

# Community based participatory governance platforms and sharing of mining benefits: evidence from Ghana

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**Abstract** Participatory governance at the community level natural resource revenue management is thought to promote local stakeholders' interests in how benefits from extraction are shared, strengthen the legitimacy of decisions, and enhance the quality of development projects financed by resource revenues. This article develops a framework to study the potential of localized participatory governance platforms in natural resource revenue management from the viewpoint of the intended beneficiaries, the local community members living in communities hosting large-scale extraction. The study focuses on local benefit-sharing trust funds that receive substantial amounts of funding to finance community development projects. Analysing in-depth two trust funds in Ghana, the article finds that the studied trust funds face three key challenges related to their participatory governance platforms: inadequate inclusion of community members in the processes that established the platforms, lack of relevant knowledge among the platform participants, and power asymmetries. The findings suggest that there is a need to include all intended platform stakeholders already in the processes leading to the platform establishment; ensure the platform's legitimacy and independence in the eyes of the weaker stakeholders; and build capacity among the platform participants to ensure knowledge-based decisions.

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## Introduction

Community level stakeholder participation is thought to strengthen the legitimacy of decision-making, improve public service delivery, empower the weaker stakeholders,<sup>1</sup> and ensure that development projects and policies are based on local needs when it comes to, for example, environmental protection, compensations, and sharing of benefits (Kemp 2010). Consequently, many countries—and mining companies that seek to enhance benefit-sharing with host communities through corporate social responsibility (CSR) practices—have increasingly turned to localized decision-making policies that promote the engagement of key local stakeholders, notably the local community members, in the management of resource revenues intended to benefit them (Perreault 2015; Kasimba and Lujala 2020).

Since the late 1990s, one approach that countries and mining companies have taken to enhance benefit-sharing and engagement of local community members is the establishment of foundations, trusts, and funds tasked to share benefits among communities hosting or being impacted by large-scale mining (Songi 2015; Kasimba and Lujala 2019). Such local benefit-sharing trust funds (LBSTF) can manage substantial amounts of money on behalf of local communities. The Freeport Partnership Fund for Community Development in Indonesia, for example, was responsible for over US\$89 million during the period 1996–2017, and in 2017 the fund spent US\$7.9 million on various community development projects and programs (Freeport-McMoran 2018).

The governance structure in most LBSTFs relies on the participation of key local stakeholders, such as the funding company, local government, traditional leaders, and community members (Wall and Pelon 2011). However, it remains unclear whether these types of participatory governance approaches at the local level enable all stakeholders, particularly the local community members, to participate meaningfully<sup>2</sup> in decision-making as multistakeholder decision-making processes can be challenging (Ernst 2019), lack legitimacy among some stakeholders (Gaventa 2004; Connelly 2010), and ignore the complexity of ‘community’ and local political dynamics (Ojha *et al.* 2016). Therefore, the goal of participatory governance—collective decision-making in local natural resource revenue management, and ultimately, community development—may not be easily achieved as the process involves different stakeholders with varying interests and priorities.

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1 In this article, with weaker stakeholders and participants we mean those who are economically, socially, or politically less powerful vis-à-vis other stakeholders.

2 Meaningful participation enables not only people to voice their opinions and concerns but also, importantly, enables them to exercise power.

This article develops a framework to study the potential of localized approaches based on participatory governance in sharing benefits from large-scale mining among the community members living in areas hosting mining companies. We use the framework to study the Newmont Ahafo Development Foundation (NADeF) and Obuasi Community Trust Fund in Ghana. Particularly, we examine the potential of the respective funds' participatory governance platforms as formalized spaces that seek to engage local community members in decision-making regarding the sharing of mining benefits. In particular, we seek to understand the consequences of the platforms' institutional design and how they were established from the local community members' point of view.

