

RICH IN RESOURCES – YET STILL POOR

SENEGAL'S MINING PROJECTS AS A CHALLENGE FOR GOVERNMENT AND CIVIL SOCIETY

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INTRODUCTION

Senegal is a country that has truly been blessed by nature: gold, iron, marble, phosphates, titanium, zircon and oil are coveted resources on the world market. Targeted and sustainable mining and processing could see the country become an emerging economic powerhouse in Africa. Senegal is already one of the world's leading producers of phosphates. Its gold deposits are enormous, and according to the Senegalese development plan PSE (Plan Sénégal Émergent), the country will be counted among the largest zircon exporters in the world within just a few years.¹ At the International Mining Conference held in Dakar in November 2014,² President Macky Sall stressed that the development and modernisation of the mining sector was one of the PSE's six priority sectors. He presented the ambitious "major mining projects",³ describing them as a "key engine for growth" in Senegal.⁴ The



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- 1 | République du Sénégal, "Plan Sénégal Emergent", Feb 2014, <http://www.gouv.sn/IMG/pdf/PSE.pdf> (accessed 6 Aug 2015).
- 2 | SIM (Salon international des Mines) Sénégal, <http://fr.simsenegal.com> (accessed 6 Aug 2015). Information on Senegal and its resources is available on this online portal.
- 3 | SIM Sénégal, "Programmes, structures et projets miniers du Sénégal", <http://fr.simsenegal.com/industry-info/programs-political> (accessed 6 Aug 2015). The major mining projects are presented here: phosphates, gold, iron and heavy minerals.
- 4 | Macky Sall, Président Senegals; quoted in: "Macky Sall au salon international des mines: 'Faire du secteur minier un moteur de croissance'", *Le Soleil*, 5 Nov 2014, <http://news.adakar.com/h/22032.html> (accessed 6 Aug 2015).

projects include the intensification and systematisation of the mining of phosphates, gold, iron and heavy minerals, such as zircon.⁵

Implementing these plans in a socially responsible manner is of great importance for the social and political stability of the country, as Senegal has until now faced a potentially dangerous development gap. Serious warning signals of this were made manifest in the violent unrest in the capital of the "Gold Region", Kédougou, in December 2008. The ongoing controversy surrounding the mining law reforms reveals deep problems between the government's vision and the population's expectations. This balancing act between the economic boom the country has been hoping for and a socially just strategy of profit redistribution in terms of sustainable, balanced and environmentally friendly development represents a challenge for the government. If it fails to succeed, the social climate in Senegal could deteriorate and the country, like many other countries rich in resources, could drift into political and social instability, if not into chaos.

GOLD: BLESSING OR CURSE? FROM THE GOLDEN RICHES OF THE MEDIEVAL EMPIRES TO A CRISIS REGION

Given its vast and hitherto under-utilised resources and the extant and endemic poverty of the country's population, Senegal appears to have inherited a poor legacy from the medieval golden riches of the Sahel belt.⁶ The region of Kédougou on the edge of the so-called Birimian belt is known as the "Gold Region" in Senegal;⁷ gold has been mined here for centuries.⁸

- 5 | Cf. Aly Ngouille Ndiaye, "Le PSE a fait l'option de place les mines au cœur des secteurs porteurs...", *Senepus*, 16 Nov 2014, <http://www.senepus.com/article/le-pse-fait-l%E2%80%99option-de-placer-les-mines-au-c%C5%93ur-des-secteurs-porteurs> (accessed 24 Jul 2015).
- 6 | Cf. Joseph Ki-Zerbo, *L'Histoire de l'Afrique Noire*, Paris, 1972 sowie Djibril T. Niane, "Le Mali et la deuxième expansion manden", in: Djibril T. Niane (ed.), *L'Histoire Générale de l'Afrique IV*, UNESCO, 1987, pp. 155-179, <http://unesdoc.unesco.org/images/0018/001843/184313f.pdf> (accessed 6 Aug 2015).
- 7 | Cf. Hervé Théveniault/Claude Delor, "Paleoproterozoic evolution of Senegal in the Birimian Framework", Brisbane (Australien), 34th International Geological Congress, presentation, Aug 2012, <http://hal-brgm.archives-ouvertes.fr/hal-00711189> (accessed 6 Aug 2015).
- 8 | Cf. Khaly Niang, *Dans les mines d'or du Sénégal oriental. La fin de l'orpaillage?*, Paris, 2014 and Ibrahima Diallo, "Dans les mines d'or du Sénégal oriental. La fin de l'orpaillage?", 198 pages chronique de la disparition 'ineluctable' d'une civilisation millenaire...", *L'Harmattan-Sénégal*, http://harmattansenegal.com/hs.php?page=art&id_article=178 (accessed 6 Aug 2015).

