

# **COMPENSATION GOVERNANCE FRAMEWORK: THE PERCEPTIONS OF COMMUNITY MEMBERS IN SELECTED MINING COMMUNITIES IN AHAFO REGION, GHANA**

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## **ABSTRACT**

Land acquisitions for mining activities often threaten agrarian livelihoods thereby triggering social unrest in mining communities. Community members' protest for rights and service-based benefit sharing mechanisms of mining resources remained linked to matters of both procedural and distributive justice. While these social unrests continue unabated, this study examined the perception of mine affected community members on the governance framework for compensation assessment and payment. Using two resettlement communities within the Newmont Ahafo South mines catchment as a case study, data was gathered from 115 affected persons and 5 community representatives on the compensation negotiation committee through a mixture of interviews, questionnaires and focus group discussions. The results suggest that good governance was largely observed in the study areas albeit weakly implemented - characterized by unsatisfactory adjudication outcomes, delay in compensation payment, lack of transparency with revenue from mining royalties and design of social support programmes, and weak capacity of local community representatives on compensation negotiation committees. The affected community members viewed the governance structures for compensation assessment as inadequate in supporting livelihood diversification and resilience. The study underscores the need for full commitment to the regulatory standards on land acquisition and compensation payment process by the mines and the relevant regulatory bodies. There is also the need to allow for more inclusiveness in the design of social support programmes and the use of mining royalties.

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## 1. INTRODUCTION

The global surge in demand for land for biofuels and mining by both national and multinational companies continues to exacerbate local households' land right vulnerabilities (Aha & Ayitey, 2017; Kidido et al., 2015). With these increased land-based investments, access to and control of land have become intense with numerous contestations in West African countries (Berry, 2008). This presents a hastened risk on private land ownership rights especially among indigenous and usufructuary rights' holders. For mining communities, the land dispossession phenomenon is convoluted with the intersections of place and scale which are both globally and locally facilitated (Andrews, 2018). At the local level, large productive lands have been taken from rural people and given to investors with little payment of compensation and no commitments to preserving traditional rights (ElHadary & Obeng-Odoom, 2012). At the global front, neoliberal policies and land policy programs designed by donor agencies like the World Bank and International Monetary Fund tend to support individualization and privatization of land ownership. Either local or global, these trajectories gave rise for class interest by state's elite groups, transnational companies (who connive with state and traditional actors) to grab land through the growing menace of land commodification and privatization by means of compulsory acquisition, title registration, and foreign investment in land (ElHadary & Obeng-Odoom, 2012). Yet whether land dispossession through territorialization, legalization, and violence or in place and scale, the interaction of global and local triggers are not mutually exclusive and does not always guarantee procedural or distributive justice in the management of mineral revenue. These renewed competitions for land and its resources have result in many conflicts among various social factions (Hilson, 2002).

The conflict dynamics in mining communities manifest in various forms. Community members often protest and oppose mining activities largely due to compensation issues and environmental concerns (see Arce & Miller, 2016; Hilson, 2002; Hilson et al., 2007; Hilson & Clifford, 2010; Mohammed-Nurudeen, 2021). It is noted that the mining companies and state engagement with locals are often not transparent (Boakye et al., 2018). Studies by Bugri & Kumi, (2018) and Ayitey et al., (2011) identified legislative and procedural inadequacies for compensation of individual land rights and common property resources as a major source of contestation between mining companies and their host communities. Till date, no provision has been made for payment of compensation for communal rights or common resources. Besides, under regulation 1 of the Minerals and Mining (Compensation and Resettlement) Regulations, 2012 (L.I. 2175), a mineral rights holder is enjoined to give notice to any person with interest or right in the land over which the mineral rights are granted for appropriate compensation to be paid. Also, regulation 6 of L.I 2175 of the Minerals and Mining Act, 2006 mandates a holder of a mining lease to provide alternative suitable land for resettlement of inhabitants where the mining operations leads to displacement. Yet, growing evidence suggest that meeting the legal requirement of paying compensation (cash or resettlement) is not enough for a peaceful coexistence between the mines and communities (Moffat and Zhang, 2014). In sum, community members' protest to demand for rights and services as benefit sharing mechanisms of mining resources remain highly contested (Arce & Miller, 2016).