Extractive sector forms an integral part of the national economy in Ghana, and the country has a long history of resource extraction, particularly in gold mining. In 2007 it discovered offshore petroleum. Ghana seeks to promote transparency and accountability in the management of its extractive sector (Brunnschweiler *et al.* 2021), and the country has since 2003 participated in the Extractive Industries Transparency Initiative (EITI), the most widely implemented and supported transnational transparency initiative within natural resource governance. It also seeks to promote development in communities hosting industrial mining through revenue sharing mechanisms (Lujala and Narh 2020). These communities, however, have seen little development and continue to face severe environmental, economic, and social consequences of such mining (Aragón and Rud 2015; Andrews 2018). Previous studies also suggest that citizens close to offshore oil and gas fields and mining areas have little knowledge of the extractive sector and its revenue management (Ofori and Lujala 2015; Lujala *et al.* 2020). Further, the EITI type of transparency approach that focuses on national level extractive sector management has had limited value in addressing the local needs in Ghana (Le Billon *et al.* 2021). The Ghanaian context thus provides a good case to study an approach that seeks to invest significant amounts of money in local development projects through a process that is supposed to include the weaker stakeholders meaningfully in the decision-making processes.

## **Participatory governance platforms—from theory to practice**

Ensuring accountability in sharing local benefits from mining can be difficult if local government officials, other authorities (e.g. traditional leaders), and mining companies do not foster, listen and provide a meaningful response to citizen's voice and are not open to change. One way to promote increased accountability is through vertical accountability mechanisms such as consultations or elections (Fox 2015). A more profound way is to promote con-

certation, which would require local authorities and community members to make decisions together (Loureiro *et al.* 2016). For localized extractive sector revenue management, concertation would mean that local community members are included directly in making decisions about spending (a part) of the resource revenues distributed to their area. In general, such collective decision-making should seek to involve all stakeholders and interest groups, and at its best, the approach is considered to be effective in situations in which the implementation of policies is likely to be contested (Fung 2015). The literature on participatory governance has, however, highlighted that achieving collective decision-making often is challenging (Fischer 2006; Gaynor 2013).

Considering the amount of extractive sector revenues that are channelled to local communities through LBSTFs, many of which have formalized platforms for concertation, it is, therefore, timely to study in-depth how these types of platforms are established and how their legitimacy and functioning can be improved from the point of view the intended beneficiaries, the local community members. To study the potential of participatory governance in LBSTFs, this article proposes that three key aspects are crucial in promoting functional, equal, autonomous, and effective participatory governance platforms: legitimacy of the platform in the eyes of the local stakeholders; platform participants knowledge of issues at hand and relevant policies, agreements and regulations; and power relations.

### *Legitimacy*

A legitimate institution is one that is accepted and recognized by the public on the basis that its actions are deemed desirable and appropriate within the socially constructed system of norms and acknowledged as rightful by those affected (Suchman 1995). In the context of LBSTFs, the process of both establishing a participatory governance platform and selecting platform participants needs to be acknowledged as legitimate in order it to gain support and acceptance from local community members and to inspire their confidence. For that, the establishment process may need to consider the interests of all stakeholders through continuous inclusion, collaboration, and consultation, without dominance of one or more stakeholder groups so that both the process and the platform are more likely to be viewed as legitimate. This is important as a legitimate institution is more likely to create and enhance public support, trust, acceptance, and a sense of ownership by the intended beneficiaries (Emerson *et al.* 2011).

The legitimacy of a participatory governance platform is also likely to be dependent on how the platform participants are selected or elected. The method of selection for representatives for the different stakeholder

groups is likely to vary. For example, a mining company may select its sustainability or CSR manager and a local government a planning officer to represent them, whereas traditional authorities would be represented by chiefs in Ghana (Kidido *et al.* 2015). Other selection methods can be used for community member and NGO (non-governmental organization) representatives: they can be appointed or elected, and they can represent specific groups such as the youth, women, or a profession. The degree the selection methods for the community representatives are influenced by the mining companies, traditional authorities, and local government officials is likely to influence the community members' perception of a platform's legitimacy as the selection can be viewed to favour the choice of some participants over others.

#### *Relevant knowledge*

Participatory governance platforms require that the members have adequate knowledge to fulfil their mandate in the platform (Howlett and Ramesh 2015). In the context of LBSTFs, examples of required knowledge include, but are not limited to, a good understanding of mining activities, its inter-linkages with the local socioeconomic dynamics, local needs, benefit-sharing mechanisms, and guidelines for compensating lost property and negative environmental impacts. Lack of knowledge on these key issues can lead to ineffective performance by decision-making platforms. Although knowledge of these issues is necessary for all participants, in the case of LBSTFs, more pressure is placed on the mining companies, traditional authorities, and local governments to have a high level of knowledge as they often are key actors in shaping and directing the participatory processes.

