

Appendix 3 Artisanal and Small Scale Mining in the Moto Gold Project Area, Watsa Territory

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| Date | December 2008 |
| Prepared by | Alain Chishugi |
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1 Introduction

Moto Gold is a company born from the Joint Venture between Borgakim and Okimo and is located on concession C38 in the Haut Ouele District of the Oriental Province. The concession is located in the Kibali sector of Watsa and covers an area of 1841km.

Moto Gold has conducted a feasibility study certifying a deposit of about 600Mt of gold. Prior to project implementation the company has to undertake a social and environmental impact study.

This study focuses on the livelihoods of orpailleurs (artisanal gold miners) and their communities around the KCD agglomeration and other artisanal mines in the Moto Gold zone of exclusion. The study looks at issues of gender and child labour in mining sites, the environmental management in and around the ever growing mine pits all over the OKIMO concession and the disruption of traditional livelihoods due to orpaillage.

This report tries not to repeat elements covered in previous studies on the mining sector in the Orientale Province (including ‘Orpaillage activity in the Orientale’ by PACT DRC and Wardell Armstrong), but rather aims to focus on the *current* socio economic impact of orpailleurs and the likely effects of the large-scale project displacing them.

2 HISTORICAL OVERVIEW

2.1 Geography and demography of Watsa territory

Figure 1 Map showing the Watsa territory sub-division

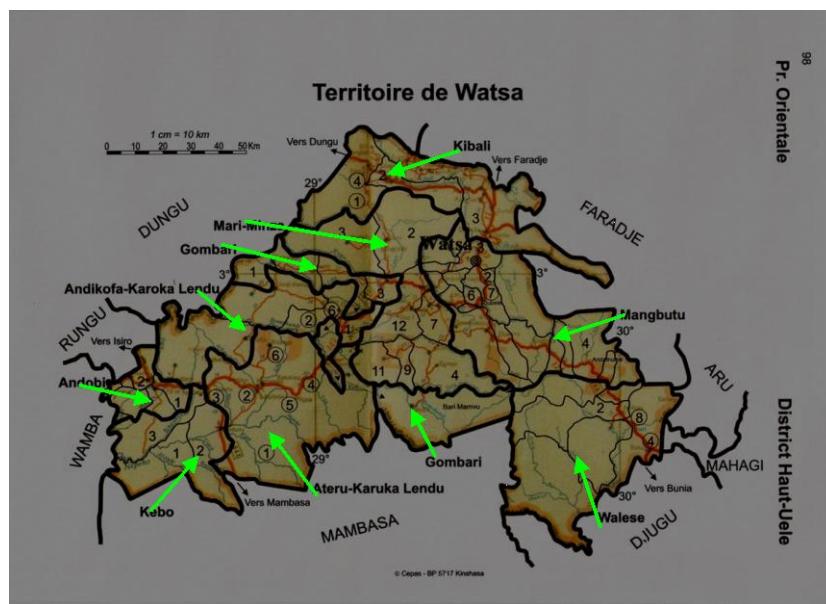
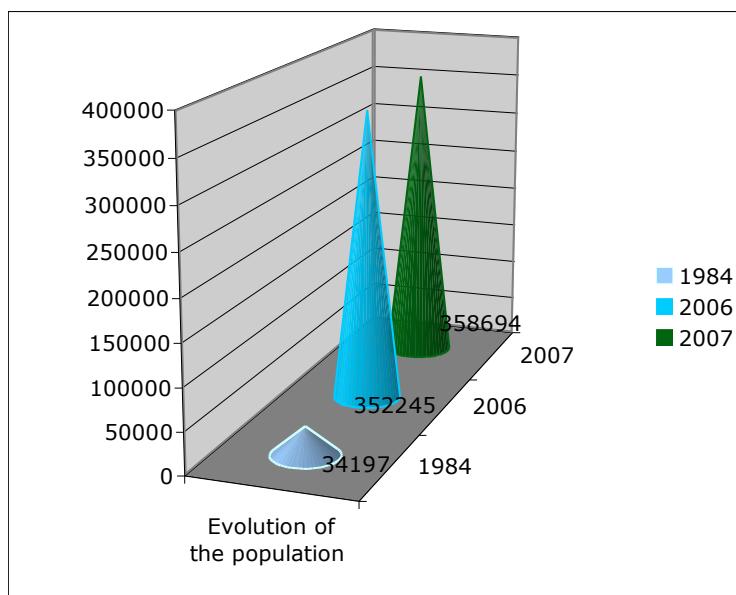


Figure 2 The population growth



Over a period of 22 years the population expanded by 930%. In the last two years the population has expanded by 1.83%. This can be attributed to the in-migration in to the mining zone following the boom in gold trading after the liberalisation of the sector.

