

act:ionaid

Gold rush

The impact of gold mining on
poor people in Obuasi in Ghana

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CORPORATE
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The impact of gold mining on poor people in Obuasi in Ghana



David Rose/Panos Pictures/ActionAid

Statue of an AngloGold Ashanti gold miner dominates an avenue in Obuasi

Executive summary

While the price of gold dips from near-record levels on world markets, new ActionAid research highlights that poor people in Obuasi in Ghana are suffering huge social and environmental costs and alleged human rights abuses as a result of gold mining by a subsidiary of UK-listed mining giant Anglo American.

Investigations highlight how rivers and streams have been polluted with arsenic, iron, manganese and heavy metals from past gold mining activities by Anglo American's subsidiary, AngloGold Ashanti (AGA) and its predecessor, Ashanti Goldfields Corporation (AGC).

Previously used by thousands of villagers for drinking water, fishing and irrigation, dozens of rivers are now unusable. "All the fish are dead," said local resident Dwawe Hapah, pointing out toxic sludge floating down the stream that flows through his village and was once its main source of drinking water.

Local residents claim that new cases of serious water pollution and flooding are still occurring and that alternative sources of water provided by AGA, such as public standpipes, are dangerously contaminated, broken or obsolete.

Large areas of land in Obuasi previously used for cultivation are believed to have been contaminated through toxic water pollution. Many smallholder farmers say their livelihoods have been destroyed.



Open cast gold mining looms over Anyinam village

“The expert from AGC came here to measure the affected places and told me not to use my farm area,” said Abi Tessa*, a local smallholder. “They’ve told us it is poisonous because of the cyanide. Because I don’t sell my crops, my income has gone down.” Mr Tessa says as a result, he has had to pull his children out of school.

While some refuse to buy crops from farmers whose land is known to be poisoned, poor peasants, who farm to feed their own families, have no such choice. Smallholder Brian Fatusu, who grows cassava and palm, said: “Since we don’t have any option, we turn a deaf ear to the fact that it is dangerous. We have to eat. So we eat this.”

Alleged brutality and human rights abuses involving company security against local men suspected of mining illegally on AGA property are also highlighted.

The chairman of parent company Anglo American, Sir Mark Moody-Stuart, is a leading advocate of responsible corporate behaviour and urges a greater role for big business in tackling poverty in Africa.

While AGA acknowledge some of the issues contained below in public reports, investigations by ActionAid reveal serious discrepancies between AGA’s official version of events and the accounts of local witnesses.

Villagers, community leaders, academics and civil society campaign groups claim large-scale surface and open-pit gold mining activities by AGA – and previously AGC – are responsible for widespread social and environmental degradation in Obuasi, and demand urgent action and compensation.

*Some names have been changed to protect identities

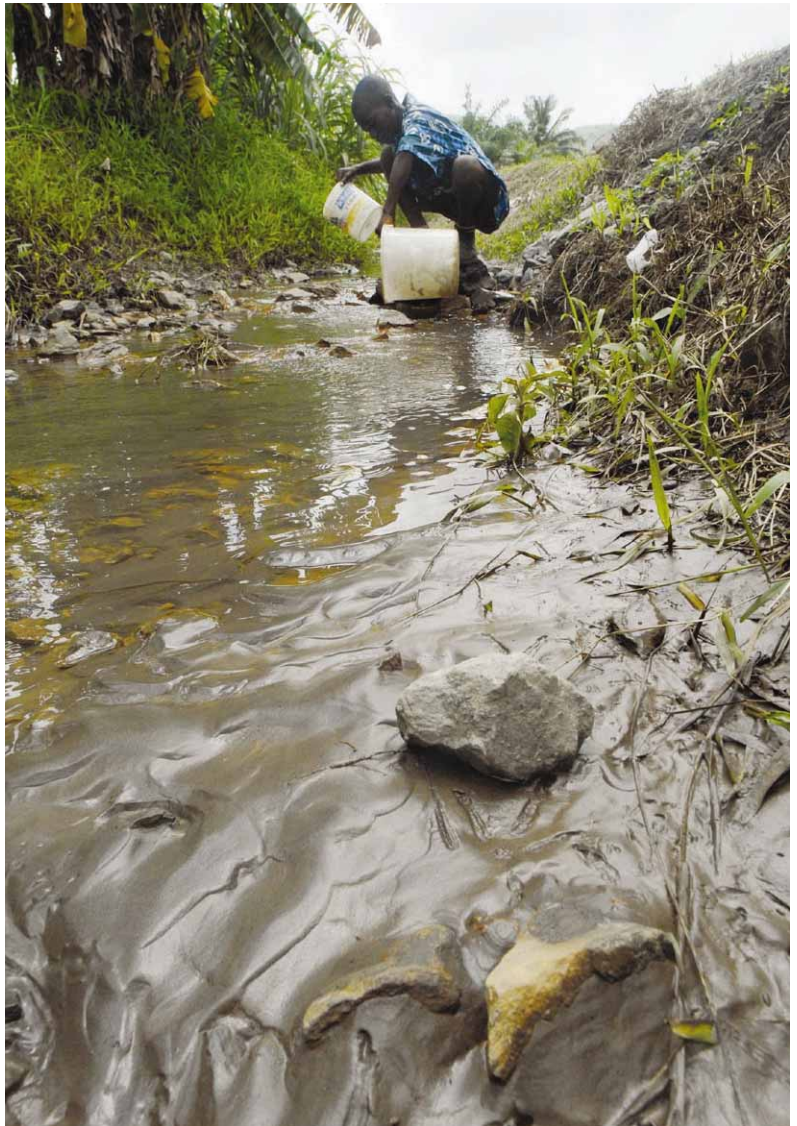
Relatives, witnesses and advocates also want independent investigations into alleged human rights abuses.

According to ActionAid's research AGA is failing to report its activities accurately to shareholders and the public and some of these failures are serious. There are at least three ways in which evidence collected by ActionAid contradicts claims made by AGA. These relate to:

1 on-going water contamination, environmental damage and toxic flooding

key findings –

- toxic pollution of local rivers and streams with pollution levels up to 38 times above maximum legal limits, with high levels of arsenic, iron, manganese and heavy metals
- new pollution of homes in one village
- new flooding of homes in another village
- dangerously polluted or broken company-provided standpipes and water pumps in at least four villages
- contaminated land affecting local food security in the Obuasi area.



Some locals are forced to use dangerously contaminated streams in Anwiam village

David Rose/Panos Pictures/ActionAid

2 discrepancies between AGA's claims to have provided adequate compensation after a toxic spill and testimony by local witnesses

key findings –

- contradictory reports from local witnesses in Abompekrom about an adequate clean up by AGA after a toxic flood from an AGA cyanide containment lake
- no evidence found of appropriate compensation paid to locals affected by the Kokoteasua toxic flood.

3 company claims that Awudu Mohammed, a suspected illegal miner, was not shot on 21 June 2005 are contradicted by evidence obtained by ActionAid

key findings –

- company claims that Awudu Mohammed, a suspected illegal miner, was not shot on 21 June 2005, are contradicted by evidence obtained by ActionAid
- confirmation of Mr Mohammed's gunshot wound in a new final medical report signed by the chief executive and head of surgery of the Komfo Anokye Teaching Hospital in Kumasi, Ghana

- serious doubts about the basis of evidence used in AGA's investigation into the alleged incident on 26 July 2005.

Overall, AGA's company reporting fails adequately to convey the company's negative impact on poor people in Obuasi.

Most witnesses interviewed in Ghana are not hopeful of holding AGA to account successfully in Ghanaian courts, although they do call for:

- i urgent remedial action
- ii investigations by Ghana's independent Commission on Human Rights and Administrative Justice into human rights allegations
- iii greater corporate accountability.

ActionAid is calling for tougher domestic company laws worldwide and also for new international laws to regulate corporations and their subsidiaries to help ensure greater respect for peoples' rights.

