Working with Chiefs: Mining Companies and Traditional Authorities in Zambia

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Author

Karolina Werner, PhD

Dr. Karolina Werner is Postdoctoral Research Associate at Western University in Canada and Theme Leader, Conflict, Security and Natural Resources at the Institute for Natural Resources and Sustainable Development. She also holds a fellowship at the Norman Paterson School of International Affairs, Carleton University.

About the series:

The United Nations University-Institute for Natural Resources in Africa in collaboration with the University of Warwick's Centre for the Study of Globalization and Regionalization, University of Leiden-African Studies Centre, Universidade Eduardo Mondlane and University of Ottawa's Centre on Governance undertook a joint United Nations Economic Commission for Africa funded project on "Engaging the Private Sector for Inclusive Extractive Industries and Sustainable Value Chains in Africa." The project was carried out through the study and analysis of four country case studies: Ghana, Tanzania, Zambia and Mozambique. The two-year study examined and prioritized backward linkages in Africa’s mineral extraction and natural resources sectors, contributing to on-going efforts at answering the central problematic of how to leverage the latter industries to support, encourage, facilitate, and drive broad-based and sustainable economic growth and development, both transitionally and in key case study states.

Abstract

This paper offers insights on how mining companies interact with traditional leaders, and their relationship with the local community and businesses. Some private-sector companies are driving the creation of towns with all the surrounding amenities in areas where long-term mining sites are created, thus becoming the primary driver of economic development in the region. In these cases, the relationships with traditional authorities are key in providing the community with a voice to address its priorities. By analysing the positive and potentially negative ways of engagement, a clearer picture emerges of how private sector actors can improve these local relationships where necessary and play a better role in the natural resources sector in a way that is transparent, equitable, sustainable, and inclusive.

I. Introduction

Zambia is well known for its wealth in natural resources as well as a peaceful history in a region where conflict is aplenty. The country boasts some of the world's highest grade copper and cobalt deposits with some copper deposits in the Copperbelt Province yielding a grade of 2-3 per cent (compared to the global average of 0.8 per cent) (KPMG 2013). It is also among the world's top three emerald producers, with the mine run by Kagem Mining Limited being the single largest producer of emeralds in the world. The Kagem mine is responsible for 25 per cent of global production (approximately 30 million carats each year since 2011) (Gemfields 2017). When Zambia became independent in 1964, five main copper mines, owned by the Rhodesian Selection Trust (RST) and the Anglo-American Corporation, were contributing over 50 per cent of government revenue (Kruger 2013). The success of copper mines in the Copperbelt Province has transformed it into a vibrant urban and industrial community. In 1969 Zambia was classified as a middle-income country, with one of the highest gross domestic products (GDPs) in Africa (US$476 per capita, compared to Zimbabwe with US$347 per capita (World Bank 2015)). This was largely due to the growth of the mining sector (responsible for 41 per cent of the GDP in 1965, slightly down to 33 per cent in 1969 (Central Statistical Office 2014)). In 1969 production was at 769,000 tonnes, with mining providing 62,000 direct jobs (Sikamo, Mwanza, and Mweemba 2016). The mines prompted the development of construction, engineering, and financial sector firms among others (Fraser and Lungu 2007). This included electrical engineering firms, local producers of parts, recycling firms, scrap collectors and buyers, as well as large-scale manufacturing companies such as Metal Fabricators of Zambia Plc. (ZAMEFA) (originally a state-owned enterprise, privatised in 1996)[1].

In 1973 Zambia's copper mines were nationalised and the Zambian Consolidated Copper Mines (ZCCM) took over from private investors. Their success was limited due to several factors, such as the fall of copper prices (by 3.4 per cent between 1973 and 2002) and the lack of capital investment in the mines. The lack of investment was due to the fact that the majority of the income was diverted to other government priorities, such as the TAZARA Railway, the Kafue and Itezhi-Tezhi hydropower stations, schools, hospitals, and other infrastructure projects (Sikamo, Mwanza, and Mweemba 2016). This, in combination with other factors such as outdated and obsolete mining technologies, resulted in a drop in efficiency and outputs. The rise of oil prices increased import fees for copper importing nations. The mining technologies lacked the investment and innovation needed to reach the increasingly deeper and leaner mineral grades. It also led to severe national debt (US$6.25 billion in 1995). In the 1990s the mining sector contracted at the rate of 5.1 per cent (Government of Zambia 2006). By 2000, production was down to 200,000 tonnes and the sector employed only 22,000 people (Sikamo, Mwanza, and Mweemba 2016). The decline also affected the manufacturing and services sector. This is because many of the products developed, such as wires, cables, foundry and metal fabrication and services in ICT (SAFIC Policy Brief 2014), were specifically designed to meet the needs of the mining industry (Government of Zambia 2006).

