

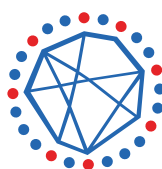
## Large-Scale Diamond Mining in Lesotho: Unpacking its Impact on Adjacent Communities



Maluti Community Development Forum (MCDF)

December 2021

*Grassroots research on local diamond mining impact*



KIMBERLEY  
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# EDITORIAL

## Large-Scale Diamond Mining in Lesotho: Unpacking its Impact on Adjacent Communities

Maseru/Antwerp, December 2021

**Cover photo:** Patising Village, Maluti Mountains, Lesotho.

**Author:** *Maluti Community Development Forum (MCDF) / Thabo Lerotholi*



**Maluti Community Development Forum (MCDF)** was founded in 2013 by concerned citizens of the district of Mokhotlong in Lesotho. The MCDF is a mouth piece for the marginalized communities within the mining locations of Lesotho. The Forum primarily targets those affected communities within the major national treasure points such as diamond mining, water resources (wetlands), sandstone mining, global warming, energy and farming.

**Context:** This report is part of a larger pan-African research project called *Grassroots research on local diamond mining impact* which was run in eight African countries by ten African member organisations from the Kimberley Process Civil Society Coalition.

The eight country reports intend to study some of the impacts of artisanal and small-scale diamond mining in Cameroon, the Central African Republic, the Democratic Republic of Congo, Ivory-Coast, the Republic of Guinea, Sierra Leone and Zimbabwe and the impact of industrial diamond mining in Lesotho.

The full version of the reports can be read and downloaded on <https://www.kpcivilsociety.org/publications/publications-from-the-coalition/grassroots-research-on-local-diamond-mining-impact/>

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This study was conducted with the guidance and technical support of the Kimberley Process Civil Society Coalition (KP CSC). The KP CSC is the umbrella organization that acts as an observer to the Kimberley Process (KP) on behalf of civil society. Most of the coalition's members are based in Africa, the world's largest diamond producing continent. Representing communities affected by diamond mining and trade, members work to improve the governance of the diamond sector in their home countries. The coalition's local and regional expertise allows us to monitor responsible diamond sourcing on the ground and to articulate a citizen's perspective on the diamond sector in national, regional and international forums. The Coalition includes representatives from Cameroon, the Central African Republic, the Democratic Republic of Congo, the Republic of Guinea, Ivory-Coast, Liberia, Lesotho, Sierra Leone, Zimbabwe and Belgium.



This document has been produced with the financial assistance of the European Union to the Kimberley Process Civil Society. The content of this document is the sole responsibility of the author and can in no way be taken to reflect the views of the European Union.

# TABLE OF CONTENTS

<b>EDITORIAL.....</b>	<b>2</b>
<b>List of Abbreviations .....</b>	<b>5</b>
<b>Executive Summary .....</b>	<b>6</b>
<b>1 Introduction .....</b>	<b>7</b>
1.1 Background information.....	7
1.2 Objective of the study .....	7
<b>2 Methodology .....</b>	<b>8</b>
2.1 Data collection techniques .....	8
2.2 Limitations of the study.....	9
<b>3 The layout of diamond LSM in the Highlands of Lesotho .....</b>	<b>9</b>
<b>4 The communities in areas adjacent to the diamond LSM in the Highlands .....</b>	<b>11</b>
4.1 Basic services and infrastructure .....	12
4.2 Access to health services .....	13
4.3 Unemployment and poverty.....	13
<b>5 Unpacking the impacts of diamond LSM.....</b>	<b>14</b>
5.1 The environmental impact.....	14
5.2 The impact on employment.....	17
5.3 Corporate Social Responsibility.....	17
<b>6 Addressing the effects of LSM: safeguarding human rights.....</b>	<b>19</b>
<b>7 Conclusion .....</b>	<b>20</b>
<b>8 Recommendations.....</b>	<b>21</b>
<b>9 Annexes.....</b>	<b>22</b>
9.1 Annex 1 – Coordinates for villages around the mining areas that were surveyed in this study .....	22
9.2 Annex 2 – Water samples for chemical water quality testing. Water samples were taken from 8 areas surrounding Letseng Diamond Mine (Mokhotlong district).....	23
9.3 Annex 3 Water analysis results as measured by the National University of Lesotho with a UV-1000 Spectrophotometer.....	24
<b>10 References.....</b>	<b>25</b>

# LIST OF ABBREVIATIONS

AMV:	African Mining Vision
ASM:	Artisanal and Small-scale Mining
CSR:	Corporate Social Responsibility
EIU:	Economist Intelligence Unit
IPIS:	International Peace Information Service
GDP:	Gross Domestic Product
GoL:	Government of Lesotho
l:	liter
LSM:	large-scale mining
NUL:	National University of Lesotho
MCDF:	Maluti Community Development Forum
mg:	milligram
TRC:	Transformation Resource Center
UK:	United Kingdom
US:	United States
WHO:	World Health Organization

# EXECUTIVE SUMMARY

This report provides the analysis and evaluation of the research that was conducted in 19 villages around Large-Scale Mining (LSM) of diamonds in Lesotho. The objective of the study was to find perceptions of local communities and the impacts associated with diamond LSM. MCDF found it necessary to conduct this survey to bring awareness to the responsible stakeholders about good or adverse impacts of mining processes to the communities near the mining companies and thereby recommending possible procedures to ensure responsible mineral sourcing and accountability.

Over a period of two months, civil society surveyors collected observations from 19 villages located near diamond mining companies in Mokhotlong district (Letseng Phuthalichaba, Maloraneng, Paeleaitlhatsoa, Ha Seema, Lichecheng, Patising), Butha-Buthe district (Ramosoeu, Shishila, Nokeng, Kaonyana Matebeleng, Kaonyana Maloseng, Lephatoane, Lihloahloeng, Nokeng, Porenki, Shishila, Khutloseaja) and Mafeteng district (Mohale, Nkhabu, Petlane and Ramakhoanya). This study aims to unpack both positive and negative impacts on the communities affected by diamond mining, particularly those living in the rural areas where LSM takes place. It seeks to unearth such impacts and bring them to the fore nationally, not only to raise awareness to the responsible parties but also to provide recommendations for more responsible mineral sourcing.

The study shows that **environmental pollution and the lack of positive benefits**, such as employment, are the key issues observed in communities in Lesotho's diamond mining areas. It has been found that 46% of the respondents are affected by cracks in their houses and 43% by dust pollution from the blasting during mining operations. Forty percent of respondents living downstream from the Letseng mine stated issues with water pollution. There, alarmingly high levels of nitrate have been detected in water samples near tailing sites in Letseng and Maloraneng village. According to our data, in 7 out of 19 villages (37%), the available water quality is bad to very bad, making it unsuitable for consumption.

The communities also complained that job opportunities and Corporate Social Responsibility (CSR) benefits provided by the diamond LSM are insufficient. The mining companies rarely give permanent job contracts to community members and outsource most work to people from outside the region. While companies provide CSR benefits such as foot bridges, water sources and food parcels to the surrounding communities, there are not considered in line with basic community needs. To avoid irrelevant and non-beneficial CSR activities, it is recommended that mining companies include meaningful community consultation and obtaining Free Prior Informed Consent as part of their interaction and communication with communities. We also recommend the government to form a regulatory framework to guide interactions between the mining industry and communities. Conflict resolution, community consultation, monitoring and corporate social responsibility should be included in this framework. In this way, corporate accountability for human rights and the environment could be taken a necessary step forward, resulting in increased respect for and protection of the basic rights of all citizens in Lesotho.

