

Base Toliara sands mine Madagascar

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[Project website](#)

Status

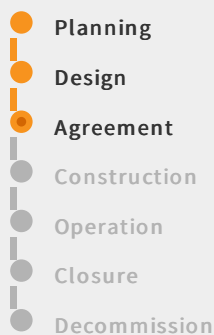


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Website

<http://toliarasands.com/>

About Base Toliara sands mine

The Base Toliara project is a mineral sands mine to be developed and exploited by Base Toliara, a wholly owned subsidiary of the Australia-based Base Resources. [Mineral sands](#) are beach or dunal sands that contain significant amounts of minerals such as rutile, ilmenite and zircon. These minerals are typically used for a variety of consumer goods such as paint, paper and plastics, toothpaste, sun cream and ceramics. Base Resources has only one other project which already is in operation: [the Kwale Mineral Sands Operation project](#) in Kenya. This mine operates through the local subsidiary Base Titanium.

The Toliara mine is situated in the Ranobe deposit in south-west Madagascar, 45 kilometres north of the regional town and port of Toliara. It contains all three of these minerals. [Base Resources](#) has described the Toliara project as “a world class mineral sands development”. The Definitive Feasibility Study estimates that the mine has a total mineral resources of 1,293 million tonnes and that it will have a 33-year mine lifespan. [Later accounts](#) state that, during drilling tests, Base Resources has discovered new deposits which will likely extend the lifespan of the mine well beyond 33 years. The mine will have an annual average production of 780 thousand tonnes of ilmenite, 53 thousand tonnes of zircon, and 7 thousand tonnes of rutile.

[The project will involve](#) the construction of processing facilities at the mine site, a power plant slightly inland on the Ranobe Deposit, a dedicated 55-kilometre haulage road to link the mine to an existing port at Toliara to ship its goods overseas, a bridge across the Fihirana River and specialised port facilities. The project is [estimated](#) to cost USD 595 million.

While mining and environmental permits are already in place, the project has faced strong local community resistance because of the expected impacts on communities and the environment.

Why this profile?

The Base Toliara project faces a high level of local opposition as it poses risks to the livelihoods and health of local communities including the indigenous Mikea people, and threatens biodiversity and local ecology. See [issues](#).

What must happen

Based on the extent of community opposition and the potentially irreversible nature of the project's impacts, banks should avoid financing this project.

Issues

Human rights and social issues

Local opposition Tension between Base Resources and the local communities has been building over a number of years. Several public demonstrations against the project have taken place. After one [demonstration](#), in July 2018, the Mayor of Ankilimalinike gave orders to arrest Theo Rakotavao, President of the MA.ZO.TO. Association which gathers the representatives of the opposing communities, if he were to pass the town again. The conflict seriously [escalated](#) in April 2019, when a group of 40 local people set fire to an exploration camp at the mine site. Nine people were detained without trial for several weeks. They were initially charged with arson but all of them were convicted on the unique charge of gathering without authorization, and released with a 6-month suspended sentence after their trial on 13 June 2019.

Displacement and livelihoods Local people have raised several issues with the process of clearing land for the project. In Madagascar, foreign-owned companies are [not allowed](#) to own land; the company must lease it from the government. Using the legal mechanism of Public Utility Declaration, the Malagasy government is currently in the process of taking possession of land for the project. Officially, [only twenty households](#) that live on the main mining deposit itself need to be relocated, however, the economic displacement by the project will have destructive [impacts](#) on the livelihoods of thousands of people who farm and raise livestock on that land.

Base Resources says it will compensate for the loss of natural resources utilization. However, the process of compensation is complex; under Malagasy law, occupants without formal landownership documents in theory [still have property rights](#) but [in practice](#) these rights are not always respected. Considering that many of the local people don't have formal deeds, this could mean that they may be evicted from their land and may miss out on compensation. Also, the road the company plans to build will be [exclusively for use](#) by company vehicles and will cut through pastoral land. The road will be fenced on both sides and will be patrolled, making it difficult for people to cross the road. If no proper crossing points can be built, farmers will not be able to have access to the land they work on.

Impact on sacred sites The project will involve the setting up of a mineral port terminal on [Andaboy Beach](#), which many local people consider sacred. It is the site of spiritual rites and a place where large crowds gather on holidays. Local fishers use it as a base of operations. In addition, there are [91 tombs](#) of different ethnic groups on the land designated for the project which would have to be relocated. Base Resources promised [to compensate](#) the families for the relocation but a portion of these funds was allegedly paid to consultants rather than affected families and other families refused the relocation or removal of the tombs.

