



PEOPLE IN LOCKDOWN

EXTRACTIVES IN BUSINESS

Case Study: Mali

Expropriation under pandemic conditions: Gold mining in Kéniéba Cercle of Mali

Introduction

According to the World Bank, Mali is the third largest gold producer in Africa with gold reserves estimated at 800 tons. The largest deposits of gold in the country are in the Kayes region, which includes the Cercle de Kéniéba where several multinational

companies are present, including Canadian companies Barrick Corporation and B2Gold, and Australian Allied Gold Corporation, and Marena Gold Refinery (which refines gold mined by artisanal miners).

The rich natural resources of the Cercle de Kéniéba attract multinational companies





who amass great wealth from the extraction of minerals. However, local residents do not enjoy the benefits of mining. On the contrary, they are faced with the harmful negative impacts of mining, and inadequate social investment by the state is their reality. There are also concerns by the Institute for Security Studies, that the Kayes region where Kéniéba Cercle is located is vulnerable to instability.¹

In addition to multinationals that have official mining titles, gold is also mined in an artisanal way by local people. In a 2015 article, the Ecofin Agency estimated that there were more than one million artisanal miners “working on about 350 sites, producing between 10 and 15 tons of gold per year.”²

Community action against the negative impacts of mining

Mining has become a source of misfortune and misery for most people living in the mineral-rich territories of the Cercle de Kéniéba.

The Cercle de Kéniéba is located on the border with Senegal and Guinea. Vegetable and cereal cultivation was supported by the Faléa River, one of the main tributaries of the Senegal River, until record levels of pollution threatened the very existence of the Falémé River. A report by Herman Boko cites how mining by the riverbed, or the creation of dams, are prohibited by new laws. In spite of this, artisanal miners, backed by Chinese miners, had violated these laws and the rivers have been polluted, and trees had been cut down. This had worsened the impact of drought in Kéniéba.³

The people of the Cercle de Kéniéba are directly affected by the rush of multinational companies to exploit Mali’s resources. They express their concerns that the waters of the Falémé River and its tributaries are polluted by cyanide, mercury and other dangerous products used by mining companies and artisanal miners. They are concerned that mining operations threaten their ability to carry out their traditional subsistence activities of agriculture, livestock and hunting. Loggers and miners have cut down the trees in the area. Mining has destroyed the

1 Fahiraman Rodrigue Kone and Nadia Adam How Western Mali could become a gold mine for terrorists - ISS Africa, April 1, 2021

2 Agence Ecofin, Gold miners soon a threat to major mining companies?, 17 December 2016, available at <https://www.agenceecofin.com/or/1612-43271-mali-les-orpailleurs-bientot-une-menace-pour-les-grandes-compagnies-minieres>

3 Herman Boko, Mali: Chinese gold miners accused of illegally exploiting and polluting the Falémé River, France24, 26 March, 2021, <https://observers.france24.com/fr/afrique/20210326-au-mali-l-exploitation-ill%C3%A9gale-de-l-or-par-des-chinois-pollue-le-fluve-fal%C3%A9m%C3%A9-%C3%A0-la-fronti%C3%A8re-s%C3%A9n%C3%A9galaise>



“Two worrying phenomena threaten the Falémé and its tributaries. On the one hand is the obstruction, siltation and diversion of watercourses due to bank erosion, drainage of sludge from spitters and dredges discharges. On the other hand, there is pollution of watercourses due to the use of chemicals, drain oils, fuels and other liquids used for the operation or maintenance of machinery.”⁴

environment and causes pollution.

Worse still, the people are threatened with being driven from their ancestral lands. Entire villages are being razed to the ground by gold mining multinationals.

Twenty-one villages of the Cercle de Kéniéba have come together in an association to tackle these injustices that cause them fear and despair on a daily basis. They take up issues of climate change and environmental degradation at the various mining sites, through a self-organised system of monitoring groups that control and prevent the dumping of chemicals into the river and forests.