In 2000 the mines were once again privatised. The majority was split between seven mining corporations, including Canadian (First Quantum Minerals Ltd, Barrick Gold Corporation), Indian (Vedanta Resources Inc. based in the UK), Swiss (Glencore), and Chinese (CNMC, Metorex) companies. Today the Chinese hold a majority ownership in one-third of the mines in Zambia. Production increased to over 770,000 tonnes in 2016, with foreign investments revitalising the sector and employing 65,000 workers. However, at that point Zambia had gone from producing 15 per cent of the global total of copper to a mere 4 per cent (Obasanjo et al. 2016). According to the Zambezi Report published by the Brenthurst Foundation, the nationalisation and subsequent deterioration of the mines cost Zambia US$45 billion in production losses (Obasanjo et al. 2016). While Zambia is primarily known for its deposits of copper in the Copperbelt Province of the country, new mines have either opened or reopened in recent years, primarily in the North-Western Province in Solwezi (also known as the New Copperbelt). While copper deposits are plentiful there, they are of a lower grade or are hidden deeper. Since privatisation, FDI rose from US$122 million in 2000, peaking at US$2.1 billion in 2013, down to US$548 million in 2019 (World Bank 2020). The 2019 levels of production are just under

[1]For more please see www.zamefa.com.

790,000 tonnes, with Kansanshi (80 per cent owned by First Quantum Minerals Ltd) alone producing 232,243 tonnes (First Quantum Minerals Ltd 2020).

Today, Zambia is the second largest copper producer in Africa, after the DRC[2], and within the ten largest producers worldwide (International Copper Study Group 2016). While the Zambian Minister of Mines and Mineral Development, has in the past laid out plans for increasing its production to 1 million metric tonnes by 2020 (Zambia Business Times 2017), the Chamber of Mines is less optimistic[3]. Zambia has not shown the consistent increase in production needed in the last few years to achieve such a goal. Meanwhile, Zambia's closest competitor and largest producer on the continent, the DRC, produced just over 1.4 million tonnes of copper in 2019 (Reuters 2020).

It is clear, that in order to avoid following the boom and bust of the international commodity prices, the Zambian economy is in need of diversification. With copper prices on the rise in late 2017 and 2018 and a growing agricultural sector (World Bank 2017), by utilizing careful planning Zambia could have been on its way to once again achieving the status of middle-income country by 2030 (Government of Zambia 2006)[4]. Unfortunately between the global COVID-19 pandemic and increasing national debt the country is facing several setbacks. Despite a surprisingly good first six months of 2020 with over 3.8 per cent of copper production above the equivalent period in 2019 (Resources Magazine 2020), the weight of the rising national debt (120% of GDP), inflation, and locust infestation are only some of the issues the Zambian government will have to contend with (van Staden 2020).

In a country where mining is seen as a strong source of income and (potential) development, and the population is affected by the physical and environmental impacts of the large mines in their communities, it is not surprising that the relationship between the mines, the government, and the communities in which they work is scrutinised by scholars, policymakers, and the private sector. Elections in the country have also centred around mining taxation in recent years (Frederiksen 2019). Ideally, there is an aspiration towards a positive relationship between all the parties. Such a relationship benefits all those involved. It does so by opening avenues for the engagement and economic development of local micro, small, and medium enterprises in the employment of the mine, whether directly or indirectly. It also ensures that the community itself develops through the support of the mining company. The mine on the other hand benefits from lower pricing and shorter timelines when employing local businesses and satisfied workers. It also benefits from a peaceful, developing community that does not have to resort to conflict to get its needs met. Conflict is costly both in the social terms for the community and economic terms for the mine, as it impedes production.

There are many sides to this relationship. One focusses on the policy framework and the formal, legal relations between the mining companies and the state government[5]. Another, focusses on the mining company and community interactions. This paper specifically analyses the latter. The relationship between the mines and the communities in which they are established and function, offers important insights into the effect that mining corporations have on Zambian development. Due to the limited resources of the state government, and the role of traditional leaders in allocating customary land, contact between the mines and the community is typically mediated through traditional leaders. It is the chiefs, sub-chiefs, headmen, and other elders of the areas in which the mines are established, who engage in the day-to-day business of maintaining a relationship with the mining company.