Table 1 Watsa populations per sector and chiefdom, (2006)

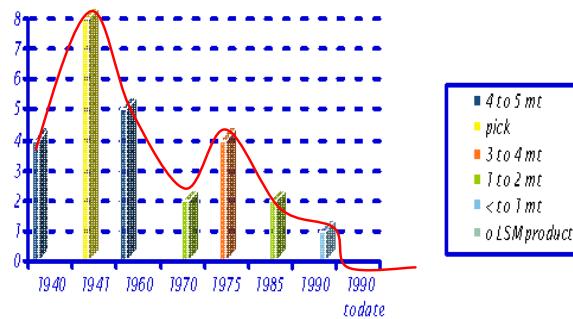
| | |
|-----------------------|----------------|
| Kibali | 38 232 |
| Watsa city | 106 800 |
| Mari-miza | 17 515 |
| Mangbutu | 85 286 |
| Walase | 16 060 |
| Andobi | 39 270 |
| Gombari | 19 212 |
| Kebo | 12 495 |
| Ateru-karuka lendu | 11 171 |
| Andikofa-karoka lendu | 6 206 |
| Total | 352 245 |

2.2 Mining history

Gold mining was practised in the Haut-Uélé and Ituri districts before the colonial period during which time gold was traded to the Buganda Kingdom. In 1903 and 1905 two Australian geologists, on the service of the King of Belgians, discovered gold in chief Kilo's kingdom (Ituri District) and in the Moto river (Haut Uele District) respectively. The Kilomoto Company, created in 1926, exploited the deposit and in 1949 developed the processing plant, securing 83,000km² spread over 3 concessions C38 in the North, C39 in the Centre and C40 in the South.

Colonial exploitation methods were mainly alluvial in riverbeds, and though the techniques were unsophisticated, the average annual production reached to 4 to 5 tonnes of commercial gold (90% pure), with a peak production of 8 tonnes in 1941 (reported to have served as a contribution to the Second World War). The company chose to import labour and as such manpower was imported from Ituri to Haut-Uele and vice-versa in order to maintain high profit margins by preventing workers demanding a return on the profits for their locality.

After independence in 1960, expatriate engineers fled as a result of political instability, leaving no qualified management to run the company. The first team of engineers took responsibility for the company 10 years later. At this time the regime in place was unable to secure investment which would have allowed for the improvement of equipment to help redress the company's poor performance. The production levels of the pre 1960s era continually declined, as did the workers' social and economic conditions. While the company's collapse had effectively reached rock bottom (with production at less than a tonne a year), more problems affected the Kilomoto (renamed Okimo in 1975) during the 1996 and 1998 wars: during which time materials were looted, plant parts were dismantled and scavenged and much of the plant equipment was intentionally destroyed.



Okimo production chart in Metric tones

Quarry and processing areas in the Area

| Quarries / Processing Area | Function | Within Exclusion Zone | ASM Study |
|----------------------------|---------------------------|-----------------------|-----------|
| 45 | Processing Area (Laverie) | Yes | |
| AGBAREBWA | Quarry | No | |
| BAKAKA | Quarry | Yes | |
| CHAUFFEUR | Quarry | Yes | |
| GEKAMINE | Quarry (Carrière) | Yes | ✓ |
| GOBO 1 | Processing Area (Laverie) | Yes | ✓ |
| GOBO 2 | Processing Area (Laverie) | Yes | ✓ |
| GORUMBWA | Quarry (Carrière) | Yes | |
| KARABGA | Quarry (Carrière) | Yes | |
| KOMBOKORO | Quarry (Carrière) | Yes | ✓ |
| MANGAZI | Quarry (Carrière) | Yes | |
| MARAKEKE | Quarry (Carrière) | Yes | |
| MEGE | Quarry (Carrière) | No | ✓ |
| MEGE | Processing Area (Laverie) | No | ✓ |
| MEMEKAZI | Quarry (Carrière) | Yes | ✓ |
| PAMAO | Quarry (Carrière) | Yes | □ |
| SESENGE | Quarry (Carrière) | Yes | ✓ |

2.3 ASM Genesis

The Orpaillage practice has always existed, though on a smaller and more clandestine basis. The local population have memories of the brutal treatment against traders and miners involved in the gold trade during the colonial period and the Mobutu regime. Despite the repressive measures implemented to eradicate the illegal trade of gold, the activity attracted more actors in Bunia particularly in the 1970s due to the network of Nande and Ugandans traders that saw orpaillage as a vehicle to sustain the income of thousands of people.

In 1978 the Mobutu regime proceeded to liberalise the sector. This resolution intensified the practice in the region and during the 1980s miners migrated to haut-Uele for more deposits. Outlets, such as Orgaman, were created to collect minerals produced by the

orpailleurs to channel it into a formal structure which would be accessible to the state income tax services. As a result of the down turn in company productivity allied with deteriorating socio- economic conditions orpaillage rapidly spread to all communities settled within the concession area.