In the midst of these growing tensions, it has become imperative to explore the perspectives of the stakeholders, especially community members, on their perception on the governance

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framework for compensation assessment and payment. This investigation is particularly justified because of the fate of the people – their livelihoods and property rights since they are the main cause of these agitations (Peters, 2012). This study is further ignited by the differential power layers and actors that subject some parties to exclusion in the compensation regime. Therefore, since rights-based and service-based protests in mining communities are respectively a matter of procedural justice and distributive justice (Arce & Miller, 2016), it has become necessary to examine the perception of community members on the governance framework of compensation assessment and payment under the Ghanaian mineral extraction regulatory regime. The first part of the paper sets the background context and purpose of the study. It then reviews literature by focusing on compensation payment framework and the emerging concerns. The rest of the paper presents the methods, results and discussions, and conclusion.

## **2. A REVIEW ON COMPENSATION PAYMENT FRAMEWORK AND THE EMERGING CONCERNS**

The Ghanaian laws on compensation require for prompt payment of compensation (in the form of a lump sum cash) and resettlement, in instances where an acquisition causes displacement, to the affected persons. However, the question of monetary compensation and using the ‘market value’ as the basis for compensation payments have come under intense scrutiny (Bugri & Kumi, 2018; Kabanga & Mooya, 2018). The ontological and methodological procedures that land value must be quantifiable and payable in monetary terms is problematic for covering common resources and interest in land. Common resources, regardless of their economic nature, are natural resources over which numerous users exercise property rights (Cotula, 2004). These common resources include but are not limited to water bodies, forest products, wildlife, pasture and wide other generic community uses of land. For the Ghanaian context, legal principles for compensation assessment for common resources remain inadequate and unavailable. For instance, rights to collect snails, mushroom, medicinal herbs and hunting are curtailed when land is expropriated but are hardly recognized in the current compensation regime (Bugri & Kumi, 2018).

Other scholars have therefore argued that compensation measures must envisage resource ownership beyond property rights (Kabanga & Mooya, 2018). Studies observed that without a clear cut legal and regulatory framework, stakeholders are prejudiced with normative value judgements with no standards for compliance, contestation on the rightful recipients of compensation claim, and methodological inadequacies (Ayitey et al., 2011; Bugri & Kumi, 2018; Kidido et al., 2015). Amponsah, Eves, et al., (2022) observe that variations in the valuation methods and coupled with macro and micro instability of economic indicators such as exchange rate depreciation and inflation have worsened the living standards of people in mining communities. Though Treasury Bill (TB) is always used as the interest rate to counter inflation, earlier studies by Bugri & Yuonayel, (2015) have echoed the inappropriateness of this mechanism. In fact, compensation assessment is limited and does not account for any future beneficial user rights to receiving compensation for lands which are permanently damaged by mining practices (Amponsah et al., 2022). Previous studies have remained conservative without expanding the frontiers to understand from the communities’ perspective how compensation mechanisms can be designed to improve their standards of living.

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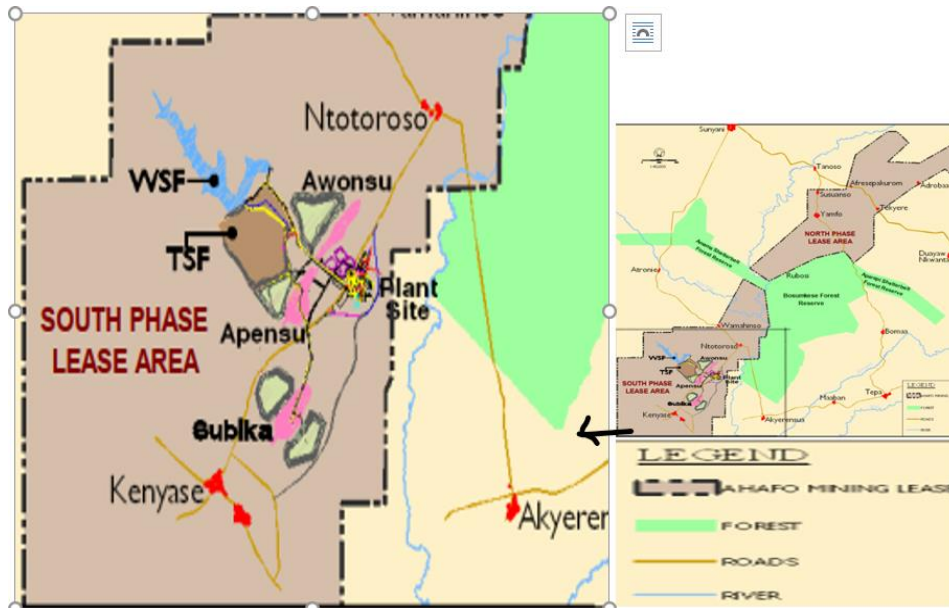
Underscored by Peters' fate of the people Bugri & Kumi, (2018), investigated the community perception on compensation practices with focus on common resources. Earlier, Ayitey et al., (2011) and Kidido et al., (2015) compensation practices on the head claim of land use deprivation with the former focusing on the law and practice and later looking at the rightful recipients under such claims. These studies observed that without a clear cut legal and regulatory framework, stakeholders are prejudiced with normative value judgements with no standards for compliance, difficulty and contestation on the rightful recipients of compensation for the head claim, and methodological inadequacies.

