

**CSR AND SUSTAINABLE DEVELOPMENT:  
MULTINATIONALS ARE THEY SOCIALLY RESPONSIBLE IN  
SUB-SAHARAN AFRICA? THE CASE OF AREVA IN NIGER**

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## **CSR and sustainable development: Multinationals are they socially responsible in Sub-Saharan Africa? The case of Areva in Niger**

*The purpose of this paper is to contribute in understanding issues related to Corporate Social Responsibility (CSR) in Sub-Saharan Africa. The paper demonstrates that even though multinationals strategies participate with economic and social development, there still is much to do given environmental, social and economic expectations. The case of Areva discussed here illustrates the discrepancy that exists between such companies' CSR strategies and the local conditions in which they evolve (armed conflicts, poverty, social inequalities, air pollution, environmental degradation, water contamination, etc.). Therefore, two challenges are essentials. On one hand, MNCs should take into account external costs of their activities and participate in projects that improve social and economic welfare. On the other hand, in case of accentuated opposition between MNCs and stakeholders (civil society, social partners, NGOs, etc.) public regulations could orientate corporate actions in a more responsible social development process.*

**Keywords:** CSR, sustainable development, public regulation, stakeholders, Areva

## **RSE e desenvolvimento sustentável: As multinacionais são socialmente responsáveis na África Subsariana? O caso de Areva no Níger**

*O objetivo deste trabalho é contribuir na compreensão das questões relacionadas com a Responsabilidade Social Empresarial (RSE) na África Subsariana. O artigo demonstra que, apesar de as estratégias das multinacionais participarem no desenvolvimento económico e social, ainda há muito a fazer dado as expectativas ambientais, sociais e económicas. O caso de Areva analisado aqui ilustra a discrepância que existe entre as estratégias de RSE destas empresas e as condições locais onde elas evoluem (conflitos armados, pobreza, desigualdades sociais, poluição do ar, degradação ambiental, contaminação da água, etc.). Portanto, dois desafios são essenciais. Por um lado, as multinacionais devem levar em conta os custos externos das suas atividades e participar em projetos que melhorem o bem-estar social e económico. Por outro lado, em caso de oposição acentuada entre as multinacionais e as partes interessadas (sociedade civil, parceiros sociais, ONG, etc.) as regulamentações públicas podem orientar as ações corporativas num processo de desenvolvimento social mais responsável.*

**Palavras-chave:** RSE, desenvolvimento sustentado, regulação pública, stakeholders, Areva

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Corporate Social Responsibility (CSR) notion appears in USA in the late eighteenth century (Bowen, 1953). It reflects the commitment of firms to take into account societal issues of stakeholders (employees, civil society, NGOs, local populations, etc.). But, the concept of CSR will experience changes since there is a wide and varied literature on the meaning, forms and impact of CSR practices. CSR becomes gradually a process to achieve sustainable development in societies. It was the *Brundtland Report* in 1987<sup>1</sup> that for the first time systematically emphasized the link between poverty, environmental degradation, and economic development. Recently, at the recent summit in Rio in 2012, business leaders and governments have renewed their commitment to promote a green economy that protects the natural resources of the planet and eradicate poverty. By highlighting social interest, CSR offers therefore an alternative response to market and redistributive failures (Bénabou & Tirole, 2010). The new engagement for a productive model that preserves natural resources goes with the ongoing debates on sustainable development and alternative models of globalization based on societal projects (Belem, 2006).

Increasingly, multinationals are trying to internalize sustainable development challenges of the regions in which they operate. Hence, CSR follows a “triple bottom line” of sustainable development (economic, social and environment) which provides global solutions to coordination problems between economy and society in a deregulated market context (Wolff, 2007; Porter & Kramer, 2006)<sup>2</sup>. In practice, companies are encouraged to respect environment and rights of society, while making profits. In this view, the UN Global Compact initiative calls on companies to embrace, support and enact, within their sphere of influence, a set of ten core values in the areas of human rights, labor standards, environment, and the fight against poverty<sup>3</sup>. That is to incite companies to be aware of social and environmental issues, and thus to “redefine the social and moral contract between business world and society” (Renouard, 2008); although it must be emphasized that corporates commitment is due to pressure from civil society about the harmful effect of their behavior.

If there is a rapid CSR growth in Europe and USA, CSR practices are new in Sub-Saharan Africa. Only a few subsidiaries of multinationals (Bolloré group in Côte d’Ivoire, Total in Nigeria, Angloamerica in South Africa, Areva in Niger, etc.) try

<sup>1</sup> Sustainable development is defined as meeting the needs of the present, without compromising the ability of future generations to meet theirs (WCED, 1987).

<sup>2</sup> Although there remain important tensions between the CSR and the sustainable development debate (Dyllick & Hockerts, 2002).