2.4 Okimo title management and challenges

The Okimo licence for concession C38, (the focus of this study) covers the territory of Watsa and extends to the neighbouring territories of Dungu and Faradje. The concession is subdivided into the North, South and periphery sectors through which the company sets up structures of control. Mining sector regulations were enforced after artisanal mining activities had become entrenched within the concession and as a result management of these issues challenged company performance and the regulating laws of the mining code.

After production collapsed, Okimo failed to fulfil its social obligations towards its workers and their communities, or to provide the necessary equipment to sustain production or ensure discipline within its concession. Roughly 60% of Okimo workers are unproductive, and among these are a category of retired employees still awaiting the receipt of pensions. Other retired employees are still awaiting financial gratification awarded at retirement. The lack of employment opportunities within these communities in addition to the increased presence of migrant workers (including traders, miners, and displaced peoples) has resulted in an increase in orpaillage.

A lack of means (financial, personnel and material) has meant that the 90km radius controlled area is increasingly hard to manage exacerbated by a lack of road infrastructure. There is also only very limited surveillance and performance capacity in the further reaching sectors of the North and South. The managements of most sites located far from Doko remain engaged in dispute with local chiefs (in other sites chiefs appoint their relatives by discharging the one installed by Okimo) many of whom try to elicit taxation payments from the miners.

An important part of the concession remains outside Okimo control. In this area state administration and local chiefs do not recognise the Okimo legitimacy over the production.

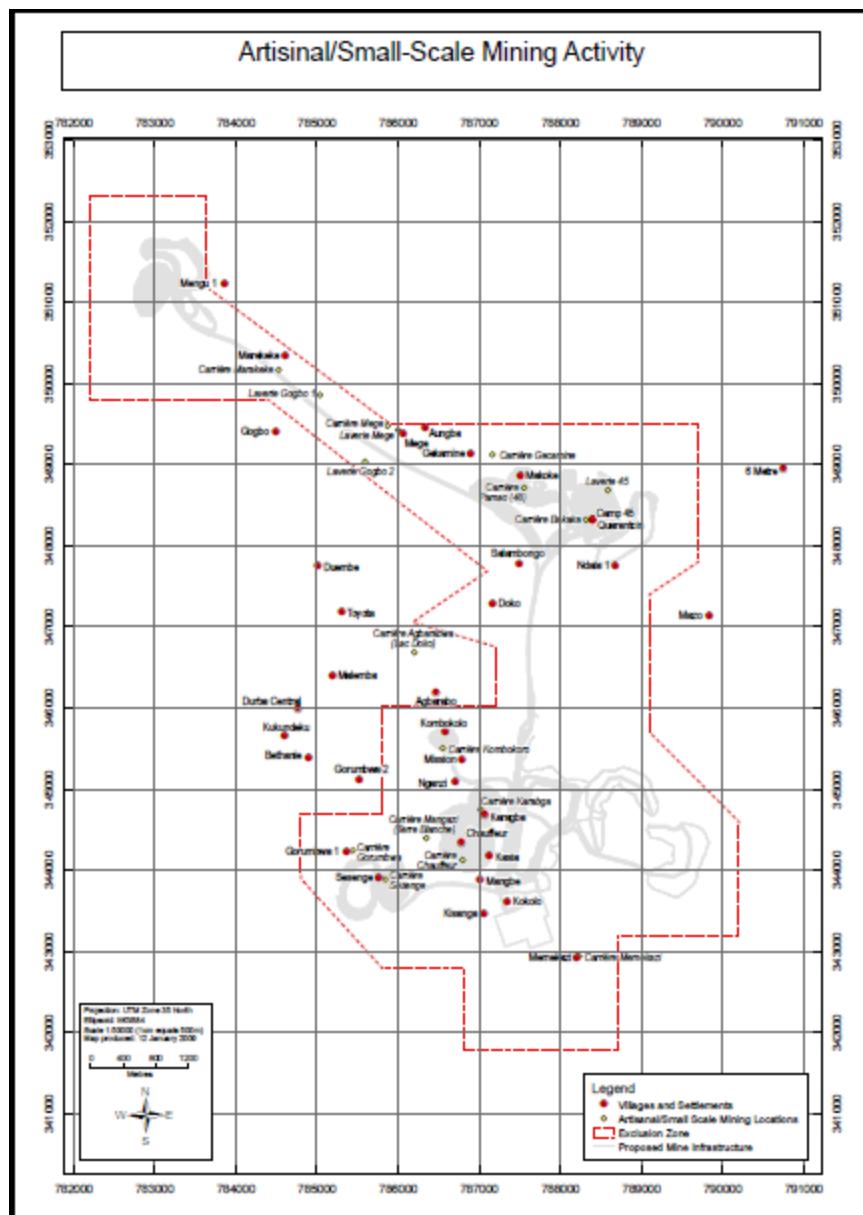
Production table in sites controlled by Okimo.

| Names of sites | 2006 | | Names of sites | 2007 | |
|----------------------|-------------|------------------|----------------------|-------------|------------------|
| | No of sites | Production in gr | | No of sites | Production in gr |
| Doko Periphery sites | 35 | 7559 | Doko Periphery sites | 36 | 6,763.2 |
| Far south sites | 18 | 392.7 | Far south sites | 30 | 689.1 |
| Far north | 9 | 85.8 | Far north | 17 | 186.1 |

| sites | | | sites | | |
|-------|--|---------|-------|--|---------|
| Total | | 8,037.5 | Total | | 7,639.4 |

The variation of the production fluctuates according to the accuracy of finding the ore body, thus the performance varies between 6 to 7 % increase or decrease during the 2004 to 2008 productions. However, 90% of the production is performed in the periphery sites of KCD.