As stated earlier, the growing menace of unrest and agitations in mining communities signifies that monetary compensation is not enough for promoting good relationships among actors in the industry. Many studies have corroborated the need to move past the monetary payment mechanism and to explore other mechanisms like corporate social responsibility and other community benefit sharing mechanisms (Kabanga & Mooya, 2018; Olapade & Ojikutu, 2022). Essah & Andrews, (2016) investigated sustainability practices in mining communities by drawing on the '(de)linkages' of the concept of sustainability and corporate social responsibility (CSR). Their studies revealed that CSR projects in Ghana are disjointed in nature with limited focus on developmental and social projects. The study underscores the need for research into benefit sharing and public participation mechanisms in CSR policies that aligns with the future of companies with that of the local communities. Mining companies remain insufficient in coordinating the destructive displacement caused by them but focus merely on land reclamation activities (Essah & Andrews, 2016). This clearly underscores that mining companies are not philanthropic entities but engage mainly on commercial and profit terms with African (Hilson, 2002). It is therefore important to engage with the mines with a business mindset by making provisions that mandates CSR and setting mechanisms and guidelines for its implementation. Till date, there is no law that makes CSR mandatory for mining companies to follow in Ghana. Mining companies undertake these activities at their own discretion. Abuya, (2016) argues that there should be a paradigm shift from corporate responsibility to 'reciprocal responsibility' as an avenue for reducing conflicts between mines and host communities. This is particularly important for the Ghanaian case as many mining communities are under intense surge with growing unrest, livelihood transformation, and agrarian change with increasing gaps of poverty between community and mines, and between vulnerable groups and chiefly actors. This is so because, the question of land grabbing is organically interwoven with forces of globalization and capital accumulation and centered on narratives of the state and traditional authority actions and inactions which sort to protect the interest of trans-national companies leaving the ordinary customary owners with no hope (ElHadary & Obeng-Odoom, 2012).

### **3. RESEARCH METHODS**

The question of intergenerational equity, compensation and mining resource management is nuanced and therefore required an in-depth study. The case study approach is used to provide an in-depth examination (Neuman, 2014) of the subject. Newmont Ghana Gold Limited of the Ahafo South Mines was purposively chosen for the study. The Ahafo South mines traverses the Amoma Shelterbelt/Bosumkese Forest Reserve on the north and east; the communities of Kenyasi No.1 and Kenyasi No.2 on the south; and the west is bounded by the headwater of

Subri and Awonsu drainages (see Figure 1 for details). This study focused on resettled communities within the Ahafo south enclave of the mines: Ola (Kenyase No-2) and Ntrotroso.



**Figure 1: Map of the Study Area**

Redesigned from Newmont Resettlement Action Plan, 2009

The study is descriptive in nature, drawing on both the qualitative and the quantitative research approaches. The questionnaire used in this study contains both closed and open-ended questions. Governance indicators on compensation management were measured using a Likert scale designed questions. The major themes for the engagement on the governance framework relied on the analytical framework developed by Asiama, (2015) as depicted in Table 1. Asiama’s analytical framework covered four main good governance indicators and principles for assessing compulsory land acquisition and resettlement. Specific statements were then developed along these four main areas to reflect the focus of the study (see Table 1 for the details) and the perception of respondents measured on a 5-point Likert scale. A total of 115 affected persons in Ola Resettlement Community (Kenyasi No.2) and Ntrotroso Resettlement were interviewed at the household level using convenient sampling approach. Again, five community representatives on the compensation negotiation committee were purposively selected for a focus group discussion.