The association of the 21 villages commissioned a scientific study of the river, which demonstrated that new gold panning techniques have significantly increased water pollution. This study presents the results of the different sources of pollution of the Falémé River and its tributaries in the municipalities of Dabia, Faléa, Faraba and Kéniéba in the Cercle de Kéniéba.

All the methods currently used in the field for gold panning are degrading to the environment and the Falémé River. Gold miners use increasingly polluting techniques and machines such as dredgers to extract ore from the riverbed. The water is dammed to allow dredging on more than 600 m of the river. Dredges clean the bottom of the riverbed and discard all gravel and rubble. This deviates the course of the river. Mercury is used to recover all the gold, which is highly toxic to humans, animals and the environment.

Today, the Falémé River is dry as farmers have built water retention dams to clean their machines and extract minerals. The dredging of the riverbed has caused considerable ecological damage. The use of toxic products has polluted and turned the river yellow. The huge pits dug in the floodplains and the resulting mountains of sand and mud have disrupted the market gardening activities of women in the area.

The direct result is that the water can no longer be consumed, vegetation is slowly dying and fish, birds and other animals have begun to disappear. In addition, the drought has worsened due to the massive destruction of trees around mining sites.

⁴ RFI (2018) Mali: 21 municipalities stand up against water pollution due to gold panning, Mali: 21 municipalities stand up against water pollution due to gold panning (rfi.fr)



Despite protests from residents of the Kéniéba Cercle, mining companies continue to dredge the river and cause damage to the environment. The local population denounces the inaction of the state in the face of the degradation of their environment.

During the lockdown declared by government between March and August 2020, to prevent the spread of Covid-19, members of the community monitoring committees were not able to play their monitoring role, and mining companies took the opportunity to violate environmental protection rules. This increased the number of people suffering waterborne diseases and other diseases, many of whom do not have the financial means to seek treatment.

To say 'no' to the reckless destruction of the environment by loggers and miners, the Wassa Ton Association, which brings together the inhabitants of the twelve communes of the Cercle de Kéniéba, filed a complaint against a mining company on 24 November 2020 before the Court of First Instance of Kéniéba.

The government's complicity

Elected local officials and village chiefs are accused of working with the mining companies in these attacks against the population and the environment. "The mayors we elected to defend the interests of our municipalities are complicit with those who violate the rules of exploitation. Operators receive illegal permits from town halls and village chiefs," said a resident of Sitakily, one of the affected communities. A resident of Dabia says the authorities are aware of the situation but are not reacting. "Maybe the backers are within the government."

The state negotiates directly with large foreign mining companies, offering them advantageous conditions, while local authorities deal with companies at the local level. Mining companies disrupt local socio-economic dynamics and use widely condemned mining practices. Local authorities are thus very often in a paradoxical situation. On the one hand, national government is the sole negotiator with mining companies, and grants them





a lenient tax regime. On the other hand, local authorities do not have the necessary technical, administrative or financial resources to deal with the damage – the social and environmental costs created by mining activities.

According to Malian law, to obtain a mining permit, a foreign mining company is required to partner with another foreign company already present in the country with the government holding a share of a minimum of 10% and maximum 20%. The foreign multinational company, as the majority shareholder decides and makes the most profit by plundering resources and deepening poverty.

The key issues in Mali today are related to land, control of natural and strategic resources, and the fair and equitable distribution of national income. While Mali's new agricultural law recognises customary land rights, the state has control over customary land and hands this over to foreign investors who want this property to set up their projects. Local communities do not have the right to refuse the implementation of these projects, and they very seldom receive fair compensation for land that they lose to mining companies.

Under Mali's mining code, for example, a community member whose land is within a perimeter granted by the government to a mining company for a period of 25 to 30 years cannot object to the mine having access to the subsoil where his fields are located. The community member is forced to leave this land, and it is up to the community member to negotiate compensation with the mining company. In fact, in practice, land is expropriated.