# 1 INTRODUCTION

## 1.1 Background information

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In Lesotho, diamonds are a valuable source of income that generates a significant boost in the country's economy. According to CBL (2012:2), the diamond sector has made a commendable contribution to Lesotho's economy, especially since 2004. The growth of the sector has contributed to the increase in the mining and quarrying subsector's share in Lesotho's gross domestic product (GDP) from 0.9 per cent in 2004 to around 4.5 per cent in 2011 (CBL:2012). The diamond mining industry has also been pivotal in increasing Lesotho's exports earnings and, hence, Lesotho's gross foreign reserves since the reopening of the mines (CBL:2012).

Large-scale mining (LSM) of diamonds in Lesotho dates back to the 1950s. At that time, Basotho nationals were allowed to mine as artisanal and small-scale miners (ASM) alongside LSM. This was the case until 2005 when a new Mining Act was introduced that made ASM illegal and which paved the way for LSM as only legal mining option in Lesotho. While ASM was part of Lesotho's law for a very long time, the 2005 Mining Act no longer provided room for ASM. Also other laws that accommodated ASM have been repealed. The move to outlaw ASM had a huge impact on the lives of many communities, in particular those in the highlands of Lesotho which relied heavily on ASM for their livelihood and survival. At present, the government is said to be reforming the laws again to reinstate ASM.

LSM in Lesotho comprises largely of foreign companies which hold majority shares in all local mining companies. The Government of Lesotho (GoL) holds minority shares in LSM companies and there is no clear basis for this arrangement. The communities have been sidelined from the process of negotiating mining contracts with LSM companies. The environment is also largely impacted by water, dust and noise pollution, as the MCDF team was able to observe during numerous visits to key mining areas. LSM has devised some Corporate Social Responsibility (CSR) policies, which aim to contribute positively to the development of local communities. However, CSR is neither guided nor informed by any Government policy and hence remains at the discretion and 'goodwill' of the companies. There is a National Mineral Policy (2016) in Lesotho, but this policy has not yet materialized into any meaningful legislation. The policy was informed by the African Mining Vision (AMV), which aims to assist African countries in reshaping their mineral laws to respond to their economic needs while also contributing positively to the development of mining-affected communities. Hence, translating the AMV-inspired National Mineral Policy into laws or acts would offer a positive perspective for mining and mining communities in Lesotho. So far, this has not been the case. The results are that the CSR practiced by LSM companies has become very untransparent and unresponsive to the real-life needs of the affected communities.

With this study, we aim to provide much-needed community data on the impacts of LSM, in order to make meaningful recommendations that will respond to the community needs and invite government and industry to act more responsibly when conducting mineral sourcing.

## 1.2 Objective of the study

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This study aims to unpack both positive and negative impacts on selected communities affected by diamond mining, particularly those living in the rural areas of Lesotho where LSM takes place. It seeks to unearth such impacts and bring them to the fore nationally and directly to the GoL. Furthermore, this study seeks to address the long-standing outcry of Lesotho's vulnerable mining-affected communities by holding those responsible for misdeeds accountable and inviting the GoL and diamond industry actors to be more responsible and responsive when conducting mineral sourcing.

Hence, this study aims to answer the following key questions:



- What are the negative and positive impacts of LSM on mining-affected communities in the rural areas of the Maluti Mountains in terms of environment, health services and livelihoods?
- How does LSM practice Corporate Social Responsibility (CSR) and to what extent are the affected communities benefiting?
- What is the role of the Ministry of Mining in Lesotho and its associated departments in regulating LSM and what could be done to make the LSM sector less adverse and more beneficial to mining-affected communities?

In order to answer the research questions, this report is divided into six chapters. The first chapter focuses on the methodology of this study and explains the data collection techniques used. In the second chapter, the study provides a short overview of the LSM production in the highlands and Maluti Mountains of Lesotho and the livelihoods of the communities living in these areas. The report then moves on to the findings and analysis and explores the effects of LSM on the communities in adjacent areas to the mines. After the impact of LSM has been discussed, the study focuses on the role of government bodies in addressing these effects and in safeguarding human rights, thereby stressing the need for a regulatory framework. After a short conclusion, the report concludes with some concrete recommendations for Lesotho's Ministry of Mining to better address the impacts of LSM on mining-affected communities and to make the sector more beneficial to them.

## 2 METHODOLOGY

### 2.1 Data collection techniques

The data collection approach used in this study comprises of both qualitative and quantitative data collection techniques to capture a holistic view on the realities of communities living nearby diamond mining sites in Phuthalichaba, Maloraneng, Paeleaitlhatsoa, Ha Seema, Lichecheng, Patising, Ramosoeu, Shishila, Nokeng, Kaonyana Matebeleng, Kaonyana Maloseng, Lephatoane, Lihloahloeng, Nokeng, Porenki, Shishila, Khutloseaja, Mohale, Nkhabu, Petlane and Ramakhoanya, Lesotho. In order to collect data from villages around key diamond mining sites in these areas, our team of surveyors collected data on the basis of two distinct questionnaires. One questionnaire contained questions directed to the selected village as a whole and aimed to collect factual information shared by a representative or village authority. A second questionnaire was focused on collecting observations from one-on-one interviews with villagers. Unlike the village questionnaire, the household questionnaire was presented to at least ten households per village and was filled by one individual representing a household. Surveyors applied as sampling methodology a random walk technique following the left-hand rule. Using the triangulation principle, surveyors cross-checked the collected information by comparing the results to ensure accuracy of data collected.

The questionnaires were available in both document form and through a mobile data collection app (ODK Collect), which enabled the surveyors to collect data and simultaneously keep track of the location where the data was collected in real time. Respondents from 242 households across 19 villages were interviewed for this study and these 19 villages represent a total of about 5,810 inhabitants. As detailed in Annex 1, 7 of those villages are located in Mokhotlong district, near Letseng and Mothae diamond mines, 8 villages are located in Botha-Bothe district near Storm Mountain diamond mines and 4 villages are located in the low-lands of Mafeteng district near Reskol Diamond Mine (Figure 1). Survey questions focused on the relation between the villages and adjacent LSM companies, on CSR investments, employment and socio-economic conditions in the villages and on community perceptions of LSM, amongst other questions. The survey took place over three weeks in February, 2021.

The right to privacy of individuals involved in this research was put into consideration and therefore no personal data was taken while collecting observations. All participants participated voluntarily.



## 2.2 Limitations of the study

During data collection, there were challenges encountered due to the fact that most villages in the Maluti mountains are barely accessible because of the road conditions. Some villages are even only accessible by foot paths. The other challenge is that some village representatives could not allow surveyors to interview the villagers while others misunderstood and mistook surveyors for politicians. Some difficulties were brought by the impact of COVID-19 and lockdown regulations that prohibited movements to distant areas.

## 3 THE LAYOUT OF DIAMOND LSM IN THE HIGHLANDS OF LESOTHO

In Lesotho, the majority of the diamond LSM companies are situated in the mountaneous region called Maluti Mountains, which largely makes up the country's highlands to the north. These companies include Letseng Diamond Mine and Mothae Mine, which are both located in the Mokhotlong district, and two other diamond mines about 23 kilometers north-east of Letseng Diamond located in the Butha-Buthe district, called Kao Mine (Storm Mountain Diamonds) and Lqhobong Mine (Storm Mountain Diamonds). Furthermore, in Mafeteng, Kolo, another diamond mine can be found, though it has recently been declared inactive. The company responsible for mining in that area is called Reskol Diamond Mine (Figure 1).

Letseng Diamond Mine has been topping all other mining companies by producing the largest clean stones which were ranked amongst the highest in the world. One would presume that this would make a significant contribution to the Lesotho's GDP. However, it appears that the mining sector makes up to seven percent of the GDP of Lesotho (EIU:2021).