[2]Like Zambia, the DRC has a high mineral grade of copper 3 per cent far higher than the world average which is between 0.6 and 0.8 per cent.
[3]The CEO of the Chamber of Mines accurately predicted a drop in the production of copper from 861 946 tonnes in 2018 to 789,941 in 2019 (Chamber of Mines).
[4]In 2005, the Government of Zambia started to develop a long-term development plan for the country, through a consultative process. The document – Zambia Vision 2030 – was published in 2006 and aims to make Zambia a prosperous middle-income nation by 2030. The Vision was written with seven basic principles in mind: sustainable development; upholding democratic principles; respect for human rights; fostering family values; a positive attitude to work; peaceful coexistence; and upholding good traditional values (Government of Zambia 2006). In terms of economic goals, the Vision aims at creating a Zambia that is well integrated into the region, continent, and international system. It calls for a diversified, balanced, and strong industrial sector with strong and cohesive industrial linkages, a modern agricultural sector, and a productive and efficient services sector. With regard to natural resources specifically, the Vision calls for the ability to use resource rents to invest, adapt, and innovate, developing policies consistent with sustainable environment and natural resource management. More generally it also refers to the development and maintenance of the socio-economic infrastructure and a macroeconomic environment, which supports growth (Government of Zambia 2006, sec. 2.2).
[5]For more details on this please see (Werner 2016).

II. Policy Framework

The policy framework in Zambia is vague with regard to many important issues related to mining and its contribution to the sustainable development of the communities in which mining companies operate. The focus is rarely on local suppliers and manufacturers. This is despite local content provisions in the Mines and Minerals Development Act 11 of 2015 and stakeholder consultations. It is most likely due to a lack of coordination between departments, as well as lack of capacities to ensure appropriate linkages and enforcement. There are critical linkages missing between policies, which could provide opportunities to strengthen local development and industrialisation (Fessehaie, Rustomjee, and Kaziboni 2016). For example, the Zambia Public Procurement (Amendment) Act 15 of 2011 offers preferential treatment to local manufacturers, however it does not apply to the mining sector (Fessehaie, Rustomjee, and Kaziboni 2016). This is despite the fact that a common complaint is that while local companies are used by the mines, the product that they sell and deliver is rarely manufactured in Zambia. The International Council on Mining and Metals (ICMM) (2014, 66) estimates that the procurement of imported goods is done almost entirely through Zambian companies. Yet only 5 per cent of industry goods procured for the purpose of mining are manufactured locally. In an effort to promote business relationships with local suppliers, mines have created programmes and employed staff to assist businesses in tendering, marketing, or developing technical capacities, among others (International Council on Mining and Metals 2014). For example, Kanshansi (a mine in the North-Western Province in Solwezi owned by First Quantum Minerals Ltd.) offers a development programme in which it trains emerging contractors. It also offers business development workshops for small and medium enterprises (SMEs), and continually explores possibilities for local manufacturing. According to a Kansanshi Monthly Social Report in April 2016, it successfully replaced imported pish pins for the smelter with locally manufactured ones. Other opportunities to include local businesses, whether in manufacturing or services, could also be leveraged by the government. The government maintains its share of the mining companies through the ZCCM Investment Holdings Plc. (ZCCM-IH) (Fessehaie, Rustomjee, and Kaziboni 2016). However, the ZCCM-IH remains a silent partner in these investments rather than actively participating and encouraging local businesses and the mines to work together. This is presumably because the government does not have the capacity to get involved in each mine.

Recognising the importance of local content, the government, in collaboration with the World Bank, has engaged in formulating a specific policy dubbed the Zambia Mining Local Content Initiative (ZMLCI). Its aim is to 'make mining work for Zambia' (Kragelund 2017). The goal is to increase the use of locally manufactured inputs. However, the ZMLCI has had limited success thus far, with the most significant result being the launch of an online database in 2015. The purpose was to enable SME suppliers to research business opportunities (Kragelund 2017). Unfortunately, the ZMLCI has suffered from the same challenges as other policies created by the government, including lack of cohesion, lack of linkages between policies, and unclear, non-specific, or non-existent definitions of 'local'. These issues can be equally blamed on a lack of capacity and coordination. Much like detailed local content regulations, the government has also not implemented specific policies on Corporate Social Responsibility (CSR), most likely for similar reasons. The government's focus on skills training and education is also limited. Education benefitted from early investment by the government when mining was nationalised. While many education projects, along with other national priority projects, were invested in at the time, this was at the expense of reinvestment in the mines (Sikamo, Mwanza, and Mweemba 2016). With other priorities competing for funds, current funding for education is decreasing annually despite the glaring need for higher education.