Impacts on Indigenous Peoples The Base Toliara project will have destructive impacts on the Mikea Forest, which is [home to](#) the Mikea Indigenous People. The Mikea people have an identity strongly associated with the forest and they express pride in expert knowledge and the ability to use forest resources. Since the colonial period, the forest gives them the ability to escape the discrimination and harassment they often experience outside the forest, and to get by without having to engage in often exploitative wage employment. In 2007, protection for the Mikea forest was arranged in the Mikea Forest Protected Area Agreement, and in 2009, the Mikea Forest National Park was formally established. However, during the exploration phase of the Toliara mining project, the boundaries of the protected areas of the forest were redrawn several times in order to accommodate the mining leases for this project. Therefore, while the Mikea Forest is under the protection of the Madagascar National Parks authority, the quasi-private buffer zone parts of this forest will be left to self-regulation by the mining company in terms of environmental and social impacts, and negotiation over land rights with the affected local people once the lease to the company will be concluded. Mobility and diversification are very important strategies for the livelihoods of the Mikea people, and these are threatened by these changes in the modalities for the conservation of the forest.

Health risks The [draft Environmental and Social Impact Assessment](#) for the Toliara project produced by World Titanium Resources in 2013 already mentions radiation as a possible impact associated with the mining site.

A [2014 study](#) by chemists from the University of Antananarivo found that the Toliara mining site contains very high levels of uranium and thorium, which are radioactive metals acting notably through the contamination of water and/or the inhalation of ambient dust, such that the mining project workers as well as the people living around the mine are at risk of serious illnesses and health problems that could also affect their offspring. According to the study, "serious radioprotection measures" will be required to ensure the safety of the community. Base Resources' [pre-feasibility study](#) for the Ranobe site, published in March 2019, confirms that the zircon in the mining site contains elevated levels of uranium and thorium. The levels are even above industry norm which prevents the company to export the products to the United States and Japan.

In April 2019, Professor Stephan Narison had [again alerted](#) the authorities and the general public in the press about the danger of radioactivity for the population and the environment caused by the exploitation of ilmenite in Ranobe.

Environmental issues

Impacts on local eco systems and biodiversity The Base Toliara mining project represents a major threat to the natural heritage of Madagascar as the implementation of this project is expected to clear about 455 hectares of natural vegetation, including hundreds of baobab and tamarind trees that are endemic to the region.

Mineral sands mining is highly destructive to local ecology. Deposits often sit below areas with plant life which supports a local animal population, and mine operators have to destroy the plant life to access the minerals. A [recent study from South Africa](#) shows that rehabilitation efforts can restore at least some of the damage. However, even a very concerted effort to restore the area cannot bring the mine site back to its prior state.

The [draft Environmental and Social Assessment](#) for the Toliara project predicts changes to soil and topography and loss of vegetation, resources and biodiversity at the mining site. It further mentions the possibility of land and water pollution in that area.

With respect to biodiversity, the mining site is surrounded by the protected area called PK-32 Ranobe, which is part of the Mikea Forest and considered as a [hotspot of biodiversity](#) that has attracted the attention of international conservation groups. The construction of the road for the mining project will bring about the fragmentation of the vegetation and forest in this area, with detrimental impacts on its high biodiversity value, with several rare and local endemic species of reptile, amphibian, mammal, bird, invertebrates and plants, 90 per cent of which are found nowhere else. Therefore, conserving the flora and fauna of this Mikea forest is of critical importance.

Other issues

Questions over validity of permits The validity of the mining permit for the project that was issued in 2012 is [questioned](#) because the Malagasy government in place at that time did not have the authority to do so. This government was a “transitional” government and had agreed to [“refrain from making new long-term commitments.”](#) While the President of the transitional government is now the country’s elected president, it is [argued](#) that his transition government did not have authority in 2012 to make far-reaching deals such as granting a mining license to the Toliara project. In addition, the delivery of mining licenses had been officially suspended in 2011.

Misuse of the Public Utility Declaration Through a public utility declaration, the government is authorized to acquire or take possession of land, and subsequently to proceed to the compulsory expropriation of the affected land occupants. Several local and international civil society organisations have [signed a petition](#) urging the Malagasy government to cancel their decision to declare construction on the port and road infrastructure, as well as the exploitation in the mines, a public utility. The signatories state that the procedures required by Ordinance No. 62-023 of the 1962 law on Public Interest Declarations, concerning prior investigation and public inquiry and the drafting of a provisional plan, have not been respected.

Governance

Applicable norms and standards

Equator Principles

Extractive Industries Transparency Initiative

ILO Safety and health in opencast mines

International Council on Mining and Minerals (ICMM)- 10 Principles

OECD Guidelines for Multinational Enterprises

Safety and Health in Mines Convention

UN Guiding Principles on Business and Human Rights

Voluntary Principles on Security and Human Rights

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