This region is home to more than 90 traditional gold mines. They are operated by an estimated 50,000 private individuals who dig shafts and tunnels to a depth of up to 40 meters without any shoring-up,⁹ from which the auriferous earth is conveyed above ground in buckets and is then washed out with mercury, cyanide and other chemicals. The unprotected handling of these chemical substances has led to numerous illnesses and even malformations and furthermore leads to contamination of the waterways, rivers and groundwater in many places; the environmental problems here are acute.¹⁰

Labourers are often children and young people attracted by the "gold rush" in the Kédougou Region,¹¹ as they are able to move more easily through the underground labyrinths. Since gold discoveries are neither reported nor taxed, the state gets nothing.¹²

At the same time, drug sales and consumption, prostitution and human trafficking are all on the rise. Crime is endemic.¹³ And the influx of prospectors from neighbouring countries leads to conflicts with local labourers. These sometimes take on a dramatic dimension, for example, in late 2014, when things came to a violent clash between prospectors from Mali and Burkina Faso resulting in several deaths.¹⁴ Not infrequently, the number of inhabitants at a new prospect swells from a few hundred to tens of thousands, as it did in September 2014 in Kharakhena, forcing people to then live in unspeakable conditions. The headline in the *Walf Grand Place* newspaper aptly outlines the situation: "Kharakhena, a gilded

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9 | Cf. Diallo, n. 8.

10 | Aliou Kandé, "Recul du couvert végétal, dégradation des sols...: A Kédougou, l'orpaillage met en péril l'environnement", *Le Soleil*, 18 Dec 2014, <http://business-humanrights.org/en/node/108394> (accessed 6 Aug 2015).

11 | Cf. Rémi Barroux, "Au Sénégal, l'enfer des mines d'or pour des centaines d'enfants", *Le Monde*, 16 Jun 2014, http://lemonde.fr/planete/article/2014/06/16/a_4438916_3244.html (accessed 28 Jul 2015).

12 | Cf. Mareike Schamee, "Kedougou, eine Region Senegals im Gold-rausch", KAS-Länderbericht, Mai 2013, <http://kas.de/senegal-mali/de/publications/35068> (accessed 28 Jul 2015).

13 | Cf. Carim Camara, "Kédougou: Enquête: Drogue, alcool, sexe, sida, violence... pour avoir de l'or", *Alkuma Info*, 2 Apr 2013, <http://alkuma.info/spip.php?article41> (accessed 6 Aug 2015).

14 | Papa Demba Sidibé, "Affrontements entre maliens et burkinabés à Bakel: 6 morts et 50 blessés dans les zones d'orpaillage", *Le Soleil*, 8 Mar 2013, http://lesoleil.sn/index.php?option=com_content&view=article&id=26705:affrontements-entre-maliens-et-burkinabes-a-bakel-6-morts-et-50-blesses-dans-les-zones-dorpaillage-&catid=59:house-design&Itemid=108 (accessed 25 Aug 2015).

powder keg".¹⁵ The boom in demographics furthermore leads to the spread of infectious diseases, such as AIDS and tuberculosis.

STATE FORMALISATION OF TRADITIONAL GOLD MINING SECTOR

When Senegalese President Macky Sall visited the Kédougou Region in May 2014, he was shocked by the working conditions in the gold-mining prospects and unceremoniously closed all 90 mining locations. However, this show of strength met with scepticism in the region. The opinion was that although more stringent regulation is necessary, the strict closure of the gold prospects was not a solution.¹⁶



Ngouille Aly Ndiaye is Minister for Industry and Mines: Decisions of the influential ministry have an impact on many realms of Senegalese society. | Source: United Nations Industrial Development Organization (UNIDO), flickr ©©©.

As part of several rounds of negotiation between prospectors, the government and civil society representatives, traditional gold mining has now been regulated and formalised by mandatory

15 | Fodé Kaba Dabo, "Kharakhena. Une poudrière dorée", *Walf Grand-Place*, 2 Oct 2014, p. 3.

16 | Cf. Ousmane Laye Diop, "Les communautés minières affamées", *Senepius*, 2 Mar 2015, <http://seneplus.com/article/les-communaut%C3%A9s-mini%C3%A8res-affam%C3%A9es> (accessed 28 Jul 2015).

rules and conditions.¹⁷ In November 2014, the sale of licences for artisanal miners began.¹⁸ In addition, the Minister of State for Mines wants to set up a government-organised gold buying office to control the volumes of gold mined.¹⁹ It remains to be seen whether these measures will in fact help to clean up traditional gold mining. Does the government truly possess the necessary options for exercising control or will the mining of gold continue to be played out primarily in the informal sector?

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INDUSTRIAL GOLD MINING

Sabodala is the name of the village that has become synonymous with industrial gold mining in Senegal. Located 750 kilometers to the southeast of the Senegalese capital, near the Malian border, the outstanding quality of gold in this region has led to a significant influx of exploration companies. The mineable gold is estimated at 1.63 million ounces of fine gold, with resources of up to 3.55 million ounces of fine gold.²⁰

Another of President Macky Sall's major mining projects is the Golouma gold mine at Sabodala, with an estimated 2.25 million ounces of fine gold deposits to be processed in a new production unit. This project is intended to increase state budget revenues by 85 million dollars, rising to 110 million dollars between 2015 and 2017.²¹

