

# West Africa Governance & Economic Sustainability in Extractive Areas: A Case Study on Cross-Sector Collaboration

## Introduction

This case study has been prepared with the support of the Devonshire Initiative (DI), the High Commission of Canada to Ghana, and Global Affairs Canada as part of an effort to share experiences in cross-sector collaboration in the mining context in Ghana. As defined by the DI, cross-sector collaboration goes beyond engagement and relationship building, it involves representatives of more than one sector working together towards a (slightly) common goal.

This case study focuses on the West Africa Governance & Economic Sustainability in Extractive Areas ([WAGES](#)) project in Ghana and specifically the collaboration it facilitated between World University Service of Canada (WUSC) and Golden Star Resources. It has been prepared on the basis of a presentation by WUSC as part of a webinar on cross-sector collaboration hosted by Global Affairs Canada and the DI on May 11, 2021, as well as public information shared by WUSC and Golden Star Resources and interviews with representatives of both organizations.

## Project Description

The WAGES project focuses on supporting inclusive sustainable economic development, poverty reduction, and accountable governance in three mining regions of Burkina Faso, Ghana and Guinea. The project aims to maximise the socio-economic benefits of extractive industry operations and expand the indirect and multiplier effects of resource extraction, with a particular focus on women and youth. Collaboration is fundamental to the WAGES project, with civil society organizations (CSOs), extractive sector companies, government institutions, and community actors playing key roles in the design and implementation of project activities.

The WAGES project focuses on three priority areas,



Patience Amponsah is a seamstress in Wassa East District, Ghana who benefited from entrepreneurship training and increased her profits. June 2018 (Photo Credit: WAGES)

with the following expected outcomes:

- **Economic development:** increased employment and income for community members, especially youth and women, in selected mining regions;
- **Governance:** strengthened sub-national governments and local institutions to leverage opportunities arising from the extractives sector within selected mining regions; and
- **Knowledge sharing:** improved dialogue on local economic growth and governance strategies in mining regions both within the three target countries and across West Africa.

In Ghana, WAGES is being implemented in the Wassa East and Prestea Huni-Valley Districts of the Western Region, which has a 20-year history of industrial and small-scale mining. Implementation of WAGES in Ghana is led by WUSC's country office, with support from the WUSC head office in Canada and their project consortium partner, the

Center for International Studies and Cooperation (CECI).

The activities of the WAGES project in Ghana are designed to respond to the needs and priorities of the target communities in terms of their access to benefits from existing industrial mining projects. Since the launch of WAGES in 2016, WUSC has engaged numerous partners from civil society, government and the extractive sector in Ghana to inform and assist with project activities. Examples of project activities to date include:

- Delivery of training for more than 800 people on entrepreneurship, market development, gender equality and environmental sustainability;
- Support for the preparation of a roadmap for the development of regulations for Ghana's Mineral Development Fund (MDF)<sup>1</sup> and creation of district-level MDF Monitoring Committees;
- Support for the development of guidelines for Mining Community Development Schemes (MCDS) through which the MDF will be disbursed, and subsequent training for MCDS Local Management Committees.

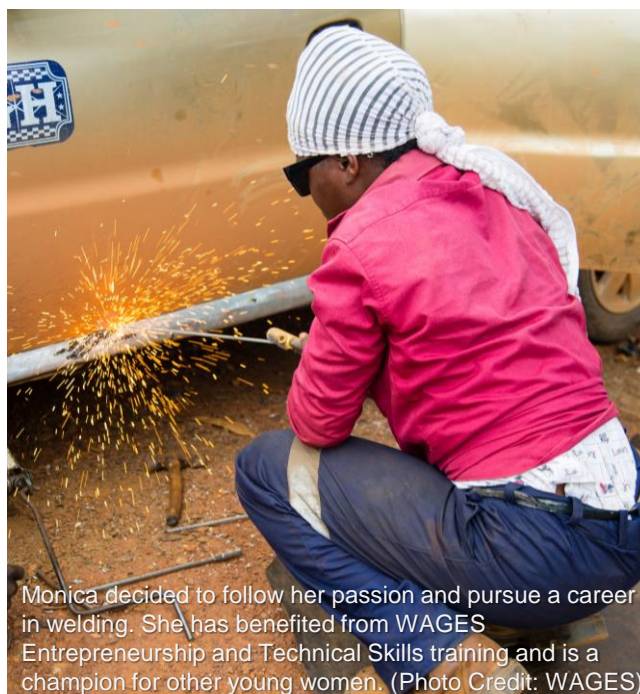
The WAGES project was launched in 2016 and has funding in place from Global Affairs Canada to support implementation until 2022.

