

FACT SHEET

QIT Madagascar Minerals (QMM)

SOCIAL & COMMUNITIES:

- **Direct employment**

QMM and its contractors employ 3,300 people:

- 1 800 Malagasy from the local area (Anosy region) – 55%
- 1 100 migrant Malagasy workers (from areas other than the Anosy region) – 33%
- 400 expatriates – 12%

- **Indirect employment**

The QMM project is estimated to also have affected or contributed upwards of 1 500 indirect jobs in the Fort-Dauphin area. Spheres of economic activity affected by the project include:

- Accommodation and food services
- Banking
- Vehicle hire
- Equipment supply
- Construction services
- Land and home leases
- NGOs administration and activities
- Business support services
- Materials and equipment supply

- **Local spend**

Funds disbursed directly into the Fort-Dauphin economy in 2006, Q1:2007 and Q2:2007 amounted to **US\$ 38 million**

- **Community projects**

Driven and/or financed by the QMM project in the Fort-Dauphin area include:

- Reliable electrical power supply to the Town of Fort-Dauphin
- Reliable potable water supply
- Solid waste disposal
- Road construction and refurbishment
- Technical and Professional Training Centre
- New bus depot
- Basic health care centres in rural areas
- Primary schools in rural areas
- VCT clinics
- Fort-Dauphin's first accredited secondary school
- HIV/AIDS/STD programme
- Malaria prevention programme in collaboration with PMI/USAID

- **Communities and Social programme partnerships with NGOs and aid agencies**

NGO / Aid Agency	Area of partnership
-World Bank / IFC	Port of Ehoala, RAP
-Integrated Growth Poles Project (PIC)	Community projects
-USAID	Health & environment
-UNDP	Education
-Unicef	Child health, education, CARE Urban sanitation, migration surveillance, poverty surveillance (ROR), baseline indicators
-International HIV/AIDS Alliance	Community outreach and prevention programmes
-GTZ (Germany)	HIV/AIDS workplace programme technical assistance, audits and support.
-Population Services International (PSI)	STD and malaria prevention, VCT facility, reproductive health services
-ASOS	Health, HIV/AIDS/STDs
-Cielo Terra PAPs	Accompanying measures for
-President's Malaria Initiative (PMI)	Malaria
-Conseil National de Lutte contre le SIDA (CNLS)	HIV/AIDS/STDs
-Conseil National de Lutte contre le Paludisme (CNLP)	Malaria
-ICAR (IFRA)	SMEs & micro-financing
-Clairefontaine School	Private Secondary school

- **Resettlement Action Plan**

RAP (involuntary resettlement):

- Areas affected: granite rock quarry and Ehoala Port
- N° of persons affected by the project (PAPs): 492
- N° of households displaced: 80
- Standards used for RAP: World Bank involuntary resettlement policies and procedures
- Factors taken into account to establish compensation: housing, crops and cultivation, fruit trees, fallow land et al
- Compensation options: cash or replacement land
- Local independent committee responsible for establishing compensation due to PAPs: Comité Administratif d'Évaluation (CAE)
- Local Independent committee responsible for appeals on compensation due to PAPs : Comité de Règlement de Litiges (CRL)
- Compensation paid out by QMM to PAPs in 2007: US\$ 4 million
- Independent third parties responsible for accompanying measures: Cielo Terra (NGO) for RAP implementation, and Prospect International for ongoing monitoring and evaluation of compliance with and effectiveness of RAP.
- Accompanying measures in progress: agricultural support, handicraft training, literacy programmes, sustainable fisheries training, health support, micro-credit schemes, follow-up and GAP analyses

- **Primary areas of focus of the QMM Social and Communities Management team**
 - Regional Development including migration management, inflation management, public and community health, HIV prevention, and culture and sports
 - Planning, monitoring and evaluation, analysis and reporting
 - Community Relations (including surveillance, community assistance programmes, consultation, resettlement and livelihoods.
 - Sustainable Development Initiatives (including recruitment, skills transfer, supply chain development, entrepreneurial and business development, local expenditure maximization, etc.)
- **Local business development plan**
 - SME development and financing plan in collaboration with a local bank (BNI) and Anosy Business Centre to promote local entrepreneurship
 - Support to regional micro-finance institution (IFRA), providing micro-finance services to resettled population since December 05, and currently capitalized to support urban Fort Dauphin and its peripheries.
- **Inflation mitigations measures**
 - Significant support to commercial produce suppliers to augment production, reduce the middleman factor, and bring down market prices (Tsara Traka, Ranamanfana farmers through CARE).
 - Work with local communal gardens to supply fruits and vegetables for QMM catering contractor, as well as to the local market
 - Provision of a truck to transport produce and goods from outlying areas, thus diversifying and augmenting supplies to local market.
 - Investment in market rehabilitation and supply chain management.
 - Rice purchase plan to support local entrepreneurs and help alleviate shortages and price escalation, particularly during the dry season

To learn more about our Social & Communities Plan, visit www.riotintomadagascar.com