One current legislative opportunity to close the wider 'accountability gap' for UK-listed companies that cause harm overseas is through tougher provisions in the new Companies Bill, an overhaul of UK company law currently going through Parliament.

It is hoped tougher reporting requirements and greater legal duties on directors of UK-listed companies to take steps to minimize any negative social and environmental impacts on communities overseas could help prevent some of the issues highlighted below.

Recommendations

AngloGold Ashanti should

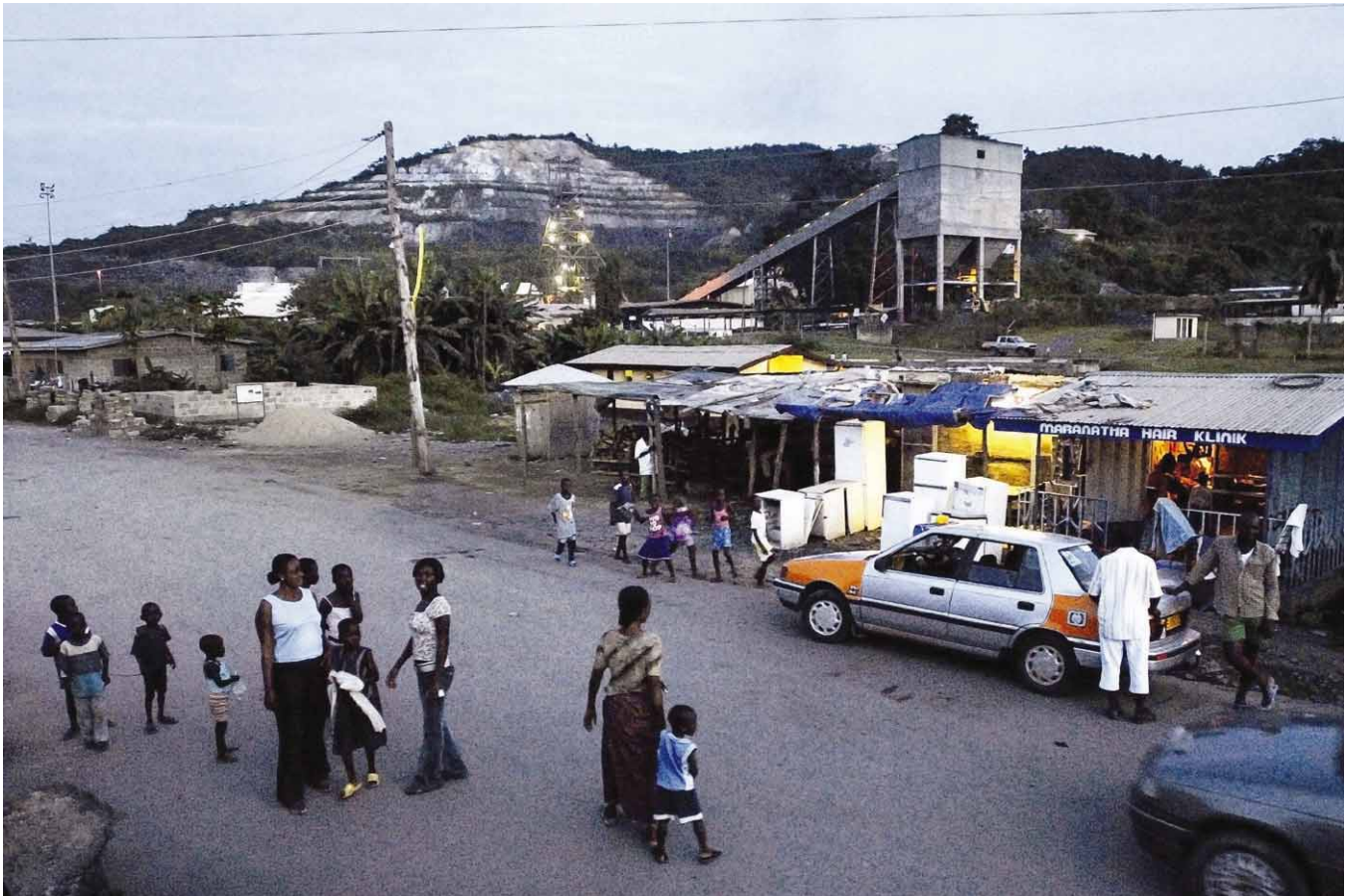
- take action on the water contamination, environmental damage, broken standpipes, abandoned pits and toxic flooding issues highlighted in this report
- provide adequate compensation for affected people for the toxic spill highlighted in this report
- cooperate with independent investigations into human rights abuses.

the Ghana government should

- enforce a more stringent water monitoring and pollution regime through the Environmental Protection Agency (EPA)
- launch an inquiry into mining and health related problems in Obuasi
- launch an investigation through the Commission on Human Rights and Administrative Justice into human rights allegations.

the UK government should

- adopt strengthened social and environmental reporting requirements for all large and mid-sized UK companies in the new Companies Bill
- adopt tougher duties on company directors to take steps to minimise negative social and environmental impacts in the new Companies Bill
- establish an independent review to examine the rights of redress of affected communities in UK courts for abuses caused overseas by UK companies and their subsidiaries.



David Rose/Panos Pictures/ActionAid

AngloGold's KMF mineshaft dominates Anyinam township

ActionAid research

This paper presents the findings from research conducted in Ghana on 29 May-4 June 2006 in Accra, Obuasi and neighbouring villages. Visits were made to eight villages: Binsere (31 May), Sansu (31 May), Ahansonyewodea (1 June), Anwiam (1 June), Jimiso Dam (1 June), Abompekrom (2 June), Dokyiwa (2 June), Anyinam/Kofiekrom (3 June). Interviews were semi-structured and recorded on audio equipment. Water samples were also taken from nine sites and initial tests conducted at a specialist laboratory in the UK.

The Third World Network Africa'

The TWN Africa research, conducted by academics from the University of Ghana (Accra) and Kwame Nkrumah University of Science and Technology (Ghana) in 2002-2004, involved independent sampling of water sources, including streams, boreholes and hand-dug wells to assess water quality. Heavy metals and other standard water-quality parameters were analysed. In addition, stream sediment and orange fruit samples

were collected and analysed for heavy-metals concentration. A total of 25 water samples, eight sediment and four fruit samples were taken. Water samples comprised 12-borehole water samples, 10 stream water and three hand-dug well water samples. A study of disease prevalence within the communities studied, was conducted covering the period 1989-2003, and was integrated with a study of the communities' own perceptions of possible causes of such diseases.²

AngloGold Ashanti's (AGA) position

Four documents produced by AngloGold Ashanti have been used to document the company position: "AngloGold Ashanti's response," dated 15 June 2005, to a Ghana News Agency report; "AngloGold's response," dated 16 January 2006, also to a Ghana News Agency report, both of which can be found on the Business and Human Rights Resource Centre website (www.business-humanrights.org); and AGA's *Report to Society 2005* and AGA's *Country Report: Ghana for 2005*, both of which can be found on the company's website.

Information on AngloGold Ashanti and Anglo American

According to company information and Hemscoff Data company profiles³

- AngloGold Ashanti is a South African company that is an independently managed subsidiary of Anglo American.
- Anglo American this year reduced its holding in AGA from over 50% to 'approximately 41%-42.6%'.
- Anglo American is one of the world's largest mining and natural resources sector companies with 209,000 employees and a turnover of £17billion in 2005.
- Anglo American is based in London, it is listed on the London Stock Exchange and is majority-owned by institutions such as PLC Nominees, Old Mutual Nominees and Legal & General Investment Management.
- Anglo American has four executive directors, three of which are also directors of AGA. One of these three is Anglo American's chief executive, Tony Trahar. Bobby Godsell, who is AGA's chief executive officer, is also a non-executive director of Anglo American.
- Anglo American is a founding sponsor and member of Business Action for Africa. In June 2005 it received the UK's Business in the

Community first international award for its contribution towards the achievement of the UN Millennium Development Goals in Africa.