- 17 | Cf. Adama Diaby, "Kedougou, les orpailleurs sont appelés à respecter la réglementation", *Echos des Collines*, 17 Feb 2015, <http://echosdescollines.com/?m=201502&paged=2> (accessed 6 Aug 2015).
- 18 | Cf. Boubacar Demba Tamba, "Kédougou: Enfin les cartes d'orpailleur numérisées!", 16 Feb 2015, <http://tambacounda.info/2015/02/16/kedougouaudio-enfin-les-cartes-dorpailleur-numerisees> (accessed 28 Jul 2015).
- 19 | Cf. Adama Diaby, "Kédougou: date de réouverture des diouras repoussée, les orpailleurs craignent le pire", *Echos des Collines*, 17 Feb 2015, <http://echosdescollines.com/?p=2844> (accessed 6 Aug 2015).
- 20 | These projections are published in the special edition of *Jeune Afrique Investir Sénégal 2015*, "Doing Business in Africa", *Paris Jeune Afrique*, Feb 2015, p.40; in the professional journal *Africa Diligence*, "Doing Business in Africa 2015: Dakar vise les sommets", 14 Feb 2014, <http://africadiligence.com/doing-business-in-africa-2015-dakar-vise-les-sommets> (accessed 6 Aug 2015) and by Agence ECOFIN, "Doing Business 2015: classement des pays africains et rapport à télécharger", 29 Oct 2014, <http://agenceecofin.com/gestion-publique/2910-23890-doing-business-2015-classement-des-pays-africains-et-rapport-a-telecharger> (accessed 6 Aug 2015).
- 21 | Cf. "Sénégal, une nouvelle politique d'exploitation minières sur les rails", *Afrimag*, No. 77, Nov 2014, <http://afrimag.net/senegal-nouvelle-politique-dexploitation-miniére-rails> (accessed 28 Jul 2015).

IRON ORE AND THE PROBLEM OF INFRASTRUCTURE

The mining of large iron ore deposits in the Falémé River Valley in the same region, Kédougou, has led to economic and political conflicts in recent years that are still ongoing. The mineable iron ore resources there are estimated at 25 million tonnes per year.

Senegalese President Macky Sall, who is also a geologist and held the post of Minister of State for Mines, Energy and Hydraulics from 2001 to 2003, has made the iron ore mining project in the Falémé River Valley a priority. The task now is to find reliable and financially strong partners who will not shy away from investing heavily in infrastructure.

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Given the prevailing infrastructure problems in Senegal, especially in the border regions that are home to most of the natural resources, the construction of a railway line is of primary importance. The existing Dakar-Bamako line has become almost impassable

as a result of permanent neglect. The construction of a new line between Tambacounda and Kédougou to Falémé would be of great importance for the gold and iron ore mining and steel production industries in Senegal.

PHOSPHATES AND LIMESTONE: EXPORT CHAMPIONS

An overview of Senegal's mining resources presented in the catalogue for the International Mining Conference and Exhibition in Dakar last November reveals that phosphates are one of the most important mineral resources and products mined and exported by Senegal.²² Senegal's phosphate reserves are estimated between 500 million and one billion tonnes.²³ It was only a few years ago that a phosphate potential of 40 million tonnes of directly mineable phosphate and a further estimated 100 million tonnes was discovered in the Matam Region (eastern Senegal on the Malian border); mining began recently. In November 2014, the director of the Société d'Études et de Réalisation des Phosphates de

22 | SIM Sénégal, "Ressources minérales", <http://fr.simsenegal.com/industry-info/senegal-resources> (accessed 6 Aug 2015); Cf. also Direction des Mines et de la Géologie, "Catalogue roche", http://www.dirmingeol.sn/pages_utiles/ressources_minieres.php (accessed 6 Aug 2015).

23 | Cf. United Nations, "Mines", http://un.org/esa/dsd/dsd_aofw_ni/ni_pdfs/NationalReports/senegal/Mining.pdf (accessed 6 Aug 2015).

Matam (SERPM) announced that the production capacity of phosphate from Matam of 500,000 tonnes per year would triple by 2016.²⁴ According to the Senegalese Agency for Investment Promotion (APIX), Senegal will therefore soon be counted amongst the world's top ten largest producers of phosphates.²⁵

Limestone deposits span an approximately 15-kilometer-wide strip along the coast between Mbour and Bargny. It is now being mined, exported and, in some cases, processed by three cement plants in the Dakar and Thies regions. Thanks to Senegal's own demand for cement and that of its neighbouring countries, the nearly five million tonnes produced annually can be sold without any problem.²⁶

A BEACON OF HOPE IN THE WEST: HEAVY MINERALS ON THE GRANDE CÔTE

Another of the major mining projects of Macky Sall's government began on the Grande Côte (Great Coast) to the north of Dakar in 2014 with a planned duration of 25 years. If the prospection findings are correct, Senegal could soon become the world's third largest producer of heavy minerals: large deposits of zircon and titanium ilmenite have been found along the coast between Dakar and Saint-Louis. Here, the Senegalese government hopes for annual profits of six billion FCFA (CFA franc), 75 billion in tax revenue over the next 25 years and the creation of 1,000 direct jobs.²⁷

If prospection findings are correct, Senegal could soon become the world's third largest producer of heavy minerals: large deposits of zircon and titanium ilmenite have been found along the coast between Dakar and Saint-Louis.