<sup>3</sup> The success of this pact is unprecedented as in 2006 about 3000 multinationals have ratified it (Maréchal, 2009).

to internalize this “social technology” in their activities; even if on the ground, the reality is sometime different. CSR actions are most often limited to some communities and are mainly limited to the provision of certain goods and social services (access to drinking water, support for education, building hospital, etc.). Of course, it is important to recognize the social utility of these actions. But it should be however noted that some CSR practices remain ambiguous sometimes. In some cases, the social commitment of multinationals in Africa seems to be “the tree that hides the forest”. CSR practices in Africa would be more of an advertising tool in order to appear in line with the aspirations of the community rather than a tool to promote key issues such as compliance with environmental standards, the fight against poverty, compliance with labor laws and inclusive social dialogue. Specifically, CSR is more responsive to the logic of sharing and distribution of rent, rather than a desire to correct developmental trajectories (Boidin & Djeflat, 2009). In other words, as long as CSR does not take into account the real concerns of the communities, it would not be conducive to local development. The experience of the French nuclear group which has been exploiting uranium in Niger for 40 years provides keys to understanding the complexity of representations of Corporate Social Responsibility in Africa.

In this article, we first highlight some issues and ambiguities in the construction of CSR model in Africa. In a second step, we show the gap between CSR and local realities, considering the case of the French nuclear group Areva which operates uranium in Niger. By placing the strategy of the company in the highly precarious socioeconomic context of Niger, the article shows that the speech touting Areva CSR contrasts with the still precarious living conditions, the level of violence and inequality in local communities. From this point of view, the social commitment of the Areva group appears, thirdly, more of a “greenwashing” policy as a socially responsible industrial policy. Finally, in a fourth time, given the lack of regulatory mechanisms governing CSR practices in Africa, the paper proposes a public regulation for better real consideration of stakeholders concerns.

## **CSR in the African context**

In Sub-Saharan Africa, under pressure from social movements, public opinion and changing environmental laws, some multinationals have finally agreed to internalize CSR in their activities. Generally, multinationals try to ensure that their activities comply with international standards and the rights of local communities. To do this, they often promote the activities of social development (health, education, human rights, etc.) and try to fight poverty in their areas of settlement.

However, the ambiguities found sometimes hamper the scope of CSR practices, thus calling into question their credibility.

### **The CSR concept as a tool to promote social development**

Given that the majority of African countries are facing poverty and bad living conditions (low education and health coverage, poor infrastructure and living conditions, pressure on natural resources, etc.), multinational intends to focus on social and environmental issues. Yet since 1987, the report of the World Commission on Environment and Development entitled *Our Common Future* calls on policymakers to act in this direction. This report serves now as a backdrop for the analysis of social and environmental issues, and for firms which claim to work for a sustainable development. If environmental considerations and their articulation with the economic and social model are now internalized in the thinking, it still remains that the operationalization of this “triple bottom line” concept of sustainable development is complex in reality. The question for African countries is how to ensure sustainable economic development that is both environmentally friendly and socially appropriate.

This question recalls the heated discussions between the North and South during the Summits of Johannesburg (1987) and Rio (1992). The North asked the South to make efforts to reduce the massive exploitation of natural resources. And in return, the South denounces the exploitation of its resources by Western corporations, leaving local people bear the burden of social and environmental costs (Gendron & Turcotte, 2011). Specifically, developing countries cannot paradoxically achieve sustainable development as well as the exploitation of their natural resources does not help to fight against poverty and to reduce environmental damage. This concern is renewing also the debate on the low and high sustainability. In a scenario of low sustainability development, “social objectives can be offset by good environmental performance, which itself can give way to strong economic performance” (Gendron & Revéret, 2000). In contrast, proponents of strong sustainability consider the environment as an essential and non-negotiable condition. They recommend maintaining a constant stock of natural capital, and reject the idea of an increase in industrial activity as a means to solve the problem of poverty. This debate has been without neutral until that multinationals are interested in sustainable issues.

But it is the social component of sustainable development that particularly interests actors in Africa. Social sustainability emphasizes the fight against poverty and social exclusion, unemployment and inequality (Murdoch, 1999). The idea of taking into account social considerations in discussions on development stems

from the negative experience of structural adjustment policies of the 1980s. These policies are often made at the expense of the living conditions, which upsets social balance (Ballet, Dubois & Mahieu, 2011) and causes adverse effects on nutrition, health and education of the population. Faced with this failure, we advocate an adjustment with a human face in order to limit the negative social consequences of structural adjustment programs (Cornia, Jolly & Stewart, 1987; Bourguignon, Melo & Suwa, 1991). Recently, the idea of “socially sustainable development” raises the question of the responsibility of development actors (Ballet, Dubois & Mahieu, 2005; Dubois, 2009). It focuses on reducing poverty and inequality, enhance access to basic social services (education, health, drinking water, etc.), and minimize vulnerability to risks.

In African countries, social dimension of development is partly driven by the multinationals through their CSR policy. Indeed, in some of their major projects (including mining and forestry), multinationals are trying to take into account externalities by internalizing social costs. Consequently, the actors in a region or community may question the justification of a project when it does not introduce social costs in their process. This citizen participatory approach for development projects is known under the name of local development. Therefore, without ignoring the limits of the environment in maintaining productive activities, social sustainable development approach focuses on notions of community involvement, social change, ethics and local communities (Gendron & Turcotte, 2011).