Artisanal/ Small Scale Mining Activity



3 ASM MECHANISM AND REGULATORY CONTEXT

3.1 Legal aspects and governance

The laws and legal texts regulating the artisanal sector have never been disseminated in

the district. There are even Okimo employees who are in charge of subcontracts that have never had access to these regulations. Under the Mining Code, it is illegal for artisanal mining to take place on a concession once a commercial mining title (exploration or exploitation) has been granted to a commercial company. To a certain extent Okimo has legitimised the presence of the Orpailleurs through the subcontract scheme. In this regard it could be argued that the Okimo, has institutionalised itself as a barrier to the application of the mining code. Okimo is unable to disseminate the Mining code and it therefore has remained unknown to all orpailleurs met during the research for this study. The advantage of the Mining Code is the implementation of the SAESCAM services, which provides Orpailleurs assistance during their activity, such as in geology and the provision of equipment to better exploit the ore bodies. In contrast to the legal text, the involvement of SAESCAM on a licensed concession will expose Okimo to more ownership issues whilst being the required way to formalise orpaillage.

In 1999 Okimo established rules of internal conduct as a means of regaining order on its concession and to ensure that it was able to benefit from the production of the mine. This system was based upon a structure of team leaders subcontracting within the company to manage portions of 500m² for artisanal exploitation.

A specific division at Okimo is in charge of the subcontract process and manages the artisanal activity as well as organising the election of head of the sites (sub-contractors). The division works under the Director of Exploitations (the Okimo on site general manager) and is administered by approximately 18 people who are assisted by 6 representatives of the orpailleurs. The aim of the process is to ensure good performance and the collection of royalties.

The subcontractors are elected from the orpailleurs annually and commit to keeping a record averaging 3 kichele (3.68gr) every day which represents the 30% royalty due to Okimo during their exploitations (the rate reaches 15 Kichele [18.45gr] as the production booms). Apart from the royalties the contract and rules of good conduct are very clear on policies relating to discipline within the mine, and environment, health and safety standards that orpailleurs often fail to observe.

There is no contract between Okimo/ subcontractors and the orpailleurs. It is therefore increasingly hard for Okimo to exert authority particularly in terms of the observation of peace, discipline and regular pay of royalties.

There remains instability within the concession as a result of unfulfilled promises made by Okimo in accordance to the contract document, rendering relationships fragile and uncertain. For example, the contract document states that at the end of the exercise, Okimo reallocates 10% of the performed production to each sub-contractor but this is yet to occur. Technical assistance promised has never been provided, instead, the company has been forcing orpailleurs to increase production by imposing daily minimums.

3.2 Orpailleurs profile

Orpailleurs are involved into the informal production and trade of gold in the Orientale province. The number of actors involved in orpaillage is difficult to obtain for many

reasons. First it is related to the flourish of new sites within the large concession which are not controlled by Okimo. These areas attract high levels of in-migration and there are no structures in place to register these. The nomadic nature of orpailleurs demonstrates that they are most attracted by the gold density in a deposit. Since orpaillage is a product of limited employment opportunities, mining sites have become shelters which welcome large numbers of inexperienced people offering poor services and receiving limited earnings in return.

Greed attracts boys aged 6 to 15 into Orpaillage. They are able to do work on the concession either by leaving school or working after class shifts. Families are frequently unable to pay school fees or for the additional needs of their children and children are often given the option to work for their own income.

The estimated number of orpailleurs on Okimo sites is 3,056 people (May 2008 census). This figure could be doubled taking into account the nomadic nature of actors and the influx into booming sites. These sites can become so busy that that gender and age is not an issue superseded by the need for survival.

However gender and child labour is differentiated. Young boys from 16 upwards are more experienced at working underground or within the open pits. Women and children under 12 commonly work at the sluicing ponds either helping an elder brother or husband. Children are more often involved in crushing and washing minerals than women who mainly trade in foodstuffs.

3.3 Structure of production in orpaillage

In sites under Okimo control, the work organisation has two structures: sub-contract and small-scale schemes. In sub contracting structures the elected manager and his assistant of the site pay an admission and deposit fees and are supervised by the unit of sub contracts.

