance, and case-by-case compensation for vulnerable households.

Resettlement villages refers to the cost of constructing the two resettlement villages, including all resettlement houses, KVIP latrines, institutional buildings and site work / infrastructure.

Related programs refer to the Livelihood Enhancement and Community Empowerment Program and the Monitoring and Evaluation Program.

Professional fees refer to the fees for planning, design and construction supervision of the resettlement villages and the various surveys undertaken by the Company. It also includes a small contingency for future budget overruns.

A detailed budget and its status as of late August 2005 is provided in **Table 26**.

ITEM	DESCRIPTION	BUDGET			
		Number	Unit	Unit Cost (US\$)	Total (US\$)
CROP COMPENSATION					
TOTAL BUDGETED		7,193	field	\$1,865	\$13,414,945
STRUCTURE COMPENSATION					
Relocating Households	Mobilization Allowance	424	household	\$55	\$23,299
	Transportation Allowance	424	household	\$55	\$23,299
	Structure Compensation (i.e., all completed structures)	424	household	\$3,075	\$1,303,842
	Total Budgeted	424	household	\$3,185	\$1,350,440
Resettling Households	Mobilization Allowance	399	household	\$55	\$21,925
	Structure Compensation (i.e., all completed non-residential structures)	399	household	\$186	\$74,214
	Total Budgeted	399	household	\$241	\$96,139
Miscellaneous Compensation	Incomplete Structures	142	property	\$414	\$58,788
	Fishponds	6	pond	\$2,822	\$16,929
	Temporary Housing Allowance	197	household	\$496	\$97,712
	Total Budgeted				\$173,429
TOTAL BUDGETED		823			\$1,620,008
RESETTLEMENT VILLAGES					
Resettlement Houses	1 Bedroom	218	house	\$4,945	\$1,078,010
	2 Bedrooms	95	house	\$8,630	\$819,850
	3 Bedrooms	53	house	\$11,857	\$628,421
	4 Bedrooms	14	house	\$15,033	\$210,462
	5 Bedrooms	10	house	\$18,439	\$184,390
	<5 Bedrooms	9	house	\$22,387	\$201,483
	Demolition and replacement				\$138,000
	Total Budgeted	399	house	\$8,172	\$3,260,616
KVIPs	Residential	399	kvip	\$3,313	\$1,321,775
	Institutional	46	kvip	\$2,905	\$133,630
	Total Budgeted	445	kvip	\$3,271	\$1,455,405
Institutional	School Complexes	2	complex	\$136,894	\$273,788
	Cocoa Storage Shed	6	complex	\$50,670	\$304,020
	Total Budgeted	8	complex	\$72,226	\$577,808
Infrastructure	Earthworks -- Roads, Drains and Culverts	9935	linear meters	\$354	\$3,514,580
	Earthworks -- Preliminary and General				\$998,586
	Earthworks -- Stripping	46.4	hectares	\$2,772	\$128,619
	Landscaping	33.15	hectares	\$17,005	\$563,716
	Electrical System				\$339,425
	Water System				\$754,982
	Transfer Station	17	station	\$2,089	\$35,505
	Surveys				\$92,400
	Total Budgeted				\$6,427,813
TOTAL BUDGETED					\$11,721,642
RELATED PROGRAMS					
Livelihood Enhancement and Community Empowerment Program, Phase One Part 1 - Feb 2005 thru June 2006 (17 months)					\$715,000
Livelihood Enhancement and Community Empowerment Program, Phase One Part 2 - 5 Year program starting July 2006 (60 months)					\$2,520,000
Livelihood Enhancement and Community Empowerment Program, Phase 2 - 5 Year program starting July 2006 (60 months)					\$2,520,000
Livelihood Enhancement and Community Empowerment Program, Phase 2 - Life of Mine continuation starting in 2011 (15 years)					\$3,750,000
Micro-credit					\$1,040,000
Community Sustainable Development - Part 1 - Jan 05 thru June 2006 (18 months)					\$870,000
Community Sustainable Development - Part 2 - 5 Year program starting July 2006 (60 months)					\$2,900,000
Community Sustainable Development - Life of Mine continuation starting in 2011 (15 years)					\$4,350,000
RAP External Evaluation					\$129,600
TOTAL BUDGETED					\$18,794,600
PROFESSIONAL FEES					
Resettlement Planning, Design, Construction Supervision, Land Access and Farm Survey through June 2006					3,321,000
External Monitoring Surveys and Studies					2,131,680
TOTAL BUDGETED					\$5,452,680
GRAND TOTAL BUDGETED (Life of Ahafo South Project)					\$51,003,875
Expenditure to Date on Resettlement and Building Compensation Net of Consultant Fees and Company Operating Costs					\$24,414,913

CHAPTER 18

FUTURE RESETTLEMENT

The Company is planning a northward expansion of Project activities over time. The present Project represents Phase One of the overall Ahafo Project. The Company will use this Resettlement Action Plan to guide any future compensation and resettlement associated with local expansion and Phase Two of the Project. Accordingly, this document serves two purposes:

- It is a pre-operational Resettlement Action Plan for Phase One of the overall Ahafo Project (i.e., the Ahafo South Project)
- It provides the resettlement policy and procedures framework for future local expansion and Phase Two (i.e., the Ahafo North Project).