### **The implementation of CSR: between infancy and ambiguity**

While CSR initiatives are in vogue in USA and Europe, their implementation is still in its fledgling stages in Sub-Saharan Africa. Apart from some recent initiatives, such as the international forum of the pioneers of Corporate Social Responsibility in Africa held since 2011 by Africa CSR Institute, social responsible business engagement is shy. The lack of clear social and environmental laws in Africa is also a constraint that does not promote the implementation of CSR policy. In this context, only a few corporations working mainly in the field of raw material extraction, willing to be careful about their images often tarnished by accusations of civil society, initiate actions that militate in favor of local development. These actions, which are not strictly related to their business, range from waste sorting at the premises to the payment of wages above the legal minimum, to the provision of social services (health, education, etc.) and participation in community budgets.

However, considering the reality on the ground, it might be legitimate to wonder whether the commitment of companies to be socially responsible is more

suitable. Thus, some oil companies are allowed to install an abusive situation and identity tensions, by merely manage piecemeal problems and demands of communities regardless of the actual population development. For example, in the Niger Delta, the Igbo people, Ogoni and Ijaw feel excluded in the distribution of wealth from oil revenues from their regions (Cissé Fall, 2011). Often standing as insurgencies, these populations claim compensation for environmental damage (including water pollution) caused by oil exploitation. As shown, companies that engage in corporate social responsibility policy are those generally challenged by national and international organizations (Greenpeace, Sherpa, etc.) which denounce their low social commitments. Basically, these organizations accuse them of playing a double game and ignore the real concerns including environmental protection, pollution, rights of indigenous peoples, rarely put under the umbrella of corporate responsibility.

The charges against the multinationals also concern their mode of management. For example, while Total makes 90% of its profits outside France, the company devotes a significant portion to spending on research and training in African countries (Renouard, 2008). The key issues concerning environmental protection (reduction of greenhouse gas emissions, rehabilitation of industrial sites, measures against pollution, etc.), good governance (fight against corruption, reduction of wage gaps, etc.), working conditions (hygiene, health, safety, etc.), human rights (denial of child labor, forced labor, non-discrimination), relations with subcontractors, rights of local communities and other stakeholders are not addressed in the CSR policies. Worse, bad conditions of people working for some corporations are most execrable. For example, De Ravignan (2012) emphasizes the low wages paid by the *Compagnie Fruitière* for women workers in Cameroon (28.000 CFA francs per month, or about 43 €), and deplores the conditions of life and work in the banana plantations.

So therefore, CSR practices in Africa are ambiguous. Renouard (2008) identifies some ambiguities which limit the impact of CSR actions. The first ambiguity is to make sustainable development exclusively a communication concept, as evidenced by the organization of some companies where the same direction handles both the communication and sustainable development components. The second ambiguity concerns the gap between the statement of firms and the opportunities or willingness to implement appropriate programs. For example, programs for the treatment of AIDS, defended at the registered office of the Total Group in France, struggling to be applied on the ground. The third problem is the fragmentation of topics: in some multinationals companies, environmental issues are raised on one hand, and the measures relating to health, governance, and other societal activities on the other.

There are certainly interesting cases of partnership between NGOs and multinationals based in Africa. For instance, the partnership between Total and the NGO Pro-Natura in the Niger Delta may be indicative as a commitment to participatory local development. By entrusting a part of its social activities to the NGO, the company provides the opportunity for people in areas of offshore oil production to become actors to their own development. But in many cases, these partnerships can be quite ambiguous: they increase the risk that the company gives credibility to its image by its commitment to financing activities of common interests, without a rigorous monitoring can be done in terms of compliance. In addition, some NGOs are directly funded by multinationals, which would discredit their credibility to engage in social actions.

Sometimes, multinationals develop certifications or labels in collaboration with NGOs, in order to minimize the risks arising from their activities on the environment and health of local residents. For example, the French group *Rougier*, exploiting timber in Gabon, Cameroon and Congo, has been awarded by Forest Stewardship Council (FSC), which ensures that the timber complies with procedures ensuring sustainable forest management. However, the group continues to log the *moabi* (a very valuable wood in the West) in Cameroon, but sacred and nurturing for *Baka* pygmies (Capron, 2010). Still in Cameroon, although the European label *GlobalGAP* has guaranteed social and environmental quality of bananas, the aerial spraying of pesticides continues to be applied by the *Compagnie Fruitière*, when the workers are on the fields. Other difficulties are also indicative of the gap between multinational actions and the reality on the ground:

The provision of protective equipment, though mandatory, is not systematic. Most collectors [of bananas] say that they must buy regularly boots for protection from snakes. At the packaging unit, where bananas are processed before packing, women work with their hands in chlorinated water, without gloves except during inspection visits. As for medical care, it is in principle entirely provided by the company. In practice, workers must regularly buy drugs (De Ravignan, 2012).