According to the Mines and Mineral Development Act 11 of 2015, companies have to sign a development agreement. This includes items on local content, the training and skills development of nationals, and the promotion of local business development before beginning operations (GRZ 2015, sec. 32). As has already been highlighted, few provisions exist to ensure that this is implemented. In fact, the term 'local content' has not been clearly delineated and thus is difficult to enforce even if government capacity were enhanced. The expectation by both the government and the people is often that the agreements will provide for a number of community services from health to education and infrastructure development. As a result, a fair amount has been done by the corporations, such as building local schools, clinics, and roads. However, companies do not feel responsible for certain services, which they argue are beyond what can be reasonably expected of them and should be the responsibility of the government. This includes the maintenance of state hospitals and universities, or the construction of public roads in areas where the companies are not active. This has created tension between communities and the mines as well. However, these have been limited and are mostly being addressed through community-mine discussions[6].

Another common complaint is related to the low number of jobs available to locals. Both Barrick Gold Corporation, which owns Lumwana Mine, and First Quantum Minerals Ltd. prioritise the hiring of locals through programmes such as Lucky Dip[7]. They also have programmes in place to test the skills of potential employees without formal credentials in order to create more job opportunities for locals. However, due to technological advances few local jobs are being created. As a result, only 1.7 percent of Zambians are employed in the mining industry. This is despite the fact that the staff at most mines is 98–99 per cent locally employed (International Council on Mining and Metals 2014). The Kansanshi Mine, for example, employs 6000 Zambians (although all top management positions are filled by expatriates[8]). At other mines, local nationals are also the majority. At the Lumwana Mine (owned by Barrick Gold Corporation) out of a total of 3,756 employees and contractors, 96 per cent are Zambian (Barrick Gold Corp 2016). Mechanisation of the mines means that fewer positions are available, and those that are, require skilled workers. The mines offer training centres and employ staff and contracts locally but only have so many jobs to fill. Yet even with such low numbers of people employed, they remain an important socio-economic factor within communities as one mining job is estimated to support up to 15 people (McGroarty and Parkinson 2016).

Many community complaints against the mines can also be traced back to limited government resources and poor policies. For example, a complaint about the poorly constructed infrastructure funded by a mine in a village was rebuffed by the mine as being the fault of poor infrastructure planning and lack of capacity by the government. The government insisted on using their own planners, despite the mine offering its services (Van Alstine et al. 2011). Another important disadvantage in engaging the local community is the inability of the financial sector to offer loans to small businesses at attractive interest rates. The major advantage for mining companies to employ local suppliers lies in the fact that they should be able to deliver the products quickly and with little transport costs. However, they encounter financial challenges. Due to this, access to financing to operate the production infrastructure and maintain large stocks of products and parts to ensure quick delivery, is a major challenge (Fessehaie, Rustomjee, and Kaziboni 2016). Based on interviews with stakeholders there are problems such as: the lack of transparency in terms of policy; vague regulations; corruption; politicisation due to the fact that local politicians seek to retain and win votes; dubious legitimacy locally; and limited resources found in the government. This means that the mining staff is much more likely to engage with local, traditional leaders on day-to-day issues, than with the local, regional, or state government. While traditional leaders engage in some political play they often have to balance this with the need to maintain the trust and loyalty of their community, as their terms in office are not limited and their lives are closely intertwined with the successes and failures of their community and people. This has meant that their engagement with the mining companies differs from that of the government in important ways.

Unfortunately, the lack of a cohesive policy framework has not helped traditional leaders in their negotiations with the mining corporations. While the level of CSR in Zambia is above average (Frederiksen 2019), differences between communities remain. The government does not offer any guidance for traditional leaders who lack experience in engaging with mines, and complaints, especially as a result of resettlement activities, are common.

[6]Interview, private-sector stakeholder, Lusaka, Zambia, July/August 2016.
[7]Interview, private-sector stakeholder, January 2018; (Mayondi 2014).
[8]Interview, private-sector stakeholder, Lusaka, Zambia, July/August 2016.