For the small scale scheme, the Okimo Director of Exploitation (DEX) either appoints or has a president elected. This person recruits orpailleurs who will then need to be approved by the Okimo (DEX) who in turn adds a team of Okimo regular employees to co-work with the recruited teams. This structure was instituted to provide an independent income particularly to the children of Okimo employees. The Sub-contract division never records the production of this team.

The production share in the small-scale scheme is 60% to Okimo and 40% for miners. In the sub contract structure the division is made 70% for miners and 30% to Okimo.

The site president or sub-contractor (PDG) manages the mine in the following manner:

a. **Subcontractor named “PDG”:**

Elected from the miners. He is given 500m² to exploit and sets up a committee of 7 people:

- *The PDG* manages the allocation of pits, the washing bay (commonly called workshop), monitors the production and is responsible for all issues on his

perimeter. He is the one in contact with Okimo staff to ensure the royalties are collected efficiently.

- *1 Vice-PDG*: he replaces the PDG when the PDG is absent and manages the sites with him. They manage the financial aspect of starting work at the site i.e payment of all start up fees to Okimo.
- *1 technical director*: he is in charge of measuring the pits for the miners, assures security and safety in the pits; controls the density and grade of gold and advises the PDG or Vice PDG on the closure of any pit presenting an imminent danger.
- *3 counsellors*: are in charge of marketing the business but mainly advise through the management of daily tasks on the site to ensure high production.
- *1 secretary*: he keeps records of daily production, registers when necessary the gangs responsible for pits and prepares any administrative letters.
- *The Disciplinary Brigade* collaborates closely with the committee to settle peace, order and security on the site. The number varies from 4 to 8 depending on the activities on the site.

b. Pits responsibles:

They are the main actors in the exploration and extraction of the ore body. With their recruited gangs, ranging from 4 to 18, the opening and extracting work is carried out. The pits responsibles are charged 5 kichele (6.15gr) to access and open up the pit, payable to the committee when production starts. Other miners pay an access fee value of 1000 Congolese francs (1.7usd); 50% goes to the state local administration and the rest to the committee.

c. Transporters, lifters:

These are independent teams of 4 to 8 people per pit, organised to transport ores to the washing bay and earn 0.5 usd per gag (a bag contains 10 spades \pm 30kg) Depending on the sites, specially underground, a team of up to 6 lifters in a pit, lift up ore minerals from depth of the gallery as it is being extracted by miners. They earn 20 spades (60kg) from the ores produced during their shift.

d. Sluicers

These teams wash and pan minerals and are independent from the mining and transporting teams. They comprise between 3 to 5 people. The competition is high and depends on the relationship between the pond managers and the gangs in the mines, hence the stronger the relationship the higher the income.

e. Traders:

On the mining site, traders are identified as those selling commodities, and lending money to orpailleurs; some are middlemen between the miners and the exporters who trade gold out of the territory. Traders often provide debts for the miners (valuated in gold), this way they are guaranteed to obtain gold at production.

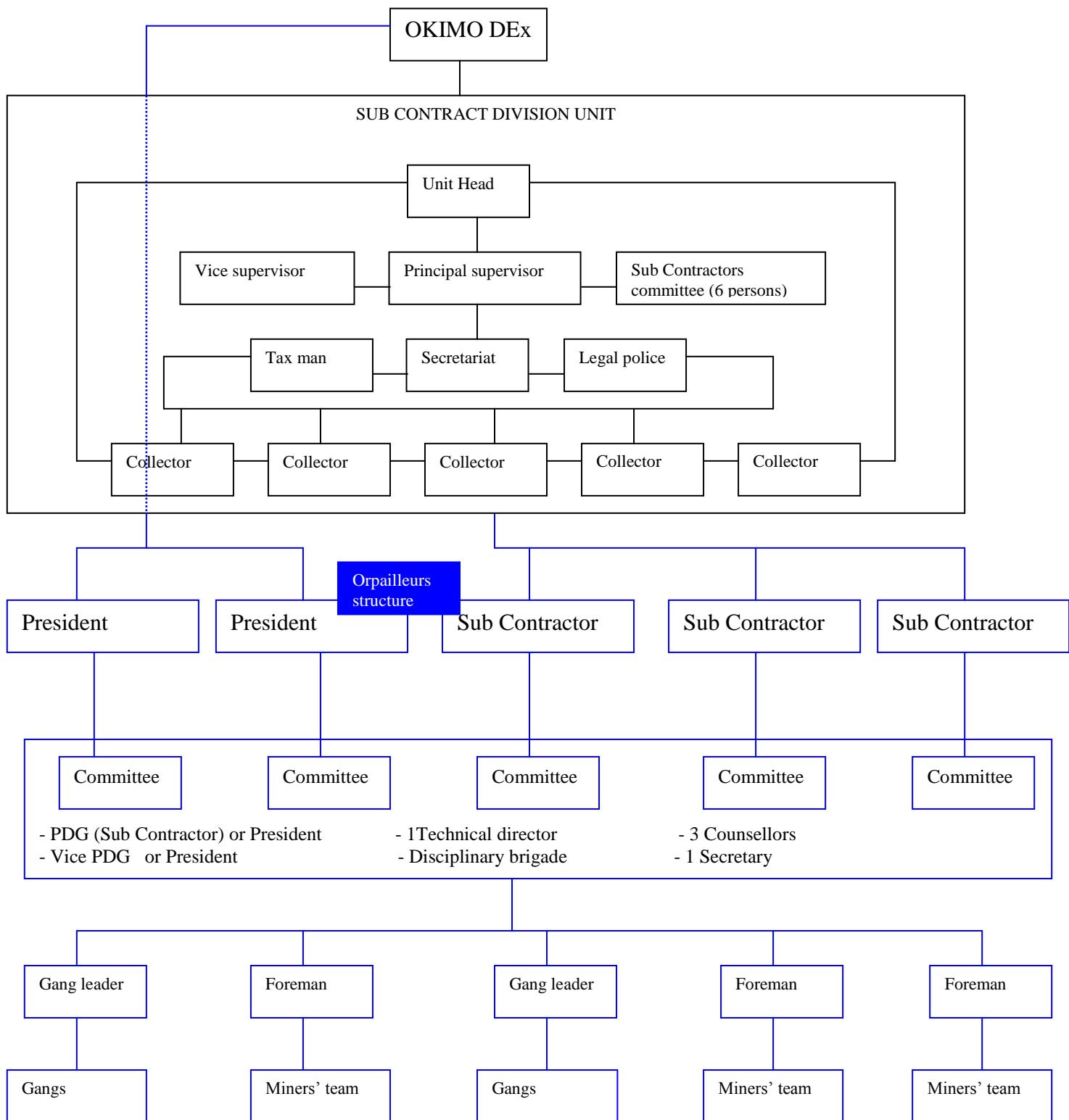
Sponsoring the production of gold is also complex since a team can get debt from more than one dealer. In the KCD area the study found find some pits responsibles and

