

# “Demystifying Eritrea: the Ground Reality, Mining and Human Rights”



**Geneva, 8th March 2018** - Demystifying the image of Eritrea by understanding its reality on the ground and its development approach, which focuses on the people, was the theme of the side event organized by the Permanent Mission of Eritrea to the United Nations in Geneva in collaboration with Nevsun Resources Limited, Bisha Mining Share Company and Danakali Limited, titled, “Demystifying Eritrea: the Ground Reality, Mining and Human Rights”, on March 8th 2018 at the United Nations in Geneva.

The event was chaired by Ambassador Tesfamicael Gerahu, Head of the Eritrean Delegation at the 37th Session of the Human Rights Council in Geneva. The two main speakers were Mr. Todd Romaine, Vice President of Corporate Social Responsibility with Nevsun Resources and Mr. Seamus Cornelius, non-Executive Chairman, with Danakali Limited. Among the panelists also included Mr. John Weakliam from the Ireland-Eritrea Development Partnership and Mr. Adem Osman, First Secretary at the Eritrean Permanent Mission to the UN in Geneva.

For the past fifteen years, the country, located in the Horn of Africa, has been facing numerous challenges with the spread of an image portrayed in the media that leaves little space for a more balance perspective. To challenge the ongoing public opinion on Eritrea and lay the foundation for a more constructive approach to engagement; the side event was organized in line with the 37th

Session of the Human Rights Council at the UN in Geneva where Eritrea is currently taking part.

The Government of Eritrea continues to engage with the Universal Periodic Review (UPR) and shows its engagement through dialogue and discussion on the different recommendations made by UN member states on human rights. Hence, the event focusing on human rights and mining sector in Eritrea came at an important timespan. The session addressed mining companies' rights and obligations with respect to the social license to operate in Eritrea and the experience of these companies of working with the Government of Eritrea on joint venture initiatives. Organizing this side event was the occasion to engage with the public on the link between human rights and mining. In fact, the mining sector in Eritrea has been at the core of human rights talks where various allegations of violation of human rights were raised concerning the alleged employment of national service workers.

The accusation has been denied by Nevsun Resources and Bisha Mining Share Company. For the past years, attempts to boycott any foreign companies from engaging with the Eritrean government through the use of the human rights card has been challenging but failed to succeed. In reality, the mining sector in Eritrea is a promising and booming sector to contribute to the economic development. The motto is to ensure that this sector of activities, often portrayed negatively in many parts of the world, encompasses a different and positive story in Eritrea. Although the presence of high mineral wealth in the country -gold, copper, potash, zinc, oil, natural gas, cement, gypsum, granite, marble, ceramics, and limestone and iron ore- this sector has not been prioritized as to avoid any symptom of resource curse, unequal share of wealth or overexploitation leading to environmental degradation at the detriment of the people. Instead, it is a gradual development where foreign companies are welcome under strict conditions for investment including the promotion of local employment, training and a joint venture with national companies such as the Eritrean National Mining Company (ENAMCO). Thus, integrating local communities throughout the whole process from prospecting, exploration to actual production as mandatory.

The reality of doing business in Eritrea was highlighted by the speakers who explained to the audience that mining is important for the economic and self-determination aspirations of the country “by ensuring that any company follows the Government of Eritrea Impact Review Committee to ensure that mining companies maintain a high standard of operational governance as a mandatory pre-requisite for any company wishing to operate in Eritrea”, reiterated Ambassador Gerahtu. Accordingly, the Government of Eritrea focuses on a

sustainable mining sector that benefits the people. The people approach development is at the core of Eritrea's policies possible by fostering responsible and sustainable mining. Accordingly, Eritrea manages to have a share venture of 40/60 between ENAMCO and Nevsun Resources Limited, a 50% ownership between the Colluli Mining Share Company (CMSC) and Danakali Limited and similarly a 50/50 share between ENAMCO and Zara Mining Company. During the event, questions were raised on why doing business in Eritrea. The representatives of the mining companies explained that there is no experience of corruption and a stable working relationship with the government. The Ambassador also quoted the former UN Resident/ Humanitarian Coordinator in Eritrea, Ms. Christine N. Umutoni, that "the Eritrean Government utilized monies in an efficient and non-corrupt manner".

The exemplary operations of the Bisha mine and its safe working environment has set the standards high within the mining sector. Mr. Romaine of Nevsun explained that his company had set an excellent model and template with respect to best practices for other companies to follow and build on in collaboration with the Government. Besides its good working environment, ensuring that local communities are benefiting from this business was one of the requirements to create effective human capital. To do so, local recruitment are favored making the rate of Eritrean locally recruited staff of more than 90%. Local communities living in the region are also given priorities in addition to the possibility of trainings and upgrading posts.

The robust environmental protection program is also one of the imperatives for companies to acquire their license to operate and similar regulations apply in regard to ensuring the safety and wellbeing of employees. For instance, if any part of the village land falls under the exploration sites, compensation or agricultural assistance are provided including machinery and/or training on labor-intensive production. As a result, local employees compete highly to get the chance to work for companies as the salary scale is higher than national average.

NGOs present at the side event raised the issues around the Commission of Inquiry (COI) and as to why the government refused to open its door and concern of companies in dealing with reputational risk. The Ambassador explained that those entities with specific agendas would not benefit from visiting the country as there are already clear written mandates dictating their terms of engagement. The companies responded to the reputational concern of operating in Eritrea that they would continue to ensure strict compliance and adherence to both host, home and international laws.

The panel discussion concluded by enhancing the motto of responsible and sustainable mining depend on mutual respect and collaboration along with the Government of Eritrea's development priorities. Ambassador Gerahtu, on his part, invited the audience to come and see instead of believing targeted campaigns against Eritrea without acknowledging the history of Eritrea and the ongoing violations and sanctions imposed since 2009. Despite the ongoing external challenges, the country continues to put focus on a development that involves young human capital as key in building a peaceful and prosperous society.

**Permanent Mission of the State of Eritrea to the United Nations in Geneva**