



Georgian Manganese



Country: **Georgia**



Website



BHRRC company page

Summary

There are a number of noted human rights allegations related to Georgian Manganese, including:

➔ Occupational Health and Safety:

In 2018, unions documented sixty accidents at the Chiatura mines, resulting in one death and several serious injuries. Workers say these incidents are due to highly dangerous working conditions and unsafe practices.

➔ Living Conditions and Right to Food:

During working days, workers are required to live at employer-provided accommodation where their movement and actions are restricted. Workers cannot leave the company housing or receive visitors without supervisor permission. Food in the dorms is, allegedly, of poor quality, and it does not include sufficient calories nor nutrition to sustain workers completing intense labour.

➔ Payment and Compensation:

Workers claim they regularly work several hours per day without compensation. Additionally, Georgian Manganese deducts workers' wages if they do not meet the unrealistically high quotas.

➔ Labour Rights:

Many workers claimed they did not receive a copy of their employment contract or other essential information.

➔ Right to Property and Lawsuits Against Local Communities:

Georgian Manganese has been embroiled in several conflicts with the local community members, including miners and their families. Locals say their homes have been significantly damaged. The company allegedly filed a lawsuit and demanded compensation from protesting community members who blocked access to the mine.

Human Rights Commitments

- ⊖ Human rights policies and commitments **are not available** on the company website
- ⊖ The parent company website is **not publicly available**
- ⊖ The company **did not respond** to our questionnaire of its human rights policies and commitments

Human Rights Impacts

- ⚠ Health and safety
- ⚠ Environmental and water rights
- ⚠ Right to livelihood and adequate standard of living
- ⚠ Labour rights and wages
- ⚠ Community, cultural and property rights
- ⚠ Deaths and/or violence
- ⚠ Attacks on human rights defenders and labour activists

➔ Health and Environment:

Local residents complain of significant pollution and environmental damages caused by Georgian Manganese activity. Water pollution is of particular concern; local communities said that 375,961 tons of waste materials were discharged into the rivers in 2018, with huge negative impacts for safe drinking water, agriculture and livestock.

➔ Grievance Mechanisms and Access to Remedy:

Workers and community members have expressed distrust with company grievance mechanisms. They also cannot afford court fees to seek remedy via the judicial system.

Georgian Manganese does not have publicly available information of its human rights policies or environmental and social standards. The company did not respond to our questionnaire of its human rights policies and commitments.

Company Information

Georgian Manganese is most well-known for the Chiatura mines, which have been reported on by the UN and Human Rights Watch, due to concerns around the high instance of workplace accidents and labour rights violations (see below). The company also operates a ferroalloy plant in Zestafoni and a hydroelectric power plant that supplies power to the company's operations. Forty-three smaller companies extract manganese as subcontractors under Georgian Manganese's licence.¹²

Georgian Manganese employs a large number of individuals in the communities where it works; for instance, most villagers in Shukruti work for the company, and the mines are the largest source of employment in Chiatura.¹³

COMPANY OWNERSHIP



After the company continuously failed to comply with environmental legislation and licence conditions, a Georgian court appointed a special manager to oversee Georgian Manganese for a period of three years, starting during 2017.¹⁴ ¹⁵

Documents indicate that Georgian Manganese is owned by Georgian American Alloys. However, in a letter to Human Rights Watch, Georgian American alloys indicated that, as of 2019, it had completed a 'major corporate restructuring' and that it no longer owned Georgian Manganese.¹⁶

Human Rights Allegations

Occupational Health and Safety

Human Rights Watch and the UN Working Group on Business and Human Rights have both listed serious concerns about labour rights at the Chiatura mines. Occupational health and safety are major issues; during 2018, local trade unions documented sixty accidents, resulting in one death and several serious injuries.¹⁷ Four Georgian Manganese workers died from workplace accidents between 2016 and the first quarter of 2019. The Georgian labour inspectorate recognised that there are instances of unreported accidents and that official numbers are often low.¹⁸

These accidents often result from strenuous working conditions and intense work schedules with miners working twelve-hour shifts, including nights, for fifteen consecutive days. Workers then receive two weeks off. Miners told Human Rights Watch that, because of exhaustion, workers are less alert, and many start to fall asleep on the ninth or tenth day. This schedule, combined with the dangerous conditions in the mine and the use of heavy equipment and explosions, contributes significantly to workplace accidents. All miners interviewed said they would be safer working shorter hours.