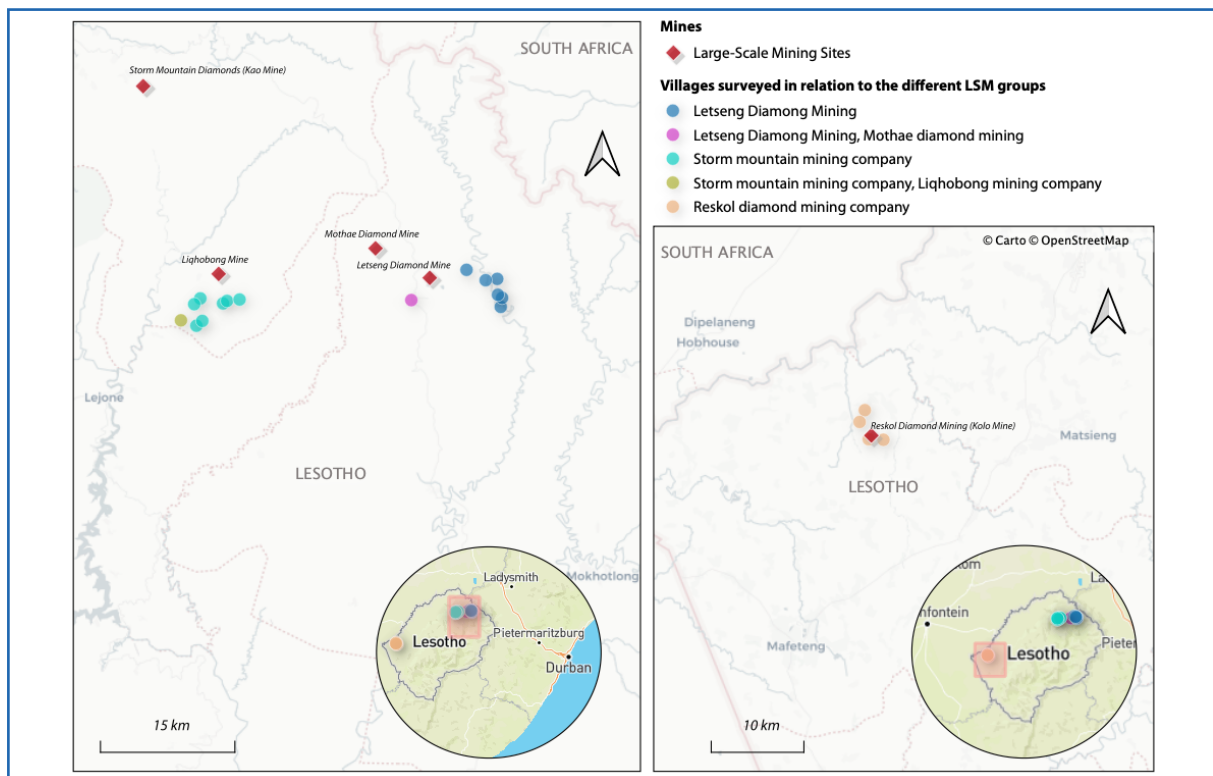


Figure 1 An Overview of villages around mining regions surveyed in this study: Mokhotlong and Butha-Buthe district (Maluti Mountains; left) and Mafeteng district (right). Three clusters of villages can be found, each representing a mining area where research was conducted.

### Letseng Diamond Mine

Letseng Diamond Mine (Figure 1 left), owned by UK-based Gem Diamonds Ltd and the government of Lesotho, is one of the higher-ranking diamond mines in Lesotho in terms of production and quality diamonds. The mine is situated in the Maluti Mountains, close to Phuthalichaba village. The nearest town from this place is Mapholaneng, about 30 km away. The mine has been operational since 1977 (Letseng Diamonds, n.d.). According to Gem Diamonds (n.d.), Letseng produces high-quality pink and blue diamonds, with a rare blue diamond achieving a sales price of US\$603,047 per carat in 2013 and an exceptional pink diamond achieving US\$187,700 per carat in 2016. Letseng ranks in the top 15 global diamond producers by revenue. The large, high-value diamonds from Letseng account for 70% to 80% of the Group's revenue annually.



Figure 2 The top view of Letseng Diamond Mining activities (Gem Diamonds)



Figure 3 Screening equipment at Letseng Diamond mine (Gem Diamonds)

### Mothae Diamond Mine

At about 5 kilometers distance from the Letseng Diamond mine is Mothae Diamond Mine (Figure 1 left), which is operated by Lucapa Diamond Company and owned by Australian Lucapa Diamond Co Ltd and the government of Lesotho. The mine's site is also located inside Letseng's region. According to the company's website (n.d.) Lucapa completed construction and commissioning of the Mothae diamond plant in December 2018, enabling commercial production to commence in January 2019. Results to date (2021) have confirmed that Mothae is a source of large and premium-value diamonds, including rare type IIa white and colored ones. Large diamond recoveries to date have included five +100 carat stones, including a 213 carat D-color type IIa. Diamond sales to date exceed US\$35 million. Individually Mothae diamonds have sold for up to US\$50,000 per carat.

### Kao Mine (Storm Mountain Diamonds)



Figure 4 Kao Mine Storm Mountain Diamonds (MCDF 2019)

Located inside the village of Kao in Butha-Buthe District (Figure 1 left) is Kao Mine, operating under Storm Mountain Diamonds (Pty) Ltd and owned by South-African Namakwa Diamonds Ltd and the government of Lesotho. Kao Mine seems to perform well in terms of diamond production. The Storm Mountain Diamonds website (n.d.) indicates that their plant is both the largest kimberlite pipe in Lesotho and the fourth largest kimberlite pipe in southern Africa, with a coverage of 19.8 hectares and an indicated and inferred resource base of 12.7 million carats. Kao's pipe has been explored and confirmed to have a depth of 500 meters and the mine has approximately 18 years of operation left. The mine has been operational on an industrial level since 2006. A deposit with exceptional prospects, Kao yields rare colored diamonds ranging from purple, pink, blue, yellow and top light brown to classic whites. On the global market, 'fancy colored' or 'rare diamonds' are regarded as an exceptional investment. The blues, pinks and the purples tend to be the rarest, topped by reds, which are the rarest of the rare.

### **Liqhobong Mine**

About 10 kilometers near Kao Mine and located on top of Liqhobong Valley is Liqhobong Diamond Mine (Figure 1 left). The mine site is located inside Kao region in Butha-Buthe district and the nearest village is Ha Lephatoane (Lephatoane). Liqhobong Diamond Mine was acquired by UK-based Firestone Diamonds, in an ownership partnership with the government of Lesotho, in 2010. Liqhobong Diamond Mine has yielded many precious stones. According to Firestone (c.2018), the mine hosted its first diamond sale in February 2017. In the 12 months prior to June 2018, 835,832 carats were recovered at Liqhobong, a recovery that was 128% higher than the previous year's 365,891 carats. At the start of the Covid 19 Pandemic, Liqhobong Diamond Mine shut down, only to reopen around June 2021.

### **Kolo Mine (Reskol Diamond Mining)**

Found in the Mafeteng District of Lesotho and located about 10 kilometers southwest of Maseru City (Figure 1 right), Reskol Diamond Mine is a subsidiary of the South-African company Batla Minerals. In 2011, the company obtained a 10-year mining lease to operate the Kolo Mine. According to Batla Minerals (2013:1), the Government of Lesotho offered a lease to Reskol Diamond Mining whereby the company owns 90% of the shares and the remaining 10% is owned by the state. The lease includes Kolo pipe, containing approximately 1.3 million tons of kimberlite (expected to produce 110,000 carats) and the Sekameng pipe, of which the extend is still unknown.

