

NEWMONT GHANA GOLD LTD - AHAFO SOUTH PROJECT
INDEPENDENT EXTERNAL SOCIAL COMPLIANCE MONITORING
9th – Review April 2009,
Preparation for Completion Audit

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1 INTRODUCTION

1.1 GENERAL SCOPE OF THE EXTERNAL COMPLIANCE MONITORING

The Ahafo South Gold Mining Project (“the Project”) entails significant displacement and broader social impacts on the neighboring communities. The implementation of the Project by Newmont Ghana Gold Ltd (NGGL, “the Company”) has been on-going since April 2004. Construction of the mine and plant is complete, and both are currently in operation. First gold was produced in July 2006.

NGGL and the International Finance Corporation, which is a lender for this Project, have jointly committed to undertake independent external reviews of the social compliance and performance of the Project, and to disclose its results publicly. The reviews are undertaken by Ms. Tasneem Salam, independent social development specialist, and Mr. Frederic Giovannetti, independent resettlement specialist.

This is the ninth review; the previous seven were undertaken in July 2005, December 2005, May 2006, September 2006, January 2007, July 2007, March 2008 and August 2008. The reports are all publicly available at www.newmont.com.

The reviews are undertaken based on Terms of Reference (ToRs) jointly prepared by NGGL and the International Finance Corporation (IFC), which initially (the first two reviews) focused solely on resettlement and compensation, and were then broadened to encompass social compliance in general, including, but not limited to, resettlement and compensation, as follows:

- Resettlement Action Plan implementation and performance,
- Community consultation presented in the Public Consultation and Disclosure Plan (PCDP),
- Community development,
- Grievance system management and effectiveness,
- IFC social policies and guidance,
- Social Action Plan (SAP from the ESIA).

The Terms of Reference for the external monitoring exercise (including other aspects such as environment and health and safety, which are not addressed in this report) are also publicly available at www.newmont.com.

1.2 FOCUS OF THIS REVIEW

The 9th review is distinct from the previous reviews in that its main purpose is to prepare for the Completion Audit of the resettlement process and monitoring that has been in execution since 2004. To this extent the monitoring visit did not focus or conduct the usual consultations with project affected people, but instead worked closely with the NGGL External Affairs Department to determine the scope of the Completion Audit and also what tasks needed to be carried out by each party prior to launching the Completion Audit. The External Monitoring Team had taken a decision during the August 2008 review that whilst not all aspects of the Resettlement Action Plan (RAP) for the Ahafo South Operations had been completed and there are remaining “findings” from previous monitoring reports which are in process of being resolved, the situation with the communities was at a point where it was appropriate to consider conducting a Completion Audit. Status of recommendations made in the August 2008 review can be found in Annex I.

Field research for the 9th review was undertaken in the period 12th April to 17th April 2009 by Tasneem Salam. Following a kick-off meeting with NGGL External Affairs team to explain the purpose of the visit, meetings were held with:

- The different livelihood restoration programs, particularly the AILAP - Agricultural Improvement and Land Access Program, and the LEEP - Livelihood Enhancement and Community Empowerment Program, as well as “added value” programs such as the AAGI (Ahafo Agribusiness Growth Initiative);
- The Vulnerable People Program;

- The NGGL Communications Department;
- The NGGL Community Development Department;
- The NGGL Community Relations Department;
- The Grievance Management Team;
- The mission also carried out a visual survey of the Ola and Ntotroso resettlement sites.

Prior to the field visit, the monitoring mission had been furnished with secondary material which included the Internal Monitoring Report, draft Terms of Reference for the monitoring mission to carry out the Completion Audit and a discussion note on Demonstrating Compliance with IFC Requirements in Preparation for the Resettlement Completion Audit.

NGGL provided logistics (accommodation) and facilitation (vehicles) to the reviewer.