- Sir Mark Moody-Stuart is the non-executive chairman of Anglo American. He is also a member of the UN Secretary General's Advisory Council for the Global Compact.
- AGA was created in April 2004 after a merger between AngloGold Ltd and Ashanti Goldfields Corporation (AGC) Ltd.
- AGA operates 22 mines and plants in 10 countries, including Argentina, Australia, Brazil, Ghana, Mali, Namibia, Tanzania and the US.
- AGA has 63,993 employees and recorded a gross profit of \$730 million in 2005.
- AGA's mine at Obuasi in Ghana produced 391,000 ounces of gold at a total cash cost of \$345 per ounce in 2005.
- AGA's Obuasi mine has 8,295 employees and capital expenditure is expected to be \$88-92 million in 2006.
- AGA is involved in the Extractive Industries Transparency Initiative in Ghana, Guinea and the Democratic Republic of Congo.

An important issue is the extent to which AGA is responsible for the impact of gold mining before April 2004, when AGC ran the Obuasi mine. It seems from company information that it was mainly former AGC senior staff who took over when AGC merged with AngloGold - a subsidiary of Anglo American - in 2004 and now make up most of the senior positions in AngloGold Ashanti.

Key points:

- The CEO of AGC was Sam Jonah, appointed in 1986; Jonah is currently president of AGA, appointed in May 2004. He was given a knighthood in 2003.
- Mr. S Venkatakrisnam was AGC's finance director from 2000-2004; he is now the chief financial officer for AGA.
- Daniel Owiredu was the managing director of the Obuasi mine under AGC. He is now AGA's deputy chief operating officer, Africa.

1. Water pollution

1.1 Local rivers and streams

ActionAid interviewed numerous villagers in the Obuasi area who complained that their rivers and streams are now dangerously polluted and unsafe to drink as a result of gold mining activities by AGA, and previously AGC.

The director of the Ghana-based campaign group Wassa Association of Communities Affected by Mining (WACAM), Daniel Owusu-Koranteng, estimates 60 local streams are now dangerously contaminated and pose a significant hazard to local people.

Previously used by thousands of villagers for drinking water, fishing and irrigation, dozens of rivers are now unusable, although some poor people continue to use the streams at considerable risk to their health.

TWN Africa research – water contamination

Research carried out for TWN Africa between 2002 and 2004 indicates dangerously high levels of water contamination in the Obuasi area. “Historic mining and more recent extensive surface mining operations have combined to damage the quality of water, especially surface water in the study area. The waters in the study area are acidic, falling outside the EPA [Environmental Protection Agency] and WHO range of standards...The presence of heavy metals such as iron, arsenic and manganese is particularly high in most streams sampled... Arsenic values were between 10 to 38 times higher than levels permitted by EPA general guidelines and over 1,800 times higher than the WHO maximum values. The same pattern was observed for manganese, whose values were up to 26 times higher than EPA-allowed limits. Iron values were between 1.7 and 15 times higher than levels allowed by EPA guidelines.”⁴



Local water supplies have been tested for contamination in Obuasi

David Rose/Panos Pictures/ActionAid

These claims are backed by research by the advocacy group TWN Africa who sampled and tested water from 25 sites – taken independently from 12 boreholes, 10 streams and three hand-dug wells – in the Obuasi area between 2002-2004 (see box, opposite).

Their findings estimate that levels of arsenic, iron and manganese sampled from local water sources were dangerously high, ranging from 1.7 to 38 times higher than government levels that are monitored by the EPA. TWN Africa also estimates that arsenic levels of some water samples were up to 1,800 times higher than World Health Organization maximum safety levels.

On the ground, the assembly man for Sansu village in Obuasi, Benjamin Annan, concurred, and told ActionAid: “There were 16 streams here. They [the gold mines] have destroyed them all. You can’t use the local rivers. They’re contaminated with cyanide.”

Surface mining

The impact of gold mining on the environment can be particularly severe because of the chemical processes used to extract gold. In addition to its underground mine in Obuasi, AGA recover gold by open-pit surface mining using the ‘heap leach’ method, which involves pouring industrial quantities of sodium cyanide on huge piles of earth and crushed rocks.

Such methods come at a cost. The process involves large volumes of water and the construction of run-off dams – known as ‘tailing dams’ – to contain run-off residues from the ore-extraction process. Leftover wastes are called *tailings* and they often contain pollutants such as arsenic and cyanide acids.



David Rose/Panos Pictures/ActionAid

Clean water is scarce in Sansu village

Many streams and rivers in Obuasi have been polluted as a result of spillage and leakage from tailing dams, denying thousands of local people access to adequate clean water supplies. For example, the river Fena, which flows through most of the communities studied, has been polluted by open-pit and 'heap leach' methods.

Cyanide leakage due to flooding and dam failure – such as incidents in nearby south and north Dokywa in 1996 and 1998 – further compounded an already pressing problem, leading to the abandonment of villages such as Badukrom and Attakrom. An effluent discharge in November 2005 from AGA's Pompora Treatment Plant into the Kwabrafo, a tributary of the Jimi river, has contaminated these rivers and deprived villages and towns such as Sansu, Odumase, Akofuom, Jimiso Kakraba of their once-fresh water, according to TWN Africa.

Asked about the effect of gold mining on local water sources in the area, 93% of respondents in a survey by TWN Africa expressed the view that mining had

polluted water in their communities.⁵ Some 71% of respondents also said they could not drink from their age-old water sources due to pollution.⁶

The EPA, a government agency, is charged with testing and regulating local water safety levels. Many observers, however, say the agency is under-resourced and that it is ineffective because it relies on water samples provided by AGA for its analysis.

In an interview with ActionAid the EPA director of mining Nana Andoh said he believed AGA was not involved in any recent pollution incidents, saying: "We don't expect any pollution from the operations as at the moment."

However, Mr Andoh did confirm that AGA itself mainly provides the water samples that are given to the EPA for pollution analysis. "What we normally do is we ask the company to do it and occasionally we go in and we take samples from agreed points each month," Mr Andoh said.

Dokyiwa village and nearby cyanide containment pond

A 100m walk downhill from the centre of Dokyiwa village near Obuasi through cocoa trees takes one to a stream which was previously the main source of fresh water for Dokyiwa's approximately 700 inhabitants. It is now unuseable as a result of pollution from AGC operations – the water is mainly a light brown colour, peppered with bright orange or multi-coloured pools of toxic sludge. "You can't bathe in the waters now," said local resident Dwawe Hapah. "All the fish are dead."



David Rose/Panos Pictures/ActionAid

Locals claim this gold mining waste dump leaches into the water table.

1.2 New pollution Anwiam village

New water pollution is still occurring in a number of places. At Anwiam, water was seen flowing from a pipe and being discharged directly into the settlement. The TWN Africa environment programme officer, Abdulai Darimani claims this pipe is owned by AGA. In June 2006 ActionAid researchers inspected the pipe that a dozen villagers claim discharges waste water – which is likely to contain arsenic and possibly cyanide. ActionAid met several people who say they have been forced to leave their homes. Villagers also say that the stream overflows regularly as a result of the discharges.

Kokoteasua/Abompekrom spillage, November 2005

Abompekrom is a village of around 10,000 people next to one of AGA's gold mining plants. Many houses and a village school have recently been flooded by toxic water from the 'containment lake' at the plant, believed to contain cyanide and other pollutants from ore processing.

Beyond the lake is a massive waste dump, about 500 metres long, which dominates the skyline overlooking the village school, the Steadfast Academy. Contrary to AGA's position (see box, p14), our researchers heard allegations from local people that the pipes from the containment lake are sometimes opened after heavy rain to drain it and keep it at a certain level.



David Rose/Panos Pictures/ActionAid

Steadfast Academy headteacher Evelyn Sintim-Akankwa found her school in Abompekrom flooded with toxic water

The cause of the Kokoteasua spillage in 2005 was never independently investigated, however, the effect on the local school and residents was profound.