## **4 THE COMMUNITIES IN AREAS ADJACENT TO THE DIAMOND LSM IN THE HIGHLANDS**

In the area surrounding these LSM diamond mines, several villages/communities are established, 19 of which were surveyed in this study (see Annex 1, Figure 1). These 19 villages represent about 5,810 inhabitants of mixed age groups in all the villages visited. An outlier of young to middle age groups is present at Letseng Phuthalichaba village. The reason that Phuthalichaba is an outlier in terms of age groups is that most people in this place are not permanent residents. They are just there to seek employment from Letseng Diamonds Mine and as a result most of them go back to their original villages when they retire.

Life in the northern highlands is mostly dependent on subsistence agriculture, especially farming of cereal crops and rearing of livestock. Eighteen out of the 19 villages we studied have crop and livestock farming as their main economic activity. One exception is Phuthalichaba, a village of 265 inhabitants near Letseng mine whose people depend solely on employment from the mine and the sale of commodities (small shops and selling of alcohol).

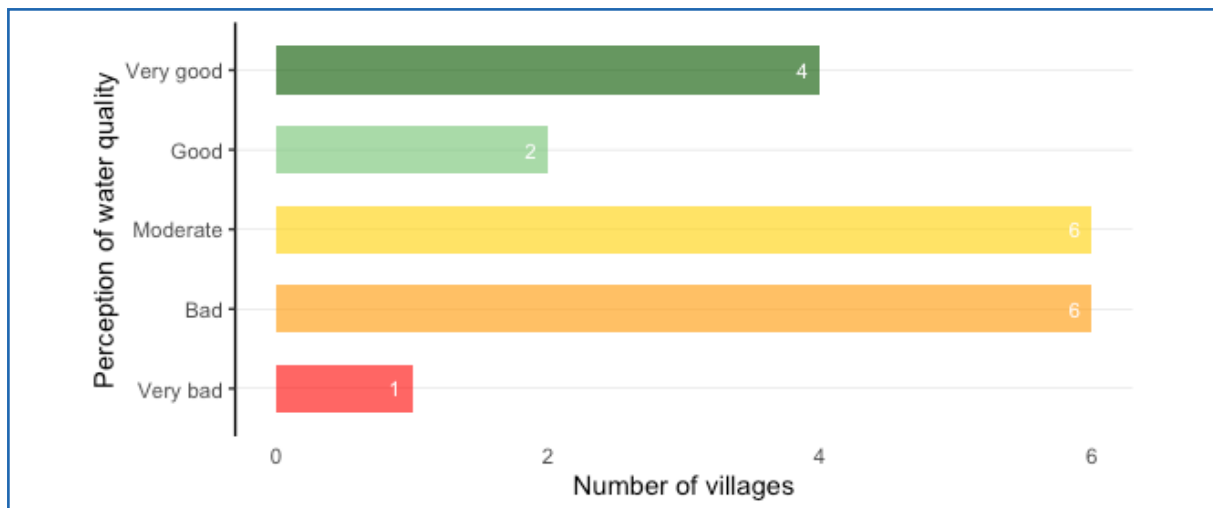


Figure 5 Perception of water quality in the 19 villages surveyed in this study

#### 4.1 Basic services and infrastructure

Most villages still lack basic life resources such as access to clean water, food security, educational facilities and basic infrastructure. Figure 5 shows that water quality is considered bad / very bad in 7 villages (37%). In most villages drinking water is accessed via water taps, though most of them are not working. None of the villages are connected to the electricity grid, with solar power as the main source of energy for those who can access it. In most villages, buildings are described as poorly to fairly-well maintained. Only in 2 villages asphalt roads connect the village to other areas. In Khutloseaja, one of the villages near Kao Mine (Fig. 1 left), people face difficulties with transporting the deceased to the nearest funeral parlor, because there is no road to the village. Due to the lack of roads, people are forced to transport patients and corpses on foot for more than 5 kilometers. Moreover, during the rainy season, villagers living alongside the Khubelu river (Lower part of Lichecheng, Ramosoeu and Ha Seema) mainly depend on bridges to get access to daily basic needs in nearby towns. The strong river floods of 2021 wiped away more than four footbridges interconnecting those villages, posing a big challenge for the villagers for years to come.

Compared to the highlands, in the villages around the Reskol Mine situated in Lesotho's lowlands (Fig. 1 right), there is considerably less struggle in terms of basic resources and services. Nonetheless, there is still a lack of water in three out of the four of the villages adjacent to the Reskol mine. The communities in this area indicate that sometimes the situation of water shortage in these villages becomes so unbearable that they end up drawing water from the mine's campus.

## 4.2 Access to health services

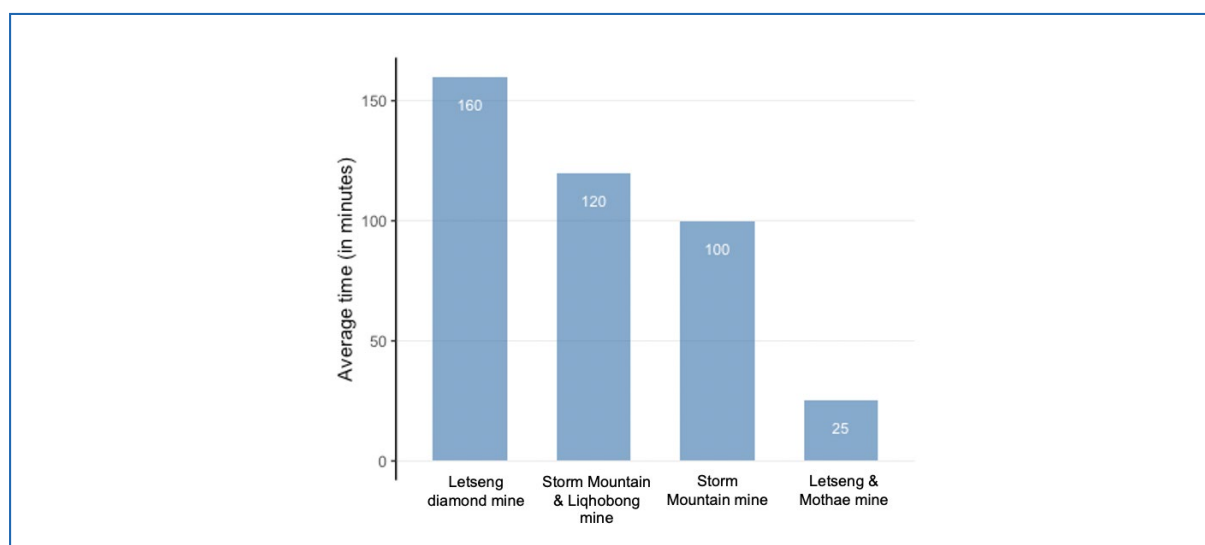


Figure 6 Analysis of the presence of Health Centers close to villages around the diamond LSM regions. Average travel times (in minutes by car) are displayed to the nearest health center.

Figure 6 shows the statistical analysis of the availability of health centers in/near the villages around the mining regions and the time (expressed in minutes) it would take to reach the nearest health center by car. The survey shows that only two of the villages visited have health centers in the village itself. For the people living in the other villages, it takes between 25 minutes and 3 hours' time (by car) to reach the nearest health center. In villages around Letseng mine, it would take an average time of 2 hours and 40 minutes (160 minutes) to reach the nearest health center by car. Evidentially, this distance is even more debilitating if a patient has to travel on foot.

## 4.3 Unemployment and poverty

Unemployment is a serious problem in developing countries like Lesotho and worse in the Maluti Mountains where employment opportunities are extremely limited. Also in the villages near the diamond mining areas, unemployment is a big issue. The youth from these villages, who are mostly qualified from institutes of higher learning, are jobless and as a result most families live below the international poverty line.