Overall, CSR policies in Africa are revealed as strategies double standards. Certainly, one can see a willingness to move towards improving the quality of the social climate, but the internal contradictions suggest that these strategies do not fit in a truly socially sustainable development. The case of the Areva group will further indicate more ambiguous social relations between firms and stakeholders.



## Mineral resources and development: the paradox of abundance

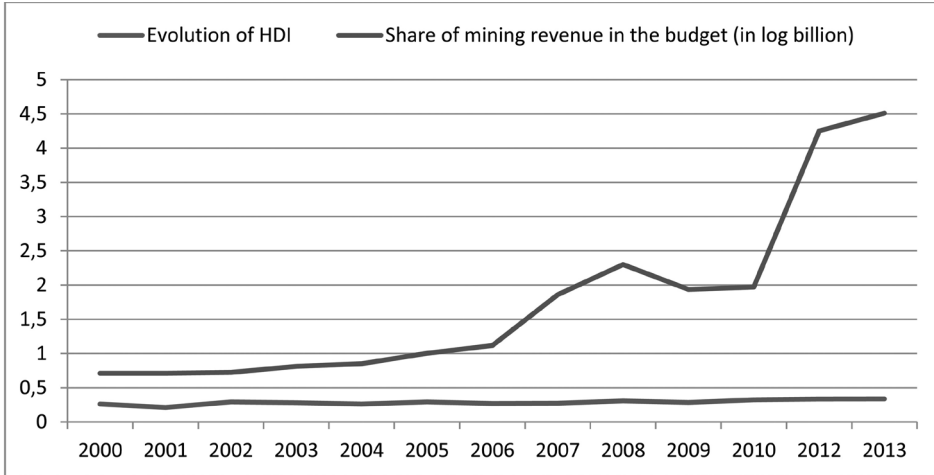
The social commitment of Areva comes at a time when the role of the mining sector in the development and the fight against poverty is strongly questionable. Referring to the literature, there is a negative relationship between natural resources and the lowest level of development of a country. Indeed, the dependence on natural resources has a negative effect on growth and development (Atkinson & Hamilton, 2003; Gylfason, 2001; Sachs & Warner, 2001). The exploitation of natural resources lead behavior rent by forgetting the benefits associated with the policies of diversification and entrepreneurship. This could expose a country to risks of conflicts, armed rebellion, autocratic drift, social division, weakened institutions, deepening poverty and inequality, and corruption (Bannon & Collier, 2003; Sala-i-Martin & Subramanian, 2003). In Niger, it is noted that the exploitation of mineral resources has not really served the economy and significantly improve the living conditions. It has, however, aggravated the armed conflicts in the areas of operations and governance problems.

### Low indicators of socio-economic development

Niger is one of the richest countries in mineral resources in Sub-Saharan Africa. Uranium is the largest mineral resource operated by two subsidiaries of the French nuclear group Areva: the mining company of Air (SOMAIR<sup>4</sup>) created in 1968 and the mining company of Akouta (COMINAK) created in 1971. In 2009, Areva gets the exploitation of the Imouraren deposit (€ 1.3 billion planned investment) whose total reserve is estimated about 200,000 tons, for an annual average production between 5000 and 6000 tons. The exploitation of this deposit (the largest in Africa) places the Niger the second largest uranium producer in the world.

If uranium remains strategic for Areva integrated model (from fuel to the nuclear plant), it does not offer the possibility of an economic takeoff in Niger. As is known, the abundance of resources is not a sufficient condition to turn a country into a thriving economy. Empirical studies do not establish a linear relationship between natural resources and economic development (Boyce & Emery, 2011; Gylfason, 2001; Davis, 1998; Karl, 1997). Most often, a negative correlation between resource abundance and economic growth is highlighted (Hugon, 2003; Sachs & Warner, 2001; Sala-i-Martin, 1997).

<sup>4</sup> The average annual production is 1560 tons for SOMAIR. SOMAIR is owned 37% by the Niger and 63% by Areva. COMINAK produces 1870 tons per year on average. It is owned 31% by Niger, 34% by Areva, 25% by the Japanese and 10% by Ourd Spanish Enusa.



Source: author calculation from IMF (2012); UNDP (2013).

In Niger, apart from the brief period 1975-1980, considered as a boom period, uranium has not had any significant spillover effects on the national economy. Until 2006, tax revenues from mining were modest, about 5-6% of total budgetary resources of the state, representing less than 1% of national GDP. Yet uranium represents approximately 63.5% of total exports (Institut National de la Statistique, 2010). Our estimates based on national statistics show that Niger's mining sector contributes only marginally to economic growth of around 0.3% per year between 1990 and 2010. Thus, the mining sector is an economic enclave without effective link with the rest of the national economy, offering little alternative and hopes for development. Locally, very few skilled jobs have been proposed by the group; only few contracts have also been signed with local contractors. Nationally, poverty is also an indisputable fact. According to the National Institute of Statistics (INS, 2008), 60% of Nigeriens are poor, earning less than a dollar per day. Malnutrition and food insecurity are a perennial problem. According Burki (2013), children in Niger have chronic malnutrition, and during the past 3 years in excess of 1 million of them have been treated for severely acute malnutrition.