In connection with the project, a 36 megawatt electric power station and a 22-kilometer railway line with a direct link from Diogo to Dakar are to be constructed, and the road network to Dakar is set to be upgraded.

24 | Cf. Agence ECOFIN, "Sénégal: la production du phosphate de Matam passera de 500.000 tonnes au triple à partir de 2016", 12 Nov 2014, <http://agenceecofin.com/phosphate/1211-24259-senegal-la-production-du-phosphate-de-matam-passera-de-500-000-tonnes-au-triple-a-partir-de-2016> (accessed 28 Jul 2015).

25 | Cf. Invest in Senegal, "Investir au Sénégal. Fiche technique sur les mines au Sénégal", Nov 2010, http://investinsenegal.com/IMG/pdf/fiche_technique_secteur_miner.pdf (accessed 28 Jul 2015).

26 | Cf. "Hausse de près de 7% de la production de ciment au Sénégal", *Senenews*, 15 Sep 2014, http://senenews.com/2014/09/15/hausse_90314.html (accessed 28 Jul 2015).

27 | Cf. SIM Sénégal, n. 2.

OIL DISCOVERIES: HOPE FOR ENDING DEPENDENCE ON IMPORTS

Since the most recent attempted coup in Gambia in late December 2014, tensions have risen once again between Senegal and the Anglophone enclave of Gambia.

Beginning in October 2014, new oil discoveries sparked the hope that Senegal could become independent from oil imports in the long term. However, the location in which the oil reserves have been found is relatively volatile, located in the Saloum Delta region, not far from Gambia. Since the most recent attempted coup in Gambia in late December 2014, tensions have risen once again between Senegal and the Anglophone enclave of Gambia.²⁸ The prospecting will initially be continued for another five years to enable production in the three offshore oil wells to begin.²⁹ A sensational discovery was made off the Grande Côte on the northern coast of Senegal between Kayar and Saint-Louis in late April 2015: the American company Kosmos Energy found the largest oil reserves ever discovered in Senegal and even all of West Africa, equivalent to or possibly even exceeding Nigeria's reserves.³⁰ As a result, within just a few years Senegal could grow to be counted amongst the oil-producing countries and is already beginning to attract investors on a massive scale.

RESOURCE WEALTH VERSUS DEVELOPMENT GAPS

However, the country's highly promising resource wealth is not viewed entirely positively by many observers. The majority of the population is poor and social disparities have only deepened in resource-rich regions. Only a small segment of the population is involved in this resource boon, leading to social tensions. Of Senegal's more than 13.5 million inhabitants, one-quarter live in the capital region of Dakar, another quarter in the major cities and the remainder in rural areas; the rate of urbanisation is 45.2 per cent.³¹ In terms of economic development, there is a huge discrepancy between urban and rural areas, between the west and

28 | Cf. "Dozens Arrested and Weapons Cache Found after Failed Gambia Coup", *The Guardian*, 2 Jan 2015, <http://gu.com/p/44h9p/stw> (accessed 28 Jul 2015).

29 | Cf. Jean Pierre Malou, "Découverte de pétrole offshore à Sangomar – Cairn Energy annonce un deuxième puits", *SUD Quotidien*, 16 Oct 2014.

30 | Cf. Mohamed Gueye, "Un important gisement de pétrole et de gaz découvert entre Saint-Louis et Kayar", *Le Quotidien*, 29 Apr 2015, <http://www.lequotidien.sn/index.php/economie/un-important-gisement-de-petrole-et-de-gaz-decouvert-entre-saint-louis-et-kayar-eldorado-sur-la-grande-cote> (accessed 28 Jul 2015).

31 | Agence nationale de la statistique et de la démographie, "Indicateurs synoptiques", <http://www.ansd.sn/ressources/publications/indicateurs/synoptique-RGPHAE.htm> (accessed 6 Aug 2015).

the east of the country and between the capital city and the rest of the country. The capital, Dakar, accounts for only 0.3 per cent of the country in terms of land area,³² but is home to one-quarter of the population; the majority of industry and services are located there, and the infrastructure is comparable to that of emerging or even developed countries. Of the national tax revenues, 70 per cent is spent on Dakar, whilst the “rest” of the country receives only 30 per cent. This clear focus on the capital region gives rise to an equally extreme development gap, and promotes the exodus of rural populations to urban centers.³³

As part of the decentralisation reforms introduced last year, Macky Sall and his government have announced the creation of “development poles” in order to develop the regions through targeted investments in infrastructure and incentives for economic actors.³⁴ However, its implementation is slow in coming, whereas the intensive development of infrastructure in and around Dakar over the past few years indicates that the capital region continues to be prioritised.³⁵

A comparison of a few indicators of the provision of basic services between the capital region of Dakar and the “Gold Region” of Kédougou, which is representative of other equally poor regions, reveals the discrepancy in standards of living. In actual fact, the most resource-rich region in Senegal has the lowest standard of living.³⁶ The region lags behind in everything: schools, health clinics, roads, apprenticeships, employment, and even in the capital region electricity and water supply are not yet guaranteed. The large and hitherto uncontrolled exported quantities of gold lead to bitterness and frustration amongst the population, which suffers

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32 | Gérard Francois Dumont/Seydou Kanté, “Géopolitique du Sénégal: une exception en Afrique”, *Diploweb*, 15 Jan 2012, <http://diploweb.com/Geopolitique-du-Senegal-une> (accessed 4 Apr 2015).