The responses to the Likert scale questions were analyzed based on the means and the relative importance index (RII). The mean analysis focused on the mean, standard deviation and sample variance of the Likert responses. On the 5 point-scaled responses, the median response is 2.5 and the mean is the sum of the response for each statement divided by the total responses for that statement. Therefore, it was assumed that any respondent that is neutral to a particular statement would have a median score (see Bugri, 2008). As explained by Ahadzie, (2007), the mean analysis of Likert scale responses presents a natural ranking but with limited clear opportunity to visualize the ranking especially when the mean scores are the same. Yet, a statement with the lowest standard deviation remains significant in the ranking index.

**Table 1: Analytical framework on Governance Indicators**

| <b>Governance Parameters</b>        | <b>Description</b>  | <b>Constructed Statements</b>  |
|-------------------------------------|---|--|
| Equity, Rule of Law,<br>and Justice | Fair and adequate compensation,   | 1. All interest and rights were recognized and compensated<br>2. Compensation was adequately and promptly paid.  |
|                                     | Livelihood and equal treatment of parties   | 3. Mechanisms for reporting complaints were available and accessible.  |
|                                     | Fair and accessible dispute resolution mechanisms   | 4. Grievances of expropriators were addressed in a fair and just manner.<br>5. Grievance redress mechanisms are readily available and accessible   |
| Public Participation                | Involvement of actors in decision-making process  | 6. Expropriators had adequate representation to negotiate for compensation.<br>7. Expropriators' representatives act in their interest.<br>8. Expropriators were educated on laws of acquisition |
| Transparency<br>&<br>Accountability | Openness of process,<br><br>Access to information,<br><br>Responsibilities and accountability | 9. The mining company provides social amenities<br>10. The mining company provides livelihood support systems for community members<br>11. Royalties paid are used to provide social amenities   |

**Source: Adapted from Asiama, 2015**

Therefore, the relative importance index was used to supplement and serve as a comparative ranking tool. The RII was estimated using an adapted formula from (Owusu-Manu et al., 2015) as:  $RII = \frac{\sum R}{HN}$ , where, R= the rate on the 5-point Likert scale given to each statement by the

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respondents, ranging from 1 to 5; H= the highest Likert scale value (i.e. 5 in this study) N= the total number of samples. (i.e. 115). These analyses were then correlated and triangulated with the responses from the open-ended questions and the focus group discussion to provide textual meaning to the quantitative information.

## 4. RESULTS AND DISCUSSION

### 4.1 Selected Demographic Characteristics of the Respondents

Table 2 presents a summary of the demographic variables of the survey participants. The results revealed that the majority 38(33.0%) of the respondents were within the age group of 41- 50 years. In terms of gender 58 (50.4%) of the respondents were males while 49.6% were females. The results further show that majority (74.8%) of the respondents were married. On the educational status, the results revealed that majority (38%) of the respondents had education up to JSS/Middle school, 37(32%) had no formal education and 20(17%) had SHS/Technical education. A small proportion 3(3%) of the respondents had tertiary level education. Regarding community membership status of the respondents, about half, 58(50.4%) out of the 115 respondents were indigenes and 57 (49.6%) migrants (see Table 2).