2 CHALLENGES OF A COMPLETION AUDIT FOR SOUTH AHAFO

The Terms of Reference of the External Monitoring Team jointly agreed upon between NGGL and the IFC includes the requirement to carry out a Completion Audit. The purpose of the Completion Audit is to verify that all commitments contained in the Resettlement Action Plan are met, and that livelihoods are restored or on the way to being restored. It provides “closure” to the external funders and to NGGL that objectives of the RAP have been achieved. Further engagement with the community can then be focused on long term relationship building rather than on mitigation.

Completion audits vary in purpose and there are no specific approaches prescribed by IFC as to how they should be conducted. Initial discussions on the methodology of the Completion Audit were conducted in the August 2008 monitoring review and there have been further discussion and development by NGGL in discussion with IFC. Some of the key challenges of a Completion Audit for the Ahafo South Project include:

- Livelihood restoration often requires a long term and flexible approach. This is particularly the case where the impact has been significant and/or the livelihood restoration strategy requires households to develop alternative livelihood strategies.
- Response to programs may vary according to the capacity of individuals. Younger or more able people can take advantage of programs and more easily benefit to improve their livelihoods whilst for some the change requires an adjustment to which they find difficult to adapt.
- In areas where the socio-economic structure is traditional with limited outside influence, whether in terms of eco-systems/ environment or socio-economic linkages, developing new approaches in farming or other sectors can often lead to unforeseen results which may have been impossible to detect before implementation.
- A specific logistical challenge for a completion audit of Ahafo South Project is the development of the Amoma site, the resettlement activities of which could impact on the PAPs of the already resettled Ahafo South Project. In order to ensure that the Completion Audit can isolate livelihood restoration without influence from Amoma resettlement activities, the Completion Audit should attempt to carry out all field work before Amoma resettlement is started, or as close to that date as possible. The concern here is that although households resettled in 2004/5 will not face further physical movements from their home, there may be impacts on livelihood restoration programmes due to the interaction with the new incoming population from Amoma site. This may lead to actual changes in livelihood as well as perceived changes in well-being, which may be positive or negative.

NGGL has adopted the Sustainable Livelihoods Framework as an approach to livelihood restoration. The basis of this approach is that it considers interaction of individual livelihood assets on one hand, and institutional structures and policies within a society on the other one hand to develop strategies to achieve livelihood outcomes. Given the complexity of livelihood replacement, it is anticipated that by the time of the Completion Audit, there may be some people who have not been able to restore their livelihood, but that by using the Livelihood Framework approach it would be possible to see whether they were on track to do so

and what additional assistance may be needed. The Monitoring Team is familiar with the Livelihoods Framework approach and considers it to be useful for the Completion Audit, although it is very data intensive. Further discussion of this can be found in Section 3 below.

3 SETTING THE FRAMEOWRK - COMMENTS ON NGGL DISCUSSION NOTE AND TOR FOR COMPLETION AUDIT

The mission was asked to consider two documents, a draft TOR and a discussion note on Demonstrating Compliance with IFC requirements.

3.1 DISCUSSION NOTE ON DEMONSTRATING COMPLIANCE WITH IFC REQUIREMENTS.

This discussion note demonstrates a strong commitment from NGGL to understand and meet its obligations with IFC requirements on involuntary resettlement. At present the company feels that it is able to meet all IFC OD4.30 policy requirements except the requirement to restore living standards, earning capacity and production levels. This requirement whilst one of the most important can also be very difficult to achieve, depending on the local context in which resettlement has taken place. The discussion note makes the point that “livelihood replacement needs to be pursued as a long term strategy and that the timing of the Completion Audit would be too early to demonstrate livelihood replacement”. It instead proposes that the audit be conducted against a series of outcome indicators both quantitative and qualitative as well as meeting priority development needs of project affected persons. It argues the appropriateness of using the Livelihoods Framework approach and that this provides a context for assessing at the time of the Completion Audit, the extent to which livelihoods have been restored and whether the measures taken will lead to restoration and over what timeframe.