Traditional Authorities

Like in many other African countries, traditional authorities in Zambia retain significant powers particularly in governing in rural settings. From a legal perspective, Zambia has a well integrated systems of traditional rule. The post-independence system retained a structure of paramount chiefs, senior chiefs, and chiefs, although the relationship between the state and chiefs changed significantly, limiting the powers that they had historically, and during colonial rule. The state formally incorporated chiefs creating a House of Chiefs composed of 27 chiefs from various provinces. The House is a non-partisan, advisory institution as part of the National Assembly, provided for by the Constitution of Zambia 1996. Chiefs retain significant power over land, and some say in law enforcement, along with various more traditional sources of influence such as traditional courts to settle disputes, although these are not officially recognised (Baldwin 2010). The House of Chiefs is active, and traditional leaders around the state are organised into small groupings in which they meet on a regular basis, such as the Copperbelt Royal Council of Chiefs. They frequently use the press to magnify their voice and argue their case, including in cases related to mining, such as the recent dispute over opening a mine in the Lower Zambezi. Chiefs have been affected by capitalistic development in Zambia in various ways since colonial times and their influence is closely related to their role in the capitalist economy (Negi 2010). In some areas such as the North-Western Province where mining was less prevalent historically, migrant labour to the Copperbelt Province meant that communities lost whole families. This reduced the communities and weakened the chiefs' powers. Today these same chiefs struggle with the opposite problem of migrants from the Copperbelt Province moving to the North-Western Province as mines seek to hire these experienced workers.

The hierarchy in areas of Solwezi in the New Copperbelt includes a chief as the primary leader, under whom there are sub-chiefs, group leaders, and headmen. A royal establishment made up of the chiefs, headmen, and elders meets regularly to discuss community issues and concerns (Mayondi 2014). These traditional structures are recognized as legitimate forms of government for the community and they enjoy considerable moral authority in Solwezi (Negi 2010). The already complex relationship between them and the more formal state and local government in Zambia is a delicate equilibrium. When a mining company enters as a negotiating partner, this equilibrium is put under pressure. Reinforced by the lack of cohesion within the policy framework, disagreements emerge as to who is charged with the overall 'governance' of sites, including tax payments and regulatory enforcement. Negi (2014) recounts how the Solwezi Municipal Council has clashed with state officials and company representatives about presumed owed tariff payments and the destruction of subsistence farmland. In this instance, the municipal council believed that a local extractives site, the Kansanshi Mine, owed it property taxes that it was planning to subsequently use for urban and rural development projects. This is while company executives believed it was only required to adhere to bilateral development agreements signed with the national government in Lusaka. The response from Lusaka was to establish a centralised body to coordinate planning in Solwezi, bypassing local and community leadership and the public opportunity for input altogether (Negi 2014). The complex interactions between various levels of governance create a difficult and politicised environment for both the community and the mines.

The majority of land in Zambia is held under customary tenure, without a time limitation, typically administered by traditional authorities such as chiefs and allotted to community members. There is often no formal documentation, and no land tax is paid. All other land is considered state land.

Based on the Lands Act 29 of 1995, in order for the state to make an allowance for land conversions to a leasehold, the chief and any other affected parties have to give their consent. Once a leasehold is granted, customary rights are extinguished and the land is administered by the state. The administration of the land by chiefs itself is not regulated by law, and according to the Commissioner of Lands any 'personal abuses and corrupt practices are not checked by the system' (quoted in Negi 2010). However, the chiefs have to balance the potential enrichment and development opportunities against the loss of land, which is closely tied to their authority. Chiefs retain significant material powers through their control over access to land. This is the case within their own communities and in areas where capitalist development is ongoing. Here they fulfil the role of both middlemen and gatekeepers as defenders of the land.

Traditional rulers do not retain final say, however. Access to financial resources is held centrally by the state and the government has been known to overturn chief decisions when it determines it is in its best interest to do so, thus maintaining the neopatrimonial hold on power by the elite (Leiderer 2011). This hold is visible in government policy as well. While the majority of land is seemingly administered by chiefs, the subsurface minerals are clearly designated by Zambian law as state property.

http://www.daily-mail.co.zm/kuomboka-ceremony-back/

III. Building the Relationship Between Chiefs and Mines

All companies eventually have to negotiate with the traditional leadership in order to obtain written consent to purchase or lease customary land[9]. Knowing this, corporations interested in purchasing land or an already established mine often begin talks with the relevant chiefs in the area well in advance. The purpose is to establish a working relationship with the community and to ease their arrival as much as possible (the chiefs in the chiefdoms at Lumwana Mine were approached seven years before the establishment of the mine) (Negi 2010). Copper mines are particularly invested in the location of their mines, as there are limited geological areas where large enough deposits of the mineral are available to make mining viable. Also due to the size (and depth) of some of the mines in Zambia, there is some degree of permanence attached to them, unlike smaller enterprises (Negi 2010). It is therefore a priority for them to maintain good relations with the neighbouring communities.

