



Petra Diamonds' attempts to come clean with its tarnished past in Tanzania

*Challenges in securing access to remedy and
restoring community relations after serious human
rights abuse at the Williamson diamond mine*

EXECUTIVE SUMMARY AND RECOMMENDATIONS

List of acronyms

ADI	Agribusiness Development Initiative
ASM	Artisanal and small-scale mining
CEO	Chief Executive Officer
CGM	Community grievance mechanism
CHRAGG	Commission on Human Rights and Good Governance
CSR	Corporate social responsibility
ESG	Environmental, social and governance
ICCM	International Council on Mining and Metals
IGM	Independent grievance mechanism
IPIS	International Peace Information Service
NEMC	National Environmental Management Council
NGO	Non-governmental organization
PRI	Principles for Responsible Investment
RJC	Responsible Jewellery Council
SGBV	Sexual and gender-based violence
SHIREMA	Shinyanga Regional Miners' Association
TZS	Tanzanian Shilling
UN	United Nations
UNEP	United Nations Environment Programme
UK	United Kingdom
VAT	Value Added Tax
WDL	Williamson Diamonds Ltd.

Executive Summary

Background

This report assesses Petra Diamonds' efforts to restore community relations and remediate the **legacy of serious human rights abuse** at its Williamson diamond mine in Tanzania. Reports of abuse had circulated unaddressed since at least 2011. They included allegations of beatings, torture, illegal detentions, indiscriminate shootings, sexual violence and killings of locals entering Williamson Diamonds' sizable concession to search for diamonds, herd livestock or collect firewood.

In 2020, UK law firm Leigh Day, filed an action in the UK High Court on behalf of victims and their families against Petra as majority owner of Williamson Diamonds Ltd. The action saw Petra's senior management instigate its own investigation into the allegations, which confirmed the loss of life, injury and mistreatment of intruders caused by the mine's private security guards and police operating on Williamson Diamonds' concession.

In May 2021, Petra agreed to a **settlement with 96 Tanzanian claimants**, committing to a detailed settlement package worth approximately €5 million. This package entailed compensation for victims, community development projects and the establishment of a grievance mechanism to remedy additional harms. Petra has since relinquished its majority stake in Williamson Diamonds – held since 2009 – though still maintains a notable shareholding.

The basis for this report

Between July 2022 and October 2023, IPIS engaged in an assessment of **how the 2021 legal settlement is perceived by and impacts upon residents of villages adjacent to the Williamson mine**. It conducted extensive field research, including over 120 interviews with local residents, civil society and local authority actors, as well as engaging key stakeholders, including Petra. This primary research was supplemented by a detailed analysis of corporate reporting, media reports and investigations by civil society and other actors.

In seeking to understand today's needs, IPIS' analysis first scrutinised **what went wrong** in the past. In particular, it queried how such serious human rights abuses could remain unattenuated for so long. Petra itself partly blames reporting structures: Williamson Diamonds' and relatively senior levels of Petra's management had been aware of many incidents and fatalities but did not escalate them to Petra's board, it says. A second factor was arguably the assumption (generated by Petra's own marketing) that Petra is a responsible and ethical diamond miner with strong Environmental, Social and Governance (ESG) practices. This allowed those aware of allegations to simply claim that they should be dismissed as unsubstantiated given Petra's standing. As such, they were only taken 'extremely seriously' once that reputation came under threat – and acutely so. Thirdly, critical voices continue to be hesitant in speaking up due to ongoing reports of the criminalisation of victims and impunity for perpetrators in the Tanzanian context. Finally, IPIS' research shows that the mine lacked appropriate structures for meaningful community engagement and grievance handling. This deficit had completely isolated both Petra and Williamson Diamonds from the local context in which they were operating, leading to both sides knowing little to nothing about one another's motivations, concerns, grievances or expectations.