■ Contaminated school

Abompekrom resident Bin Malik teaches English at the Steadfast Academy, a school of 1,000 children aged 2-18. "The people of the community have suffered a lot," he said. He described the effect of flooding from the contaminated waters. "Immediately the animals drink from it they die," he said. "Sheep, goats and fowl have recently died."

"One day [in November 2005] it rained seriously and teachers had to take the children away because they were knee-deep in contaminated water," Mr Malik said. "The water came from the overflow from the stream which is polluted. I was there personally. We

saw dogs, cats, fowl and other dead animals. This told me it would be dangerous for human beings. Once it can kill an animal, it can kill a human."

Evelyn Sintim-Akankwa, head teacher of Steadfast Academy, described in an interview in her office how the school was recently flooded for a second time with polluted water from AGA's containment lake.

"The recent flood was very serious in that it rained in the night," she said. "When we came to school in the morning we found all our classrooms filled with cyanide and water. Water and cyanide! The whole place was filled with floods. The classrooms, the football fields, our garden, the whole vicinity was filled with floods."

She says pupils and teachers were up to their knees in toxic water in their classrooms and tried to clear it up with buckets and bowls. Many complained afterwards of itchy skin.

Mrs Sintim-Akankwa says AGA staff did help repair some of the flood damage to the school and playground, but she claims they did not clean up and repair it properly and – contrary to AGA's report (see box, p14) – offered no effective drainage control remedies or compensation. "I'm afraid the same thing will happen again," she said, referring to further flooding.

ActionAid investigated AGA's nearby Kokoteasua treatment plant and sump lake. On the way, teacher Bin Malik claimed AGA sometimes opened an overflow pump at night, at a time he said when the local community is 'less aware.'

Abi Tessa is a farmer of sugar, plantain, cocoyam and sweet potato, but his house and those of neighbours in Abenpekrom village are regularly flooded with polluted water when the AGA cyanide lake or slump dam overflows.

"When it rains and they open up their sump pipe it enters here and we can't cross," Mr Tessa said, standing in his kitchen. "The toxic flood water sometimes enters the verandah and floods my house. It looks like coffee and smells of chemicals. In the course of the flooding, I lifted my children and put them on this table. Sometimes it reaches the waist."

Lost crops

Land contamination impacts on the food security of Abi Tessa and his neighbours who also grow crops on nearby smallholdings. He says the last flood in November 2005 killed four goats and at least 10 of his fowls. ActionAid asked if the toxic water was responsible for lost crops? "Of course," Tessa said. "After washing I also had skin problems and was itching all over." Did he lose crops? "It had reached the time of harvesting, so it didn't affect them. But the problem now is that I can't use the crops. I have been warned not to work on my farm area.

"The expert from AGC [ie AGA] came here to measure the affected places and told me not to use my farm area. They've told us it is poisonous because of the cyanide. Because I can't sell my crops, my income has gone down. Because I've been warned not to use it, I'm not selling. Everything on the land is closed."

Mr Tessa's income from selling sugar cane has declined sharply, and as a result he has had to pull his two sons out of school because he cannot afford their school fees. "They haven't been to school for a month now," he said, referring to his sons, Isaac and Bright, aged six and two years.

Contrary to AGA's official account about giving appropriate compensation to affected parties (see box, p14), Mr Tessa claims he has not received any compensation for the flood damage to date. In fact, no one that ActionAid spoke to said they had received or heard of anyone else receiving compensation from AGA.

Indeed, analysis of AGA's wider account on water safety levels in Obuasi (see box, p14) does not accurately reflect the persistent and on-going problems reported here.



David Rose/Panos Pictures/ActionAid

Small holder Abi Tessa says 'I can't sell my crops.'

What AGA says about Kokoteasua

Kokoteasua

AGA blames local illegal artisan miners – known as ‘galamsey’ – for the spillages, and claims it cleared them up and compensated villagers appropriately. The AGA company report 2005 says: “The illegal activities of galamseymers flared when mining operators cut the electric cables that feed the pumps running tailings slurry from the Kokoteasua Dam Pump Station to the Pompora Tailings Treatment Plant in the midst of a heavy rain storm...The sumps have been cleaned and storm water drainage control has been improved. The school and houses downstream were cleaned and appropriate compensation given.”⁷

1.3 New pollution from rain water flowing off waste dumps

Ahansonyewodea village

Several gold mining waste dumps, some the size of small mountains, dot the landscape around Obuasi. Ahansonyewodea village is four miles from Obuasi and the name translates as ‘This place is not your territory’. This is a defiant protest name used by the community, as a result of AGA’s gold mining activities. The village has 2,500-3,000 inhabitants, and overlooking the village is a massive waste dump – up to 100 metres high and 300 metres long – left in the early 1990s by AGC.

When it rains heavily, local people at one end of the village are flooded with toxic run off water. Farmer Thomas Antwi, a member of a village committee that meets with AGA, said: “Whenever it rains heavily the rainstorm washes most of the debris [from the waste dump] downstream, and then those who are at the furthest end of town get affected and they cannot stay there until the water subsides.”

Villager Dalia Randong, a mother of four, lives at the bottom of the village, next to the stream or gutter that runs downhill through the village, where the flooding is worst. She showed us her home, which is embedded in grey mud, parts of which are submerged. Villagers laid down a plank to traverse the mud into her home.

What AGA says on cyanide and water quality

Use of cyanide

“The use of cyanide in the recovery of gold is a core concern for the gold mining industry and is critical to its viability. AngloGold Ashanti was a party to the development of the International Cyanide Management Code and was one of the first signatories announced in November 2005. During 2005 the AngloGold Ashanti operations in Ghana used 5,954,000 kilograms of cyanide.”

Water quality

“The Environmental Protection Agency has raised a number of concerns about the failure of Obuasi to achieve water quality discharge standards. An internal review of the operation has identified a series of remedial actions to address this situation.”⁸

“AngloGold Ashanti’s operations in Obuasi are designed to prevent the discharge of pollutants into adjacent water bodies. In our Report to Society we have acknowledged a problem with regards to arsenic in water. While arsenic levels in the tailings storage dam do exceed effluent standards, the levels of arsenic in the nearby Nyam river have been within EPA limits after dilution. On 20th December a rupture in the Sansu STP pipeline to Dokyiwa Tailings Dam resulted in a slimes spill affecting vegetation and water bodies. It is suspected that this incident was caused by illegal mining.”⁹

“The company is in the process of undertaking a comprehensive review of the Obuasi operations and developing long-term environmental improvement plans for the area, which we trust will address concerns.”¹⁰

“Last year, one night, I was fast asleep with the other children but one of them was studying,” said Mrs Randong. “So it was raining and my daughter saved our lives. She woke me up and I got up. I stood up and the rain water had gotten into the room. It was up to my navel. If it hadn’t been for her, I’m sure my youngest child would have died underwater.



David Rose/Panos Pictures/ActionAid

Locals in Binsere say company-provided pumps are polluted with heavy metals

"I know that the water contains cyanide and it has a very bad smell. And because it gets into our houses, when you get out of it you realise that your body becomes white."

Mrs Randong said AGA had visited and taken photos of her house about three weeks prior to ActionAid's interview with her in June 2006, but she said nothing had happened since. Another pathway through the bottom end of the village was flooded with water and was muddy. Several compounds were surrounded by grey, damp clay or flooded with small pools. The yard of one compound, where 20 people live, was entirely covered in grey mud. Plantain trees were growing there.

1.4 Pumps provide polluted water

Public water pumps on which villagers now rely for clean water, often built by the company (AGA or AGC) to replace contaminated streams, in many cases provide polluted water, according to villagers, TWN Africa tests and ActionAid research. In short, it appears AGA is failing to address villagers' rights to adequate and alternative safe water supplies.

The district director of health services for Obuasi, Dr Samuel Somuah is concerned by the contaminated standpipes and said: "We've had circumstances where we've seen that water that people are drinking from standpipes is coloured and it leaves a silver stain on the surface. When we raised the concern, they [AGA] say it is iron. Most of these pipes were made in the 1940s and 1950s when PVC was not available, so they used iron in the pipes and this has led to the colouring of the water. But some of the tests that we did with TWN Africa prove that the levels of arsenic in these waters are high."