Miners are hesitant to report accidents for various reasons, including the consequences for their co-workers. One miner stated that he was on his fourteenth consecutive night shift when exhaustion led to a workplace accident: 'I was fixing an electric chainsaw. Someone was sitting next to me and fell asleep and accidentally turned on the machine. I was cut, and my ribs were showing. I did not report it, because I didn't want my colleague to get arrested'.²⁴

Working conditions in the Georgian Manganese mines, particularly in Chiatura, are hazardous, and workers point to a lack of adequate safety measures. The UN Working Group noted the conditions, stating, 'Most of the mines are rusty, derelict industrial complexes, operating with antiquated equipment, which raised immediate serious concerns about the environmental impacts and about the working conditions of miners'. Additionally, workers informed the UN Working Group about the lack of a ventilation system in the mines;²⁵ this is particularly concerning because of the presence of hazardous air pollutants in the mine shafts, such as manganese dust, toxic gases and carcinogenic diesel exhaust.²⁶

Georgia's labour inspectorate found significant safety problems in three mines owned by Georgian Manganese, including that miners operating drilling equipment did not have protective equipment. The company was unable to provide documentation demonstrating that its mining equipment, including drills, had undergone safety inspections.²⁷

Employees said that intense pressure to meet high production quotas led them to rush or to take shortcuts, often with disastrous results. 'Often, local supervisors would violate safety rules to meet quotas. For example, it usually takes 30-40 minutes for the air to clear after an explosion, but [we] are asked to come back in after 10-15 minutes', said one employee. Another miner said he noticed the drilling machine he was using was defective, but, since waiting for a repair would delay production by several hours, his supervisor ordered him to continue working. The employee lost his hand during an ensuing accident. Georgian Manganese commented that it paid for the employee's medical expenses, and that it offered him a different position within the company—at lower pay.²⁸

When interviewed by the UN Working Group, representatives of Georgian Manganese did not deny that working conditions in the old mines are hazardous, but they claimed that conditions have improved at new mining sites.²⁹

Living Conditions and Right to Food

During working days, workers are required to live at employer-provided accommodation where their movement and actions are restricted. Workers cannot leave the company housing or receive visitors without supervisor permission. The dorms are mandatory even for those who live in Chiatura; one worker said that his house is closer to the mine than the dorms are, and yet he is still unable to stay with his family during working days. Workers stated that they were pressured not to leave the dormitory—even if there are cases of emergency, such as their children going to the hospital. Supervisor decisions about whether to allow workers to leave are arbitrary, with workers saying it often depends on the mood of the supervisors at the given time.

Workers have not received house rules in writing, and the contracts do not contain provisions about dormitory rules. Georgian Manganese provided a list of rules to Human Rights Watch, but it did not explain how those rules are communicated with workers. Miners said that this system interferes significantly with their family and home life. Many expressed frustrations with the inappropriate level of control the company exerts over their life, describing the system as 'like a prison'.