Petra's settlement can be seen as addressing these past failures in three main ways: by seeking to improve community relations, to minimise additional harm, and to improve access to remedy. Analysing how efforts under these three focal areas are perceived by and impact the mine's adjacent communities, has enabled IPIS to **answer to three specific research questions**, as set out in this report:

1. Will Petra and Williamson Diamonds succeed in sustainably building more positive relations with adjacent communities, and overcome the mistrust, frustration, trauma and resentment that have built up within these communities for well over a decade?
2. Will they manage to prevent further harm from being done, including by protecting the land and resources awarded to them by the State whilst respecting human rights?
3. Will they manage the daunting task of providing equitable access to remedy and fair redress to all victims of human rights abuse and other grievances?

Improving community relations

In addition to a new stakeholder engagement plan, Petra's efforts to improve community relations include a number of '**restorative justice projects**'. These initiatives to promote sustainable development in adjacent villages are still at an early phase. They include a sexual and gender-based violence campaign, the managed collection of firewood from the concession, an agri-business development initiative, and support to artisanal and small-scale mining (ASM). These initiatives hold considerable potential for improving relations to the extent that they address genuine needs in key local livelihoods. However, they also risk reigniting old sentiments of broken promises if expectations and communications around these projects are not well managed. For example, the news that the mine may hold off on announced plans to support ASM may be a bitter pill for local communities to swallow. They rely heavily on this livelihood stream and have seen such initiatives being withdrawn again and again over the last 15 years.

Minimising additional harms

Several measures were also taken to minimise the risk of causing or contributing to new harms. **Incidents with intruders** lie at the heart of the most numerous and severe harms suffered by local people around the mine. To reduce such incidents, Petra and Williamson Diamonds improved the demarcation of the mine's concession area, adopted new rules of engagement for the mine's security operations, and replaced the heavily implicated private security contractor, Zenith Security, by GardaWorld in March 2021. The latter are generally seen as more professional, predictable and law-abiding.

Unsurprisingly, **intrusion on the concession by local residents has not ended**. Herdsmen who follow, guide or search their cattle on the unfenced concession regularly complain of livestock confiscations, resulting in the levy of heavy fines for retrieval. Moreover, artisanal diamond mining on the Williamson concession continues to be widespread, and generally viewed by communities as a legitimate livelihood strategy that helps to settle unfulfilled claims to the area's diamond wealth and associated benefits.

While most IPIS respondents agree that violence at the mine has become less intense, indiscriminate and widespread, IPIS still received various **reports of beatings**. These all follow a similar pattern of guards hitting intruders with batons on joints, arms and legs,

before leaving them behind or handing them over to the police. Reports of shootings have become very rare since Zenith Security's departure.

Despite this, IPIS has collected **one concerning testimony** from a young artisanal miner who suffered serious gunshot wounds in January 2022. He claims to have sustained these injuries at the hands of Williamson Diamonds' private security guards. When asked for comment by IPIS in preparation for this report, GardaWorld, by contrast, claims to have information that this person was the victim of security arrangements at the adjacent El-Hillal diamond mine. Crucially for the Williamson mine, this young man filed a complaint with its independent grievance mechanism in May 2022, but at the time of publishing this report – that is, over 16 months later – had still not received a response. Irrespective of the facts surrounding this case, this lack of responsiveness to allegations of ongoing abuse raises serious concerns about Williamson Diamonds' ability to effectively stave off further abuses – whether systemic or rogue – in the future. Given the long history of abuse at the Williamson mine, the slowness to respond to such a serious allegation raises important concerns about the priorities, preparedness and adequacy of the mine's new approach to grievance handling and Petra's due diligence. The establishment of an independent mechanism is commendable, but it does not exempt companies from their own responsibilities to embed human rights due diligence into decision-making and risk management structures, as set out in the UN Guiding Principles on Business and Human Rights.