The Livelihoods Framework Approach is well-known in the field of international development and recognises that livelihoods are a complex interaction of assets and power relations and that replacement of livelihoods require a long term strategy to restore assets and create the relationships that will support development. The monitoring mission has given consideration to the Livelihoods Framework to be used in the context of the Completion Audit for the Ahafo South Project and considers it to be a useful tool for assessing the RAP. It congratulates NGGL for taking the initiative to explore a meaningful way of assessing livelihood restoration of impacted households.

The challenge, however, will be to identify appropriate indicators that are also measurable if quantitative or can be rigorously assessed if qualitative. Annex III of this discussion note provides a useful table of success matrices for the different programs set against impact on livelihood asset category. It provides a useful basis for agreeing on some indicators.

3.2 DRAFT TERMS OF REFERENCE

3.2.1 Objectives

The draft terms of reference for the Completion Audit is clear on NGGL obligations and commitments. It builds on the Livelihood Framework approach and recognises that livelihood restoration may not be totally achieved for all groups at the time of the Completion Audit. It therefore sets out the following three objectives for the Completion Audit:

- a) To assess the extent to which Newmont has fulfilled its commitments to resettlement and livelihood replacement as elaborated in the Social Action Plan (SAP) and the RAP in terms of delivery of entitlements to PAP,
- b) To assess the level of achievement of the desired quantitative and qualitative livelihood outcome,

- c) To assess whether or not the observed livelihood outcomes are likely to result in the desired livelihood impacts....taking account of macroeconomic changes such as region/nationwide variations in prices of food stuff or petroleum products, etc.

3.2.2 Methodology

The methodology will incorporate a quantitative survey, a qualitative investigation and a wider stakeholder engagement. The quantitative survey will be applied only to those households affected by land acquisition with the following stratification:

- Relocates
- OLA resettlers
- Ntotroso resettlers
- Vulnerable people.

It is envisaged that a sampling rate of between 10 and 25% would be applied depending on the statistical significance within each of the strata. The appropriate sample sizes will need to be statistically verified to ensure adequate household and population statistics can be achieved.

The qualitative assessment will address both land acquisition and non-land acquisition affected people and will use participatory tools of investigation to understand changes in livelihood systems and development of coping mechanisms. It will also incorporate a semi-structured consultation of key informants.

It is important that the Completion Audit has wider stakeholder engagement and to this end the ToR incorporates two workshops with a broad range of interested parties at the beginning of the workshop and also at the end to present conclusions and recommendations. The monitoring team suggests that the exact format and duration of the workshop needs to be developed carefully to ensure that it covers different stakeholders and enables a meaningful engagement.

3.2.3 Implementation Matters

An important step will be to provide evidence that Ahafo South Project RAP implementation is at such a stage that NGGL is ready for a Completion Audit. The Monitoring Team has asked that a Statement of Readiness be prepared and as a part of the 9th review has discussed the content of this with the departments responsible for implementation of different aspects of the RAP.

The Terms of Reference distinguish a Completion Audit which covers the initial 2005 Ahafo South RAP to be conducted during 2009/2010 and a Completion Audit for the 2009 Ahafo South RAP (Amoma area) that would take place in 2013/2014. The Amoma Pit area is considered part of the Ahafo South Project but addressed by a stand-alone RAP.

The ToR commits to all field research for the Completion Audit being carried out by independent researchers that will work with the direction of the monitoring team but for logistical reasons be managed by NGGL. The External Monitoring Team is in agreement with this.

4 THE AMOMA PIT PROJECT

As mentioned in the 8th review, NGGL is developing a new mining area (Amoma) within the Ahafo South project area which is located northeast of Ntotroso. Land acquisition for the new mine is expected to impact approximately 410 households. Resettlement associated with Amoma can benefit hugely from the experience of Ahafo South 2005 resettlement. The previous report highlighted some areas which could be particularly significant for lessons learned.