The state has only provided minimal oversight due to limited capacity and resources. This has led to chiefs routinely taking on duties beyond what they would traditionally do, such as provide families with land for farming and building homes, but to negotiate and administer land to establish large mines and businesses (Negi 2010). They are thus important gatekeepers as the custodians of the land. Establishing a relationship with them is important if there is to be community support for the mining activities. In addition, their roe is also very important for the community. They have the power to negotiate on behalf of their people, by for example reserving a certain number of jobs for them. An example is the Lumwana Mine where the Kaonde have several positions reserved for them, and more than 1,500 Kaonde people were employed during the construction phase (Negi 2010). This naturally comes with its own dangers. In similar situations chiefs have been known to take advantage of this preferential policy by only supporting family and friends for these positions, or by requiring payment for their referral. For example, some Kaonde men seeking employment at the Lumwana Mine claimed that the chief would ask that they work for him at the palace for a month. This was supposedly so that he could see if they were hard-working before he would forward their name to the mine (Negi 2010). Despite these concerns, chiefs remain important advocates and key figures in bringing inclusive development to their communities. As such are intimately tied to capital investment in their territories (Fraser and Larmer 2010; Frederiksen 2019)..

Community Development Agreements (CDAs) are negotiated and signed between the company and the community, represented by the chief. However, it is up to the negotiators (primarily chiefs, headmen, and elders) from the community to determine whether the deals they make with the mining companies are in fact fair. Free, prior, and informed consent requires informed consent, yet the knowledge needed to provide informed consent is in no way imparted uniformly across communities. Some chiefs who are well educated, or come from mining communities, often are more knowledgeable in the subject matter and are able to negotiate better. Therefore, informed consent varies significantly from community to community. In a bargaining situation in which power asymmetries are largely skewed toward the large corporations, initial contact with the mine offers traditional leaders the best opportunity to negotiate from a position of strength. During the first negotiation, the local chief controls access to the land, and can therefore ask for the greatest number of concessions. However, especially in the North-Western Province, where chiefs are new to negotiating with mining companies, knowing how to proceed and how much can be reasonably expected from the mine is not always clear to the local leaders (Frederiksen 2019). The government does not offer resources in the form of training, templates, or other advisory services to the chiefs. As such, each community is left to proceed based on their own understanding of the situation.

According to representatives from the mining industry, respect for traditions and an understanding of the culture and language is one of the most important ways in which the mines try to ensure a good relationship.

[9]While this would normally be the case, based on an interview with a private sector stakeholder, the negotiation for land ownership can be 'hijacked' by the government, if it so desires (Land Acquisition Act 1970).

Some languages, such as Kaonde for example, can be difficult to learn and so interpreters are common. However, the staff responsible for interactions with community leaders make special efforts to learn about the culture of the community. They also try to interact with traditional leaders and other community members in ways which they are accustomed to and feel comfortable with. For example, any meetings between the company and the community leadership take place in either the village meeting place or under a tree, rather than in the mine's offices[10]. Mining staff emphasises the need to maintain contact with chiefs even when the relationship is strained. In fact, the communication and meetings typically increase in number in cases where any kind of tension is present, because the mining company needs to responds to concerns before a conflict spirals out of control[11]. The chiefs in turn often resort to using the media or official letters to the mining staff and government to voice their concerns.

The capital gains[12] that the state earns by allowing investment by mining companies are seen as national gains. These are dispersed throughout based on state priorities, but the chiefs are the ones who ensure that local development does not lag behind and that the communities mostly affected by the mines benefit directly. The extent to which the communities have benefitted is uneven. A lot depends on both the chief's ability to negotiate and his or her dedication to the development of the community rather than their own. Naturally, the mining company's engagement is also an important factor. The mines in the New Copperbelt argue that they prioritise engagement with the community and the development of the community. This seemingly more so than in the old Copperbelt Province. Thus, a lot of faith is placed in these governance mechanisms to ensure that the community benefits equally and justly from being in the proximity of the mine. However, not every traditional leader prioritises the needs of their community over his or her own, and the mine remains a corporation which at the end of the day puts its stockholders first.