#### *Power relations and stakeholder interactions*

LBSTFs' participatory governance platforms should provide power-balanced spaces for stakeholders to influence decisions relating to benefit-sharing. Accordingly, it is critically important to analyse the implications of power that is embedded in local economic, social, and political relations, and can thus affect the composition and functioning of the participatory government platforms (Ribot and Peluso 2009). Participatory spaces should empower the weaker participants. In this regard, empowerment leans towards the ideas of deliberative democracy—the creation of 'spaces in which citizens can meaningfully engage in shaping decisions together with state actors' (Fischer 2006, p. 24). However, the extent to which a platform provides spaces for power-balanced participation may vary, depending on the participation framework and the broader institutional and operational context. In some communities in which participatory governance platforms

include economically and socially powerful stakeholders, such as traditional authorities, these stakeholders may intimidate less powerful participants such as community representatives and can perpetuate power asymmetries between stakeholders (Cleaver *et al.* 2001). A further dimension of power in our case is that of external actors: participatory governance platforms should enhance local communities' influence on how the benefits from mining are shared and spent in their area, but these decisions may still be 'overpowered' by the mining company or national level guidelines and policies. Therefore, it is crucial to consider the implications of power on the platforms' ability to maintain autonomy.

### **Large-scale gold mining, hosting communities, and local revenue management in Ghana**

Ghana is the largest gold producer in Africa and among the ten largest producers in the world. Gold generally contributes to over forty percent of the country's total export revenues and over ninety-five percent of all mineral revenues (excluding oil and gas).<sup>3</sup> The large-scale mining provides approximately 15,000 jobs and employment for a further 65,000 people.<sup>4</sup> In addition, the artisanal and small-scale mining (ASM) sector is one of the country's most important livelihood sources: almost 1 million people work in the ASM, and ca. 4.4 million depend on the sector (McQuilken and Hilson 2016).

Although gold mining is an integral part of Ghana's economy and export sector, the country has struggled in turning mining into development. Consequently, communities hosting large-scale gold mining are among the poorest in the country and suffer from severe environmental, social, economic, and health impacts related to mining (Aragón and Rud 2015; Andrews 2018). The communities hosting mining companies are, however, entitled to different types of compensations, land rents, and mineral royalty transfers, and the government of Ghana acknowledges the need to develop the mining communities (Lujala and Narh 2020). In 2016, to promote, among other things, socioeconomic development in the mining communities, the Parliament of Ghana passed the Minerals Development Fund (MDF) Act which stipulates how a part of the mineral royalties collected from the companies is distributed back to the communities hosting large-scale mining. Ghana has

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3 For more details on production over time and for details on key laws and regulations for the sector, refer to Ghana EITI Annual Reports ([www.gheiti.gov.gh/](http://www.gheiti.gov.gh/)). Offshore oil and gas production is another major revenue source for Ghana.

4 See the 2015 Labour Force Report by Ghana Statistical Service: [https://statsghana.gov.gh/gssmain/fileUpload/pressrelease/LFS%20REPORT\\_fianl\\_21-3-17.pdf](https://statsghana.gov.gh/gssmain/fileUpload/pressrelease/LFS%20REPORT_fianl_21-3-17.pdf).

also made several strides to improve natural resource governance through information disclosure and promotion of public debate, and the government seeks to promote transparency, accountability, and participation in its natural resource governance as well as involve the hosting communities in decisions on how natural resource revenues are spent locally (Lujala *et al.* 2020).

At the local level, Ghana recognizes both the informal and formal administration systems. The autonomy of the hereditary chieftaincy and the traditional council system is based on customary law and is guaranteed and protected by Ghana's constitution. In the distribution of mining benefits, the chieftaincy is a significant institution, especially as the chiefs have the key role of administering land as the custodians of the customary land that they hold in trust on behalf of and for the benefit of their ethnic group (Standing 2014). Both the chiefs and the traditional councils play also a major role in the local redistribution of royalties they receive from the central authorities through the MDF royalty distribution system.<sup>5</sup>

One reason for the poor development outcomes in hosting communities is the inadequate, one-time compensation for land when it is appropriated for mining purposes; another important reason is the local authorities' capture of mineral royalties transferred back to the mining areas (Standing 2014; Dupuy 2017). Ghana is thus a good case to study localized approaches promoting local development and content as well as approaches that seek to engage citizens in natural resource revenue governance.