*Table 2: Demographic Features of the Respondents*

| <b>Description</b>                 | <b>Frequency</b> | <b>Percentages</b> |
|------------------------------------|------------------|--------------------|
| <b>Gender</b>                      |                  |                    |
| Male                               | 58               | 50.4               |
| Female                             | 57               | 49.6               |
| <b>Total</b>                       | <b>115</b>       | <b>100</b>         |
| <b>Ages</b>                        |                  |                    |
| 20 or below                        | 4                | 3.5                |
| 21-30                              | 12               | 10.4               |
| 31-40                              | 28               | 24.3               |
| 41-50                              | 38               | 33.0               |
| 51-60                              | 15               | 13.0               |
| Over 60                            | 18               | 15.7               |
| <b>Total</b>                       | <b>115</b>       | <b>100</b>         |
| <b>Marital Status</b>              |                  |                    |
| Single                             | 18               | 15.7               |
| Married                            | 86               | 74.8               |
| Divorced                           | 5                | 4.3                |
| Windowed                           | 6                | 5.2                |
| <b>Total</b>                       | <b>115</b>       | <b>100</b>         |
| <b>Educational Level</b>           |                  |                    |
| No Formal Education                | 37               | 32                 |
| Primary                            | 11               | 10                 |
| JSS/Middle School                  | 44               | 38                 |
| SHS/Technical                      | 20               | 17                 |
| Tertiary                           | 3                | 3                  |
| <b>Total</b>                       | <b>115</b>       | <b>100</b>         |
| <b>Community Membership Status</b> |                  |                    |

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|              |            |            |
|--------------|------------|------------|
| Indigene     | 58         | 50.4       |
| Migrant      | 57         | 49.6       |
| <b>Total</b> | <b>115</b> | <b>100</b> |

**Source: Field Data, (2021)**

## 4.2 Compensation Payment and Governance Mechanisms

The perception of community members on the governance processes in compensation determination and payment were measured through multiple stages. The study first sought to understand the perception of respondents on governance indicators that cover equity, rule of law and justice, public participation, transparency and accountability as shown in Table 1. The standard deviations for the indicators were fairly distributed between 1.17-1.37 (see Table 3). This suggests that the variability of the scale rating was low. Thus, the mean values do not vary much from each individual respondent's rating of the governance statements. The result from the standard error was also low, suggesting that each individual response is consistent with the population mean for all the variables of the study (see Ahadzie, 2007). Table 3 further shows the relative importance index and ranking of the governance practices in the study area. The analyses of the results are presented under the major governance indicators as follows;

With the 'Equity, rule of law and justice' governance indicator, the focus was on the compensation sums and the applicability of the law in ensuring equity, fair and prompt payment of compensation. The first step was to examine the nature of compensation received by the respondents. The results show that all the respondents received one form of compensation or the other; which include either cash payment or resettlement package or both. Out of the 115 respondents, 107(93%) received monetary compensation. Only 8(7%) did not receive cash compensation. The adequacy of the compensation was then ascertained from affected community members. As high as 75(65%) of the respondents said that the compensation was not adequate while 40(35%) were satisfied with the compensation package. The statement: '*All interest and rights were recognized and compensated*' was ranked first with a mean score value of 3.45 and a RII of 0.69. The standard deviation is 1.17 which is low suggesting the responses were fairly distributed around the mean score. Yet, the indicator on '*compensation was adequately and promptly paid*' was ranked 5<sup>th</sup> with a mean score of 2.98 and a RII of 0.60. Though the mean score is above the benchmark value of 2.5, the ranking position suggests the implementation strategies for ensuring prompt and adequate payment compensation were poorly executed. Thus, land owners' rights and interests were recognized but were either poorly compensated or undervalued. This is because the majority of the respondents (65%) were of the view that the compensation was inadequate. This outcome could be ascribed to the lapses in compensation assessment procedures. Further analyses of the qualitative data from the interviews corroborate these findings. For instance, from the focus group discussion, one of the community representatives noted:

“The food crops and vegetables are not compensated like the cash crops. The problem is with the valuation methods. If you have mixed crops, say cocoa and plantain, which is five acres, the cocoa is valued at the five acres but the plantain will not be up to the five acres” (32-year respondent, Focus Group Discussion).

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**Table 3: Expropriator's Perception on the Governance Practice of Compensation Payment**