members within the committee sponsoring exploitation but not working in the mines; others are miners themselves.

The methods of exploitation are either in galleries or bedrock on different types of rocks. All 14 sites visited are characterised by a lack of appropriate tools and specialised technical assistance to guide miners in identifying the ore bodies, therefore exploitation is conducted blindly. In every site several pits are abandoned because miners failed to hit rich ore bodies or as a result of landslides. Such incidents render the hard labour carried out after months wasted which results in huge financial losses. This is most frequent in the rainy season.

Production is a result of human efforts carried out using rudimentary tools to dig up to 20m in depth. The method is very exploitative and produces less in relation to the effort and finance invested in the process.

Figure 3 Organisational structure of the ASM in OKIMO controlled sites



3.4 Issues

The procedure to manage a site has been made flexible through the payment of an imposed fee for PDG. For other orpailleurs access is negotiated with the site managing committee usually upon the payment of some fee. .

Cohabitation between the diverse ethnicities found within the concession, particularly in the KCD Durba and Watsa city (where most migrants are found) is friendly. Eligibility to enter the mine is conditional upon the physical aptitude and experience of applicants. Sites managers usually avoid those identified as ex-combatants or demobilised soldiers.

Issues of debt bondage are common difficulties to solve when a project is abandoned or does not reach its expected result.

The longer it takes to reach the ore body the more expensive it is to maintain the team in terms of daily food on site, extra stimulators (cigarettes, marijuana, alcoholic beverage) and even weekly food rations to the households.

On most sites visited, there were far more sterile and buried pits than productive ones. In all sites visited 80% of pits were not functioning and other sites were completely deserted. In such situations, teams have been abandoning their pits or even the site, fleeing to other productive ones in the hope that they will be able to generate greater revenues which they will be able to reinvest in the previous pit or allow them to pay any debts accrued. In other cases, the responsible of abandoned sites is left with the burden of paying back debts. According to the rules of interior conduct, a pit cannot be out of operation for 8 days at which point a formal explanation must be given to the committee. After six months of being abandoned no one can claim ownership of a pit regardless of the extent to which he had worked on it.

The lack of assistance (technical, administrative) and formal structures governing orpaillage activities, such as associations, has increased the freedom with which state administration services, the army and police are able to extort money from orpailleurs on sites and make arbitrary arrests under the pretences of regulating exploitation and investigating accidents.

4 SOCIO ECONOMIC IMPACT

4.1 Orpaillage and community livelihoods

The inactivity of Okimo, the only company in the territory with the ability to create employment opportunities, has forced inhabitants to rely on orpaillage. The company has been unable to provide social assistance or alternative and sustainable livelihoods. Economic improvements within the territory therefore rely on orpaillage, which has for provided a form of sustainable livelihood for those communities living in this territory.

The primary economic livelihood within the area is orpaillage and is practised by 75% of the active population. Every household runs an activity connected to orpaillage. The

migration influx is motivated by orpaillage and as inflation increases, the sector is becoming more important within the territory. Compared to any other livelihood in the area, this sector provides actors an assurance of earning something.