## **Participatory governance platforms in NADeF and the Obuasi Community Trust Fund**

NADeF and the Obuasi Community Trust Fund were selected as cases because they manage substantial amounts of revenues to be spend on community development projects, have formalized participatory governance platforms, and are funded by two of the largest gold mining companies in Ghana, Newmont and AngloGold Ashanti (AGA).

### *Ahafo Social Responsibility Forum*

The American mining company Newmont has dominated gold mining in Ahafo since 2006. In 2016, it produced ca. 350,000 ounces of gold.<sup>6</sup> In May 2008, both Newmont Ghana and the Ahafo Mine Local Community, which consists of ten communities in the districts Asutifi North and Tano North

5 For details on the royalty distribution system, see for example Lujala and Narh (2020).

6 See Newmont's 2017 Annual Report: [https://s24.q4cdn.com/382246808/files/doc\\_financials/annual/2017-Newmont-Annual-Report-Web-Posting-Bookmarked-PDF-\(002\).pdf](https://s24.q4cdn.com/382246808/files/doc_financials/annual/2017-Newmont-Annual-Report-Web-Posting-Bookmarked-PDF-(002).pdf)



in the Ahafo Region, signed the Ahafo Social Responsibility Agreement (ASRA). The agreement established the NADeF as part of Newmont's commitment to contribute to sustainable economic and social development and create spaces for the communities to participate in decision-making that affect them (Boakye *et al.* 2018).

The ASRA established a multistakeholder participatory governance platform, the Ahafo Social Responsibility Forum (ASRF), to oversee the overall governance of NADeF. ASRF consists of fifty-eight members who represent key stakeholders. The forum appoints its moderator and co-moderator, but both appointments have to be approved by Newmont (Ahafo Social Responsibility Agreement 2008). Newmont has three representatives in the forum: its environmental and social responsibility manager, external affairs manager, and superintendent in charge of external affairs. These representatives are tasked with ensuring that the company meets its promises and commitments. The regional minister for Ahafo, two members of the Parliament of Ghana (from Asutifi North District and Tano North District), the two districts' chief executives, and two district assembly members represent different levels of government in the forum. These representatives are tasked with ensuring that the NADeF's developmental goals and strategies align with those of the regional and local governments. The district assemblies also provide technical and human resource expertise, such as the certification of projects plans, advice on the budget, and assistance in project implementation and monitoring (Danso *et al.* 2016). The traditional authorities are represented by the chiefs and the queen mothers, whose role is to assist in conflict resolution and maintain transparency, peace, and harmony.

The community members are represented by a combination of six women (three from each district), ten youth representatives (one from each Ahafo mining community), and two farmers' representatives (one from each of the districts). The local NGOs have two representatives in the forum. The community members elect their representatives to the forum through a secret ballot (Ahafo Social Responsibility Agreement 2008).

The NADeF functions under a broad organizational structure, governed by a nine-member board of trustees, which comprises a chairperson (Newmont appointee, ratified by the ASRF), two traditional leaders, two representatives of the local government from the two district assemblies, and two youth and two Newmont representatives. The administrative responsibility is under a secretariat headed by an executive secretary. The NADeF has funded construction projects for schools, libraries, and health centres, renovation of chiefs' palaces, scholarships, and micro-credit schemes (Essah and Andrews 2016). In 2017, NADeF spent US\$1.1 million on development projects (Newmont Ahafo Development Foundation 2018).



*Obuasi Community Trust Fund steering committee*

Gold mining in Obuasi has accounted for over fifty percent of Ghana's gold production over time (Asuah and Ankoeye 2016). In 2004, an agreement between AGA, the main large-scale gold-mining company in the area, and the government of Ghana mandated the establishment of the Obuasi Community Trust Fund,<sup>7</sup> to enhance socioeconomic development in the local communities affected by AGA's mining activities. Although AGA started to set aside one percent of its annual post-tax profits for the trust fund in 2004, the official launch of the fund took place in 2012, by which time about US\$2.7 million had accrued to the fund (AGA 2013).