Polluted standpipes in Anyinam/ Kofiekrom village

Anyinam is a noisy township with a population of 3,000, lying next to AGA's Kwesi Mensah gold mine shaft in the centre of Obuasi. Towering above the plant and the township are two giant waste mountains.

Lucy Akaadom is a member of the committee that meets with AGA, and is angry about polluted standpipes and says that local women have to bear



David Rose/Panos Pictures/ActionAid

The Jimiso dam near Obuasi which locals claim has polluted local streams

most of the extra burden. “No-one drinks from the pumps in the village,” she said. “No one here has clean water. So villagers must go 1.5 miles to the next village, Kofiekrom, to fetch water.”

Fetching water is a task carried out largely by women, and dozens have to walk long distances each day. Mrs Akaadom, however, is fortunate and can afford to take a taxi. “We have a taxi and we go to Kofiekrom to get the water. I do this every day. We go in the morning. Most people – mainly women – walk with containers on their heads.” This takes 30-45 minutes. “If you go and join the queue, you can spend an hour waiting. They pay about 15,000 to 20,000 cedis [£1-1.33]” for five gallons,” she said.

Jimiso Dam

The tailing dam on the Jimi river is located three miles from Obuasi town and is reached by a track 500 metres past Jimiso village. It is a fertile area where maize, cocoyam, cassava, plantain, tomatoes and aubergines are grown. A warning sign at the dam states: “Don’t fish, don’t swim, don’t drink.”



David Rose/Panos Pictures/ActionAid

AngloGold instructions near the Jimiso dam

AGC built two pumps in Jimiso village to replace the polluted streams, though people say the pumped water is also unsafe. By 6pm no-one comes to the dam because of mosquitoes. The water gushing out of the dam from the pool enclosed by it was a light brown colour and small pools of stagnant-looking water were visible.

A villager, Stephen Danquah, was asked what would happen if you drank water from the pumps. "You're going to have a very runny stomach if you drink it," he said. Some locals do drink it though, he said. "We've got used to it. We stopped drinking the water after it was polluted. But now we've come back. People drink the water here [in the pool of the dam] only when they come to farm. We don't take it back to the village."

Broken standpipes in Ahansonyewodea village

Local farmer Thomas Antwi told us that the local drinking water in Ahansonyewodea village is contaminated as a result of the waste dump overlooking the village. While AGA has built boreholes for them, some of them are damaged and not working. The villagers have asked the company several times to fix them but nothing has happened. At the time of ActionAid's research four out of six systems in the village were broken. "They promise to come but they never turn up," he said.

2. Land contamination and food insecurity

Right to food

The right to food is a human right and is a binding obligation well-established under international law, recognised in the Universal Declaration on Human Rights and the International Covenant on Economic, Social and Cultural Rights (1976),¹² and a number of other instruments.

The right to food has also been recognised in numerous national constitutions and it has been well defined in the General Comment of the Committee on Economic, Social and Cultural Rights (1999).¹³ This defines the right to food as:

“The right to adequate food is realized when every man, woman and child, alone or in community with others, has physical and economic access at all times to adequate food or means for its procurement.”¹⁴

Signatory governments are obliged to respect, protect and fulfil the progressive and full realisation of the right to food.

The right to food includes availability of food but also access to food. The obligation to *respect* existing access to adequate food requires state parties not to take any measures that result in preventing such access.

The obligation to *protect* requires measures by the state to ensure that enterprises or individuals do not deprive individuals of their access to adequate food.¹⁵

2.1 Contaminated land

Large areas of land in Obuasi previously used for cultivation are believed to have been contaminated through gold mining activities and toxic water pollution, according to TWN Africa. This is undermining poor peoples’ food security and right to food. The cultivation of fruit and vegetables – such as local crops, including ‘Obuasi oranges’¹⁶ – on polluted land poses a risk to peoples’ health and prevents them from selling their produce in local markets.

Asked about the effects of gold mining on local food supplies in Obuasi, 90% of those interviewed for TWN Africa said that mining had led to the reduction of food production in their communities.¹⁷

Farmer Thomas Antwi’s land in Ahansonyewodea is contaminated, and he now finds it harder to get by. “It has affected our farming so we can no longer farm,” he said. “Because there is a lot of rice in Ghana we all eat rice, but when it comes to doing actual farm work we can no longer do it because the land is poisoned and that has become really difficult for us.”

TWN Africa research – contamination and food security

TWN Africa indicates serious poisoning of local crops in areas of historic gold mining activity, with high levels of mercury, zinc and arsenic found in local ‘Obuasi oranges’. “Mercury values were up to five times more than EPA limits and 26 times more than World Health Organization limits. Zinc concentrations were up to five and eight times more than EPA and WHO limits. Arsenic values were 24 and 1,226 times the EPA and WHO limits respectively.”¹⁸

Polluted farm land

“Sediment samples generally exhibit the highest concentration of measured trace ions with values of arsenic and iron being extremely high in most samples. The highest values were roughly coincident with areas of past and/or active mining/processing activities.”¹⁹

“What happens is that with the tuber crops, if you go to take them out of the ground, it’s like it’s already cooked. So you realise immediately there is something wrong with the soil – that you can do nothing with it. So we don’t even attempt to do it.”

At Dokyiwa village ActionAid researchers walked through lush farmland where cassava and palm were being grown, in amongst occasional brown and orange sludge pools created by AGA’s mining activities. Local farmer Brian Fatusu, who grows cassava and oil palm, said: “Since we don’t have any option, we turn a deaf ear to the fact that it is dangerous. We have to eat. So we eat this.”

Other villagers, such as former chief Kwame Dapaah have cut back growing and selling tomatoes and cabbages because he says others know it comes from poisoned land. “Now my land is destroyed,” he says. “I’m making a loss, so I take out loans and try to pay it back.”

2.2 Binsere abandoned pit

ActionAid found several abandoned former gold mining pits in Obuasi, all of which pose a serious hazard to locals and deprive poor people of land for cultivation.

About a mile from Obuasi, ActionAid researchers inspected an abandoned gold mining pit at Binsere village, a moonscape of grey clay with pools of water 500 metres long by 150 metres wide. AGA say they have permission to fill the Binsere pit and that it had not caused any pollution incidents (see box, p20), but locals dispute the latter point and urgently want it filled up and made good.

Asked what was in the abandoned pit, villager Henry Fdah said: “Cyanide, mining waste, chemicals. Before this pit, this was a forested area with farms, with oranges and food crops.”



Farmer Brian Fatusu grows cassava and oil palm despite his land being contaminated

David Rose/Panos Pictures/ActionAid



Several abandoned mining pits - such as this one in Binsere - pose hazards to local people

Farmer Ernie Poku from Binsere said the impact of the abandoned pit on his livelihood was profound. "We no longer have access to our farmlands as a result of the pit," he said. The pit was initially dug to search for gold deposits, after which it was used as a waste dump. An old rusted pipe, previously used to transport the waste, dips into the pit.

"We are asking the company to fill the pit in and get it back to its original state so that we can farm again," Poku said. "The company always says that they are coming to do it but no-one knows when."

What AGA says – abandoned pits

"Surface mining leads to the creation of open mine pits. The company has obtained a permit from the EPA to backfill the Dokyiwa and the Binsere pits with tailings materials. The permit for undertaking the backfilling was obtained on the basis of detailed Environmental Impact Assessments carried out on the project and a report submitted to the EPA. Evaluation of the monitoring results from the weekly water samples around the pits in question has not revealed any pollution incidents." ²⁰

3 Health impacts

3.1 Mining in the Obuasi area may damage peoples' health

High levels of dust and pollution from surface mining in Obuasi and Sansu are suspected to have contributed to serious local health problems – from increased and epidemic levels of acute respiratory infections (ARI), diarrhoea, skin diseases, malaria and acute eye infections.