A review study conducted by the World Bank (2021) suggests that Lesotho's unemployment rate remains high at 22.5% in 2019. This is coupled with high inequality and poverty. The national poverty rate declined from 56.6% in 2002 to 49.7% in 2017 (World Bank, 2021). This reduction was predominantly recorded in urban areas, leading to a wider urban-rural inequality. Between 2019 and 2020 the percentage of people living below the international poverty line actually increased (World Bank, 2021). COVID-19-related lockdown measures have had a negative impact on the labor market and incomes, overall.

## 5 UNPACKING THE IMPACTS OF DIAMOND LSM

### 5.1 The environmental impact

Figure 7 gives an overview of answers from individuals living around LSM diamond mines concerning what they consider as the negative impacts of diamond LSM in general.

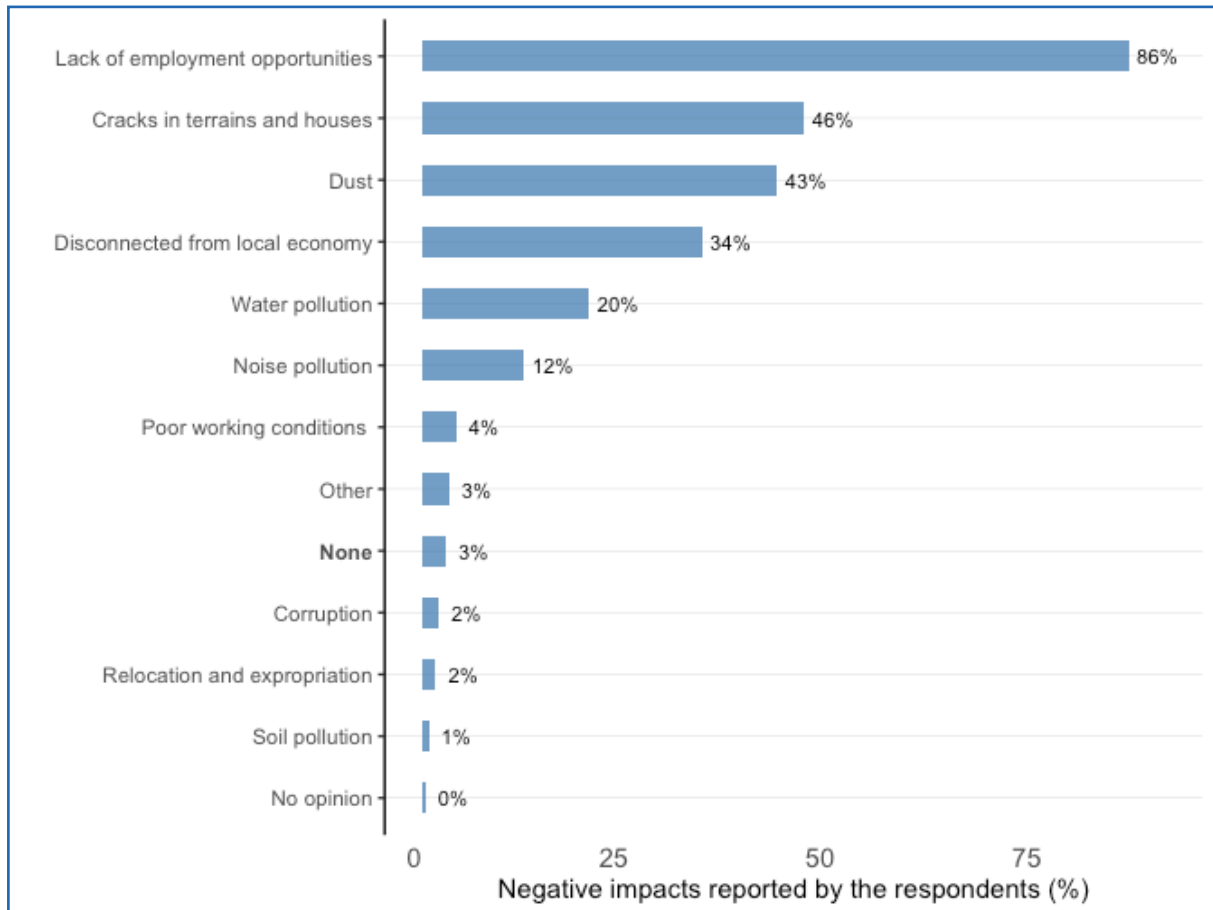


Figure 7 Negative impacts of LSM as reported by respondents in 19 study villages

As is clear from this figure, many negative effects are environmental, ranging from water pollution and noise, to cracks in houses and air pollution (dust). Household respondents in Mafeteng district (Reskol Diamond Mine) predominantly mention cracks in houses, dust, noise and water pollution as negative environmental impacts. Around Kao mine (Storm Mountain mining; Botha-Bothe district) the same impacts are listed, while around Liqhobong mine (Storm Mountain mining; Butha-Buthe district) people seem less impacted by environmental effects. Around Letseng diamond mine (Mokhotlong district), dust and water pollution are remarkably more mentioned by respondents. For example, 40% of villagers living downstream from the Letseng mine in Maloraneng village complained about an abnormal color of the water in the village's stream. They suspect that the source of the discoloration is the mine's slime dams. Therefore, the people living in Maloraneng suspect that some of their health issues, such as skin rash, might emanate from contaminated water. There have been at least 2 death incidents reported in Patising and Maloraneng villages, which are suspected to be associated with the water contamination. One of those incidents, in Maloraneng, concerns a one-year infant who died on the back of his grandmother while walking twelve kilometers to access public transport to health services.



To test the link between Letseng mine (Figure 8) and the water pollution reported in Maloraneng, MCDF took the initiative in 2019 to engage experts from the National University of Lesotho to take water samples from the area to the laboratory to test their chemical composition through UV-spectrophotometry. Water samples were taken in 8 locations in Maloraneng valley, surrounding Letseng diamond mine (Figure 9). A high concentration of nitrates ( $\text{NO}_3$ ) was found in water samples near tailing sites in Letseng and Maloraneng villages (see Annex 2; Figure 9). While most natural streams in Lesotho have been found extremely clean in terms of water quality (Salemane, 2020), nitrate levels up to 18 mg/l are not uncommon. However, the levels found in the samples from Letseng and Maloraneng exceeded the detection limit of the measurement instrument (absorbance of 3000, equivalent to 86.18 mg/l  $\text{NO}_3$ ). These clearly exceed the 50 milligram per liter (mg/l) limit acceptable for drinking water, as defined by the World Health Organization (WHO) (WHO, 2011). This means that water from these sources is not acceptable for human consumption. The uptake of high levels of nitrate can cause reduced blood oxygen levels, which can lead to serious health conditions and even death. Young infants are most at risk (WHO, 2011). Other chemical parameters are also notably elevated in the same samples, indicating contamination of those streams, potentially with heavy metals (Salemane, 2020). One of the samples with such excessive nitrate values is the tailings site where the stream leading to Maloraneng village originates (Figure 8). It is possible that explosives used in the mining process cause elevated nitrate concentrations. Further analyses are needed for an in-depth evaluation of type and origin of the contaminants.

In May of 2021, MCDF informed the GoL (Department of Environment) about these findings, urging a full investigation. Until this date the Department of Environment has not yet communicated a decision on this matter.