Additionally, food in the dorms is of poor quality, and it does not include sufficient calories and nutrition to sustain workers doing intense labour. Workers receive low-quality meat only once or twice a week. On May 15, 2019, miners went on strike to protest the poor food quality. Fifteen workers declared a hunger strike,²⁷ and the protests soon escalated, with workers speaking out against poor working conditions. The strikes shut down production for thirteen days.²⁸ The strikes ended when the company agreed to a wage increase and a new food system, but the terms of the agreement did not address poor working conditions, mandatory housing, long hours and other practices that compromise worker safety. The company said it had committed to improving standards related to labour and safety, but it did not provide further details.²⁹

Outside of Chiatura, employees can choose to work at mines that use the ‘new’ twelve-hour system or at mines that use the ‘old’ nine-hour system. In February 2019, 300 workers from two ‘old system’ mines—which do not require companies to live at dorms—staged a protest to oppose a company plan to introduce the new system at their workplace.³⁰ While the company emphasises that employees can choose between systems, old-system mines do not offer the same financial benefits, with some workers earning up to 50% less. Furthermore, employees may not be able to afford to relocate if their local mine switches systems, essentially taking away their ability to choose.³¹

Payment and Compensation

Adequate payment and compensation are also a major issue, in both the old system and the new system. Miners with the old system do not receive pay for time while travelling underground, attending meetings, changing into protective gear or etc. This regularly results in two-to-three unpaid hours per day. At times, trains do not function, and miners are stuck underground for hours; they do not receive pay for this time.

Additionally, Georgian Manganese deducts workers’ wages if they do not meet the unrealistically high quotas. Even though weight of extracted product significantly impacts workers’ wages, Georgian Manganese does not allow workers or worker representatives to observe the weighing process.³²

The poverty rate in the vicinity of Chiatura is 50%, compared to 22% in Georgia overall.³³

Labour Rights

Concerningly, none of the thirty employees Human Rights Watch interviewed had a copy of their employment contract. Some said they had never signed a contract, while others said they signed a document they believed was a contract, but they were not provided with a copy. ‘If workers are not aware of provisions in their contracts, they cannot ascertain whether their rights under their contracts are being violated’, the report explains. For example, these contracts list the health and safety rights and obligations of both the employee and employer; workers who were unable to access their contract did not have essential information about these topics.³⁴

Right to Property and Lawsuits Against Local Communities

Georgian Manganese has been embroiled in several conflicts with the local community members, including miners and their families. In 2019, residents of Shukruti blockaded several mines, demanding compensation for damages to their homes. According to a representative of the Human Rights Education and Monitoring Centre, explosions from the mines have caused property damage and sinkholes. Residents say up to 300 homes were damaged, and some homes had collapsed.³⁵ ³⁶

Prior to the 2019 protests, the company had promised to form a special commission to examine damages and to suggest compensation; however, the findings were not presented on the day the company had promised, and villagers were not notified of a delay. Additionally, the commission was made only of company representatives and local residents, raising concerns about its impartiality.³⁷

In 2020, villagers spoke to OC Media about their struggles with securing compensation for damage to the local community. The company claimed that the damage was done during the Soviet period; however, there was noticeable damage to homes and to pipelines that were constructed only two years prior. The residents also complained about damage to a local cemetery. Trust in the company is low, and villagers complained of broken promises.

In a statement, Georgian Manganese claimed it offered alternate housing but that the villagers refused. The company also reiterated the findings of the Center for Engineering Studies that concluded the damage was from the Soviet period and villagers had been compensated during that time. The study also claimed that the village had been hit by an earthquake in the early '90s. Georgian Manganese also offered to resettle villagers and to conduct audits in order to evaluate property value. Villagers accepted this proposal, but disagreements stopped the process from moving forward. [↗](#)

One villager who worked for Georgian Manganese responded that he would not resettle, and that he wanted to stay in the village with compensation for the damages: 'I have struggled my whole life to have a salary and be able to afford to buy bread. I managed to build a tiny house and they are destroying it. Where can I go now? If they want me to go somewhere, where can a man of my age start a new life?' [↗](#)

Georgian Manganese filed legal action against the protestors, demanding compensation for financial losses incurred due to the blockade. One company official claimed that Georgian Manganese was not demanding compensation for losses, and that it was seeking only to resume operations. However, from a video spokesperson, Akaki Gogichaishvili, said that the company was indeed demanding financial compensation from the protestors, but it withdrew the lawsuits because of 'how negatively it was perceived among the villagers'. [↗](#)