Dr Samuel Somuah, the district director of health services for Obuasi, told ActionAid: “The impact of mining on health has been negative here. If you look at the environment, the pits that have been left over by surface mining, the spillages. We have not been able to take a direct relationship between the toxins and health but malaria has been overwhelming. At least half of the population go to the hospital every year.”

According to Dr Somuah, more research is needed to establish conclusive links between mining and poor health and that conclusive evidence on this was lacking. “We have enough evidence of the relationship between the environment and the health of the people. But we have not done enough to establish a conclusive link,” he said.

Dr Somuah said malaria caused 52% of all local out-patients cases and was the biggest killer in Obuasi, causing 22% of deaths in 2005. Some 19 out of 20 communities in the area surveyed by TWN Africa mentioned malaria as a major health problem. The communities blame the high incidence of malaria on pits of stagnant water created by AGC mining activities that serve as breeding grounds for mosquitoes.

In response to these problems, AGA recently started a malaria control programme in Obuasi (see box, p22), involving insecticide impregnated bed nets and indoor spraying of 90,000 houses with anti-malarial spray. Villagers say they have so far seen little or no improvement in malaria control from the company's programmes and did not appear optimistic there would be such.

TWN Africa research – health impacts

“Acute respiratory infections (ARI), diarrhoea, skin diseases and eye infections, in addition to malaria, were the most prevalent diseases in Sansu. The incidence of these diseases exhibited drastic annual increases from 1994 through to 2002, peaking between 1998 and 2002, but dropping considerably in 2003. Sansu has a high concentration of surface mining pits, ore-crushing and milling facilities, in addition to a Sulphide Treatment Plant. These activities give rise to considerable dust pollution and pollution of streams through the mobilisation of heavy metals in drainage emanating from these facilities. ARI, apart from malaria, is the most prevalent disease in the Sansu area. Dust is a major cause of the disease and the people in the area believed that dust generated through ore haulage, crushing and grinding was responsible for the widespread presence of ARI in the area.”²¹

3.2 Ailments linked to mining?

Numerous villagers told ActionAid of widespread stomach problems, itchy skin, rashes and dust pollution which they believed had been caused by AGA's mining activities. Farmer Thomas Antwi from Ahansonyewodea said his skin became rough and whitish and itched for days after he bathed in the local mining-polluted Nkanso river.

Municipal health services director Dr Somuah has noticed an unusually high number of chronic dermatitis, or skin complaints.

“We've been diagnosing a situation that we call aquagenic pruritus,” he said. “That is pruritus that is caused just after you have bathed. It is a skin situation. There have been situations of chronic dermatitis for which we cannot assign any other reason for. There have been periodic cases of what we call allergic conjunctivitis.

“In summary, yes, there appears to be a relationship between the environment and skin conditions although it is not confirmed,” he said.

What AGA says – health issues

“The integrated malaria control programme is planned to start in April at Obuasi and all outlying villages within the Obuasi municipal assembly area...The integrated malaria control programme for Obuasi comprises: vector control – indoor redicual spraying of the estimated 90,000 structures in the town as well as the use of insecticide-impregnated bednets... Larviciding of temporal and permanent water bodies which support mosquito breeding...disease management...surveillance and monitoring... Information, education and communication –

programme liaison teams and volunteer community advocates have been trained to provide health information on malaria prevention.”²²

“As regards the allegations of skin and respiratory diseases AngloGold Ashanti is ready and willing to cooperate with any such investigations into these concerns and undertaking mitigative [sic] or corrective actions should there be any linkages established with our operations.”²³



AngloGold has sprayed 90,000 homes with insecticide to tackle rampant malaria in Obuasi

David Rose/Panos Pictures/ActionAid

3.3 Blasting activity by AGA is a constant disruption for local residents

Villager Lotty Makdom from Anyinam took ActionAid to the perimeter fence separating the AGA mine from her township. There was a lot of noise from the plant and the smell of sewerage as ActionAid researchers approached. “There’s a lot of dust here,” she said. “They’re always blasting even at midnight. They always disturb us. We can’t sleep, every day.”

Nearby in Anwiam, the village headman Nana Kwabena Boafo was incensed by the persistent noise pollution, the foul odours and the cracks that appear in local properties as a result of blasting activity. “When they first started the surface mining, they blew a horn and told us to evacuate, which was difficult, especially with children,” he said. That was in 1990. Now, he says, “Any time they do blasting we have cracks in our walls and all of our items vibrate.”

4. Has AGA contributed to development in the region?

The most striking thing visiting villages sitting on gold deposits within the Obuasi concession area is the extent of poverty. To our knowledge, no villages ActionAid visited have permanent health facilities, for example. AGA has rebuilt at least one school – in Binsere – after knocking down the first in its takeover of land, but this remains rudimentary.

“Sansu lacks everything,” said Benjamin Annan, an assembly man from the village, referring to poor local health and social amenities. “When you talk about the richest single gold mine in the world, it’s Obuasi. If you think mining has created development, visit Sansu village and see for yourself. There’s nothing this community can do.”

Asked if AGA had brought any benefits, building water boreholes, for example, Annan said: “But I don’t call that development. It’s like barter trade since they’ve destroyed our waters. The company destroys your livelihood and then offers something like a scholarship scheme.”

AGA disputes this and says it has a community development programme and claims the company has brought benefits to the area (see box, opposite).

What AGA says – local development

“A fundamental philosophy of the company is that its operations and activities should contribute towards long-term sustainable development and that communities should be better off for AngloGold Ashanti having been there. Total corporate social investment expenditure in 2005 was \$8,752,407 – of this amount \$266,206 was spent in Obuasi.”²⁴



Illegal small-scale goldminers – known as 'galamsey' – pan for gold ore at Dokyiwa tailing dam

5. Resorting to illegal mining

With few alternative livelihood opportunities available, many of those who lost agricultural land to AGC in the past for little or low compensation have been forced to take to illegal, small-scale mining – a practice known as 'galamsey'. In doing so, they risk being attacked by guard dogs, or beaten or shot by a combination of company security and local police.

Artisanal or small-scale mining in the AGA concession areas is illegal. ActionAid researchers were informed that most current galamseyers – around 60-70%, according to one estimate – had previously lost agricultural land as a result of mining activities.

In Binsere village, around 70% of men were involved in galamsey, and around 70% of those had lost land, ActionAid was informed. In an area of low employment and little farming activity, there are clearly few alternatives. Academic Dr Thomas Akabzaa from the University of Ghana estimates there are around 200,000 galamsey in Ghana, including 20-30,000 in the Obuasi area.

Local people spoke of galamsey trying to find a 'blade' of gold in weight each day of work, for which they could get 90,000 cedis [£6] – far in excess of the income for

most alternative work, even if there were any. But the evidence suggests that at the same time galamsey risk vicious treatment by the company's security officials.

Sansu assemblyman Benjamin Annan said the problem with AGC began in 1986 when surface mining started. "We were told that when we allowed them to operate here this community would become rich," he said. "So we decided to sacrifice our farmland, like planting, so that when they extracted the ore from our land they will in turn also compensate either in employment or whatever. But all of them were not coming.

"So the youth in the community were compelled to go into illegal mining because they must survive. And that's where our conflict started."

He pointed to a huge tailings dump that towers over Sansu. "The thing you see is not a mountain," he said, referring to the giant dump. "It's artificial. So they destroy your farm, then they jump on the rest of the land. So you cannot farm here, because of this huge mountain. There is a whole lot of cyanide. When it rains the cyanide just goes into the rest of the land that we farm. You cannot farm well on the land. This has compelled almost everybody in the community to do illegal mining."

6. Alleged brutality against local people

AGC in the past and now AGA are accused of involvement in alleged brutality and serious human rights abuses against local galamsey suspects. It is alleged there have been at least half dozen brutal incidents and suspected killings involving local police and company security since the mid-1990s near Obuasi.