33 | Cf. World Bank, “Sénégal Présentation”, 7 May 2015, <http://banque mondiale.org/fr/country/senegal/overview> (accessed 28 Jul 2015).

34 | Cf. Andrea Kolb/Ute Gierzynski-Bocandé, “Senegal nach zwei Jahren Regierung Macky Sall”, KAS Country Report, May 2014, pp. 75-76, <http://kas.de/senegal-mali/de/publications/37763> (accessed 28 Jul 2015).

35 | Cf. Abdourahmane Bade Sene, *Dynamiques de l’aménagement du territoire au Sénégal*, Université de Ziguinchor, 2013, pp. 9-10.

36 | Cf. Ute Gierzynski-Bocandé, “Der lange Weg zur Bildung im Bassari-land”, KAS event contribution, Jun 2011, <http://kas.de/senegal-mali/de/publications/23131> (accessed 28 Jul 2015).

the collateral side effects of gold mining and receives no significant share, if any, of the wealth generated.³⁷



Gold mining under difficult conditions: Despite its significance for the economy, the “Gold region” Kédougou faces serious problems with regards to infrastructure. | Source: © Romain Laurendeau, picture alliance/Wostok Press/MAXPPP.

Riots broke out in Kédougou on 23 December 2008 and were violently suppressed.³⁸ Students in the region had organised a sit-in in front of the town hall to draw attention to their plight: the Ministry of Mines, which manages the mining social fund in Dakar, was months in arrears in rent payments on the residential accommodation that had been rented for the students in the Kédougou Region. For the more than 100 residents there, the closure would have meant the end of their studies. But the population of Kédougou also joined in on a massive scale and took to the streets to express their anger and anxieties.³⁹ The few police forces in place were overwhelmed and the violent death of a demonstrator led to further escalation. The prefecture office, local

37 | Cf. Mouhamadou Lamine Diallo, “Mine d’or et développement durable”, *EchoGeo*, Mar-May 2008, <http://echogeo.revues.org/11103> (accessed 28 Jul 2015).

38 | Cf. Ute Gierzynski-Bocandé, “Hohe Haftstrafen nach Unruhen in Kedougou. Rechtsstaat in Senegal auf dem Prüfstand”, KAS Country Report, Jan 2009, <http://kas.de/senegal-mali/de/publications/15600> (accessed 28 Jul 2015).

39 | Cf. Mahamadou Lamine Barro, “Kedougou. Quand l’exploitation des mines est source de colère”, *seneweb.com*, 31 Jan 2009, http://seneweb.com/news/Politique/kedougou-quand-l-exploitation-des-mines-est-source-de-col-re_n_20868.html (accessed 28 Jul 2015).

education authority building and police station were vandalised by the protesters as symbols of the unpopular government. Although revolts of this kind have yet to be repeated, the trauma of 23 December 2008 remains a warning sign for both the government and investors.

LAND GRABBING, ENVIRONMENTAL PROBLEMS, UNEMPLOYMENT

Whilst employees working for the prospecting and extraction companies are living in a “golden ghetto” in Sabodala or in new luxury villas in Kédougou, the situation for the people living in the surrounding villages is dramatically different. They have been and continue to be repeatedly “relocated” to make room for new gold mining operations, and face constant uncertainty as to whether they will be able to stay somewhere new for more than a year.⁴⁰ The mining, which takes place from the surface and requires vast amounts of space, leaves behind a trail of environmental devastation. In exchange for little compensation, residents of Sabodala and other villages in the Gold Region are losing their houses, plots and arable lands. Agriculture and livestock breeding are often no longer possible, and the increasing unemployment has led to frustration and a lack of prospects.

And on the Grande Côte, in the Falémé River Valley, in the limestone mining areas of Taiba near Thies and Ndiass near Bandia, people continue to voice their displeasure at selling their lands to the extraction companies in exchange for insufficient compensation or even having their lands expropriated without any compensation at all.⁴¹ And so the rural exodus marches on unabated towards Dakar.

TiZir Ltd., operating on the Grande Côte, stresses its corporate responsibility for the environment and population in its project documentation.⁴² It has done so particularly in the wake of strong protests in different parts of the Grande Côte, specifically in Diogo: zircon and titanium ilmenite production involves intensive

40 | Cf. “L’Etat Vend Les Cimetières De Sabodala Aux Exploitants De Mines À 27 Milliards”, *Leuk Senegal*, 30 Jul 2013, <http://leuksenegal.com/politique/item/18533> (accessed 28 Jul 2015).

41 | Cf. Agence Presse Sénégalaise, “Les expropriés de Diogo entre incompréhension et fatalism. Par Mansoura Fall”, *Sen360*, <http://sen360.com/actualite/-239716.html> (accessed 6 Aug 2015).