In the midst of its efforts to reduce harm and restore trust, Williamson Diamonds was the source of further individual and communal damage in November 2022, when the mine's **tailing storage facility** broke and released a large mud flow onto houses, farmland and the water supply of several villages. Experts suggest that this serious accident could have been prevented if appropriate monitoring standards had been followed. In the months following the failure, many locals have struggled to meet their basic needs and sustain their livelihoods in farming and artisanal mining. Combined with uncertainty and confusion over how negative impacts were going to be remediated, this incident reawakened feelings of mistrust towards the mine.

Access to remedy for old and new harms

Petra and Williamson Diamonds are trying to put an end to the lack of accountability and remedy for harms caused by or linked to their operations

and security arrangements. They have established a community grievance mechanism (CGM) for daily operational issues, an independent grievance mechanism (IGM) for victims of human rights abuse, and an ad hoc mechanism for those impacted by the tailings dam breach. These **different grievance mechanisms** considerably improve locals' prospects of accessing remedy and thus raise the potential for reconciling and healing the mine's relations with adjacent communities. However, research for this report shows that these three mechanisms all share the same four stumbling blocks, which must be overcome to fully realise this potential, namely insufficient predictability, transparency, equitability and dialogue.

Given the immense scale and impact of past human rights abuses, the performance of Petra's **independent grievance mechanism** has been the key focus of research for this report. There is little public documentation on its design and functioning, which has caused unnecessary confusion among claimants. IPIS has drawn together a picture of this mechanism using its own research and information on the mechanism's functioning received from various stakeholders. This reveals a rather solid design, as well as significant effort to reflect many of the best practice criteria for effective company-level grievance mechanisms as enshrined in the UN Guiding Principles on Business and Human Rights. The approach of running the mechanism independently of the mine using Tanzanian experts contributes considerably to its accessibility and legitimacy. By November 2022, 5,575 people had registered a complaint with the IGM – a testament to both the reach of Williamson mine's awareness-raising efforts regarding the existence of the mechanism, as well as the legacy of human rights abuse at the mine.

Despite this promising base, IPIS research has nevertheless found that after registration the process became **unpredictable and untransparent** for many of the 360 claimants that were selected as part the IGM's pilot phase. The unavailability of information confuses claimants about the scope – including temporal – of the IGM, as well as creating uncertainty about what is expected from them, what evidence is required, how to collect such evidence, what outcome they can expect, and when they might expect to even receive an outcome. Those who are invited to commence with the substantive part of the process are given no advanced notice to organise their schedule or adequately prepare. This is a source of considerable stress and anxiety, which is further reinforced by a lack of transparency on the status of claims and the

overall progress of the IGM. Since registration, many claimants have heard nothing about their case, or the IGM generally, for what will (at time of publication) be up to two years.

Two other best practice principles that appear to be **overlooked in the IGM's implementation are equitability and dialogue**. Many claimants surveyed by IPIS perceive the process to be an adversarial one. This is particularly concerning for victims of sexual violence as it appears that insufficient measures have been taken to prevent or account for re-traumatisation, stigmatisation and evidential challenges. Equally worrisome is that – contrary to what Petra has committed to – none of the claimants interviewed by IPIS indicate to have received 'free and independent legal support' in preparation for or during grievance handling. Only the few applicants to have so far reached the final decision stage said that they had been introduced to a lawyer as the IGM panel informed them of their decision. This absence of legal support, and the prevailing sense of a one-way and insufficiently inclusive process, has led many claimants to question the independence of the scheme. This sentiment is reinforced by reports of errors and oversights in the IGM procedure, which claimants are left to detect and address on their own.

The system that was tested in the pilot phase did thus not correspond to what was committed to on a number of key aspects, while the consequences for claimants are very real. The first report by the IGM's independent monitors, published shortly before the release of the present report in October 2023, indicates their awareness of a number of the above shortcomings. It confirms that the IGM was launched without sufficient preparation for the magnitude of the task at hand, and is now **being patched up as it progresses** beyond the pilot phase. Several efforts have reportedly been made to address major flaws, such as the adversarial language and tone used by IGM staff. Other adaptations, such as improved engagement and communication with claimants and communities, are also said to be underway. Hopefully, the insight that IPIS' own report offers into the genuine and perceived concerns of claimants can contribute to this continuous learning and will be used to inform further improvements in the IGM and the mine's other grievance mechanisms.