Trade is considered the second most significant economic livelihood through which households secure their daily income. This refers to all actors selling commodities in boutiques and kiosks, hawking in mining sites or brewing local beers.

Agriculture is the third most significant form of livelihood in the area and is the traditional income for families. Since most men have lost interest in the sector, it is predominantly practiced by women and men of advanced ages. Production is maintained on a small portion of the land and focuses on rice, maize, cassava, beans and potatoes.

The territory of Watsa is totally inaccessible and is located 180 km from Aru town at the Uganda D.R.Congo border; 400km from Bunia and 300 km from Isiro. The road infrastructure to these major cities is in very bad condition, and hardly accessible towards Aru town which takes almost 3 days to reach by vehicle and one day by motorbike. The way to Bunia is almost impossible to drive through and it takes several days to get to Isiro. All these factors influence inflation on consumer products and inhibit agricultural production. Few households can afford to travel to diversify their livelihoods, market their produce or access competitive markets.

4.2 Value chain in orpaillage

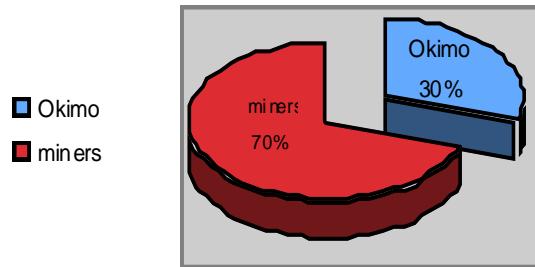
The value chain involved in gold production is very complex, akin to the production itself. It is therefore difficult to quantify actors' income on a regular basis.

The average concentration in producing sites visited is reported to be 3 matches or 0.3gr (12 matches=1 kichele=1.23gr) for 10 spades of ores (spade is the weighing standard. 10 are about 30 kg), and the production can reach 30 to 50 gags in every 24hours.

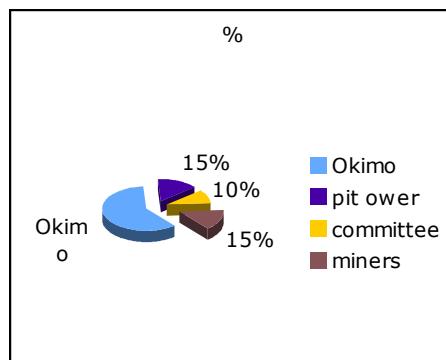
The extracting teams are large when an ore body is hit, and the first round is extracted to pay incurred debts. The second round is prioritised for the team of gangs that opened up the pit. After solving the two principal bondages the responsible of the pit comes in with his team to extract. He is now ruling the pits but on a temporary basis because the PDG has a right to ask for a round for himself. During the coming days local authorities will ask for a round also. The gangs will then come back again,

At the washing bay the tailings are left to the owner of the pond as payment for the service, after the first or second round of concentrates is retrieved. The tailings contain 3 to 4 times less gold than in the initial concentration. If the gold concentration is 5 matches per bag then sluicers will retrieve 2 matches in 4 bags.

In many sites it had been declared that every miner works hard every day to gain 5 to 10\$ and the sluicers will make an effort to record 3 to 5\$ at the end of the operations.



Sub contracting division



Small scale division

The OKIMO royalties are paid at the washing bay after every actor amalgamates the gold. The PDG and Okimo collectors monitor the process at all levels. Okimo has rights to 30% of the amalgam and the team shares equally the remaining 70% for the sub-contract system or alternatively 60% to Okimo and 40% to miners in the small-scale system.

The Disciplinary Brigade is paid 200 fc (0.33\$) per day for each operational pit and pond concerning those mines within the KCD site; at KCD they are included in the committee structure for the sharing of the outcome.

The involved expenses are those related to sites access and equate to 5 kicheles (=100\$) for the responsible of the pit, 1.7\$ for other miners and tools expenses (spades, mining bar, hammers, torches and batteries, plastic basins) to be provided by the sponsoring responsible of the pit. Mercury is sold on site in cc using a syringe; 1cc costs 2500 fc, (=4 us\$) Food is the most expensive, and the longer the task delays the more the expensive the project will become. During the opening stage, miners have the right to two meals a day. For example in Karagba and chauffeur each miner eats 2 measures of rice and one measure of beans per meal (the measure is a glace and is approximately 0.25gr so it's about 1kg rice and 500gr of beans per day). Some orpailleurs use water pumps to evacuate water from the galleries but maintenance and fuel costs become high as water keeps on emerging from pits every morning.

Concerning environmental issues, the land in the mining sites is never reclaimed rendering it

unusable for other purposes such as agriculture. The open pits are never covered and have no indicating signage, making the zone extremely hazardous for human and even animal movements.

