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Property Rights and Artisanal Diamond Development (PRADD)

USAID's Project to Support the Kimberley Process

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Property Rights and Resource Governance

Issues and Best Practices

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Context, objectives and approach of PRADD

- Joint USAID/Dept. of State initiative to assist the Central African Republic and Liberia to comply with the Kimberly Process Certification Scheme (KPCS)
- Two objectives:
 - Increase the amount of artisanal diamonds entering the formal chain of custody
 - Increase the benefits from diamond mining that accrue to mining communities
- A key element of PRADD's approach is to clarify and strengthen property rights

PRADD components

PRADD has 5 program components

1. Clarify property rights
2. Improve tracking of diamond production and sales
3. Diversify and improve livelihoods
4. Mitigate environmental damage
5. Improve access and availability of information



Why a focus on property rights of artisanal miners?

- Informs where diamonds are being extracted from
- Minimizes land and resource disputes
- Encourages rehabilitation of sites
- Improves security of investments
- Informs where proceeds from mineral exports should be reinvested



PRADD works with the host government, civil society and the diamond industry to....

- Host participatory rural appraisals
- Produce maps of land and related mining claims
- Conduct stakeholder meetings to validate land claims
- Issue property rights certificates
- Create geo-referenced database



Property rights challenges

- Land and mining rights accessed through various and sometimes competing tenure systems
- Rights are often overlapping or in conflict
- Multiple types of customary rights can coexist in the same space including
 - Access rights
- Collecting firewood and water
- Hunting and fishing
 - Use rights
- Farming
- Grazing livestock
- Mining



When systems of customary rights are upset, this can...

- Increase mistrust and conflict, especially when minerals are discovered and land values increase
- Reduce investment and local economic activity, as people will prefer to subsist if they are less sure of their claims
- Reduce outside investment, as investors will shy away from areas where claims are being disputed



Other PRADD activities

- Improve tracking of diamond production and sales
 - Artisanal mining cadaster
 - Reform of the production and reporting notebook
- Improve livelihoods & mitigate environmental damage
 - Training and supply of materials; miners supply labor
 - Fish farming, vegetable gardens, tree farms, soap making
 - Diamond valuation training
- Improve access and availability of information
 - Radio campaign
 - Poster distribution
 - Film

Support from Central African Republic (CAR) Government

- Reduction in artisanal mining license fee by 36%
- Establishment of GIS Unit within Ministry to manage mining cadaster
- Endorsement of PRADD methodology
- Issuance of PRADD certificate



PRADD has helped the CAR *Government*:

- Improve tracking of diamond production and sales
 - 1,866 mining claims entered into GIS database
- Increase the number of legal miners
 - By mid-2011 reached 103% of 2010 total
- Increase legal diamond production
 - Production tripled from 4.1% in 2009 to 14.7% in 2011
- Increase revenue from diamond exports and licenses
 - Additional \$136,000 in revenue generated
- Comply with the KPCS
 - Compliance efforts acknowledged by KP chairman

PRADD has helped CAR *mining communities*:

- Increase security of land and mineral rights
 - 1,866 property rights certificates delivered
- Mitigate environmental damage
 - Over 425 mining sites rehabilitated
- Diversify incomes through alternative livelihoods
 - \$11,000 in extra income generated this past year
- Reduce resource disputes
 - Conflicts reduced from 142 to only 4 after 2 years
- Better understand mining laws
 - 81.7% of miners now intend to rehabilitate their sites

Thank you