Natural resources also contrast with the level of human development of Niger. In terms of UN Human Development Index, there is no country worse off than Niger. In 2014, Niger once again lingers at the bottom of the index: 187th of 187 (UNDP, 2014). The above graph shows that the values of human development index over the past decade do not follow the increase in mining revenues in the national budget. Specifically, increased mining revenue has not been used to improve the Nigeriens welfare. Although it is obvious to establish a direct link

between the mining performance and the wrong place of the country in terms of HDI, we can still say that mineral resources are not specifically oriented toward human development and poverty reduction.

### **Mining, conflict and bad governance**

As was mentioned above, natural resources feed little hope for many people in developing countries. Empirical studies show that the abundance of natural resources has a negative effect on the growth and development (Auty, 1993; Gylfason & Zoega, 2006; Sachs & Warner, 1995, 2001). This situation, called “resource curse” causes malfunctions to the economy, governance, and sometimes leads a country into armed conflict. In Niger, the ingredients of this “resource curse” seem to be present: polarization mining exports and government’s inability to convert the mining income for purposes of local development. In fact, mining revenues has mainly served the Nigerien central government. It highlighted corruption, social inequality, and the administrative and fiscal laxity. Due to the lack of redistributive policies in favor of people in Agadez region, the uranium rent gradually fed the greed of insurgent groups, leading the region in a series of armed rebellions (Hugon, 2012; Hamadou Daouda, 2011; Collier & Hoeffler, 1998)<sup>5</sup>.

The challenges for the control of mineral resources serve both anchor to the rebellion culture and political tensions. For example, four days before the negotiations on the price of uranium, a military coup overthrew the President in April 1974. President Diori intended to demand better pay for uranium, since the context of the oil crisis favorably alters the terms of the energy market. In February 2007, an armed rebellion (*Mouvement Nigérien pour la Justice*, MNJ) was born when President Tandja voiced his intention to diversify Niger’s partners and opening the mining sector to international competition. Theoretically, this decision was to break the absolute monopoly of Areva since many international mining companies covet ore from Niger, and since the development of civilian nuclear power opened interesting prospects (Deycard, 2007). President Tandja himself was eventually overthrown by another military coup on February 18, 2010.

Armed conflicts in Agadez region are not reducible to the only relations of power between government forces and rebel groups. Due to the entanglement of political factors (rent sharing, social inequalities) and economic (control of mineral resources), Areva firmly stands as a key player. During the 2007 conflict,

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<sup>5</sup> The Agadez region, which is mainly blessed with mining resources, is an area of permanent insecurity. It has had two periods of armed rebellion (1995-2000, 2007-2009), and faces recurrent armed banditry, armed robbery.

Areva is challenged by the belligerents, and sees its interests threatened<sup>6</sup>. First by the MNJ who accused the Group to make discrimination in hiring in its subsidiaries and of infringing the rights of indigenous peoples. The MNJ accuses also Areva to not contribute sufficiently to local development, and to display little concern to the consequences of mining on human health, the lifestyle of local people and the environment. Denouncing a “nuclear colonialism”, the rebels are demanding a better distribution of mineral wealth for Agadez people. They also ask to put an end to the “rummage sale” of operating licenses and exploration activities in grazing areas<sup>7</sup>. As for the government, suspecting Areva to support rebels<sup>8</sup>, expels the French colonel Gilles de Namur, Defense Advisor in Niamey, and the local director of the group, M. Dominique Pin in June 2007, three months after the outbreak of armed rebellion. This has caused damage to the relations between the two countries to the extent that the French president Nicolas Sarkozy was forced to make a visit to Niger to try to appease the tension between their two countries.



Source: Areva (2010)

Far from benefiting from the mining resources, local people are paying the price of a mining conflict whose collateral damage is huge. Indeed, the conflict disrupts civilian life: displacement of people fleeing conflict zones, closure of schools and health centers, displacement of students and teachers and medical personnel in disarray. The conflict creates exclusion, frustration and lack of institutions: about 90% of rural households in the Agadez region have the feeling

<sup>6</sup> In April 2007, the Imouraren mine site was attacked by MNJ that summoned the French group to limit its activities. In September 2010, four expatriate employees of Areva were kidnapped on the Arlit mine site.

<sup>7</sup> Between 2006 and 2008, 126 exploration licenses for uranium and oil were awarded to foreign companies, particularly Chinese, Canadian and South African.

<sup>8</sup> This suspicion was reinforced after the rally of an officer in the movement. This officer was initially recruited by Areva to ensure the safety of its sites. He would have received from the group about € 85,000.

of being neglected by government (Hamadou Daouda, 2011). Unrest also diverts the region development projects to other more secure parts of country<sup>9</sup>, and also limits the mobility of pastoral communities. It provides a framework to banditry and often goes hand in hand with power related networks of cigarette smuggling, drugs and migration towards the north of Africa.

