

to consider the collective resources that the community depends on to maintain household well-being.

- The location of resettlement sites is key to livelihood restoration. The company should balance access to agricultural replacement land, natural resource areas and also to the economic opportunities offered by the project.
- The provision of improved services at the resettlement site can significantly improve household well-being, particularly health and education services, which enhance the communities' ability to access jobs at the company.
- Reintegration of resettled households back into the local communities works best when host communities share in the additional support offered by the company. This support can be:
  - preferential access for local people to training and employment with the project
  - support to increase production, and/or processing and sales of local goods.
- If it is clear that the project cannot source replacement land or alternative livelihoods with a realistic chance of success, then the project approach will need to be reassessed to minimise the land take, or consider whether the project should go ahead.

## Avoiding cash compensation

### Lessons and recommendations

- As noted in previous modules, many companies rely on cash compensation to mitigate for the loss of land and natural resources. However, experience shows that cash compensation is often poorly invested leaving impacted households without resources to maintain their livelihoods. Companies should minimise reliance on cash compensation and provide replacement land where possible. Where cash compensation is paid, the company should provide support to the impacted households to open bank accounts and independent advice on how to manage the compensation for the long-term benefit of the household.
- Projects should ensure that households are being compensated for lost assets at full replacement value in line with international standards.
- Companies should provide transitional assistance, such as cash allowances and rations, depending on the project context, to households so they can adapt to their new circumstances. This will be particularly important where a household will miss a cropping season.

### Making the most of mine-related employment while supporting sustainable local business

The Newmont Ahafo South Project RAP has identified livelihood initiatives (to help persons and households impacted by resettlement re-establish their livelihoods or create new ones) and community development initiatives targeting the wider district as a priority. The company is committed to employing local people to ensure maximum local economic benefits from the project. To this end, it has introduced a proactive local

recruitment policy, with a complementary skills training programme.

In addition, a number of bus owners have been contracted to implement an extensive bus service between more distant communities and the mine site, thereby allowing workers to live “at home” while working on the site. This service has the added benefit of reducing in-migration to the district significantly, and of providing business to local

enterprises.

Newmont is also delivering money management and micro-enterprise development training courses for households impacted by resettlement. The course is designed to help impacted households apply compensation payments appropriately in support of sustainable livelihoods. Over 1,200 persons have participated in this course to date.