| <b>Governance Parameters</b>     | <b>Constructed Statements</b>   | <b>Rank</b>      | <b>Mean</b> | <b>Standard Error</b> | <b>Median</b> | <b>Standard Deviation</b> | <b>RII</b> |
|----------------------------------|---|------------------|-------------|-----------------------|---------------|---------------------------|------------|
| Equity, Rule of Law, and Justice | All interest and rights were recognized and compensated                       | 1 <sup>st</sup>  | 3.45        | 0.11                  | 4             | 1.17                      | 0.69       |
|                                  | Compensation was adequately and promptly paid                                 | 5 <sup>th</sup>  | 2.98        | 0.11                  | 3             | 1.23                      | 0.60       |
|                                  | Mechanisms for reporting complaints were available and accessible             | 3 <sup>rd</sup>  | 3.09        | 0.12                  | 3             | 1.29                      | 0.62       |
|                                  | Grievances of expropriators were addressed in a fair and just manner          | 10 <sup>th</sup> | 2.47        | 0.11                  | 2             | 1.22                      | 0.49       |
|                                  | Grievance redress mechanisms are readily available and accessible             | 7 <sup>th</sup>  | 2.88        | 0.12                  | 3             | 1.24                      | 0.58       |
| Public Participation             | Expropriators had adequate representation to negotiate for compensation       | 4 <sup>th</sup>  | 3.08        | 0.12                  | 3             | 1.33                      | 0.62       |
|                                  | Expropriators representatives act in their interest                           | 2 <sup>nd</sup>  | 3.11        | 0.12                  | 3             | 1.31                      | 0.62       |
|                                  | Expropriators were educated on laws of acquisition                            | 6 <sup>th</sup>  | 2.94        | 0.12                  | 3             | 1.32                      | 0.59       |
| Transparency & Accountability    | The mining company provides social amenities                                  | 8 <sup>th</sup>  | 2.75        | 0.13                  | 2             | 1.35                      | 0.55       |
|                                  | The mining company provides livelihood support systems for community members. | 9 <sup>th</sup>  | 2.56        | 0.12                  | 2             | 1.25                      | 0.48       |
|                                  | Royalties paid are used to provide social amenities                           | 11 <sup>th</sup> | 2.41        | 0.13                  | 2             | 1.37                      | 0.48       |

**N=155**

**Source: Field Data (2021)**

Indeed, Bugri & Kumi, (2018) and Ayitey et al., (2011) identified legislative and procedural inadequacies for compensation for individual land rights as a major source of contestation over adequacy of compensation amounts. The differential application of procedures to assessing crop values contribute to findings of Amponsah, Halvitigala, et al., (2022) that variations in the valuation methods and the standard crop population for compensation remain eminent in hindering the development of fair compensation regime in the mining industry. Thus, the value of a farm and its worth remain intrinsic to farmers, yet, they have limited input to the practice of compensation valuation. Yet without standardization in the compensation process, such values remain highly debated and contested (see Amponsah, Eves, et al., 2022; Amponsah, Halvitigala, et al., 2022). Generally, respondents expressed worry about their inability to enjoy community and other ecosystem services after the mining occupation. This affects their living standards as they have limited access to surface rights and other valuable ecosystem services

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that were hitherto free. The principle of compensation to maintain fairness, restitution and ensure that community members are not worse off after land take often become elusive. Accordingly, as noted by Peters, (2012) the fate of the people – their property rights and livelihoods were major concerns raised in the study area. Respondents complained about increased expenditures against limited sources of livelihood strategies. This is particularly related to the fact that they have to pay for every service in their new communities against the loss of their livelihood activity which is farming. Instructively, these concerns are linked to the increasing tensions between the host communities and mining companies (Hilson, 2002) as community members agitate and protest because compensation sums are not enough to sustain their livelihoods (Arce & Miller, 2016; Mohammed-Nurudeen, 2021). Implicated in the varied triggers of contestations in mining communities, this study makes a claim for the stake of the next generation in the current compensation regime as it could potentially open old wounds if they are left impoverished.

On the aspect of prompt payment, it took majority (40%) of the expropriated at least three months to receive their compensation (see Table 4). This is contrary to the requirements of the Minerals and Mining Act, 2006 (Act 703) and regulation 4 of the Minerals and Mining (Compensation and Resettlement) Regulations, 2012 (L.I. 2175) which requires that a holder of the mineral right (i.e. the mining company), in not later than three months, to pay the determined compensation to the affected persons. These all influenced the respondents overall ranking of the indicator ‘*compensation was adequately and promptly paid*’ which had a mean score of 2.98 and ranked 5<sup>th</sup>. Also, the social transformative process is visible as community members' expenditures are increased without or with little livelihood improvement systems. The study underscored that livelihood support systems and training on management of compensation sums are largely limited. Thus, social retrospection is largely ignored (see Essah & Andrews, 2016). Instructively, this raises questions about the procedures for social impact analysis in compensation and resettlement programs.