It is claimed that a combination of company security and local police have resorted to shooting and beating suspected galamsey, and to the aggressive use of security dogs on suspects. No police or independent investigations into these incidents have been carried out and, according to our information, no compensation has been provided to victims.

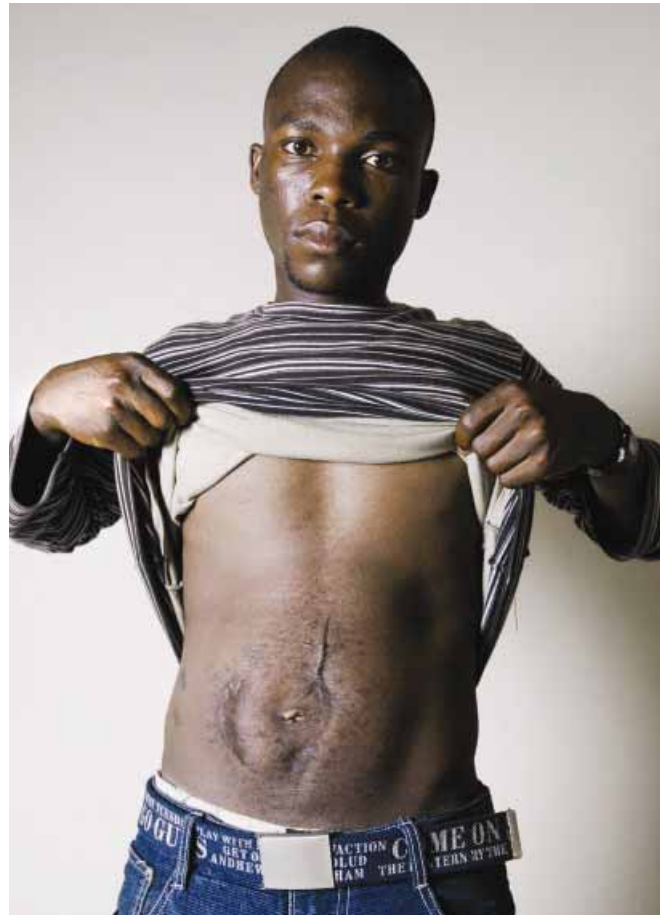
Sansu assemblyman Benjamin Annan accuses AGC company security and local police of being involved in the deaths of at least four galamsey suspects since the early 1990s, and demands an independent investigation.

“We are not trying to legalise illegalities but what we are trying to say is there is law in the country. So if you arrest a suspect you just put the person before court. You cannot take the law into your own hands,” Mr Annan said.

AGA deny the allegations and say their security staff fully respect human rights (see box, below).

What AGA says – illegal miners

“While the company is making ongoing attempts to engage with the artisanal miners or ‘galamseyers’ to stay out of the lease area and to protect its property, clashes have occurred between the artisanal miners and the company, resulting in injuries to both groups.”²⁵ Again, in this area, stakeholders have to ensure respect for the law while simultaneously making certain that human rights are not transgressed.”²⁶



Victim Awudu Mohammed shows his gunshot wound

David Rose/Panos Pictures/ActionAid

6.1 Case of Awudu Mohammed, 20 June 2005

Former cocoa farmer and galamsey Awudu Mohammed, 25, from Sansu was visibly ill when ActionAid interviewed him in Obuasi on 2 June 2006. He alleges he was chased by a combined force of police and AGA company security acting under AGA's overall command, shot by a policeman, and then beaten after being caught trying to mine illegally on AGA land on 20 June 2005.

Mr Mohammed described the incident:

“I was a farmer. AGC said they'd discovered gold there, in Sansu, where I was farming. When the company told us they were going to destroy our farms, we protested. AngloGold said they would pay compensation, they said 500,000 cedis [£33] for 15 acres which belonged to my father and which we all depended on. When the company proposed the 500,000 cedis for compensation, we refused. But the company brought police and military to destroy the cocoa farm. This was in 1995-97.

"I had to stop school since I had no money and couldn't pay school fees. Then I took up galamsey. On 20 June 2005, we were about 150 boys who went to do galamsey. We tried to get in but couldn't and then we were trying to come back to our houses.

"The AngloGold [security personnel] and a combined force with police came in with cars and started giving warning shots. They gave warning shots and then everyone started to run away in fear of their life. Then they shot me in the back here and it came out here and all my intestines were out. I was trying to put my intestines back in and it was still coming out. I was lying down and some of them used their feet to kick me in the head.

"The manager of the control team came with the team and asked me what happened. I heard him say, 'They should tell people he was trying to jump over the fence and that this is how the intestines are torn.'¹ I know the man but I don't know his name."

Mr Mohammed said that AGA security was in overall command and confirmed that it was the AGA official who told the control team not to mention he had been shot. "They just threw me like someone who was no good into the car, with my intestines out," he said. "They took me to the hospital and they called the doctor. The doctor came and said I was already dead. They took me into the ambulance to go to Kumasi hospital."

Mr Mohammed said that on his way to the Komfo Anokye Teaching Hospital in Kumasi he spoke and when AGA security officials realised he was alive, they tried to help. They told the doctor at the hospital that he was a criminal suspect and that he had received his injury as a result of falling on spikes on a metal gate and that they were rescuing him. They also offered to pay for all his medical expenses. "I thought that definitely I would die. So I told the doctor that I am not a thief and they are wrong," he said.

His family was told he was in the hospital. "The doctor told me that whatever he sees, he won't hide the truth. He will come out with the truth," Mr Mohammed said.

The directorate of surgery interim post-surgery medical report from Komfo Anokye Teaching Hospital where Mr Mohammed was treated for his wounds on 21 June 2005 records he had a rugged 6-8cm wound on his abdomen, two smaller stomach wounds with abdominal bruising, a 2cm wound on his right loin 5cm from his spine, and a deep slash on the scalp.

The doctor who treated Mr Mohammed, Dr Edmund Turkson – a resident surgeon with ten years experience – confirmed in a BBC radio programme in July 2006 that Mr Mohammed's injuries could not have been caused by falling on metal spikes and were definitely caused by gunshot.

"He [Mr Mohammed] had a port of entry and port of exit," said Dr Edmund Turkson to the BBC, referring to Mr Mohammed's injuries which he treated at hospital. "That is a gunshot wound."

Asked if the injury was definitely a gunshot wound, Dr Turkson said, "Yes it is – it is."

Indeed, the final medical report issued by the Komfo Anokye Teaching Hospital on 7 August 2006 and signed by the chief executive, Dr Nsiah-Asare, and the head of the department of surgery, Professor FA Abantanga, states that Mr Mohammed had point of entry and point of exit laceration wounds, and concludes:

*"The present problems of Awudu Mohammed are the direct result of the gunshot wounds he sustained on 21 June 2005. I, therefore, calculate the percentage of incapacitation as forty percent (40%) and disfigurement as thirty-five percent (35%)."*²⁷

AGA dispute allegations that Mr Mohammed was shot (see box, p27) and say an independent study commissioned by AGA found that his injuries could not have been caused by small arms fire.

Mr Mohammed, his relatives and local advocates say the study commissioned by AGA is flawed and inconclusive and does not constitute an independent investigation into the allegations.

They argue that AGA's independent ballistics examination on Awudu Mohammed conducted by the Lieutenant Colonel of the 4th Infantry Battalion, Kumasi, on 26 July 2005 is based solely on two pieces of evidence:

- 1 the Komfo Anokye Teaching Hospital interim medical report (7 July 2005) – which offers no opinion or conclusion on whether the wounds were caused by ballistics or not²⁸
- 2 a 'black and white photocopy of a picture taken of the victim's shirt at the time of the incident'.²⁹

¹ NB. Awudu told ActionAid that the man who said this was an AGA security official, the commander of the joint force, not a police officer. The man who shot him was a police officer, he said.

Transcript of BBC Radio 4 File on 4, Ghana's Gold

18 July 2006³⁰

BBC: Initially you'd been told by the people who referred him [Mr Mohammed] that he'd tried to jump over a fence and had impaled himself on some spikes.

Dr Turkson: Yes.