Other common characteristics of the artisanal mining sites in the Okimo concession is the sanitation; none of the sites have a proper sanitary facility or water management systems leading to the spread of infectious deceases and contamination. In general environmental policies are not observed in this zone and have lead to the degradation of land use in ASM areas.

4.3 Marketing, pricing and trade routes

Traders are usually those who have regular cash from the sale of their commodities in the city and around the mining sites. Many people from Okimo, and Borgakim as well as individual administrative officials are involved in the sponsoring of pits.

The financing system allows sponsors to keep good relationship with miners to buy their gold after reimbursement of the dues.

This competition created a class of middlemen and commissioners being given a permanent amount of cash to circulate within the mines to collect gold from miners who wish to sell immediately. There is a 25% difference in price between the cost of gold in the mine and in the city.

Orpailleurs face illegal taxation by local administrations and chiefdoms in addition to Okimo structure fees.

The main taxes are:

- Income tax: 200\$ / year (by committee)
- Provincial tax: 50\$/month + 20\$ transport for tax collector (by committee)
- Traditional chief tax: 50\$ / year (by committee)
- Traditional chief tax: 3.5usd (2000Fc) per miner
- Land Right to traditional chief: 2.5 kichele (3gr) /year
- National intelligence agency: 50\$/year
- Territory tax: 50\$/ year (by committee)
- Okimo admission fee: 50\$ / year (by PDG)
- Okimo Administrative fee: 25 kichele=31gr (by PDG)/year

Despite the non accessibility of the area, traders manage to get their gold out of Watsa by road to the city of Aru using motorbikes at a cost of 80\$ per trip or by vehicle at a cost 50\$. The Nandes business network has organised SETRACA air charter that fly regularly between Doko and Butembo. As described before, traders are any economic operator that supply commodities within the mining zones and who can be part of a financing network aiming to collect gold from different sites for large export purposes. Main transit points are Aru city and Butembo for export to Asia and Kampala. Very few quantities of gold pass through Isiro because the area is inaccessible by road there is little air traffic.

5 PERCEPTIONS AND EXPECTATIONS OF MOTOGOLD PROJECT

5.1 Perceptions and expectations

Considering the social conditions in Watsa and particularly that of Okimo workers, large-scale exploitation is everywhere and accepted in the area as it brings in local development and an improvement in social conditions. The work carried out by miners is normally done by machines but as a result of other job opportunities many struggle to keep themselves productive. For many, orpaillage is not the first choice of livelihood but rather the only way to survive. Professional orpailleurs accept the project on one side seeing that social infrastructure will be developed. However they are also suspicious as to what alternatives to their livelihood will be provided.

Conclusion

The increased population in the area is a result of the importance and viability of income from gold production.

Acknowledging the 30% royalty recorded at Okimo it is possible to estimate the production of artisanal mining in sites controlled by the company. Livelihoods and dynamics inside communities are sustained by orpaillage. Other sources of income such as agriculture rely on the orpailleurs as their main consumers; this is also true of the traders operating in the area. In 2006 orpailleurs produced: 24 112kg; 2007: 22 918kg and in the 9 months of 2008: 15 579kg, 90% of which was produced in the periphery sites of the KCD. The site is regularly frequented by a minimum of 1 173 orpailleurs from different regions but mainly from the Burba centre and the Okimo camps.

KCD is the area most affected by delocalisation. Community ills (theft, banditism, alcoholism, militia tendency) that were mitigated by orpaillage will re-emerge if the company is not able to find easy exploitable resources to offer as alternative livelihoods for affected populations.

The development of the project in other aspects will rejuvenate the economy of the territory through formal employment and attraction of secondary opportunities. Its implementation will require social, road, energy and water infrastructures that will be profitable to the populations and used as a baseline for the local administration to expand in view of attracting diverse investments and micro projects.

Orpaillage has contributed to the alleviation of poverty since the time Okimo ceased functioning and should be supported to become a formal professional structure to diversify income and create independent wealth inside local communities.

5.2 Recommendations

- Okimo should plan exploration activities early to ensure that it agrees on a deadline for artisanal evacuation while providing benefits to exiting artisanal miners in advance such as the cancelling of royalty payments to enable miners to build up capital reserves ahead of the project development and the loss of livelihoods.

- Motogold and Okimo should liaise with local organisations and CASM to assist artisanal miners formalise and adhere to responsible exploitation standards.
- Motogold will be unable to offer employment to all artisanal miners. It will need therefore to create training opportunities to support miners in seeking alternative livelihoods. In addition Motogold should limit mechanisation where possible including within the development of physical infrastructure thus increasing the number of available jobs.
- The forestry and timber industry should be exploited as an alternative form of income and livelihood. Timber will be needed for community purposes and for the development of the project.
- The company should attract investors in the large-scale production of agro food as the soil is favourable for a large variety of crops. Motogold should also assist resettled communities build internal capacity and set up associations to enable the diversification into commercial agricultural produce such as food and vegetables.