The fund comprises a board, a steering committee, and the secretariat. The steering committee is the fund's platform for participatory governance. The committee meets twice-yearly, and is the main platform for decision-making, from project selection to implementation. The committee is formed as a thirty-two-member multistakeholder group, and it was established as the result of a process facilitated by an independent consultant hired by AGA. AGA appoints its own representatives to the steering committee, and the traditional authorities are represented by chiefs. Local government is represented by the municipal planning officers, whose role is to advise on any development projects in the communities, ensure that the projects align with the government development plans, and provide technical support to the communities in the process of writing grant proposals. The representation of the communities is intended to mirror the diversity in the communities and to include representatives of all social segments. The role of NGO representatives is to ensure that the rights of community members are protected, and the proper procedures are followed in decision-making. Further, they are to help in capacity-building by instructing the communities in how to participate effectively in resolving mining-related issues that affect them.

In addition to the steering committee, the Obuasi Community Trust Fund has a seven-member board that comprises two paramount chiefs (one from each of the Amansie and Adansi traditional areas of which Obuasi is part), three district assembly members, one AGA representative (sustainability manager), and the board secretary, who is appointed by AGA. The board is responsible for overseeing the overall operations of the fund, making decisions concerning how the funds are spent, forming policies that guide the secretariat, and ensuring that the fund fulfils its mandate and operates according to guidelines. The secretariat, employed by the board, is

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7 The description of the Obuasi Community Trust Fund's steering committee is based on information obtained during interviews as the fund does not have a publicly accessible website and no written documents were provided during or after the interviews.

responsible for the daily running of the fund. The Obuasi Community Trust Fund supports various community development projects, such as the construction of sanitary facilities and classrooms and provision of scholarships and provides economic support to develop local businesses through micro-credit loans and capacity-building. Members of the local community can apply for funding through local elected politicians.

## Results

The material for our study was collected between September 2015 and April 2016 in Ashanti Region and Ahafo Region (see [Figure 1](#)). In total, forty-three individual semi-structured interviews and three group interviews were held.<sup>8</sup> We also acquired information from the Internet. This was particularly relevant for verifying some of the interviewees' comments about the NADeF because the fund has a website with information about the agreements and the fund. For the Obuasi Community Trust Fund, AGA reports were reviewed. [Table 1](#) presents our key findings.

### *Lack of collaboration and consultation*

According to the interviewed trust fund officials, the legitimacy of the two platforms was ensured by hiring independent consultants to facilitate collaboration and consultations of all stakeholders. However, some stakeholders felt that they had been left aside. In both study areas, many community members felt that they had little knowledge of the platform establishment process. When expressing his frustration, a resident of Obuasi said that the community members could not support something they did not know anything about, as 'we just found out later that our chiefs, assembly members, and AGA had formed a committee.' The NGO representatives shared this feeling, an NGO representative in Obuasi telling us that their involvement came only after the framework for the steering committee was already in place: 'we did not contribute to the planning or the procedures for participation in the committee.' In Ahafo, another NGO representative described the ASRF as a brainchild of Newmont, the formation of which mainly involved some local leaders (e.g. chiefs and some local politicians) who had business relationships as suppliers to the company.