### Partner Identification and Engagement

Collaboration between civil society, government and extractive sector partners was built into WAGES during the design process. It is recognized by all parties involved that the project's objectives could not have been met without collaboration, not only in the design and implementation of project activities but to ensure sustainability of the outcomes once the project ends and international partners withdraw. The WAGES project in Ghana has utilized various models of collaboration, including learning, sharing and aligning, in accordance with the role of each partner.

### Collaboration in Practice

As collaboration was built into the WAGES project design, it became the vehicle through which the project was able to roll out its activities and achieve its objectives. One early example was a workshop the WAGES project hosted in 2016 to raise awareness at



Monica decided to follow her passion and pursue a career in welding. She has benefited from WAGES Entrepreneurship and Technical Skills training and is a champion for other young women. (Photo Credit: WAGES)

the district and municipal levels around the allocation and use of mining revenue. The workshop featured a presentation by representatives of EITI Ghana on the reconciliation of extractive company payments to the government and the transfer of funds from the national to municipal levels. Golden Star participated in the workshop and made recommendations on how to carry the outcomes of that discussion forward; the company's participation was seen by some stakeholders as an important endorsement of the WAGES project, which was still largely unknown at that time. Numerous project activities were built around the outcomes of that workshop as the focus gradually shifted from raising awareness to building capacity, leading to significant progress by the WAGES partners on governance of the MDF at the national and local levels.

Golden Star Resources' involvement in the WAGES project was motivated by the alignment of the project's objectives with its own corporate objectives and priorities, particularly related to building governance capacity for responsible management of mining revenue. Golden Star has extensive experience collaborating with non-governmental and other development sector actors and conducted its own due diligence process of the WAGES project leads (WUSC and CECI) prior to committing to any involvement. Golden Star's contribution to the WAGES project was in-kind, particularly through the

<sup>1</sup> The Minerals Development Fund Act of 2016 aims to provide a "more reliant and predictable source of funding for development initiatives in mining communities" via the distribution of mineral royalties. See <https://mdf.gov.gh/> for more details.

provision of background socio-economic data and participation in various multi-stakeholder dialogues and workshops. The company's role in the project was never formalized – a partnership agreement with WUSC was proposed and a tripartite agreement with WUSC and the District Assembly was drafted but never signed. Following its facilitation of early engagement with local stakeholders, the company gradually scaled back its involvement in the WAGES project, though Golden Star remains in contact with the WUSC team in Ghana and reviews the annual reports of the Project Steering Committee.

The absence of a formal partnership agreement was noted by both WUSC and Golden Star Resources representatives as a challenge to managing expectations for the overall collaboration. Efforts were reportedly made by both parties to put a governing agreement in place, but accounts of the reasons why this was not achieved differ. Both organizations acknowledge the achievements of the WAGES project to date and both remain interested in further collaboration either within the WAGES project or on future initiatives that can contribute to their common goals. The experience of cross-sector collaboration within the WAGES project is currently informing an internal discussion within WUSC on the organization's overall approach to partnerships.

WUSC has led the design and implementation of the WAGES project in Ghana. As part of the WAGES project design, WUSC conducted a stakeholder analysis that helped them to identify relevant organizations that could potentially contribute to or support project activities. Golden Star Resources, a Canadian mining company that owns and operates the Wassa Gold Mine in south-western Ghana, was engaged by WUSC in 2015 during the project design phase in accordance with WUSC's interest in involving extractive sector partners in WAGES. Golden Star has been operating in Ghana since 2005 and is committed to working in partnership with local communities to contribute to local economic development. The WAGES project's focus on strengthening local governance resonated with Golden Star, which was already working on issues related to communication and capacity-building around local governance of mining revenue. Golden Star's role in the WAGES project began with a letter of support to the WUSC/CECI application for funding to Global Affairs Canada and evolved over the course of project implementation in accordance with its activities and the company's



Wilburt Bentum, WAGES Consultant, facilitates a session on mining laws for Nsadweso community members, aiming to empower them with knowledge of the law so that they can influence decision-making that affects their daily life. (Photo credit: WAGES)

own community-focused programs and priorities, as discussed below. During project implementation, additional actors approached WUSC expressing an interest to be involved in the WAGES project, while others were identified on the basis of the needs emerging from project activities. In some cases, introductions to potential partners were provided by Global Affairs Canada, which helped to facilitate the relationships between WUSC and government institutions in Ghana in particular.