It is planned to resettle 40 families from Amoma to the existing resettlement site at Ntotroso. Whilst physically the site is capable of accommodating additional families, the resettlement needs to be carried out with care so that it does not conflict with the existing “host” population. Discussions are still ongoing with the community and the RNC (resettlement negotiation committee) on compensation amounts. Programs such as LEEP, AILAP and the Vulnerable Program are being adjusted with the hindsight of experience of the 2005 resettlement to more effectively deliver livelihood restoration opportunity and support.

Whilst the Monitoring Team would have preferred to have carried out all survey work for the 2005 resettlement Completion Audit before the start of Amoma resettlement, this will not be possible and it is highly likely that a number of families will have already been resettled on the Ntotroso site by the time the quantitative survey begins. This is unavoidable and the Monitoring Team will need to manage this aspect during the qualitative survey and the final analysis of survey findings.

5 PRE-COMPLETION AUDIT REVIEW OF KEY PROGRAMS AND DEPARTMENTS

As a part of this review, the mission carried out a consultation exercise with the key programs and departments involved in the implementation of the RAP, to obtain an update on their current status and also to discuss preparation for the Completion Audit.

5.1 GRIEVANCE MANAGEMENT

The management of grievances is satisfactory, as outlined in previous reviews. The last monitoring review reported 297 outstanding grievances of which 180 were related to a series of blasting related grievances. Following recommendation from EPA, 144 of these have been closed out after NGGL completed repair works as instructed by EPA. The recommendation from EPA was based on the fact that no survey had been carried out on housing condition prior to the project and therefore it was impossible to state with certainty whether the cracks had been caused by the blasting or not. According to the EPA, since it was the responsibility of Newmont to carry out such a survey to understand base conditions, and that this had not been undertaken, it is appropriate that they carry out the repairs. Since the EPA intervention, a further 52 blasting grievances have been reported, but no action has been taken on these so far as NGGL management intervention is required to have these new complaints on blast resolved. Some of these reports seem rather opportunistic as the houses are some distance from the area of blasting.

Currently there are 220 outstanding grievances in the system, but the majority of them relate to Amoma. There are, however, a few outstanding cases related to Ahafo South that have been in the system since 2004 and yet to be resolved. The Mission was informed that most of the outstanding cases border on legal issues. Prior to the Completion Audit, NGGL should prepare an analysis of the outstanding cases from the 2005 resettlement and identify a strategy for close out which should be time-bound. This can form part of a Statement of Readiness to be audited and will be discussed later in the report.

5.2 VULNERABLE PEOPLE PROGRAM (VPP)

The registration of vulnerable people is now complete and a total of 522 households have been determined to be vulnerable since inception of the vulnerable program. Of the total, 131 vulnerable households originate from households that have been resettled to one of the two resettlement sites and the remainder are self-reporting non-resettlement households (relocated or economically displaced households). The total number of resettlement households is 403, but of these only 263 households were screened for their vulnerability status; the remaining 140 households on the resettlement sites are not Ahafo South RAP affected households, rather the original resettlers either sold the property or are renting the property. Thus having screened the 263 households through the application of Form C, a total of 131 households from the resettlement sites were declared vulnerable. Details

on the methodology applied by the Vulnerable Program to screen and identify vulnerable households are described in previous monitoring reports.

With regard to registering non-resettlement households as vulnerable, the committee has been quite rigorous. The methodology for approval to the program has an additional two steps, working first with individuals, which are then grouped into households. Non-resettled project affected persons are in the first instance required to individually self-report if they consider themselves to be vulnerable. A total of 2199 people self-registered to be considered for the vulnerable program. These individuals were grouped into 1,773 households which were then screened in two further stages to assess eligibility to the Vulnerable Program. Finally, 391 non-resettlement households were approved as vulnerable.