**Table 4: Time Taken to Receive Compensation**

| <b>Description</b>                  | <b>Frequency</b> | <b>Percentages</b> |
|-------------------------------------|------------------|--------------------|
| <b>Time Taken to be Compensated</b> |                  |                    |
| Between Three and Six Months        | 46               | 40                 |
| Less Than Three Months              | 39               | 34                 |
| More Than Six Months                | 30               | 26                 |
| <b>Total</b>                        | <b>115</b>       | <b>100</b>         |

**Source: Field Data, (2021)**

Protecting affected persons’ rights and ensuring justice require mechanisms for grievance redress. Table 3 shows that ‘*Mechanisms for reporting complaints were available and accessible*’ recorded a mean value of 3.09 and RII of 0.62 and was ranked 3<sup>rd</sup>. Also, ‘*Grievance redress mechanisms are readily available and accessible*’ was ranked 7<sup>th</sup> with a mean value of 2.88 and a RII of 0.58, ‘*Grievances of community members were addressed in a fair and just manner*’ was ranked 10<sup>th</sup> with mean value of 2.47 (which is lower than the benchmark mean value of 2.5) and RII of 0.49. These results suggest that there are mechanisms for reporting complaints but the adjudication

outcomes are questionable. This is because respondents admitted grievance redress mechanisms are provided but their concerns are not timeously and satisfactorily addressed. Besides, the results suggest that mechanisms for conflict management, accountability and transparency were largely not effective. Earlier studies by (Garvin et al., 2009; Hilson, 2002; Hilson et al., 2007) revealed that ineffective communication means are responsible for the hastened relationship between mining companies and host communities. Generally, the results show that there are implementation gaps in the governance procedures. For instance, a 35-year-old respondent at OLA noted:

“The mining company has an office at Ntrotroso and you can report your complaints to them but solving them is another problem. Sometimes it is better to just keep quiet. It takes a long time for the officials to get back. Besides, the outcome may not be to your satisfaction and you cannot do anything” (35-year-old respondent, Kenyense No-2, 2021).

For public participation governance indicator, the focus was to examine community members’ level of understanding of and involvement in the land acquisition and compensation processes. Regulation 2 of the L.I. 2175, land rights holders (the expropriated) can engage the services of a qualified person for the purposes of assessing and determining the amount of compensation payable. Further, the mineral rights holder (company) upon receipt of claims of compensation is expected to enter into negotiations with the affected persons and a committee may be appointed for such negotiations. To this respect, the study first ascertained whether community members were involved and whether the land acquisition processes were explained to them. In Table 5, the results show that 75(65%) of the respondents said ‘yes’ that the acquisition process was explained to them. On the other hand, 40(35%) of them said no. Out of the 75 respondents who received explanation on the acquisition process, 17(23%) of them understood very much and contributed in the process, 32(43%) did understand few parts of it, 18(24%) understood just enough to know what was going on, and 8(11%) did not understand at all (see Table 5). The results also reflected in the respondents’ perceptions of the governance statements on the public participation indicator as shown in Table 3. The RII of ‘community members had adequate representation to negotiate for compensation’, and ‘community members’ representatives act in their interest’ were the same (0.62) with mean values of 3.11, 3.09 and 3.08 respectively. The statement ‘Community members were educated on laws of acquisition’ was ranked 6<sup>th</sup> with a mean score of 2.98 and RII of 0.59. For issues relating to representation on the compensation committee, there was a general view that the company influenced the activities of their representatives by offering them lucrative jobs and positions in their organizations. For instance, a 38-year-old woman at Ntrotroso said:

“At the initial stages, representatives work for us but after some time and because they have become known to the company, the company officials offer them jobs and they can’t say anything. In fact, everyone is working for his/her personal gains.”