*Figure 8 Part of Letseng mine's campus above Maloraneng village where the stream leading to Maloraneng originates (MCDF 2019)(left); A slime dam at Letseng mine above Patising Village (MCDF, 2019) (right)*

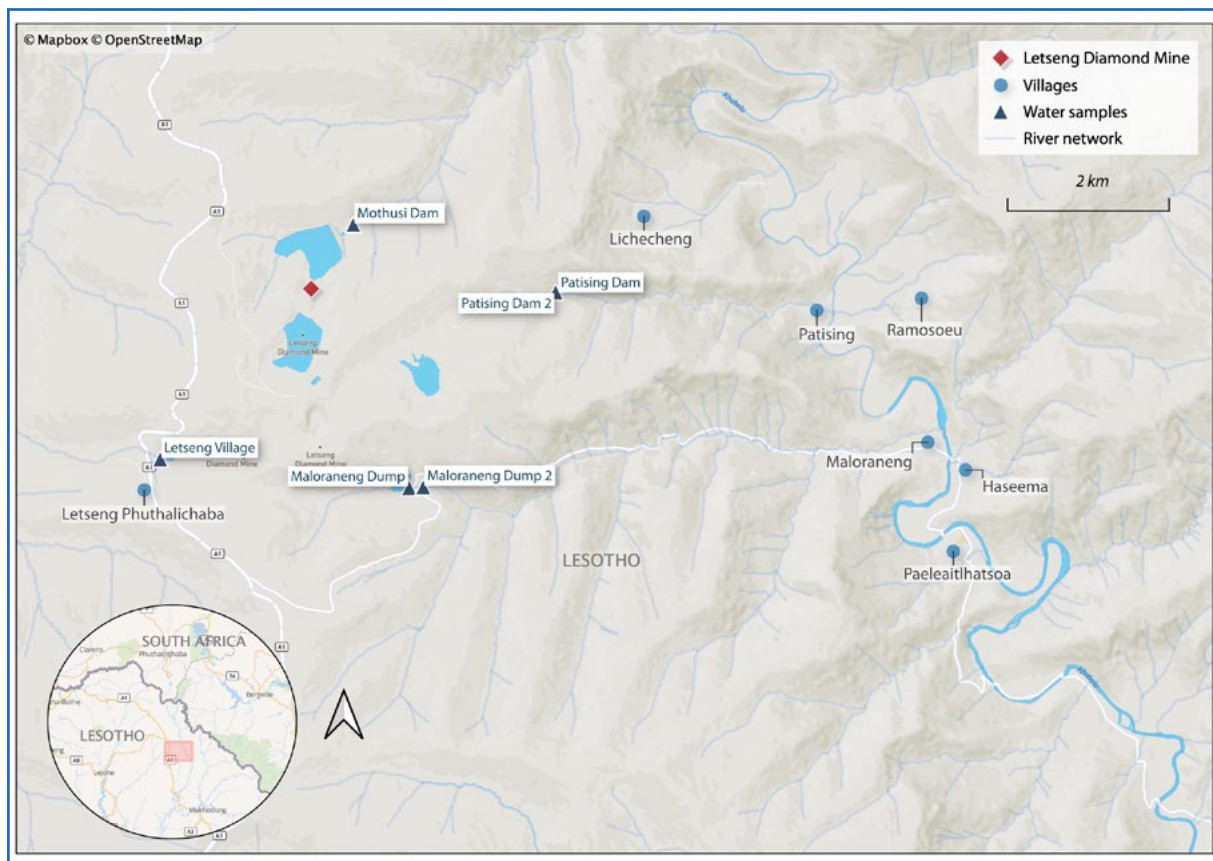


Figure 9 Location of water samples in relation to Letseng diamond mine and 7 of the surveyed villages.

Figure 8 (right) shows a slime dam situated upstream to Patising village. The water in this dam and others make up the main source of water for the Patising villagers in their everyday lives. After using the water from the stream, the people from Patising village experienced the same negative effects as villagers in Maloraneng.

Furthermore, above this dam is another large slime dam that, according to the villagers, is at risk of bursting and flooding the village. During heavy rainfalls in 2020, many houses in Patising village were flooded, presumably because the slime dam had overflowed by a small margin. While there are no direct community witnesses to the actual overflow, it remains the most likely plausible explanation for the prevailing circumstances. The community sought the explanation for this mysterious flood from the Letseng mine but the mine was not forthcoming. The community further contacted the District Administrator of Mokhotlong to seek some answers, also to no avail. The community still wants answers and until there are clear answers, the suspicion regarding Letseng's slime dam remains. The affected people



Figure 10 Inside a house affected by the 2020 flood at Patising Village (MCDF 2021)

lost most of their belongings such as clothes and furniture, to name a few. Figure 10 shows how one of the houses was affected by the flood. The community of Patising lives in constant fear, due to the unstable character of these upstream slime dams which could burst at any time. They also claimed that the mine's operations have rendered a nearby stream - which they rely on for domestic use - harmful. As such, the villagers indicated during this study that they have filed an application in September 2020 to move the court to order the Letseng Mine to relocate the villagers from Patising to a safer place, which is yet to be chosen and agreed to by both parties (Bereng, 2020).

In 104 out of 242 surveyed households (42%), the respondents complained about dust as a result of blasting activities taking place in the mines. The blasting also causes cracks in houses, not only in those adjacent to the mine but also extending to houses in other neighboring villages, as reported by 46% of the respondents (112 households). At Ha Shishila, one of villages near Kao Mine, the Storm Mountain Diamonds company arranged for cracked houses to be patched up even though 40% of villagers complained that the patching has left a bad appearance on their houses. In other cases, such as at Ha Petlane Kolo, one villager claims to have been demanding for years to Reskol mine about their cracked house, but without receiving any help up to this moment.

## 5.2 The impact on employment

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As evident from Figure 7, the lack of employment opportunities offered by the mining companies to local community members, is perceived as a negative impact by a large majority of respondents in this study (86%). The issue of employment is relevant, not only due to the scarce amount of employment opportunities, but also because mining processes take place on villagers' land.

It's good to set the context and perspective of land tenure in Lesotho. The land is all for Basotho who are the owners of their land. This land is held in trust for them by His Majesty the King. The allocation of land in Lesotho is administered in line with the Land Act of 2010 through a Council's administration which is basically controlled by the Central Government. This practice has a negative effect on local communities' land ownership as it is not conform the notion of intended community ownership. The GoL has all the power when it comes to allocating land to mining companies. As such, communities are deprived of their consultation rights, being left out of decision making processes on land allocation. It further leads to serious deprivation of community land and conflicts between communities and mining companies, as most companies do not even seek a social contract from the communities on whose land they are operating.

Only in 8 out of the 19 villages, villagers are employed by the mining companies. From our survey of households, we learned that 95.5% of respondents consider those employment opportunities insufficient. Only in 9 households, 6 of which are near Storm Mountain mining in Botha-Bothe district, the respondents considered employment directly or indirectly provided by the mining companies adjacent to their villages as sufficient. Some of the respondents mentioned to have worked for mining companies previously, but they were only offered short term contracts of less than a month or a slightly longer period of six months. Most villagers that are employed, are employed as unskilled laborer. There is no evidence that there are programs by the mining companies to share and pass on skills to the locals who are lucky enough to get employment.

## 5.3 Corporate Social Responsibility

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Corporate Social Responsibility (CSR) is a term to cover companies' strategies to make a positive contribution to the needs of communities in the location of their business operations. In Lesotho there is no regulatory framework on CSR programs offered by mining companies. There is also no legal framework to guide companies on how to distribute CSR benefits to communities and to what extent that should involve in CSR activities. Therefore, the only instrument that could be used to measure CSR contributions by companies is the perception of the community itself.