A food security monitoring survey is being carried out, to be completed in June and is intended to assess whether people are food self-sufficient. Following this will be a self-sufficiency exercise which will form part of the exit strategy and is intended to see to what extent the vulnerable families have responded to the support that has been given to them and whether they can be taken out of the Vulnerable program. The exit strategy expects that there will be a number of “hard core” cases of vulnerability remaining and a special team will be formulated to manage these. The Monitoring Team considers this to be a sound strategy.

The problem of vulnerable program “envy” from households that were not admitted into the vulnerable program has been reduced through the support of one of the local chiefs who has been successful in explaining the purpose of the program and under what conditions a family would be admitted into the program. This is an important breakthrough and also illustrates how the traditional leaders can lend support to explaining strategies to the community.

Much of the discontent had been directed at the food basket component, which has been amended to ensure the basket is more reflective of the local diet of maize rather than rice. This has reduced, to some extent, the vulnerable program “envy” related to the food basket component of the program.

5.3 LIVELIHOOD RESTORATION AND ASSOCIATED ECONOMIC INITIATIVES

5.3.1 Agricultural Improvement and Land Access Program (AILAP)

The third phase of the AILAP program will be completed in 2009. All of the people who participated in the program were able to find land through their own contacts and therefore the provision of stool land was not needed. It is a demonstration of how local networks can be mobilized if a program provides the right kind of support measures. Agreements made between farmer and landowner varied, but the lack of take-up of stool land indicates that they were able to find a more suitable alternative elsewhere. The success of AILAP in bringing land on to the market, indicates somewhat that land availability may not be a problem, rather other support is needed. This is an important learning for livelihood support for Amoma Project Affected households.

A memorandum from NGGL provided to the Monitoring Mission in August 2009 showed that as of December 2008, a total 3,265 farmers (1,717 males and 1,548 females) had registered for the program of which 3,181 farmers have actually participated in the AILAP program (1,686 are male and 1,495 female). According to this memorandum the main reason for the difference between registered and participating farmers is that some farmers who had received more than one compensation and therefore had more than one chit, had made multiple registrations to the program. They were identified during the screening process.

5.3.2 Livelihood Enhancement and Community Empowerment Program (LEEP)

The LEEP Program for Ahafo South is now at the exit strategy stage. LEEP has had considerable success in some areas and moderate success in others. Its achievement, however, needs to be looked at in the context of the complexity of introducing different types of farming practices not only to a specific community for the first time,

but also to land which has not been intensively farmed and therefore retains its own natural ecosystem of flora and fauna, whose reaction to a particular intervention may be difficult to predict. For example one of the activities introduced by LEEP was poultry farming, but the poultry became diseased and died. The reason for this being that unknown to the LEEP implementers, local hens were carriers of a disease that only manifested itself when cross-bred with exotic breeds, which were not resistant to that disease. Equally, mushroom farming which in one season was a great success, in another season faced problems as farmers were not able to create the conditions required for that strain of mushroom. Sheep rearing around the resettlement area also faced challenges as people used to rearing animal in large open spaces are required to adapt to more intensive farming. The varied success of the LEEP program intervention demonstrates that livelihood restoration requires detailed planning and analysis, often the results are difficult to predict and therefore need to be viewed as a long term strategy. The interventions will be subject to the same factors which affect other non-project affected people experimenting with new crops or cropping systems, introduced animal husbandry practices, etc. What is important is that the community and other stakeholders are kept informed. Some PAPs, consulted in the 8th Monitoring Review, when mentioning the incidence of the poultry disease, were somehow under the impression that it was their own fault and requested that Newmont provide them with training to reduce the incidence of disease. The real reason for the poultry disease should be explained to the people.

The External Monitors would like to stress that the problems faced by LEEP are common to similar programs implemented in other projects and economies. As mentioned, they demonstrate the complexities of livelihood restoration and why a Sustainable Livelihoods Framework approach to the RAP implementation is appropriate.