42 | “Un axe de diversification: L’exploitation d’un gisement de titane et de zircon”, *ERAMET*, <http://eramet.com/projets/grande-cote-senegal> (accessed 28 Jul 2015).

land use and requires villages to be relocated.⁴³ Hundreds of vegetable farmers have lost their farmland, but the compensation they have received is not enough for them to start over.⁴⁴ Various civil society organisations have published documents on the negative effects on the environment in particular and the cultivation of vegetables in the area, which had previously been flourishing, and have called for companies to take the fears and expectations of the population seriously.⁴⁵ Intensive talks and mediation have led to some residents accepting the now irreversible geographical and social changes,⁴⁶ especially since there is a new major local employer with the zircon mining group.⁴⁷

Dust emissions from surface mining in many cases lead to health hazards: in places like Taiba and Bandia, respiratory diseases have increased proportionately as limestone mining has increased.

One serious problem in all the affected areas is the environmental impact of mining activities. The dust emissions from phosphate and limestone surface mining in many cases lead to health hazards amongst residents: in places like Taiba and Bandia, respiratory diseases have increased proportionately as limestone mining has increased.⁴⁸ Matam, the new phosphate Eldorado, is called "Phosphate Hell" by locals.⁴⁹ The industrial gold mining in Kédougou is probably destroying the region's hilly and wooded landscape for centuries to come.

Just as is the case on the Grande Côte, the ground-level gold mining taking place in Kédougou requires extensive amounts of space; giant excavators plough hectares upon hectares of earth and it remains to be seen whether Sabodala Gold Operations (SGO) will truly fulfil its corporate responsibility and restore the landscape to its original character as required by the new Mining

43 | Cf. Michael Pauron, "Sénégal – Mines: naissance d'un géant, au nord de Diogo", *Jeune Afrique*, 22 Mar 2012, <http://jeuneafrique.com/142429/archives-thematique/s-n-gal-mines> (accessed 28 Jul 2015).

44 | Cf. Mansour Fall, "Exploitation du zircon. Entre terre et sable, les paysans n'y voient que de la poussière", *Journalistes des droits de l'homme*, Mar 2015, pp. 9-13.

45 | Cf. Oumar Kande, "Les habitants de Diogo exigent la fin de l'injustice. Dépossédés de leurs terres, insuffisamment indemnisés et intimidés", *Senepius*, 9 Jul 2013, <http://senepius.com/article/les-habitants-de-diogo-exigent-la-fin-de-l%E2%80%99injustice> (accessed 6 Aug 2015).

46 | Cf. "GCO et Diogo se donnent la main", *Wal Fadjri*, 9/10 May 2015, p. 2.

47 | Cf. Pauron, n. 43.

48 | Cf. Samba Niebe Ba, "Sénégal: Communaute rurale de Diass – Sous la menace d'un danger écologique", *Sud Quotidien*, 23 Jul 2012.

49 | Cf. Yacine Cissé, "Exploitation minière: Dans l'enfer des phosphates de Matam", *Seneweb*, 20 Aug 2011, http://seneweb.com/news/Economie/exploitation-mini%C3%A8re-dans-l-enfer-des-phosphates-de-matam_n_49921.html (accessed 28 Jul 2015).

Law. Meanwhile, economic interests are clearly the prime considerations here as is apparent from an interview with the General Manager of SGO: "When we begin mining Niakhafiri, the village of Sabodala will once again be relocated."⁵⁰

In addition, the extraction companies repeatedly face accusations of not hiring enough or even any local labourers and of hiring not just skilled workers but also unskilled labourers from Dakar and other regions. Particularly bitter are the graduates of the technical secondary school in Kédougou, whose training should make them ideal candidates for incorporation in the gold industry. However, a technical secondary school education is not enough to guarantee a skilled workforce, and no other institutions for training mining engineers or offering other necessary qualifications exist yet. At least a university focusing on extractive industries is being planned for Tambacounda.



Schools only rarely train specialists: Hence the lack of qualified engineers in the mining for resources. | Source: tagon, flickr ©📷.

Under the *responsabilité sociale des entreprises* (RSE, corporate social responsibility), SGO is obligated to invest one million U.S. dollars each year in various social funds and projects, including those involving training young people, while Randgold is promising Kédougou's young people work and social

50 | Aziz Sy, General Manager of Sabodala Gold, quoted in: El Hadj Coly, "Sabodala, la responsabilité sociale des sociétés minières", *Le Quotidien*, 2 Jun 2015, p.12.

commitment.⁵¹ In its agenda, the Torogold Group has established the company's environmental and social responsibilities in the form of a social investment program.⁵² As yet, there have been no signs of a massive implementation of these statements of intent. At the very least what is striking here is that the media frequently reports on the social engagement of the mining corporations in this context: clinics and schools are receiving equipment, women's groups are being given fields for growing vegetables and figures reflecting the number of newly recruited trainees and labourers are being disclosed. However, in reality there remains a wide gap between these declarations of intent and the plight of the affected population, especially since the amounts invested in social issues bear no relationship to the quantities of minerals extracted.