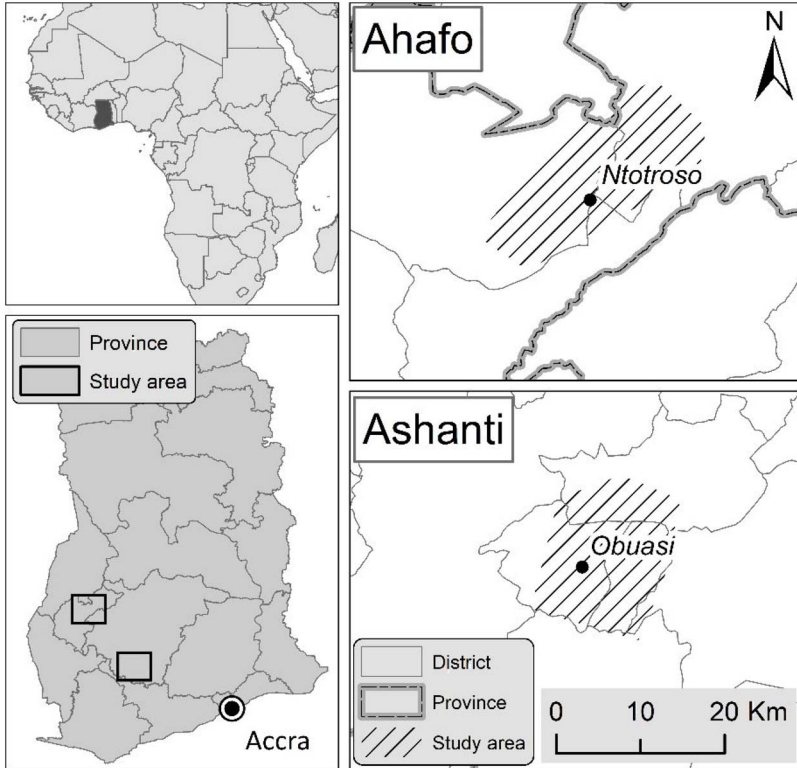
However, at the NADeF and Obuasi Community Trust Fund offices, the choice of engaging the chiefs and local leaders was defended as a strategic means to strengthen the forum's legitimacy: 'Newmont was convinced that by involving the chiefs, the communities would trust that forming the

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8 See [Supplementary Material](#) for more details on fieldwork and a list of interviewees.

**Table 1** Summary of findings

Legitimacy	Knowledge	Power relations
<p>Weak legitimacy of platforms in the eyes of community members and NGOs</p> <p>Key reasons:</p> <ul style="list-style-type: none"> <li>● Exclusion from the processes that established the platforms</li> <li>● Low trust in local chiefs and elected authorities who play key roles in the platforms</li> <li>● Unclear structures for how platform representatives are selected</li> </ul>	<p>Low confidence in the quality of the decisions made by the platforms</p> <p>Key reason:</p> <ul style="list-style-type: none"> <li>● Platform participants lack relevant knowledge on key issues</li> </ul>	<p>Power asymmetries perpetuated by the platforms, limiting meaningful participation of community members</p> <p>Key reasons:</p> <ul style="list-style-type: none"> <li>● Mining companies have a strong influence on platforms and their decisions</li> <li>● Community and NGO representatives feel compelled to agree with the traditional authorities' points of view</li> </ul>



**Figure 1** Study areas in Ahafo and Ashanti

ASRF and the foundation was in their [communities'] interest.' Similarly, the secretariat in Obuasi stated that including local chiefs and elected authorities on the committee ensured its legitimacy, as they already served the communities and had social and political influence: 'the role of the chiefs in Ghana is legitimized in the Constitution, and today, especially in mining communities, they serve a significant purpose, both in land administration and the distribution of mineral wealth.'

The findings revealed dissatisfaction on the part of the NGOs and community members also regarding the procedures for selecting/electing the participants to the platforms. According to interviews, neither of them had been involved in deciding the number of platform participants, who was to be represented, or how many of the positions were secured for each stakeholder group: 'AGA did not ask for our opinion on who we would like as our representative or how they should be chosen' (local trader, Obuasi). According to an NGO representative in Obuasi, community, youth, and women's representatives were not appointed through elections: 'the trust

fund is basically a creation of AGA, they drive it, and influence the appointment of most members of the steering committee.<sup>9</sup> Similarly, although the ASRA states that individuals representing community members must be democratically elected (“Ahafo Social Responsibility Agreement,” 2008), at least some platform participants had gained their position on the basis of their social networks. According to a former women’s representative in the ASRF, in most cases the elected individuals need to be endorsed by the chiefs and local politicians: ‘you can only be in the forum if your relationship with the chief and the district assembly is good; otherwise they will not support you.’

Because of the perceived exclusion from the platform establishment process and the lack of clear structures for representative selection to the platform, many of the community members were hesitant to recognize fully the legitimacy of the platforms. This lack of acceptance and its consequences was aptly summarized by one resident in Ahafo: ‘Newmont has the upper hand on who participates in the ASRF. The individuals were handpicked and therefore some of us doubt the credibility of the forum.’