In the Maluti Mountain villages surrounding diamond LSM in Lesotho, some CSR programs are in place. These mainly are programs focused on education, water, infrastructure and sanitation/health. In some villages, respondents mentioned the occasional donation of food or Covid-19 protective gear (14 out of 242 respondents, or 5.7%). Over 70% of all respondents indicate that, to their knowledge, no CSR investments were made in their villages in the 12 months preceding the survey.

Sixty-five respondents from householders near Letseng and Storm Mountain mines confirmed the presence of some CSR activities in their villages. However, as shown in Figure 11, these CSR efforts are considered insufficient by the 50 – 83% of those respondents. In some villages, such as Maloraneng, Letseng mine provided toilets as well as a health center inside the village. However, according to the villagers, this health center has not been in operation since the day its construction was considered complete. Allegedly this is because the mine cannot afford to pay health workers. Furthermore, some CSR programs such as the facilitation of toilets were considered unsatisfactory by the respondents because of the sub-standard quality of the materials used for construction. The villagers pointed out that the toilets are often ruined in just a few years after their construction. The material quickly starts to rust and some of the toilets have no roofs and doors, probably because they are blown away by wind. Another clear example of how CSR is not meeting real community needs, is the lack and condition of health services in most of the surveyed villages (see Section 4.2). While providing health services is not the sole responsibility of mining companies, it would be meeting basic needs that are considered as most relevant to surrounding communities.

During our survey, 94% of respondents mentioned that no consultations are being held between the companies and the community members neither on mining operations nor on investments. The fact that there is no law that regulates CSR does not help in aligning the actions of companies and the needs of communities.

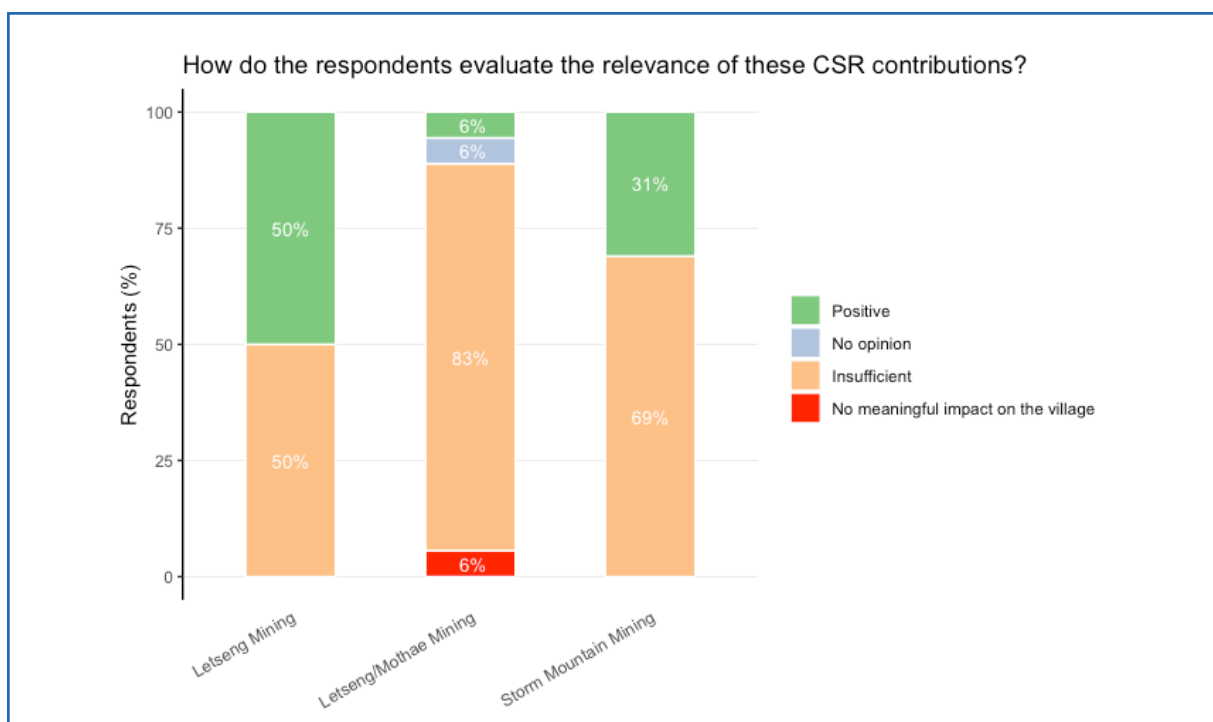


Figure 11 Analysis about the perceived relevance of Corporate Social Responsibility programs by Letseng and Storm Mountain Mining companies in nearby villages (based on 65 household responses).

Overall, this lack of relevant CSR and involvement of communities – including local employment opportunities – seems to push 80% of respondents to say that there are no positive impacts associated with the presence of the diamond LSM in their region.



## 6 ADDRESSING THE EFFECTS OF LSM: SAFEGUARDING HUMAN RIGHTS

In consideration to safeguard human rights, section 2 of the Lesotho Constitution states that “every individual shall be entitled to the enjoyment of rights and freedoms recognized and guaranteed in this Act without distinction of any kind such as race, ethnic group, color, sex, language, religion, political or other opinion, national or social origin, birth and other status”. These human rights include, but are not limited to: the right to life and respect for the integrity of a person, the right to liberty and security of a person, the right to freedom of peaceful assembly and association, the right to freedom of movement and residence and the right to effective remedy by the competent national courts for acts violating the fundamental rights granted by this Act.

What is the role played by the Government of Lesotho (GoL) to ensure that the human rights of individuals living around the mining regions are protected?

As far as the protection of human rights in the diamond mining sector is concerned, many actions undertaken by the government have been to the detriment of the Maluti communities. Several events in the past years have demonstrated that the GoL and Lesotho’s police forces seem prone to applying excessive force, either directly or indirectly, in their interaction with those trying to fight for their rights and demanding fair services and justice from the mining companies. We give a few examples. In January 2016, communities around the mining regions gathered at Mapholaneng in Mokhotlong district to petition against Letseng Diamond Mine about undesirable environmental conditions caused by the mining operations. Police dispersed the petitioners by what can only be described as torture. Police ordered petitioners to squad-hop back and forth despite knowing there were individuals as old as 85 years old amongst the petitioners. MCDF has video material documenting this event. According to an article by Amnesty International (2019), on 8 February 2018, a villager named Terene Pitae was killed by police during community protests against Kao mine’s failure to deliver on promises to provide infrastructure such as roads and electricity. Furthermore, as mentioned in the 2020 court case of Lematla and 20 others *versus* Letseng Diamond Mining Company, the Ministry of Mining has remained silent in this case despite the deafening outcry of the community of Patising about the need for relocation. Also, in the case of environmental pollution near Letseng diamond mine (see Section 5.1), no follow-up has been given yet by the Department of Environment after data was shared by MCDF documenting the pollution. These cases seem illustrative of the government’s overall vision towards the diamond LSM sector. It shows the governments’ inactive attitude and silence with regard to the impact and accountability of diamond mining companies.

Given the current negative impact of LSM on mining-affected communities, along with the government’s insufficient action towards these negative effects, there is a real need for a regulatory framework that governs the actions of mining companies and that helps to liaise between mining companies and communities. This will help to ensure maximum compliance of mining companies to their legal obligations, which are now only moral by nature. In this way, corporate accountability for human rights and the environment could be taken a necessary step forward, resulting in increased respect for and protection of the basic rights of all citizens in Lesotho.

## 7 CONCLUSION

To assess both positive and negative impacts on selected communities affected by diamond mining in northern Lesotho, data was gathered in 19 villages from Mokhotlong district (near Letseng and Mothae diamond mines), Botha-Bothe district (near Storm Mountain diamond mines) and from the low-lands of Mafeteng district (near Reskol Diamond Mine).