Six years after the revolts, the students of Kédougou once again returned to the political arena in 2014. The regional students' organisation summed up all of the issues in a single plea on behalf of the population and accused the government of limiting the traditional gold mining with which the people in the region earned their livelihood whilst the multinational mining corporations are stretching their "tentacles" ever wider and displacing the population from its lands. They argue that the government's invitation for traditional gold prospectors to return to agriculture was cynical as there is now scarcely any land to be found. At the same time, the students lamented the lack of hospitals, social housing and scholarships for pupils and students. "Do not touch our gold – only over our dead bodies";⁵³ this allusion to the bloody unrest in 2008 makes clear that the need for action and dialogue in Kédougou is now of the utmost urgency.

GOOD GOVERNANCE IN THE EXTRACTIVE INDUSTRIES SECTOR, PROSPECTS

Macky Sall's government is facing a number of challenges, and their solutions are crucial to the country's development towards becoming either an emerging developing nation or an increasingly

51 | Cf. Adama Diaby, "Kédougou: Rand Gold embauche les fils de Kedougou et fait du social", *Xibaaru*, 29 Jun 2015, <http://xibaaru.com/societe/kedougou-rand-gold-embauche-des-fils-de-kedougou-et-fait-du-social> (accessed 6 Aug 2015).

52 | "Projet Mako", Toro Gold Limited, <http://torogold.com/fr/projects/project?id=1> (accessed 6 Aug 2015).

53 | Cf. Khalil Dieme, "Fermeture des zones d'orpaillage. Les étudiants de Kédougou sur le pied de guerre", *Rewmi*, <http://rewmi.com/fermetures-zones-dorpaillage-les-etudiants-kedougou-pied-guerre.html> (accessed 28 Jul 2015).

unstable country. The PSE is sending positive signals, but the prompt and timely implementation of its objectives is now essential. Various instruments are being used, in particular to make the extractive industries sector more transparent and governable: the mining legislation and the Extractive Industries Transparency Initiative (EITI), paying close attention to corporate social and environmental responsibility (RSE).

The “Senegalese Mining Law” of 1988 had already been rewritten in 2003,⁵⁴ primarily with a view to simplifying the administrative procedures for awarding exploration and production licences to stimulate investors from at home and abroad. Furthermore, focus was placed on the development of local capacities, and environmental protection was emphasised.

Although corporate responsibility was set out in some of the provisions of the Mining Law, they have been interpreted relatively flexibly or have simply been ignored. In this same vein, a mining social fund had already been set up under the government of Abdoulaye

A mining social fund, into which extraction companies paid a percentage of their revenues has been set up. However, this fund is not managed by the local communities that are affected by the negative impact of mining.

Wade into which extraction companies paid a small percentage of their estimated revenues.⁵⁵ However, this fund is not managed by the local or rural communities that are affected by the negative impact of mining activities, but centrally by the Ministry of Mines.

This arrangement is based on the code of local authorities; even after its reform in 2013 (“Acte 3 de la décentralisation”), it stipulates that the local authorities will only manage what is above ground (land and soil management, forestry, water, etc.), but not the mineral resources – those are included in the sovereign tasks of the central government. The central government, in turn, is the only actor that deals with the mining companies. Given its low investment shares, the state finds itself in a weak position here.⁵⁶

54 | Cf. Gouvernement du Sénégal, “Code minier. Loi n° 2003-36 du 12 novembre 2003 portant Code minier”, <http://www.gouv.sn/Code-minier.html> (accessed 28 Jul 2015).

55 | Cf. auch Karim Diakhaté, “Nouvelles réalisations du programme social minier dans la région de Kédougou”, *Seneweb*, 9 Dec 2010, http://seneweb.com/news/Economie/_n_38377.html (accessed 6 Aug 2015).

56 | Ministère de la Gouvernance Locale, du Développement et de L'aménagement du Territoire, “L'acte III de la décentralisation”, <http://matcl.sn/spip.php?article29> (accessed 28 Jul 2015).

Extractive industry companies will pay recalculated licence fees and annual taxes; 20 per cent will go to the regional authority, and a further 20 per cent will go into a fund for financial compensation.

The State Committee for the Revision of Mining Contracts has declared that the state is losing billions in tax revenues as a result of the mining companies enjoying considerable fiscal and customs advantages.⁵⁷ The Senegalese head of state, Macky Sall, lamented in June 2015 that “we only receive three per cent of the gold (revenues) for the gold mined in our country”.⁵⁸ The new Mining Law of 2015 should remedy this.⁵⁹ In the future, the extractive industry companies will pay recalculated licence fees and annual taxes to the state; 20 per cent of the proceeds will go directly to the respective regional authority, and a further 20 per cent will go into a fund for financial compensation, which the state can also use to make socially motivated investments, even outside the affected community. One key innovation is the provision set out in the EITI requiring all extractive industry companies to publish their profits and revenues. In doing so, the government hopes to see a significant increase in tax revenue.