#### *Lack of relevant knowledge*

In confirming the significance of knowledge, a teacher in Obuasi said that ‘implementing policies for protecting the environment requires not only funds but also well-resourced institutions with competent people.’ The need for the platform participants to have relevant knowledge was highlighted by the interviewees, but we found that their expectations were higher with regard to the local authorities. Several interviewees pointed out that the chiefs’ lack of knowledge on policies and laws that regulate mining, its impacts and compensations limits their ability to effectively contribute to addressing the environmental impacts of mining. However, one chief’s representative from the Ahafo Region explained that the chief himself was not incompetent as such but that ‘the challenge is that most of [chief’s] advisors have no relevant education on environmental protection, social responsibility and company–community relations, making their participation in the forum unproductive.’

In Obuasi, the perceived lack of knowledge among the elected officials was related to the interviewees’ frustration over limited socio-economic development, despite the communities having hosted gold mining for decades. This led some residents to conclude that the problem was due to lack of knowledge and good policies, which resulted in little confidence

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9 An official from the Obuasi trust fund told us that the community representatives in the steering committee are elected, but we were not able to confirm this claim.

in the assembly members who also are members of the Obuasi steering committee: 'most of these [assembly members] lack legislative knowledge to represent us in the assembly, how can we expect that they will do a good job in the trust fund?' (teacher, Obuasi).

The issue of inadequate knowledge of relevant policies and regulations and funds' operations was not limited to local chiefs and elected authorities, as most of the community representatives also possessed little knowledge about the common issues that should be addressed by the governance platforms and on the overall trust funds' operations: 'Some [community representatives] struggle with understanding our vision, the protocols, governance structure, the financial reports, and cannot prepare a project budget or proposal' (NADeF official). In confirming the general lack of knowledge among the community members, a local NGO official said that it was a challenge because it played down the efficiency of the representatives. Further, the NADeF official emphasized that as much as involving community members in decision-making is important, the selected/elected participants should have the relevant knowledge: 'if [the community members] must be included in policymaking and decision-making, competence will be important.' Giving an example, the official pointed out that choosing community representatives who do not have a good understanding of compensation guidelines would have limited capability to make the right decisions concerning compensations.

#### *Illusive independence and unexpressive participation*

With regard to autonomy, some respondents felt that the NADeF and Obuasi Community Trust Fund participatory governance platforms could not avoid influence from the mining companies because they were directly funded by them and the companies initiated the formation of the platforms: 'besides the annual contribution to the trust fund, [AGA] appointed and paid a consultant to facilitate formation... [of] the steering committee' (community activist). For the residents in Obuasi, merely the fact that the Obuasi trust fund secretariat office is located a few metres from AGA's sustainability office was a sign of the company's influence on both the trust fund and the steering committee. In Ahafo, a representative of a local NGO claimed that the independence of the forum was deceptive, since the issues discussed, the rules for participation, and project proposals were mostly in accordance with Newmont's ideas and visions. Exemplified by a former female ASRF member: 'some people have proposed that contributions to NADeF should be given directly [as cash transfers] to the community members, but Newmont has always used their power to oppose this idea. They say that the foundation is the best way for [Newmont] to share profits with the communities.'

The inclusion of chiefs in the platforms also affected the participation of both community and NGO representatives, as most of them felt compelled to agree with the traditional authorities' points of view. According to a resident in Obuasi, the chiefs' presence did not always give room for the steering committee to make independent decisions: '[the chiefs] meddle with decisions made by the committee.' Similarly, a former ASRF member said, 'even when the majority agree on one thing, if the chiefs do not agree, the decision might not go through, and this makes it difficult for us [forum members].' In Obuasi, an NGO official confirmed that the chiefs' influence was not uncommonly experienced and that the chiefs are the highest authority in the local communities and always make decisions on mining issues on behalf of the people. According to the official, it was possible that the chiefs saw 'the platforms... like a competition to them, especially when they have to share decision-making powers.'