A few days after the report broke, the same company spokesperson demanded that OC Media withdraw the story and remove the video. Gogichaishvili claimed that he was misquoted and that the company was not seeking compensation from the villagers. The journalist insisted that he quoted the spokesperson's statements word for word, but that he would correct the story if sent the court complaint. Gogichaishvili proceeded to insult and berate the journalist, then refused to send the court documents. OC Media later obtained a different court document that stated Georgian Manganese would file a complaint demanding compensation, and that 'it's not hard for the court to see, that if these damages continue even for several days, the defendants will not be able to pay it'. [↗](#)

Individuals who 'illegally seized land' were prosecuted and detained. [↗](#) Villagers emphasised that, due to their poor situation, they could not possibly win at court, even if they sought compensation through the judicial system. [↗](#)

Health and Environment

Local residents complain of significant pollution and environmental damages caused by Georgian Manganese activity. Water pollution is of particular concern; local communities said that 375,961 tons of waste materials were discharged into the rivers during 2018, with huge negative impacts on safe drinking water, agriculture and livestock. The UN Working Group witnessed first-hand sludge discharging directly into the river.

Georgian Manganese told the UN Working Group that it would stop discharging sludge into the river after a new enrichment plant and technological investments became operational. The company also expressed to the UN that it did not believe it had any responsibility to address pollution practices of subcontractors.

Local residents also pointed to air pollution, including dust and particulates from trucks transporting ore without adequate cover. [↗](#) The Georgian environmental ministry also found significant damage to the environment caused by emissions from the Zestafoni ferroalloy factory. [↗](#) These pollutants can cause damage, including adverse health impacts, to local communities.

Georgian Manganese has conducted environmental audits every two years since 2012; however, results have been shared only with company shareholders and investors.²² Over the course of several years, the Ministry of Environment and Natural Resources Protection has repeatedly issued fines for environmental damages, to little effect. The ministry also defined obligations for the company and set reasonable time limits for implementation. Despite these efforts, Georgian Manganese failed to meet the government-mandated obligations.

In 2016, the Ministry of Environmental Protection and Agriculture noted that the company continuously failed to comply with environmental legislation and licence conditions. Consequently, in 2017, the ministry appointed a special manager to develop an impact mitigation and management plan for Georgian Manganese. The manager was also appointed to ensure timely and consistent fulfilment of licence and permit conditions. This manager, whose mandate was set to last three years, was directed to conduct environmental monitoring and to report to the ministry every month.²³ Green Alternative has raised concerns about the content and the accuracy of these reports, citing lack of evidence that certain obligations have been carried out.²⁴

Even after the special manager began work, Green Alternative noticed several violations, including safety risks to nearby children and community members. In October 2019, the NGO described how people and goods were able to pass freely over quarries and that quarries intruded in the yards of inhabitants. Green Alternative notified the government, but it was told that, after amendments to Georgia's environmental protection law, the Environmental Supervision Department was no longer authorised to 'carry out state control on extraction of minerals' after December 2017.²⁵

Grievance Mechanisms and Access to Remedy

Georgian Manganese states that it has grievance mechanisms, such as a hotline and a written complaint mechanism. However, workers expressed distrust with these mechanisms.²⁶ The hotline number is not available on the company website.

Additionally, as noted above, local community members have stated that they cannot afford court fees to seek remedy via the judicial system. In light of these barriers, affected stakeholders have little access to remedy for rights violations.

Human Rights Commitments

Georgian Manganese did not respond to our questionnaire on its human rights policies and commitments. Policies are not available on the company's website. Parent company Georgian American Alloys does not have a public website.

The company did respond to Human Rights Watch's request for comment. In the letter, the company expressed that it has a system to receive and address worker grievances.²⁷ However, there is no information on what that system entails or how people can access it.

The special manager claimed to have set up a hotline that 'allows any person to report any environmental violations to the Ecological Service, which, in its turn, will respond to the violation'. As noted above, the number for this hotline is not available on the company website.²⁸