The new Mining Law also includes a provision requiring companies to respect human and environmental rights, and to restore exploited areas to their original condition following their departure or to restore them to a habitable and usable state. Senegal’s Mining Law is largely based on the international “Extractive Industries Transparency Initiative” (EITI).⁶⁰

A presidential decree was issued on 20 June 2013 establishing a national EITI committee and defining its responsibilities and tasks.⁶¹ According to the international requirements of the EITI,

- 57 | Cf. Aminatou Ahne, “Exploitation de l’or de Sabodala: Comment les sociétés minières se sucent sur le dos des populations et de l’Etat”, *Seneweb*, 2 Aug 2013, http://seneweb.com/news/Economie/_n_102207.html (accessed 28 Jul 2015).
- 58 | Youssouf Sane, “Macky Sall: ‘Nous n’avons que 3% sur l’or qu’on exploite chez nous’”, *Seneweb*, 1 Jun 2015, http://seneweb.com/news/Economie/_n_156263.html (accessed 28 Jul 2015).
- 59 | Cf. Boubacar Tamba, “Révision du code minier. L’avant projet laisse apparaitre des innovations majeures”, *Sud Quotidien*, 26 Jan 2015. http://sudonline.sn/l-avant-projet_a_22789.html (accessed 28 Jul 2015).
- 60 | Cf. German Federal Ministry for Economic Cooperation and Development, “EITI. A global standard”, http://www.bmz.de/en/what_we_do/issues/goodgovernance/EITI/hintergrund/index.html (accessed 28 Jul 2015).
- 61 | Cf. Ministère de L’Énergie et des Mines, “Décret n° 2013-881 du 20 juin 2013 portant création, organisation et fonctionnement du Comité National de l’Initiative pour la transparence dans les Industries Extractives (CN-ITIE)”, *Journal Officiel du Sénégal*, http://www.jo.gouv.sn/spip.php?page=imprimer&id_article=10051 (accessed 28 Jul 2015).

good governance in the mining sector is of the essence. Greater transparency in the mining sector is expected to increase government revenue through various taxes and fees. But citizens are also supposed to gain additional opportunities to exercise control over the revenues earned from the extractive industries by enjoying greater participation and primarily by being able to have their say in the extractive industries' modalities of implementation: sustainable mining and environmental protection, hiring local workers, training and educational opportunities. The initiative is designed to reduce poverty and increase sustainable development.

Senegal has now been an official candidate for EITI committee-ship since July 2013 and should have submitted an EITI report in the first half of 2015 showing the corporations' revenues and the taxes received by the state; this would be the first measurable step towards transparency in managing the mining sector. However, the report is still lacking details for several major companies who have so far steadfastly refused to disclose their data. Because of this, the national EITI committee has already appealed to the president and asked him to issue sanctions for not complying with the pledge for transparency in the mining sector.⁶² According to observers, there is an acute risk that Senegal will be removed from the EITI candidate list.⁶³

The national EITI committee has already appealed to the president and asked him to issue sanctions for not complying with the pledge for transparency in the mining sector.

However, this raises the question of whether the state possesses the necessary instruments, leverage and ultimately even the political will to demand the necessary corporate information. Is the priority rapid economic growth without regard to "collateral damage" or is it socially and environmentally sustainable resource extraction?

A workshop held in Thies in late December 2014 for national stakeholders and representatives of civil society compiled a number of recommendations for implementing the EITI conditions in

62 | Cf. Abdoulaye Fall, „Production du rapport Itie 2012-2013: Des société minières refusent de déclarer leurs données”, *Le Quotidien*, 13 Jul 2015, <http://www.lequotidien.sn/index.php/economie/production-du-rapport-itie-2012-2013-des-societes-miniieres-refusent-de-declarer-leurs-donnees> (accessed 6 Aug 2015).

63 | Cf. Abdoulaye Fall, “Statut de pays conforme à l’Itie: Le Sénégal risqué d’être suspendu”, *Le Quotidien*, 26 Jun 2015, <http://www.lequotidien.sn/index.php/economie/statut-de-pays-conforme-a-l-itie-le-senegal-risque-d-etre-suspendu> (accessed 28 Jul 2015).

Senegal, with special emphasis placed on the structuring of the process and the implication of all stakeholders involved.⁶⁴ The aim is to convey the content and importance of the EITI to the affected residents in mining areas, and to engage in a dialogue together with citizens, economic actors and political leaders.



The EITI Conference in Paris: Senegal's Mining Law is significantly geared towards the international initiative to improve transparency in the extractive industry. | Source: Herve Cortinat, EITI, flickr ©©©.

However, given the current difficulties faced in implementing the Transparency Initiative in the extractive sector, more and more residents of the mining areas are expressing their scepticism of the political will of the government and the willingness of the industrial companies to engage in transparency.

Were it to be well structured and consistently applied and followed, the initiative could solve many problems in Senegal. One such problem is that of high unemployment, which leads to dissatisfaction and a lack of prospects, especially amongst the younger population, resulting in many of them emigrating or even joining extremist movements. Its long-term goals are to effectively increase the standard of living for the population, provide better

64 | Cf. "Thiès: les acteurs des industries extractives invités à la transparence", Agence de Presse Sénégalaise, 28 Jun 2015, <http://aps.sn/actualites/societe/societe/article/thies-des-acteurs-de-la-societe-civile-expriment-leurs-preoccupations-sur-la-validation-de-l-itie> (accessed 6 Aug 2015).

opportunities for incorporating young graduates into the extractive industries, all coupled with responsible use of the environment. In this respect, the success of Senegal's economic growth and lasting social peace depend on the credible and consistent implementation of these objectives.