Future expansion areas and definition of the Phase Two Area are as-of-yet undefined, and as a result the Company is capable only of a preliminary scope of resettlement associated with these activities. The scope of displacement is similar between both projects due to common geography. As a result, the number of Project-affected households will be similar to Ahafo South. Any required resettlement or compensation associated with these future activities will be negotiated consistently with the principles, policies, procedures and rates set out within this document. Specifically, the Company anticipates refining the principles, policies, procedures and rates presented herein in negotiation with representatives of those persons / households that will be physically or economically displaced. In this manner, this document represents a Resettlement Policy Framework.

As a Resettlement Policy Framework, this document outlines the resettlement principles, organizational arrangements, and design criteria to be applied to resettlement in future expansions and Phase Two. A stand-alone resettlement action plan for Phase Two will be prepared in due course, in negotiation with representatives of Project-affected persons / households, once specific planning information becomes available. The schedule for additional Project activity will reflect the need to negotiate a resettlement action plan for Phase Two.

World Bank OD 4.30 requires that the following be included in a Resettlement Policy Framework:

- Brief description of the project and components for which land acquisition and resettlement are required, and an explanation of why a complete resettlement plan cannot yet be prepared

It is anticipated that mining activities will move northward over time and that these activities will necessitate the construction and operation of additional mine infrastructure, including access roads, open pits and waste rock dumps. This expansion, however, is still in the preliminary planning stages, and as a result the Company is uncertain as to which areas will be required and when construction will commence. For these reasons, the scope of resettlement is unclear, planning and negotiations have not commenced, and a complete resettlement action plan cannot yet be prepared.

- Principles and objectives governing resettlement preparation and implementation

The Company proposes to use the principles and objectives presented herein as the starting point for future resettlement, and anticipates refining these in negotiation with a multi-stakeholder resettlement negotiation committee similar in composition to that of the Phase One Project.

- Description of the process for preparing resettlement plans in negotiation with representatives of impacted persons / households

The Company proposes to use a similar process for preparing the Phase Two Resettlement Action Plan in negotiation with representatives of impacted persons / households, but hopes to improve upon it using the experience of undertaking the Phase One resettlement.

- Estimated population displacement and likely categories of displaced persons to the extent feasible

The Company is unable to estimate the scope of resettlement at this time. The categories of displaced persons is likely to be very similar to those presented herein as the Company proposes to expand into a rural area quite similar to the one hosting Phase One.

- Eligibility criteria for defining various categories of displaced persons

The Company proposes to use the eligibility criteria presented herein as the starting point for any future resettlement, and anticipates refining these in negotiation with a multi-stakeholder resettlement negotiation committee.

- Legal framework reviewing the fit between borrower laws and regulations and Bank policy requirements and measures proposed to bridge any gaps between them

The Company proposes to use the legal framework presented herein as the starting point for any future resettlement, and anticipates refining this understanding as the scope of resettlement becomes clearer (i.e., new issues may present themselves) and in negotiation with a multi-stakeholder resettlement negotiation committee.

- Methods of valuing affected assets

The Company proposes to use the same methods for valuing affected assets presented herein as the starting point for any future resettlement, and anticipates refining these in negotiation with a multi-stakeholder resettlement negotiation committee.

- Organizational procedures for delivery of entitlements

The Company proposes to use much the same External Affairs Team presented herein to undertake future resettlement. As with the Phase One Project, the Company anticipates that this Team will work closely with other relevant units of the Company and with Project stakeholders, in particular Project-affected persons / households.

- Description of the implementation process

The Company proposes that implementation of any future resettlement follow much the same process as that defined for Phase One, and anticipates refining this in negotiations with a multi-stakeholder resettlement negotiation committee.

- Description of grievance redress mechanisms

As above.

- Description of the arrangements for funding resettlement, including the preparation and review of cost estimates, the flow of funds, and contingency arrangements

As in Phase One, the Company will pay all compensation and provide all assistance to future resettlement in a complete and timely manner, in accordance with the commitments reached with a multi-stakeholder resettlement negotiation committee.

- Description of mechanisms for consultations with, and participation of, displaced persons in planning, implementation, and monitoring

The Company proposes that consultation and participation mechanisms follow much the same processes as outlined herein, most notably the work with the resettlement negotiation committee.

- Arrangements for monitoring by the implementing agency and, if required, by independent monitors.

As above.