It is important that the challenges of LEEP as well as its positive outcomes are disseminated to all stakeholders so that there is an understanding of why particular activities may not have worked and also for people to appreciate the long term nature of livelihood restoration. A document of lessons learned from LEEP has been prepared by OICI, the implementing partner of the program, but whilst it is very useful and highlights some interesting findings, the Monitoring Team is of the view that a more in-depth documentation of lessons learnt would be useful for Amoma and any other similar projects implemented by Newmont.

5.3.3 Ahafo Agribusiness Growth Initiative (AAGI)

AAGI is an “added value” initiative (beyond mitigation measures) that targets participants from a broader area than the affected communities, with farmers from Wamahinso, Kenyasi 1, Gyedu, Kenyasi 2, Ntotroso, Nkaseim, Hwidiem and Nkrankrom participating in the Program. AAGI’s implementing agency is consulting company African Connections. The previous monitoring reports have discussed the project in some detail. In the last review the Monitoring Team confirmed that positive results were already visible in the field and that positive developments were underway in terms of marketing. In this review, Africa Connections confirmed that further progress was being made in the area of marketing, for example with development of sites for drying and processing of ginger. They were also facilitating in the negotiations for fair pricing. According to African Connections, initially the project was affected by the situation of the rural banks, two of which have been liquidated and this had affected the trust of the farmers. Again it is an illustration of how many different factors need to be in place for livelihood initiatives to be effective.

5.4 LIVELIHOOD RESTORATION SURVEYS

In the August 2008 review the Monitoring Team reported that a campaign of three livelihood surveys is now available. These are shown below and can form the basis of a baseline for the Completion Audit.

Survey	Contractor	Date	Number of Household Questionnaires
Baseline	OICI	December 2003	284
1 st replicate survey	OICI	May – June 2006	392
2 nd replicate survey	SDN Consultants	June 2008	400

As noted in the previous review, to be able to use these surveys in a productive manner, it is critical that information be comparable from one survey to the other, but also that the sampling strategies be consistent. Prior to the Completion Audit NGGL will have to verify data consistency, and produce a summary report analyzing the three rounds of livelihood surveys and collating the following information for each of the three surveys:

- Sampling methodology, including a detailed description of the stratification as well as of the origin of the lists that interviewees were sampled from (compensated individuals or households),
- Questionnaires used, including a detailed comparison of questions related to the same topics (for example cash income, non cash income, household assets),
- Description of electronic databases developed to input survey data, and analysis of their compatibility in the perspective of comparing information.

Based on the above, the Completion Audit will propose a strategy to use data from the three surveys for sound comparisons. NGGL in its report of the status of recommendations made has assured the Monitoring Team that this is in progress.

5.5 BROAD COMMUNITY ENGAGEMENT

5.5.1 Community Development

The NGGL Community Development efforts continue to mature with several interesting initiatives. The gender program, with support and grants from the IFC, has promoted a revolving fund to support income generating activities. The first disbursement was made in late February 2009 to 10 women. Of these, 9 have already paid back the loan and a second round of disbursement is being planned. Another initiative is the organisation of a forum which is aimed at creating gender awareness among the male members of the community. The Monitoring Team considers this to be an important project that could demonstrate a different approach to gender equality. The gender team is also working on developing a workplace gender policy. Thus the team is engaged in innovative projects that are pushing the boundaries of how development projects have historically managed gender issues. It is expected that significant benefits from this will be gained in the long term.

Support is being provided by the team in a wide range of areas including:

- The transition phase to self-sufficiency for livelihood activities supported by LEEP.
- The extension of the school in Doyikirom where a new six unit classroom with office, library and toilet facilities has been developed. Teacher's quarters will also be developed this year.
- Community health care, with wide ranging initiatives from renovating the Kenyasi health centre to malaria prevention programs.

5.5.2 Stakeholder Engagement and Public Participation

The Communications team has undergone significant staff changes since the last monitoring visit. It is the view of the External Monitoring Team that concerted effort should be made to stabilize and strengthen this unit as it will have to play a key role in developing the communications plan and stakeholder engagement for the Completion Audit.