Conclusion

Petra and Williamson Diamonds have taken several important steps to come clean with their troubled past. They have **started bridging the huge disconnect between the mine and its adjacent communities**, which had previously allowed the human rights situation to get so badly out of hand. Nevertheless, IPIS's research shows that only by continuing to improve their understanding of and responsiveness to the concerns and needs of local residents can Petra and Williamson implement their well-intended initiatives to optimal effect.

The conclusions of this report draw together the different findings in **six overarching building blocks** that form the basis to formulating recommendations. These are:

- (1) Important steps are taken to restore and rebuild community relations
- (2) Improvements are noticeable in the prevention of human rights abuse, but harms are still being reported
- (3) A good start to grievance handling, but equitable access to fair redress is still at risk
- (4) Although crucial to overcome previous shortcomings and restore trust, appropriate structures to meaningfully engage with communities are still not fully in place
- (5) There is a stark difference between what company policies promise on paper and how this is experienced in communities
- (6) Fragile trust risks encumbering long-lasting positive community relations

On this basis, IPIS formulates a number of **specific recommendations** to improve community relations, minimise harm and ensure access to effective remedy. On a general level, meaningful community engagement and better adherence to the highest standards of human rights and environmental due diligence should be at the heart of Petra and Williamson Diamonds further efforts, if they aim to deliver on promises of responsible business conduct in a way that is experienced as such by communities impacted by the mine.

Recommendations

Following on from the findings of this research, IPIS is able to suggest a number of specific recommendations. Whilst primarily of relevance to Petra and Williamson Diamonds, these recommendations also include important considerations for other key stakeholders, like Synergy, IGM staff and independent monitors, Leigh Day, PwC, and local and national Tanzanian authorities.

Moreover, having expressly sought to draw lessons from this case study that are capable of broader application to similar such situations elsewhere in the mining sector, several of these recommendations are also relevant to other mining sector operators.

To prevent and minimise harm

1. Further improve the **demarcation of the Williamson concession and awareness-raising** on this issue, as the current arrangement with painted rocks intermittently placed along the concession perimeter continues to allow for confusion on the matter.
2. Ensure that all staff, as well as third-party security contractors and officers of the Tanzanian police involved in security operations at the Williamson mine, are regularly trained on and respect the **Voluntary Principles on Security and Human Rights**, and refrain from using any violence other than in legitimate self-defence.
3. Publicly and comprehensively **report all incidents related to intrusion**, with detailed information on injuries, deaths, detentions and use of violence, to facilitate external monitoring and oversight.
4. Publicly report on efforts made to implement Petra's **Respecting Human Rights Defenders Procedure**, in particular concerning efforts to avoid that victims are criminalised and critical voices silenced in the local and wider political context.
5. Ensure adequate and transparent **monitoring of the (interim) tailings storage facility** at the Williamson mine to ensure that it is – and remains – in conformity with requirements for conservative, safe tailings storage.

6. Adhere to **international best practice standards on tailings management** and prioritise the implementation of, at minimum, the Global Industry Standard on Tailings Management to maximally prevent, mitigate and monitor actual or potential harm to people and the environment as a result of operations at the Williamson mine.
7. Ensure adherence to **human rights due diligence standards**, as set out by the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and the UN Guiding Principles on Business and Human Rights, to maximally prevent, mitigate and account for any adverse impacts on people and the environment as a result of operations at the Williamson mine.
8. The Government of Tanzania and its relevant institutions should create **an ambitious regulatory environment for responsible business conduct** and increase its capacity to monitor and enforce regulations and requirements.