Furthermore, although the platforms should provide a space in which all platform participants have equal influence on decisions made, some community members found that this was not the case. According to a female trader, the fact that Newmont officials, chiefs or their representatives, and local government officials were part of the ASRF meant that the voices of other participants were toned down: 'they do not listen to us [community members], and always make decisions that benefit them and ignore our wishes.' A community activist in Obuasi shared this sense of inconsequential participation due to unbalanced power relations by claiming that 'people should be able to voice their opinions freely and have substantial influence on decisions made, but this is rarely the case for us [NGOs and community representatives]. The decisions can only be unanimous if representatives from AGA and the chiefs agree. They know they have the power and use it to influence final decisions.' In response to such claims, the NADeF officer explained that the communities had powers to decide, but sometimes their demands could be difficult to implement: '[in such cases] we make decisions that we think are for the best in the end.' Such responses might have led some residents to share the sentiment of one lady in Gyedu community: 'Sometimes it feels like everything has been decided!'

## Conclusion

In this article, we have examined how the NADeF and the Obuasi Community Trust Fund facilitate the engagement of local community members through participatory governance platforms. Although the formation of the platforms demonstrates a commitment to promote stakeholder engagement, the main findings concur with those of previous research: participatory arrangements are not without challenges (Perreault 2015).



Our study is unique in its focus on organizations tasked to manage and spend substantial amounts of natural resource revenues through local collective decision-making bodies in the context of a resource-rich, developing country. Although its external validity beyond the studied trust funds needs to be assessed in further studies, the findings presented in this article give ground for some tentative, broader thoughts about community level participatory governance platforms in general and specifically in the context of extractive sector revenue management in Ghana and beyond. First, the article confirms earlier findings that the legitimacy of governance practices are often questioned ‘unless those affected and not participating can be convinced of their benefits’ (Connelly 2010, p. 932). What our findings highlight is that there is a need for all stakeholders to be included in the process of establishing the platform from the outset, as a platform’s legitimacy is not based only on the outcome (i.e. the stakeholder group being included as a platform participant), but is also based on their inclusion in the processes that establish the platform itself.

Second, our findings illustrate that the platform participants need to have or acquire relevant knowledge to ensure good quality decision-making and to increase community members’ confidence in the fund performing optimally. This result also highlights how participatory platforms interlink knowledge and governance. In the studied platforms, the ability to contribute effectively in decision-making requires knowledge about issues related to mining, local socioeconomic dynamics, and the utilized benefit-sharing mechanisms. Although there appeared to be a general lack of knowledge among all platform participants, there were higher expectations on local authorities to have or to be able to acquire adequate information and knowledge. In this respect, it is worthwhile to acknowledge the companies’ lack of competence and knowledge: The issue of lacking knowledge cuts both ways, and it is problematic to place the blame solely on the local authorities, and in particular on the chiefs in the case of Ghana.<sup>10</sup> From the mining companies’ perspective, the inclusion of the chiefs was to ensure that there was harmony between the involved parties. What the companies lacked was the knowledge of how local—formal and informal—institutions and power relations form local decision-making. Therefore, they came to support structures that impeded their intentions to distribute benefits in a fair and effective manner.

Third, our findings concur with earlier studies: participatory arrangements are shaped by power relations and the social, economic, political, and cultural context in which they occur, and at worst, they can entrench existing

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<sup>10</sup> We thank our reviewer for raising this issue.

power relations (Maconachie 2010; Perreault 2015). Although the fundamental premise of participatory governance platforms is to provide spaces for the voices of all stakeholders to have meaningful influence on decisions, neutralize power asymmetries, and ensure the autonomy, in the case the studied trust funds, community members felt that mining companies and traditional authorities to a large extent interfered with the autonomy of the participatory governance platforms.

Our study is not without limitations. Further studies are needed to uncover local authorities' and companies' points of view on the participatory platforms and to better understand what kind of knowledge the platform participants lack. Future studies should also assess whether trust funds with strong objectives of promoting—and basing their functioning—on collective decision-making is an effective way of distributing benefits. In other words, is there a trade-off to having participation to figure so strongly in the design of the trust fund when the intended objective is to mitigate the negative impacts of large-scale mining, provide public goods and promote development? Expensive and time-consuming provisions for participation may reduce the effectiveness of achieving these outcomes, and collective management of resource revenues may even place the burden of ensuring public services and mitigating the negative impacts of mining on the community, implicitly reducing the responsibility of the companies and local and national government in providing for these.

## Supplementary material

Supplementary material is available at *Community Development Journal* online.

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