January 20, 2012 - On Tuesday this week, The Canadian Press publicized the highly critical human rights report released on the use of forced labour in Eritrea’s mining industry and in particular the comments about the Canadian mining company, Nevsun Resources Ltd, which is based in Vancouver, and which runs the Bisha mine in western Eritrea. The Press quoted extensively from the report by Human Rights Watch which claims Nevsun failed to ensure that conscripted or forced labour was not used in the construction of its Bisha mining project in Eritrea: “When Nevsun began building its Bisha mine in Eritrea in 2008, it failed to conduct human rights due diligence activity and had only limited human rights safeguards in place." The Washington Post and other news agencies have now also picked up the story. The Eritrean Ambassador to the African Union in Addis Ababa, Girma Asmerom, has described the report as lies, a distortion of Eritrea’s national service conscription program and said it showed ‘deliberate ignorance.’

Last week, before the publication of the report, Nevsun issued a press release commenting on the claims. It said its 60%-owned subsidiary Bisha Mining Share Company (BMSC) company (the Eritrean government owns the other 40%) was committed “to responsible operations and practices at the Bisha Mine, based on international standards of safety, governance and human rights.” It claimed the use of conscripted labor at the Bisha site is not allowed, and that the company had practices and procedures “to ensure that all individuals at Bisha are working of their own free will and are not conscripts.” It said these procedures included the inspection of national service discharge documentation for all Eritrean workers at Bisha.

Nevsun says that in early 2009 it had become aware of allegations that a particular Eritrean subcontractor, Segen Construction, might be employing conscripts from the country’s national service. The company therefore obtained a written guarantee from Segen that it would not use conscripts at Bisha. According to last week’s press release there are currently 140 Segen employees at the mine, and all will leave Bisha by the end of August, 2013. The press release said the Company regretted if certain employees of Segen were conscripts four years ago, but added that Segen is controlled by the Eritrean State and BMSC is required to use Segen for construction work. BMSC is not allowed to do such work itself or to engage any other subcontractor for such work.

Significantly, the report says that Segen refused to allow Nevsun to interview employees to verify that they were working voluntarily, and also refused to allow Nevsun to visit the site where its workers were housed. And when Nevsun attempted to expand the mine without re-engaging Segen, the Eritrean government objected. Segen workers are still on site at Bisha. In these circumstances, it is perhaps pertinent to note that one of Nevsun’s greatest assets is its low operating costs, and equally relevant to ask why these are so low.

Over the past three or four years there have been any number of accounts of the way in which the Eritrean companies sub-contracted by BMSC have ‘recruited’ their employees. In fact, of course, many of the construction companies are owned and run by military units and they directly employ national service conscripts. In addition to Segen another company employed at

Bisha was Mereb, the company of the 74th artillery brigade. According to former conscripts, Mereb only employs national service conscripts and any of its workers only get the national service allowance of 500 nakfa a month, equivalent to US$12. Until recently the national service ‘wage’ was even less, only 400 nakfa a month. Mereb did some of the chemical and electricity work for Bisha. According to some of its workers who managed to escape, Mereb also included one or two armed military units in its camp to deal with ‘security’ both for its own ‘workers’ and for those employed by Segen.

The most surprising thing is that it has taken so long for conditions at Bisha to become the subject of such publicity and reach the headlines of the international press. The Eritrean Human Rights League and Elisa Chyrum have strongly criticized conditions at Bisha in the past; Eritrean websites like Asmarino.com have run long articles providing excruciating detail of the appalling conditions under which the construction workers at Bisha lived and worked following the escape of a number of workers into Ethiopia or Sudan.