***Table 5: Respondents’ Perception on the Acquisition Process***

| <b>Description</b>                            | <b>Frequency</b> | <b>Percentages</b> |
|---|------------------|--------------------|
| <b>Was the Acquisition Process Explained?</b> |                  |                    |
| No  | 40               | 35                 |

|  |            |            |
|--|------------|------------|
| Yes  | 75         | 65         |
| <b>Total</b>                                       | <b>115</b> | <b>100</b> |
| <b>Did you understand the Acquisition Process?</b> |            |            |
| A Few Parts of It                                  | 32         | 43         |
| Just Enough to Know What Is Going On               | 18         | 24         |
| Not At All   | 8          | 11         |
| Very Much to Contribute to The Process             | 17         | 23         |
| <b>Total</b>                                       | <b>75</b>  | <b>100</b> |

**Source: Field Data, (2021)**

A 61-year-old man at the OLA settlement also added: “I must praise our current Assembly member; he is really doing a lot for our community. For the previous ones, it appears they were working for the company, not us.” Though respondents acknowledged that they had representatives to negotiate compensation sums, their (the representatives) role are often compromised with job offers and other inducements from the company. This is because community representatives work in the interest of the community at the initial stages but afterwards become self-seeking. This revelation is consistent with the findings of Uche & Khalid, (2022) that mining companies used compensation committees to facilitate, manage and defend unfair compensation. Yet education of the community members on laws which is expected to arm them with the right information and the procedures was fairly low based on their perception scores on the “*Community members were educated on laws of acquisition*’ governance indicator.

Also, as part of protecting the rights of community members and their livelihoods and standards of living, the transparency and accountability governance statements were constructed and the perception of respondents measured (see Table 3). From Table 3, ‘*the mining company providing social amenities*’ was ranked 8<sup>th</sup> with a mean value of 2.75 and a RII of 0.55. ‘*The mining company provides livelihood support systems for community members*’ was also ranked 9<sup>th</sup> with a mean value of 2.56 and a RII 0.48. ‘*Royalties paid to provide social amenities*’ were ranked the least on the table with a mean score of 2.41 and RII of 0.48. The results suggest that social supports are inadequate and do not meet the expectations of the respondents. For instance, at OLA resettlement community, a 47-year-old woman said: “the company used to give food to community members but has stopped a longtime ago.” The focus discussion raised questions about the items that were provided as they did not meet the expectations of community members. For instance, one respondent from the focus group discussion noted:

“How do you expect someone to be in good business when the person is given only two grass cutters, a goat, two hens? How many years will it take the person to raise these animals and how profitable is it for the person to survive?” (Focus Group Discussion, 2021).

On corporate social responsibility, similar responses were captured. For instance, a 45-year-old respondent at OLA Resettlement opined: “Look at our roads. If the company was supporting, they should have helped us with good roads. They only help to rehabilitate the school for our children”. One of the participants in the focus group discussion in responding to a question on whether the company supports the provision of social amenities acknowledged the Company’s effort in social support facilities but was of the view such efforts were inadequate. He noted: “You see the clinic over there (referring to the Clinic at Ola Resettlement); it is the company that has helped us in putting up that clinic and others that they are helping but it is not enough, we need more”. Generally, the respondents acknowledged that the company’s support is woefully inadequate in alleviating their plights. And of course, mining companies are not charities but commercial entities which are strictly in business (Hilson, 2007). Therefore, there is the need to shift the conversation to how communities can actively participate and actively hold mining companies and authorities accountable for activities.

## 5. CONCLUSION

Social unrest, arising from tensions between the mining companies and the host communities, raise critical questions on the governance process and procedures for, and modes of compensation assessments and payments. Again, concern for procedural and distributive justice of compensation payments that reflect the interest of all stakeholders across generations is equally important in these tensions. To this end, this study examined the perception of community members on the governance framework of compensation payments. The findings reveal that good governance indicators on compensation payments were generally observed albeit with weak implementation and limited outcomes. The implementation of compensation governance framework is characterized by unsatisfactory adjudication outcomes, delay in compensation payment, lack of transparency with revenue from mining royalties and design of social support programmes, and weak capacity of local community representatives on compensation negotiation committees. The study underscores the need for full commitment to the regulatory standards on land acquisition and compensation payment process by the mines and the relevant regulatory bodies. There is also the need to allow for more inclusiveness in the design of social support programmes and the use of mining royals. Again, since mining companies are profit making ventures, it is therefore important for host communities to be well resourced to be able to negotiate for compensation packages that are designed towards alleviating current and future generations from poverty. This will require training and design of robust and inclusive mechanism for selecting compensation negotiation committee members who will effectively discharge their mandate.

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