Finally, the perpetuation of the conflict cannot be disconnected from bad governance of mineral resources. In terms of economic governance, we find that the revenues from uranium were not oriented towards poverty reduction and sustainable development in local communities. Of course, the Mining Law of 2006 requires that the government transfer 15% of mining revenues to local areas, but there is no guarantee in practice that decentralized authorities have actually received these funds. And there is no assurance that the amounts transferred have been carefully managed, toward the fight against poverty and provide basic social services (education, health, drinking water, roads, etc.).

The inability of Niger's government to implement good regulations and to establish corrective actions has been detrimental to the exercise of mining governance conducive to the Nigerien people welfare. In 2010, an advocacy document of the Ministry of Mines and Energy attracts the attention on some governance problems (Ministère des mines, 2010). On the one hand, it highlights the difficulties in terms of access to information concerning the operating companies, and the inability to verify its accuracy. On the other hand, the report highlights the lack of specialized personnel for the development of mining and oil policies, the implementation of prospective studies on global prices of minerals and the implementation of better mining and petroleum taxes.

At the local level, the decentralization process that is likely to offer to local people the opportunity to be managers of their destiny, served as a venue for political and economic bidding. The decentralization strengthens mainly the clientelism of the local elected representatives and the opposition between the latter and the local traditional leaders. On the one hand, for the local actors (local elected representatives and rebels), the decentralization appears as a political way to control the local resources rather than a tool of good governance (Deycard, 2007). On the other hand, the moral and political influence of traditional leaders is weakened because of the separation of powers between the administrative and the traditional leadership. The multiplicity of actors driven by competing interests makes it difficult to exercise good governance in a territorial space marked by a tangle of sometimes destabilizing factors.

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<sup>9</sup> The withdrawal of international NGOs support to development (Concern, Care international, World Vision, etc.) from Agadez is an example.

## Areva's social responsibility: awareness or "greenwashing"?

Areva CSR operates in a difficult political and social context. Presented as a tool for economic and social development, the group is committed to improving its practices and its environmental and social performance (Areva, 2010). If we can certainly see progress, many accusations based on scientific analysis and evidence of populations suggest that the group only wants to improve its image too often degraded.

### The promotion of integration strategy and corporate sponsorship

The Niger's mining code of 2006 requires mining companies to internalize the rules of social and environmental sustainability. Due to pressure from local organizations (Aghir, in Man ROTAB<sup>10</sup>) and international (CRIIRAD<sup>11</sup>, Sherpa, Greenpeace) Areva has adopted a CSR policy. It marks its willingness to conduct mining activities "in accordance with the international standards for safety, health and environmental protection" (Areva, 2010). This policy is based on two strategies: (i) an integration strategy in the territories which defines the actions to be taken in the medium and long term to contribute to social and sustainable progress in local community, (ii) a corporate sponsorship strategy intended to finance actions in favor of vulnerable groups (emergency aid to people during disasters and hazards) and fund sports and cultural projects (funding library, game center, etc.). For example, between 2006 and 2011, Areva has funded local development projects (education, health, access to drinking water and support for income-generating activities) up to 2 billion CFA francs (three million euros).

Several other actions for local development would also be attributable to Areva. Thus in December 2011, the group set up, in partnership with the NGOs Sherpa and Médecins du Monde, a Health Observatory for Agadez region. Although not involving curiously Nigerien civil society and local NGOs, the Observatory aims to ensure formally the post-professional monitoring minors and people exposed to uranium. In addition, in April 2012, the group signed a Memorandum of Understanding with the Government of Niger for the creation of a training Institute of Industrial Resources (IFRI-Niger). The adhesion of Areva to the Charter of good governance on mining and oil resources, and the creation of a department dedicated to sustainable development within the group are such many initiatives that help in the development of a socially responsible mining industry.

<sup>10</sup> Réseau des Organisations de la société civile pour la Transparence dans les industries extractives et l'Analyse Budgétaire.

<sup>11</sup> Commission de Recherche et d'Information Indépendantes sur la Radioactivité.

Finally, since 2008, the two subsidiaries of Areva (SOMAIËR and COMINAK) joined the initiative of transparency in the extractive industries (EITI), which forced the group to publish mining revenues (taxes, mineral rights, royalties, etc.) paid to government. On the environmental front, the group agrees to follow and report regularly on its environmental performance, and to have a monitoring plan for water, air, soil and food chain. On the social level, the group said that the health and safety of its employees and subcontractors remain a priority. To do it, he makes a commitment in a social policy (development of infrastructures, contribution to the improvement of local living conditions, etc.) for an amount of 6 M € a year over the next 5 years (Areva, 2010).

### **The art of masking societal and environmental concerns?**

In view of the above, the CSR actions of the group are they a manifestation of a commitment to the development of territories, or simply a strategy to develop a more “sustainable” image for legitimate mining activities? The answer to this complex question imposes three levels of reflection.