Some chiefs negotiate for their own benefit by, for example, arguing for a seat on the board of the mine or other financial benefits. In this case, there has been some tension in First Quantum Minerals Limited's relationship with Chief Musele who has openly lobbied for a seat on the board of the mine (Lusaka Times 2011). He is also alleged to have lobbied for a variety of other personal favours, attacking First Quantum Minerals Ltd. through official letters and in meetings with government. The mine has responded to each letter, arranged for meetings between the chief and the government ministers, as well as all three parties. The mining company also engaged with headmen in the area and continues to engage with them and the chief to maintain open communication. Based on communication with the mine, both the government and the headmen have been satisfied with the relationship, despite the chief's reservations[13].

In other cases, communication between leaders who are engaged in negotiations with the mine, and the community itself, is lacking. In others still, the distribution of resources offered by the mine is bottlenecked at the level of chiefs or headmen. For example, a poultry project by the community was blocked by the sub-chief who refused to endorse it (Van Alstine et al. 2011). A common complaint is also that people who are up for positions which the mine reserves for community members are typically selected by the chiefs.

While not all relationships with traditional leaders are perfect, the companies reportedly prefer to maintain relations with the traditional authorities whose focus is on the community, rather than with government[14]. According to stakeholders from the sector, relations with government are much more varied and politically charged. Although for reporting purposes mining companies participate in a variety of meetings with various branches of local and national government. For example, quarterly Provincial Development Coordinating Committees, as well as District Development Coordinating Committees, convened by the mayor. These are for the sole purpose of reporting on development and include the government, non-governmental organisations (NGOs), as well as the private sector (Mayondi 2014). These meetings rarely include anything other than the presentation of development project outcomes.

[10]Interview, private-sector stakeholder, January 2018.
[11]Interview, private-sector stakeholder, January 2018.
[12]Profit that the state makes from any taxes paid by the mining companies, including corporate income taxes and royalties.
[13]Copies of letters were made available to the author to support this. Interview, Private sector stakeholder, January 2018.
[14]Interview, private-sector stakeholder, January 2018.

Due to the complexity of the relationships between the community, mines, and the government, there are often oversights and tensions between the parties. There have been examples of disputes between chiefs and between chiefs and government as to whether mining projects should be undertaken, such as the two instances where companies have requested access to the Lower Zambezi National Park as well as recent tension between the Minister of Mines and Minerals and traditional chiefs, in part related to this (Zambian Watchdog 2019; Lusaka Times 2019; Musole 2019). As well as tensions between mining companies and the government such as when Barrick Gold Corporation's staff initially negotiated with their communities to create schools in the area based on the people's needs, but did not include representatives of the Ministry of General Education (Mayondi 2014). These examples underscore the complicated ecosystem within which these actors operate.

https://www.globaltimes.cn/content/1035030.shtml

IV. Conclusion

Mining companies in Zambia seem to be viewed with less negativity than in other African states, possibly due to the fact that minerals have not been used to fuel violent conflict. Displacement of communities with inadequate compensation, environmental degradation and pollution are all issues which have caused tension, however, these complaints seem infrequent by comparison to other African states. The one topic that seems to persist is that the mines are getting much more out of their investment than the people of Zambia. This taxation remains an ongoing political issue within the country, and a cause of various debates. There have been accusations of mines smuggling copper or various minerals out of the country without paying taxes on them, or declaring lesser values and therefore paying lower taxes[15]. These have been denied by the mines and, according to the International Council on Mining and Metals (2014), are highly improbable. Despite this, the national debate on mining continues to focus on taxation and rents, with environmental and social aspects taking a back seat (Frederiksen 2019). Many community members interviewed however, acknowledge the importance of mining, and copper in particular, with regard to the economy and development of Zambia.

While there has been some disenchantment over the lesser involvement of the newly privatised mines, this is a result of the extent of social involvement and support provided by the state-owned mines in the Copperbelt Province (including health and education services) in the past[16]. When nationalised, the mines were like small local governments onto themselves, providing their own schools, hospitals, sports facilities, roads, and other amenities for their employees – a cradle-to-grave approach. In addition, payment was frequently provided in rations. Privatisation of the legacy mines came with some requirements of maintaining hospitals and schools in the communities, and services have been expanded beyond just mine employees. However, the involvement of the mines in issues traditionally reserved for the state government, such as health or education, has declined[17]. Some stakeholders implied that the legacy mines have not been delivering many of the services that the communities have come to expect. In fact, they have been giving other mines that are more involved in their communities a bad name. All income from the nationalised mines went back into the communities in order to maintain them and to fund other national development priorities to the detriment of the mines themselves. It is therefore clear that no private mine would ever achieve a similar level of community involvement. While in the short term it would mean investment in and prioritisation of the community, in the long term, it would be a repeat of history in which the mines would fall into disrepair, would no longer invest in new technologies and would be increasingly limited in the amount of minerals they could mine. The negative perceptions with regard to this decline in community investment may be aided by the lack of transparency in the development agreements. These agreements are being negotiated between the government and the mines as to the responsibilities of each (International Council on Mining and Metals 2014). This lack of transparency is because these development agreements are not publicly available.