One report on conditions at Bisha a couple of years ago says that “In the caste system that has emerged in the Bisha-Nevsun project, national service army conscripts find themselves at the bottom: as slave laborers, they are paid only 400 Nakfa ($9) per month. All of the slave laborers work for the subcontracted companies, all of which are owned by the regime. The story of how this is done provides a good synopsis of how the [ruling] Peoples Front for the Democracy and Justice tries to outsmart foreign companies [such Nevsun and Senet] in its crude ways.” Senet is a South African company contracted for operations at Bisha by Nevsun. The report quotes a former worker for Segen, Abadi Ghebremeskel, who spells out the processes involved. “Battalions of conscripted soldiers from the national service are brought to the workplace clandestinely. The reason is obvious: both Senet and Nevsum would be hard pressed to explain to the world why they let their subcontracted companies use slave labor; and for that matter, so extensively. As one of the Senet managers once told the workers, their company will find it hard to get contracts anywhere else if doesn’t do its job according to internal guidelines. And the strictest of those guidelines is: never to use slave labor.” The PFDJ is well aware that Nevsun and Senet would be uncomfortable if they were made to know what is going on, so it “tries to spare them from the knowledge of it”, but Abadi goes on “it is hard to believe that these companies don’t know what is going on; by now, they must be resigned to it. So far as the dirty secret remains inconspicuous, they are willing to give a blind eye to what is going on right below their nose....Nevsum is aware. Nevsum officials know it is forced labor. They don’t mind because they see the benefits they can get.”

The highly respected Eritrean academic, Dr. Gaim Kebreab, wrote an article“Forced labor in Eritrea” in the Journal of Modern African Studies (47, 1. 2009) over four years ago. His conclusions were that the Eritrean government “uses forced labour as a means of political education and mobilisation, and for purposes of economic and infrastructural development, as well as for instilling work-ethic and discipline under a rigorously enforced punishment regime.” He also noted the use of forced labour by the ruling party’s firms and high-ranking officers of the armed forces contrary to the spirit and letter of international conventions, and that the hires out conscripts to the private sector contrary to the conventions to which it is a party. In fact, since then the private sector has essentially disappeared in Eritrea.

It is hardly surprising that former Eritrean Attorney-General, Adhanon Gebremariam, has specifically called this process “slave labour” and defined it as defying “all standard international laws”. The services exacted from the conscripts, he said, have only been used for the benefit of the government, the ruling party and senior military officers, not for the benefit of the people. He has described the system: “the most productive section of the workforce in the country is tied up to the army and is forcibly engaged in road construction or toiling in farms belonging to army officers and the ruling party while the rest of the population are dependent upon international handouts. When such handouts [do] not arrive in time, the people [are] left with no alternative but to flee to neighboring countries.”

Eritrea is, of course, per capita, the most militarized nation on earth, with several hundred thousand national conscripts under military discipline as well as its 200,000 regular troops. Officially all those between the ages of 18 and 40 are required to do open-ended national service, though the age limits have fluctuated, at times expanding to between 15 and 55. Women are not now supposed to be conscripted after 27. In theory, the service is supposed to last for no more than 18 months. In fact, few have been demobilized since Eritrea invaded Ethiopia in May 1998 when all earlier conscripts were called back into the armed forces. Despite its defeat in June 2000 and the Algiers Agreement of December 2000, Eritrea has never demobilized more than minimal numbers, usually only those suffering from wounds or injured in accidents. It has continued to call up all those reaching the relevant on a regular basis, keeping the largest army and reserve forces in sub-Saharan Africa. After their military training the conscripts remain under military discipline and are available as a cheap labour force, saving significant amounts of money. They are paid no more than 500 Nakfa a month. According to officials, the money so saved is largely spent on the mechanisms of control, the structure of national service and conscription, the Special Court and other military courts, on numerous prisons and what are effectively concentration camps scattered all over the country.

Originally started in 1994, national service was extended indefinitely in 2002 with the organization of the Warsai-Yikealo Development Campaign under which all conscripts do their 18 months service and remain as national service conscripts in the reserve army which involves working for state or party companies for the same minimal wage of 500 Nakfa. The launch of the Warsai-Yikealo Development Campaign was accompanied by a crackdown against private business, and the Red Sea Company and another forty or so PFDJ companies were given monopolies covering much of the economy.
In an article on asmarino.com in February 2010, “Western Mining Companies: Throwing a Lifeline to a Brutal Regime in Eritrea”, Yosief Ghebrehiwet listed a number of companies that are being attracted by the mineral possibilities in Eritrea. They include: Canada’s Nevsun Resources Ltd. and Sunridge Gold; Britain’s Andiamo Exploration and London Africa; Australia’s South Boulder, Sub Sahara Resources, Chalice Gold Mines Ltd. and Gippsland Ltd. Other Western companies involved less directly include AMEC of Canada doing engineering studies as well as Capital Drilling and Geo Drilling of Australia and Boart Longey of Canada doing drilling work. It is now pertinent to ask whether they are aware of the employment practices to be found in Eritrea. (Source: MoFA)