First, the value of a CSR action in a mining environment is its ability to take into account the concerns of social and environmental sustainability. However, the actions undertaken so far by the group have not provided solutions to the many issues related to negative externalities and collateral damage associated with mining activities. These issues are displacement, pollution of groundwater, dissemination of radioactive gas caused by the mines’ air inlets, the decimation of livestock due to radioactive effects, the illegal occupation of agro-pastoral areas, and the worsening of public<sup>12</sup> health problems. For instance, over the 90,000 square kilometer concession to mining companies, any measure of compensation has been provided for the local population. Local residents, who may not share the enthusiasm about mining projects, also face pressures on access to resources. The South African company *Niger Uranium Limited*, which prospects in Ingal and Ighazer<sup>13</sup> for example, prohibits the use of pastoral traditional wells. Around the Imouraren site, exploration activities of Areva scare away livestock and makes transhumant livestock impossible (Bednik, 2008).

A compelling report by Greenpeace sets the scene:

The people of Arlit and Akokan continue to live surrounded by poisoned air, contaminated land and polluted water. Every day, Nigeriens are exposed to radiation, poverty and disease. [...] For example, in samples water collected in the Arlit re-

<sup>12</sup> The conviction of Areva in May 2012 by the Tribunal of social security (France) to death from lung cancer of a former worker is indicative of the health risk which all employees are exposed.

<sup>13</sup> But the Ighazer has the most conducive to the artisanal salt and oasis agriculture plains.

gion, uranium concentration was higher than the limit recommended by WHO for drinking water (Greenpeace, 2009)<sup>14</sup>.

Obviously, the Areva group deploys intense communicative<sup>15</sup> strategy so that these truths remain unknown, even if the environmental, social and health consequences are clearly catastrophic for local people (Granvaud, 2012). In the field, the work of local organizations (civil society and NGOs) is complex. They are sorely lacking information and training to objectively assess the social commitments of firms.

Second, the group's CSR cannot have clarity if mining is not itself sufficiently integrated into the process of economic development. Indeed, given the challenges in terms of incurring effects of mining on economic sectors (skills transfer, employment and local subcontracting, etc.) the CSR actions of the group are very light. A profound shift is observed between these actions and the reality on the ground. Except the transport sector that benefits from Areva activities, there is no clear link between mining and economic sectors. Yet, if one refer to Renouard, "the first responsibility of a company is economic" (Renouard, 2008, p. 88). This means that a socially responsible commitment must be able to integrate the activities of the company to the national economy. It can be measured, for example, by the inter-industry linkages between the activities of the group and other sectors of the economy<sup>16</sup>. In the case of Niger, these linkages can affect the processing of raw ore into semi-finished product, which will significantly increase the value added of exportable products. They may also involve the provision by resident companies of goods and services needed by Areva for its intermediate consumption or investment.

Finally, it is important to question the responsibility of the French nuclear group as regard the preservation of pastoral areas. Is it really possible to reconcile mining with pastoral practices that are the pride of the local economy? In other words, is the presence of mining favorable to the development of an economy

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<sup>14</sup> But Areva group reacts in a press release on its website, to denounce the lack of transparency of Greenpeace and regrets "the many interpretations and unsubstantiated claims" without providing evidence against a second opinion technique. This defensive approach does not exonerate the group of the allegations against him. The war of numbers and press releases on which the group and stakeholders constantly engaged is also indicative of the complexity of assessing the social impact of such action or another.

<sup>15</sup> As evidenced by the numerous press releases on the band's website, and denouncing reacting whenever organizations daring to attack or harm the image and reputation of the group. These press releases are also designed to enhance the actions performed by the group in the areas where it operates.

<sup>16</sup> Due to the landlocked situation of the country, it is the transport company *Transport Agadem* which transports ore from mining sites to the sea in Cotonou (Benin) where uranium is shipped.



which is also based on the exploitation of natural resources, i.e., pastoralism<sup>17</sup> ? Undoubtedly, mining activities (which cover about 90000 km<sup>2</sup>) inhibit the mobility of pastoralists<sup>18</sup> and contribute to weaken the dynamics of pastoral systems. The societal challenge of Areva is to help provide answers to the problems of local pastoralism<sup>19</sup>. Here, Areva CSR should be to create conditions of coexistence between mining and pastoral economy. This is to ensure that mining does not interfere significantly in pastoralists' access to resources (water, grazing, etc.). It should also contribute to the promotion of pastoralism by helping to increase the productivity of livestock, valuing pastoral products (milk, meat, hides and skins) via processing, and facilitating access to national and regional markets for livestock products. This contributes to the sustainability of pastoral activities, which leads to environmental benefits for the community. For example, it is about the preparation of the ground to supply new herbs, the natural fertility of the ground, what facilitates the penetration of the water in the ground by the standing about of animals, etc. Areva is going to manage also to stabilize companies living in the marginal zones (sometimes hostile), so favoring sustainable social peace.