Many current complaints centre around unfulfilled promises. Communities have high expectations based on past experiences with ZCCM-IH and do not always understand the mines' priorities, procedures, or lengthy project timelines. There is also a lack of clarity from the side of the mines in many cases, which adds to the dissatisfaction (Van Alstine et al. 2011). In addition, there are several parties engaged at various levels in each project discussion and implementation. In addition to the company and the community members, there may or may not be discussions ongoing with the chief, sub-chief, headman, group leader, local government representative, community leaders, and ministry representatives in Lusaka. Bottlenecks in the form of red tape, corruption, capacity limits, and other issues can come up at any level, not always due to the fault of the mining company. Thus, the principle of free, prior, and informed consent, as well as transparency is vital in maintaining good relations with communities in particular.

While the mining companies are naturally focussed on financial gains and have shareholders to whom they are accountable, CSR, while voluntary and seemingly philanthropic, is also in their best interest financially.

[15]Based on information acquired during interviews done with stakeholders in Lusaka, Zambia in July and August 2016 and (International Council on Mining and Metals 2014).
[16]Interview, NGO stakeholder, Lusaka, Zambia, July/August 2016.
[17]Interview, NGO stakeholder, Lusaka, Zambia, July/August 2016.

A community in which the company can avoid conflict, hire locals, and manufacture needed items, is one which saves them money. It is therefore even more critical for the mining companies to engage in CSR with a sustainable-development focus in mind. Mining companies insist that they are committed to the communities in which they work and have such programmes in place. Particularly those mines with large and recent investments, that are situated in the New Copperbelt, have broad CSR programmes. In fact, the level of CSR in Zambia is above the industry average (Frederiksen 2019)[18]. This includes a focus on women's empowerment, gender-based violence, education, as well as skills training. For example, Kansanshi Mine supports the creation and evolution of community banks led by women[19]; Mopani Copper Mines Plc. has invested in creating highly skilled professionals through the vocational training at the centre in Mufulira (Daily Nation 2016). Around the Sentinel Mine (a US$2.1 billion investment by First Quantum Minerals Ltd. which boasts technology allowing the efficient and effective mining of low-grade copper in the region), First Quantum Minerals Ltd. built the town of Kalumbila. The town is designed to outlive the mine, with a strong industrial and business focus. After a recent visit by President Lungu in 2015, Kalumbila was declared a district and model town, due to the size and potential of the developing town[20].

Overall, the private sector stakeholders interviewed were clear about the importance of maintaining regular contact with traditional leaders. Chiefs or headmen are gatekeepers and leaders in community development projects. They play a key role in negotiating with mines and ensuring that the communities benefit as much as possible from the relationship. Regular, predictable, and accessible methods of communication are key in maintaining good and open relations. However, there is a need for a more concerted, transparent, and coordinated effort on the part of the mining companies and the government in terms of support for the communities. The purpose is to ensure that the development is sustainable and benefits the greatest number of people on an economic level.

There will always be chiefs who are lured by the potential of personal wealth in exchange for offering their land to foreign investors, increasingly becoming despots. However, these same traditional leaders have a key role in facilitating inclusive development in their communities (Frederiksen 2019). Many, if not most, are invested in the improvement of their community, because its development directly affects their own life and livelihood. It would be easy to dismiss the relationship between the corporation and the traditional leaders by avoiding them and dealing directly with the government. However, in such cases corruption is also a common reality and the climate is even more highly politicised, while communication with the community is even more limited. Therefore, despite the complexity of the relationship, it is in the mines' best interest to maintain open communications with traditional leadership and establish a relationship based on mutual respect and understanding.

[18]The large investment in CSR can also be seen as a way minimize tax contributions, since CSR spending can be written off as an operational expense against tax contributions (Frederiksen 2019).
[19]Interview, Private sector stakeholder Lusaka, Zambia, July/August 2016.
[20]Interview, Private sector stakeholder, Lusaka, Zambia, July/August 2016.

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For more information contact:

International House
Annie Jiage Road
University of Ghana, Legon Campus
Accra, Ghana.

T: +233-302-500396
F: +233-302- 500792

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