BBC: And he said he'd been shot. Initially you did not believe him.

Dr Turkson: And then we saw the back – he had a port of entry and a port of exit. That is a gunshot wound.

BBC: It was definitely a gunshot wound?

Dr Turkson: Yes it is – it is.

BBC: Could it have been caused by him falling on a spike?

Dr Turkson: No, never

BBC: That was definitely, in your view, high velocity gunshot wound?

Dr Turkson: Yes, yes, absolutely.

BBC: Have you seen many gunshot wounds?

Dr Turkson: Yes I have.

AGA response to BBC File on 4³¹

A programme broadcast on BBC Radio 4 on July 18 2006 about, among other things, events at Obuasi mine in Ghana was prefaced with a statement that "some multinational companies, including one that's part British-owned, are prepared to resort to extreme violence to protect their interests."

That broad conclusion, which, insofar as it refers to AngloGold Ashanti, we dispute, was drawn from several accounts of alleged corporate human rights and environmental violations in Ghana, including the case of Mr Awudu Mohammed. Mr Mohammed was injured while being chased by police and company security personnel from AngloGold Ashanti property in June 2005. Mr Mohammed had allegedly been stealing property from the Obuasi mine site and was discovered and pursued.

Mr Mohammed and a doctor who treated him allege he was shot.

The official report of the Surgery Directorate at the Komfo Anokye Teaching Hospital in Kumasi, where he was treated, offers no conclusion regarding the cause of Mr Mohammed's wounds. An independent ballistics study commissioned by AngloGold Ashanti found that his injuries could not have been caused by small arms fire as alleged and that police and mine security accounts that he was injured when he fell on the spike of a security gate are credible.

Neither the official surgeons' nor the ballistic report were referred to in the "File on Four" programme, though we supplied the BBC with copies of both.

6.2 AGA security and the police regularly conduct intimidating 'swoop operations'

Locals and campaigners say the lines have become blurred between AGA security staff and local police and soldiers, and that they engage in joint swoop operations in villages in Obuasi to deter galamsey illegal mining. Below is a recent example of one such allegation.

Sansu, October 2005

"Recently, they invaded my community," said Sansu assembly man Benjamin Annan. He showed us the front page of the local newspaper *The Servant* of 18 October 2005, with the headline: "Military invasion scares old men and women into the bush."

"They entered the village and started shooting," Mr Annan said. "It was led by Oduro Kwarteng, the security coordinator of AngloGold Ashanti. They were looking for galamsey." Mr Annan said he found ten empty cartridges on the ground as the force, involving around 50 people, fired warning shots in the air. The swoop occurred at 3pm in the afternoon and terrified local residents.

What AGA says

"On 29th September 2005 the mine security received information that sacks of stolen gold bearing quartz were being stored in a house in Sansu village. This was reported to the Obuasi Municipal Police. The police, on conducting a search of the house, retrieved 20 sacks of quartz from the bedroom of Madam Afua Frimponmaa. We are informed by police that when questioned by them, Madam Afua Frimponmaa admitted concealing the quartz in her room on behalf of her son who had allegedly unlawfully removed the material from the Obuasi concession."³²

6.3 Holding AGA to account

It is currently impossible for local communities affected by harmful mining activities to hold AGA to account in Ghana, according to many interviewees. "If you send these people [AGA] to court, it will take you fifty years," said Sansu assembly man Benjamin Annan. "Everyone is behind it – politicians, traditional leaders, business leaders, they are all an extension of the company. You can't even pursue it the legal route. I have sent a letter to the President, copied to the Attorney General. But who am I? Nobody seems to care. Which court? There's nothing simple people can do."

7 AGA: rhetoric and reality

There are several serious discrepancies between AGA's claims about its corporate social responsibility and evidence obtained by ActionAid presented in this report: specifically, on-going water contamination, environmental pollution, and toxic flooding; its description of its response to the Kokoteasua/ Abompekrom spillage; and the alleged shooting of Awudu Mohammed.

AGA's corporate responsibility reports place much of the blame for environmental pollution on galamsey illegal miners. Yet Obuasi's health director Dr Somuah believes this is exaggerated. He said: "They [AGA and before them AGC] are to be held largely responsible for the environmental pollution. Yes, there is some sort of activity by galamsey operators but largely speaking it is AngloGold Ashanti's work for the past 100 years that has led to the major environmental situation in Obuasi – I think they must come to terms with this and begin measures that will control environmental contamination and pollution."

There is also the issue of what AGA has *failed* to report. For instance:

- AGA's reports do not state, as far as ActionAid has been able to confirm, villagers are widely deprived of drinking water as a result of mining activities
- the reports do not state that villagers consider the pump water also to be unsafe
- the reports do not mention the research that farm land may be contaminated
- the reports make no mention of consistent complaints to AGA staff of their failure to address issues such the lack of clean water from village pumps (eg, Dokyiwa), the lack of safety from abandoned pits (eg, Binsere) and alleged turning on of pumps that cause contaminated water to flow into villages (eg, Anwiam)
- the reports fail to mention villagers' complaints of heavy rain washing over waste dumps and into their villages (eg, Ahansonyewodea).



David Rose/Panos Pictures/ActionAid

AngloGold's Obuasi mine has 8,295 employees and produced 391,000 ounces of gold in 2005

Conclusion

Given its valuable gold deposits, Obuasi should be a prosperous and thriving region, but instead mining activity by AGA/AGC has brought large social and environmental costs to thousands of its poorest people. Overall, interviewees say AGA is a net drain on the area's health, wealth and development prospects.

We believe the following areas require urgent action.

1 Pollution and environment

- pollution of local rivers and streams in Obuasi
- pollution of homes and streams from AGA pipes in Anwiam village
- flooding in Ahansonyewodea from AGC's waste dump
- polluted or broken standpipes in Ahansonyewodea, Anyinam, Jimiso, Kofiefrom villages
- contaminated land in Ahansonyewodea and Dokyiwa
- abandoned pits at Binsere.

2 Protection and compensation

- protection for Steadfast Academy and local homes in Abompekrom from further flooding from AGA's Kokoteasua sump lake
- full compensation for locals affected by AGA's Kokoteasua spillage in 2005.

3 Rights abuses

- Awudu Mohammed's alleged shooting in June 2005
- further allegations of AGA involvement in brutal incidents and suspected deaths
- allegations of AGA involvement with security forces in joint swoop operations.

Local people are not hopeful of holding the company to account in Ghanaian courts, although they are calling for:

- i urgent remedial action
- ii investigations by Ghana's independent Commission on Human Rights and Administrative Justice into human rights allegations
- iii greater corporate accountability.

More broadly, ActionAid is calling for tougher domestic company laws worldwide and for new international laws to regulate corporations and their subsidiaries to help ensure greater respect for peoples' rights.

One current legislative opportunity ActionAid believes could place a greater onus on UK-listed companies to respect peoples' rights more rigorously overseas is through amendments to the new UK Companies Bill which is currently going through the UK Parliament.

It is hoped greater legal duties on directors of UK-listed companies to take steps to minimize any negative social and environmental impacts on communities overseas could help prevent some of the issues highlighted in this report.

Recommendations

AngloGold Ashanti should

- take action on the water contamination, environmental damage, broken standpipes, abandoned pits and toxic flooding issues highlighted in this report
- provide adequate compensation for affected people for the toxic spill highlighted in this report
- cooperate with independent investigations into human rights allegations.

Ghana government should

- enforce a more stringent water monitoring and pollution regime through the EPA
- launch an inquiry into mining and health related problems in Obuasi
- launch an investigation through the Commission on Human Rights and Administrative Justice into human rights allegations.

The UK government should

- adopt strengthened social and environmental reporting requirements for all large and mid-sized UK companies in the new Companies Bill
- adopt tougher duties on company directors to take steps to minimise negative social and environmental impacts in the new Companies Bill
- establish an independent review to examine the rights of redress of affected communities in UK courts for abuses caused overseas by UK companies and their subsidiaries.

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