## CSR: toward public regulation

As we saw it, multinationals CSR in Africa contains some ambiguities. Stakeholders accuse multinationals of not taking into account the real concerns of local people. In the case of the mining sector, the human and environmental damage discredit the social initiatives of multinationals. At this stage of implementation of CSR practices in Africa, several questions remain unanswered. Is it just enough to build a school or hospital, or to fund some activities that a multinational has the right to do what they want in Africa? The issues of environmental and social protection, are they not more important? Given the difference of interest between companies and stakeholders, the government should not set the rules of the game?

It is quite clear that the dispersion of social actions of multinationals (funding mini-projects or activities often under public authority such as the construction of a school or a health center) can paradoxically contribute to hinder develop-

<sup>17</sup> Pastoralism is a production system characterized by a regime of mobility (transhumance) of herders and their livestock, and resources access (shrubby grassland and water). Genuine lifestyle, it defines the relation between pastoralists to the environment. Source of employment, pastoralism facilitates the meeting between many actors involved in the marketing channels and livestock products.

<sup>18</sup> As a reminder, pastoralism is the second largest contributor to the national wealth, while mining revenues represent less than 5% of GDP; pastoral activities contribute up to 13% per year. The livestock products (meat, hides, skins, etc.) are the second largest export after uranium.

<sup>19</sup> Which mining activities have also contributed to increase. Indeed, mining activities considerably hinder pastoralism.

ment. Indeed, initiatives for sustainable development cannot be sufficiently effective unless they fall under national policies whose effectiveness and scope reach the local level.

In the absence of binding international standards, CSR is generally left to the discretion of the companies. They can decide whether to engage in CSR, or not to respect their commitments, and whether to hold social and environmental reports. In this context, the risk that companies are likely to create the rules they need themselves is important (Cochoy, 2007). The practice of CSR should certainly be voluntary, but regulated so that elements such as workers' rights, respect for social and environmental standards are taken into account. Indeed, the socio-economic problems inherent in business activities need to develop a set of standards that they must meet. Admittedly multinationals can certainly compensate through CSR limits of public action. But it is for the government to have the power and legitimacy to enable better regulation of economic and social environment (Doucin, 2011).

In many areas, social responsibility tends to focus solely on limited community initiatives. From this point of view, it is not excluded that in the absence of any control and effective guidance, CSR actions will generate perverse effects such as the feeling of frustration, patronage, extortion by violence, dependence (Giraud & Renouard, 2010). In view of the risk of making the use of CSR instrumental to propaganda, some prefer outright punitive action against companies that do not meet their commitments, "the only touchstone in the sincerity of firms is their commitment to the principle of financial penalties in case they do not comply with their commitments" (Maréchal, 2009). In other words, the control by the government allows knowing how far the social commitments are respected and how to ensure that good practices are widespread and are not misleading examples masking everyday reality (Renouard, 2008). Only public regulation would require compliance with environmental and social standards (Fleckinger & Glachant, 2009). Ultimately, CSR and regulation are not necessarily antonymous:

urgency and sharp national and international economic issues, especially those referring to the protection of the environment and thus to "sustainable development", require overall solutions that cannot be the sole responsibility of business leaders, no matter how responsible they wish to appear (Forest & Le Bas, 2009).

Given the complexity of political, environmental and social issues in the regions where multinationals operate, the inclusion of some standards is a substantial objective to the exercise of corporate social responsibility. Government must ensure that CSR actions promote the development of communities. To do

this, government must have technical expertise and a willingness to assess the contribution of these corporations to economic development (economic responsibility) and social (social responsibility).

## Conclusion

If corporate social responsibility can combine economic efficiency, social compliance and environmental compliance, the paper highlights the challenges and ambiguities of CSR in Africa. Admittedly, CSR seems to be part of a process of sustainable development, but its implementation on the ground remains problematic. Many reproaches are made against multinationals concerning the non-respect of workers' rights and environmental standards (release of toxic waste, air and water pollution and sometimes low wage compensation).

Nevertheless, social corporate responsibility cannot be based solely on the willingness of business leaders. It must also integrate with global public policies whose effectiveness reached the local level. In the case of Niger, the Areva CSR policy must necessarily take account of political issues (armed insecurity in the region where Areva operates), environmental concerns (preservation of vegetation, pollution and groundwater contamination) and social requirements (compensation measures of the population, human rights and protection of pastoral activities). Without coercion from public authorities, these social and environmental dimensions can simply be ignored by multinationals.

Of course, it is important to recognize that CSR can certainly offset some public failures. But it is for the government to have the legitimacy to better regulate multinational social actions. So, public control lets know how commitments are being met, and if necessary, to take corrective measures. This is to avoid putting multinationals in the position of being both judge and jury at the same time. In other words, the practice of CSR should obey a crossover between voluntarism and constraints that include a process of struggle against poverty and promotion of social and environmental well-being.

Finally, the participation of stakeholders in corporate projects will assess the minimum requirements of a fair contribution of firms to sustainable development of the areas in which they operate. Thus, CSR commitments in Sub-Saharan Africa are expected to lay public-private partnership foundations for sustainable development, including firms, social partners and local communities. However, African governments also have a share of responsibility. Should they not clarify how revenues from natural resources can be used to provide for people a humanly sustainable development?

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