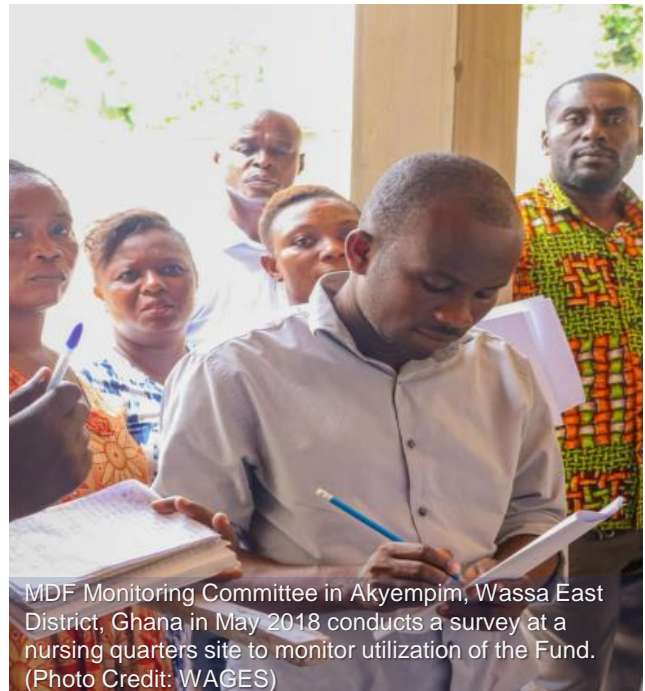
Over its five years of implementation, WAGES partners in Ghana have included local CSOs, such as Fiaseman Mbaa Yiedie Kuo Women's Support Group; national and international organizations, including Women In Mining Ghana, and the Ghana Extractive Industries Transparency Initiative (GhEITI); as well as various government agencies, notably the Ghana Enterprise Agency (formerly National Board for Small Scale Industries), Minerals Development Fund Secretariat under the Ministry Lands and Natural Resources, and the Wassa East District Assembly and Prestea-Huni Valley Municipality, with which the project carried out a significant portion of its governance capacity-building work. In most cases, WUSC put in place formal partnership agreements to govern the relationship between WAGES partners in Ghana and define their roles and responsibilities for specific project activities. The WAGES project as a whole was governed through a number of bodies,

including a Project Consortium, Project Steering Committee and National Advisory Committees. The National Advisory Committees are open to all project partners, meet twice a year, and give strategic orientations.

## Lessons Learned

The following lessons learned are drawn from the reflections shared by representatives of WUSC and Golden Star Resources and are offered here to support other organizations considering engaging in similar cross-sector collaboration:

- The focus and objectives of the project were well conceived, in that they aligned with the needs and priorities of various actors involved in the extractive sector in Ghana and successfully galvanized their participation. It is likely that this collaborative approach to governance capacity-building would be beneficial in other mining jurisdictions.
- Each partner can make a unique contribution to the project and their respective roles should be structured accordingly. For example, mining companies with a long history of operation in a region can share background or baseline data, local contacts and networks and lend legitimacy to a project being launched by a CSO that is new to the area. Meanwhile, the network of specialists, contractors, and other partners a CSO can mobilize, can help to bring new skillsets and a diversity of development actors to the region.
- The absence of a formal partnership agreement allows the roles of the partners to evolve in accordance with project activities and their own organizational needs and priorities. However, it can also lead to unmet expectations, strained relationships, and missed opportunities in terms of partner contributions to a project.
- The signature of an annual partnership agreement at the outset of the collaboration – rather than one that extends over the full term of a multi-year project – could provide both flexibility and accountability within cross-sector collaboration. Annual agreements can be reviewed at the end of each year and revised in accordance with the project's needs and partners' priorities.
- As personnel changes are likely to occur over the course of any multi-year project, it is important to maintain detailed records of all commitments and agreements and facilitate handovers between outgoing and incoming representatives of partner



organizations where possible. This can help to maintain trust and continuity and to reduce the time and resources required to bring new participants up to speed.

- Funding for the WAGES project was provided entirely by Global Affairs Canada. The absence of requirements for financial contributions by the project partners may have lessened the strain those commitments (and associated internal reporting requirements and accountabilities) normally put on partners and the relationships between them.

## Conclusion

Collaboration is a fundamental component of the WAGES project in Ghana and has been essential to the success of many project activities. The involvement of civil society, private sector, government and community actors through various models of collaboration has been key to achieving project objectives. In the case of Golden Star Resources, as the project's private sector partner, the motivating factor for collaboration was the alignment of the project's objectives with the company's own objectives and priorities. The absence of a formal partnership agreement between WUSC and Golden Star led to uncertainty around the role of the company in the project overall but did not prevent the organizations from working successfully together to achieve their common goals.