5.5.3 Community Relations

The NGGL Community Relations efforts have focused on continued work with the water storage facility area residents. There has been an extension of the contract for local patrolling of the area. Night time transport, however, continues to be an issue. A contract was supposed to be signed with a local member of the community to set up a business to provide night time transport and NGGL had intended to provide support for the application of a bank loan. This had to be withdrawn as it came to the knowledge of NGGL that these people from the outset had

no intention of paying back the loan. Instead the current bus service is providing a stop gap service – people have been provided with a special number which they can call if they need night time transport.

Extensive reorganisation has taken place in the Community Relations team, which is now divided into three sections:

- Stakeholder engagement
- Land access
- Governance and contractor support.

6 KEY STEPS FOR THE COMPLETION AUDIT

During the mission the following key steps were agreed for the lead up to and implementation of the Completion Audit. These will be elaborated further in the Completion Audit Implementation Plan.

Table 1: Key Tasks to be carried out in preparation for and during Completion Audit

Task	Lead Responsibility
• Preparation of NGGL Statement of Readiness	NGGL
• Agreement of ToR for monitoring mission to carry out Completion Audit	External Monitors/NGGL
• Preparation of Completion Audit Implementation Plan (which will incorporate overall approach and methodology)	External Monitors
• Secondary data collation and submission to Independent Monitoring Team	NGGL
• Baseline survey preparation	NGGL
• A workshop to agree on detailed methodology and indicators for Completion Audit. Re-scheduled for mid- August. Requires the three stakeholders, NGGL, IFC and External Monitors to be present.	External Monitors/NGGL
• Preparation of a Communication Plan to roll out Completion Audit Implementation Plan to stakeholders including civil society groups	NGGL
• Design of survey tools and selection of surveyors and research consultants.	External Monitors
• Implementation of Quantitative Survey (including training of survey team)	External Monitors
• Implementation of Qualitative Survey (including training of survey team)	External Monitors
• Preparation of Completion Audit report	External Monitors
• Communication Plan – reflection and sharing of findings with civil society and other stakeholders	External Monitors

There has been a change in the composition of the External Monitoring Team. Frederic Giovannetti has left to the team and he will be replaced by Robert Barclay who also has extensive worldwide experience in the area of resettlement.

7 CONCLUSIONS

The External Monitoring Team concludes that it is timely to carry out a Completion Audit for the 2005 resettlement carried out for Ahafo South Project. It is supportive of using the Livelihood Framework model to formulate the approach and methodology of the Completion Audit and is broadly in agreement with the ToR. Timeframe as laid out in the ToR and taking account of Amoma Pit seems an appropriate approach.

Whilst the Monitoring Team will prepare a Completion Audit implementation plan, it is reliant on NGGL to provide the following:

- Statement of Readiness (a first draft of this has been submitted to the external monitors)

- The baseline survey
- Identification of survey team

The following table presents the progress on recommendations made in the previous reviews and which the previous review (July 2007) concluded were still pending:

8 FOLLOW-UP ON PREVIOUS RECOMMENDATIONS

Table 2: Summary of Recommendations Made in the Previous Reviews

Review	#	Issue	Recommendations	Status
May 06	R3-19	Non PAP Project-Impacted People	NGGL to develop a strategy for identification, documentation and mitigation of impacts for all non- PAP impacted communities (communities that are impacted and are not in the direct mine take). This plan should: <ul style="list-style-type: none"> - Group people by geographical area, identify impacts and severity, develop mitigation measures and a timescale for implementation of these measures. - Present baseline socio-economic in an accessible form. - Where baseline socio-economic information has not been collected, the Project should consider the minimum information required and how it can be made available. 	<u>Pending</u> No information has been provided to the Monitoring Team on either the data collected or strategy
Jan 07	R5-6	Land access and AILAP	NGGL to implement the fallow land study in 2007	<u>On-Going</u> Consultant services procured, draft report being internally reviewed by NGGL
Jan 07	R5-8	Vulnerable people	Vulnerable committee to also formally review households proposed for removal from the Program.	<u>Closed</u>
July 07	R6-3	Conflict Prevention	A six monthly review to be carried out of community relations status with regard to conflict and this review to be documented by NEAMU. A local third party observer should also be involved.	<u>Pending</u> Yet to be done
Feb 08	R7-4	Business Development	AAGI and the two relevant associations to carefully plan management details related with the mechanized equipment that associations will purchase using the EDIF facilities	<u>On-Going</u>
Feb 08	R7-5	Business Development	ALP to review existing program results in view of increasing the current target of USD 3.2 M for increase in total sales of targeted local businesses	<u>On-Going</u> Target being reviewed
Feb 08	R7-7	Engagement	NGGL to work with stakeholders in view of implementing quickly a number of quick impact, infrastructure-type projects to achieve demonstrable and visible benefit through the development of community determined infrastructure priorities, even before the community development strategy and social responsibility forum is finalised	<u>Closed</u> Social Responsibility Agreement being implemented
Aug 08	R8-1	Amoma pit resettlement & compensation	In spite of timing constraints, NGGL and consultants to take time to identify lessons learnt from previous resettlement activities, using the list above as a preliminary framework, to develop improved resettlement strategies for the Amoma pit	<u>Ongoing</u> Lessons learnt being applied to Amoma
Aug 08	R8-2	Amoma pit resettlement & compensation	Where deviations are proposed against the previous resettlement policies, NGGL to carefully explain these deviations and their rationale to avoid “comparison claims”	<u>Ongoing</u>
Aug 08	R8-3	Grievance management	NGGL to make sure a procedure is put in place to close out old cracked houses related grievances once works prescribed by the EPA are complete	<u>Closed</u> Complainants’ structures repaired following EPA recommendations

Review	#	Issue	Recommendations	Status
Aug 08	R8-4	Vulnerable people	NGGL to continue efforts to socialize the Vulnerable People Program with input from the traditional leaders – by developing a very specific consultation which directly addresses the community’s questions This should build on the considerable ongoing efforts that have already been made in this regard.	Ongoing Significant progress made with involvement of traditional leaders
Aug 08	R8-5	Vulnerable people	NGGL to expedite the review of remaining target households for potential incorporation in the Vulnerable People Program	Closed Screening process has been completed and there is now a final list of households approved for program
Aug 08	R8-6	Livelihood restoration	OICI to prepare a short document reflecting lessons learnt from LEEP I to be used in LEEP II and other similar activities of the project	Closed OICI has produced document with lessons learnt
Aug 08	R8-7	Community engagement	NGGL to `prepare ahead of the Completion Audit a status report of community engagement activities underway and planned which would also indicate status of recommendations made by monitoring team	Closed Community engagement register updated. 2009 work plan developed.
Aug 08	R8-8	Local employment	NGGL to review current targets for local employment, particularly for contractors with mostly unskilled workforce such as those engaged in catering and security, to review current performance in meeting these targets, and to determine whether more ambitious targets will yield improved results	Ongoing Measures being implemented to monitor local employment. Additional strategies also being explored to increase local employment.
Aug 08	R8-9	Local employment	NGGL to make sure that contractors that do not comply with its local employment policy are identified and required to become compliant with established policy. Organizational linkages between the Supply Chain (Procurement), Human Resources (Employment) and External Affairs Departments to be checked in this perspective	Ongoing Monthly meetings are now being held with contractors
Aug 08	R8-10	Completion audit	NGGL to produce a summary report on the three livelihood surveys for the consideration of the Monitoring Team	Pending
Aug 08	R8-11	Information management	NGGL to review the backlog in data entry into the IMS and produce an action plan, including operational responsibilities, to address this backlog	Closed A “Way Forward” strategy has been developed to address backlog and optimum use of database.