The living conditions of communities in the Maluti Mountains are already challenging irrespective of their proximity to the mining areas. Nevertheless, these living conditions seem to be worsened by some of the negative impacts that the mining processes have on nearby communities. For instance, results from the study show that mining operations pose a negative environmental impact on adjacent communities. It has been found that 46% of the respondents are affected by cracks in their houses and 43% by dust pollution from the blasting. 40% of respondents living downstream from the Letseng mine stated issues about water pollution. There, alarmingly high levels of nitrate have been detected in water samples near tailing sites in Letseng and Maloraneng village. The study shows that 37% of respondents, i.e., more than 1 out of 3, rated the quality of their water supply as bad to very bad. This means the water may not be good nor suitable for consumption. In this way, water pollution can have significant adverse effects on individuals who use contaminated water for daily use. The survey further indicates that employment and CSR benefits from the mining companies are considered insufficient by community members. 86% of respondents claimed that employment from the mining companies is unsatisfactory and 70% of respondents had no knowledge of any CSR activities nor benefits.

Overall, **environmental pollution and the lack of positive benefits**, such as employment, are the key issues observed in communities in Lesotho's diamond mining areas. The environmental pollution is said to cause the contamination of villages' water sources, producing negative health effects. Mining companies should therefore consider providing reliable alternative sources of clean water to the communities if a mining site is located within the drainage area of a public water source. Too often this is not the case. Employment opportunities should also be reconsidered by the mining companies. This could be a valuable form of empowering the adjacent communities, providing economic opportunities and passing on skills through training to the locals instead of outsourcing work to employees from outside the country. To avoid irrelevant and non-beneficial CSR activities, mining companies should include community members or their representatives to participate in regular consultation/board meetings. At present, meaningful community consultation, Free Prior Informed Consent and reliable grievance mechanisms are not part of diamond LSM's practices in their interaction and communication with communities. This would, however, be key elements to ensure maximum safeguarding of human rights of the communities affected by Lesotho's diamond LSM.



## 8 RECOMMENDATIONS

Based on the information analyzed from the observations in this study and other external sources, the following recommendations are crucial to the government of Lesotho, the diamond mining companies and related stakeholders:

### To the Government of Lesotho

- We urge the government to do proper due diligence in order to better assess the potential positive and negative outcomes of mining processes before issuing a lease to mining companies. The effects on the environment and respect for human rights of surrounding communities are key aspects to take into account during these assessments, as well as ensuring Free Prior Informed Community Consent.
- We urge the government to make an inclusive Environmental Impact Analysis (EIA), that requires full transparent public participation and monitoring, mandatory for mining operations
- We urge the government to form a regulatory framework to guide interactions between the mining industry and communities. Conflict resolution, community consultation, monitoring and corporate social responsibility should be included in this framework.
- We urge Parliament to reform the Mining and Minerals Act of 2005 so ASM is no longer illegal, but exclusively reserved for Basotho nationals that live in the country's resource-rich areas. Also, the Land Act of 2010 should be amended to incorporate the provision that social consent for mining operations becomes an obligation. This will empower the communities to safeguard their rights to land when dealing with demands from mining companies. The reformed laws should be able suit the most recent developments so as to respond to the modern challenges.
- We propose the government to consider that a local community member would be appointed to represent affected communities on the Board of any mining company.

### To Mining Companies

- We urge diamond mining companies to uphold the highest environmental and human rights standards when conducting their operations to ensure harm to communities is prevented and mitigated. We urge them to do this in line with national and international regulation and guidance frameworks.
- We urge diamond mining companies to execute CSR programs that align with real-life community needs. Regular community consultations will be key to ensure this, as well as Free Prior Informed Community Consent.
- We urge mining companies to create transparent, fair and effective grievance mechanisms that are easily accessible for all those claiming harm by mining operations.
- We urge diamond mining companies to prioritize employment for locals and to ensure the transfer of labor skills to those local employees, through training and capacitation.

## 9 ANNEXES

### 9.1 Annex 1 – Coordinates for villages around the mining areas that were surveyed in this study

Mine	District	Villages	Coordinates
Letseng Diamond Mine & Mothae Diamond Mine	Mokhotlong	Letseng Puthalichaba	-29.012814,28.843233
		Lichecheng	-28.982388,28.906767
		Patising	-28.992831,28.928760
		Ha Ramosoeu	-28.991502,28.942074
		Maloraneng	-29.007500,28.942887
		Ha Seema	-29.010587,28.947693
		Pae-la-Itlhatsoa	-29.019631,28.946137
Kao Mine (Storm Mountain Diamonds) & Lihobong Mine (Storm Mountain Diamonds)	Botha-Bothe	Porenki	-29.012240,28.645539
		Lihloahloeng	-29.013653,28.631052
		Ha Shishila	-29.016151,28.626449
		Ha Lephatsoane	-29.011102,28.600383
		Nokeng	-29.016928,28.593323
		Kaonyana Matebeleng	-29.033787,28.602617
		Kaonyana Maloseng	-29.038581,28.595857
		Khutloseaja	-29.033203,28.578049
Reskol Diamond Mine	Mafeteng	Ha Mohale	-29.594151,27.315896
		Ha Ramakhoanya	-29.605605,27.310103
		Ha Petlane	-29.622386,27.320248
		Ha Nkhabu	-29.622925,27.336709

**9.2 Annex 2 – Water samples for chemical water quality testing. Water samples were taken from 8 areas surrounding Letseng Diamond Mine (Mokhotlong district).**

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- 1 = Patising dam (below fence)
- 2= Patising dam (near fence)
- 3= Letseng village (dump site 1)
- 4= Letseng village (dump site 2)
- 5= Maloraneng (dump site 1)
- 6= Maloraneng (dump site 2)
- 7= Mothusi dam (below culvert)
- 8= Mothusi dam (above culvert)

### 9.3 Annex 3 Water analysis results as measured by the National University of Lesotho with a UV-1000 Spectrophotometer.

# Department of Geography and Environmental Sciences National University of Lesotho

## Water Analysis Results

Client: Maluti Community Development Forum

Spring Name & No.	Alkal (mg/l)	Al (mg/l)	Ca (mg/l)	Cl (mg/l)	EC (µS/cm)	Fl (mg/l)	Iron (mg/l)	Mg (mg/l)	Mn (mg/l)	NO3 (mg/l)	pH	PO4 (mg/l)	Na (mg/l)	SO4 (mg/l)	TDS (mg/l)
Patsing Dam - Below Fence	44	0.20	15	8	320	0.08	0.20	7	0.06	28.61	9.39	0.05	11	83	106
Patsing Dam - Near Fence	242	0.22	12	8	343	0.08	0.18	11	<0.06	29.19	9.28	0.02	11	128	324
Letseng Village Dumpsite 1	270	0.19	159	6	588	0.05	0.02	68	<0.06	>86.18	9.08	0.01	13	273	1492
Letseng Village Dumpsite 2	70	0.15	150	5	1606	0.05	0.04	48	<0.06	>86.18	9.05	0.04	14	312	1816
Maloraneng Dupsite Dam 1	30	0.11	163	12	2020	0.03	0.02	112	<0.06	>86.18	8.97	0.07	16	534	2018
Maloraneng Dupsite Dam 2	30	0.11	172	11	2040	0.03	<0.01	103	<0.06	>86.18	9.2	0.00	15	382	2018
Mothusi Dam (Below Culvert)	98	0.16	26	11	57	0.09	0.16	14	<0.06	1.52	9.07	0.08	14	71	394
Mothusi Dam (Above Culvert)	94	0.29	25	11	598	0.09	0.42	16	<0.06	0.49	8.54	0.08	14	174	404

Full details of analysis can be found in the analytical report by M. Salemane (2020), NUL.

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