To ensure equitable access to fair redress

1. Make the **manuals, design and procedures of all grievance mechanisms** put in place at the Williamson mine **publicly available**, and ensure on-going, hands-on and needs-specific awareness-raising for adjacent communities.
2. Ensure that **grievance processes are transparent and predictable** by offering timely and regular information to complainants on the different steps of the procedure, the timeline and status of the handling of their complaint, as well as the overall progress of implementing the grievance mechanism.
3. Ensure that all that grievance handling is not approached as a one-way process of imposition but rather as a process of **engagement and dialogue with complainants** by engaging and involving them at all stages of the process, including on decisions about admissibility and compensation, and by putting an end to any use of adversarial or intimidating language, tone or action by those handling grievances.

4. Ensure that all grievance mechanisms are based on **continuous learning**, not only by including independent monitoring and lesson learning into their design, but also by ensuring (a) adequate collection and processing of feedback by complainants, (b) transparent reporting on progress and evaluation, and (c) duly considering feedback from third-party scrutiny and assessments.
5. Ensure equitable access to remedy through the IGM by making sure that all complainants can readily access **free and independent legal support** throughout the entire complaint handling process (and not only when informed of their final decision), as originally committed to by Petra.
6. Ensure that the **IGM is responsive to claimants' gender and vulnerability** by guaranteeing: (a) the availability of dedicated experts among IGM staff, (b) specialised and ongoing training for all personnel, (c) the integration of psycho-social and medical support throughout the process, (d) the availability of such support for vulnerable complainants to prepare for and process the reliving of traumatic experiences, and (e) a secure and anonymised channel for complainants to flag concerns or report improper behaviour by IGM staff.
7. Ensure that redress is **responsive to the diverse experiences and expectations** of those seeking remedy, by sufficiently considering the day-to-day realities of affected people and the diversity of their needs, over the short and long term.
8. Ensure that **all losses and harms of the November 2022 tailings dam breach are compensated** for by taking into account a fuller range of loss of livelihoods, including losses by groups and individuals engaged in informal activities, like artisanal and small-scale mining.
9. Ensure that **land affected by the November 2022 tailings dam breach that lies outside the mine concession is optimally restored** so that it can once again be used for agricultural and all other purposes, as desired, by its occupants.

To manage fragile trust and build long-lasting positive community relations

1. Ensure that **meaningful community engagement** is not a stand-alone activity, but is placed at

the heart of all company efforts and activities. This requires both dedicated formal structures and frequent opportunities for informal engagement by encouraging company staff to leave their compounds and interact with adjacent communities in their local context.

2. Ensure that community engagement is not a one-sided nor exclusive process, but is based on **inclusive dialogue and effective consultation** of all groups about matters that concern them. This requires a good understanding of communities' vulnerabilities, needs and diversity to avoid leaving behind more marginalised or less vocal groups or to over-rely on selected actors to liaise with or speak on behalf of communities.
3. Ensure that **livestock entering the unfenced concession is safely returned to its owner** without the imposition of excessive fines for such return, as part of a wider effort to ensure that the mine's primary objective is to avoid complicating people's livelihoods more than absolutely necessary.
4. Make available additional funds to avoid the withdrawal of the **announced project for artisanal and small-scale mining** and to support its pilot. Artisanal and small-scale mining is an essential livelihood for many local residents who have experienced too many such initiatives being withdrawn time and again. Repetition of such withdrawal significantly risks stoking sentiments of abandonment and mistrust.
5. Ensure that any **settlement sum** reached reflects a real-world costing of the remedial initiatives they are intended to fund. Where such sum falls short, allow for an opportunity to provide for additional funding to avoid hardwiring inadequate compensation into a scheme, investing in solutions with only temporary impacts, or withdrawing announced projects because costs turn out to be higher than initially foreseen.

Read the full report at: <https://ipisresearch.be/publication/petra-diamonds-attempts-to-come-clean-with-its-tarnished-past-in-tanzania/>

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