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# ASSISTANCE TO CÔTE D'IVOIRE FOR KIMBERLEY PROCESS COMPLIANCE

FINAL REPORT  
(MARCH–JUNE 2013)



JUNE 2013

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**COVER PHOTO:**

The Ivoirian delegation at the Kimberley Process Intersessional in June 2013. From the right, Ibrahim Coulibaly, Director of Mining Development at the Ministry of Mines; Fatimata Olemou Thes, Kimberley Process Permanent Secretary of Côte d'Ivoire; and Terah U. DeJong, technical adviser to the Kimberley Process Secretariat of Côte d'Ivoire.

Photo by Mvogo Kisito

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**DISCLAIMER**

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.



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# ACRONYMS AND ABBREVIATIONS

ADIC	Administrative Decision on Internal Controls
ADPA	African Diamond Producers Association
ASM	Artisanal and Small-Scale Mining
CFA	Currency in Côte d'Ivoire ( <i>Communauté Financière Africaine franc</i> )
DD	Local Mining Department ( <i>Direction départementale</i> )
DGD	Customs Directorate ( <i>Direction Générale des Douanes</i> )
DGMG	General Mining Directorate ( <i>Direction Générale des Mines et de la Géologie</i> )
E3	Economic Growth, Education and Environment (USAID)
EITI	Extractive Industries Transparency Initiative
ESF	Economic Support Fund
EU	European Union
FOCDI	Friends of Côte d'Ivoire
GIA	Gemological Institute of America
GPMCI	Ivoirian mining industry group
GVC	<i>Groupements à Vocation Coopérative</i> (village-based mining cooperative)
IQC	Indefinite Quantity Contract
LSM	Large-Scale Mining
KP	Kimberley Process
KPCS	Kimberley Process Certification Scheme
KPPS	Kimberley Process Permanent Secretariat
MEF	Ministry of Economy and Finances
MMPE	Ministry of Mines, Petroleum and Energy
PLACE	Prosperity, Livelihoods and Conserving Ecosystems
PRADD	Property Rights and Artisanal Diamond Development
PRRGP	Property Rights and Resource Governance Program

SEEPMP	Precious Stones Evaluation Service ( <i>Service d'Expertise et d'Evaluation des Pierres et Métaux Précieux</i> )
SODEMI	State Society for Development of the Mining Industry ( <i>Société pour le Développement Minier de la Côte d'Ivoire</i> )
SPRPK-CI	KP Permanent Secretariat in Côte d'Ivoire ( <i>Secrétariat Permanent de la Représentation du Processus de Kimberley en Côte d'Ivoire</i> )
UN	United Nations
UN GoE	United Nations Group of Experts on Côte d'Ivoire
USAID	United States Agency for International Development
USG	United States Government
USGS	United States Geological Survey
WGDE	Working Group of Diamond Experts (Kimberley Process)
WGM	Working Group on Monitoring (Kimberley Process)



# 1.0 INTRODUCTION AND BACKGROUND

Public Law 108-19, The Clean Diamond Trade Act, provided the authority for the short-term technical assistance for Kimberley Process (KP) compliance provided to the government of Côte d'Ivoire between March and June 2013. Section 9 of the law states: "The President may direct the appropriate agencies of the United States Government to make available technical assistance to countries seeking to implement the Kimberley Process Certification Scheme."

The Kimberley Process Certification Scheme (KPCS) came into effect in 2003. It is neither an international treaty nor a multilateral organization. It is a voluntary agreement that functions as a tripartite alliance of representatives from the diamond industry, civil society, and the governments of diamond-producing and trading countries to combat the trade in conflict diamonds. There are 54 members, representing 80 countries, with the European Union (EU) and its member states counting as an individual participant. The KPCS is chaired on a rotating basis by participating countries. The 2013 Chair is the Republic of South Africa.

Under the terms of the KPCS, only diamonds certified as originating from conflict-free areas and sealed in tamper-proof containers at the point of export are traded among KPCS members. Participating states must enact laws to meet the KPCS minimum requirements. Member states must designate the national institutions responsible for export, import, and internal controls. Finally, they must commit to the exchange of statistical data as well as periodic review missions.

Côte d'Ivoire has been a member of the Kimberley Process since its founding, and was on its way to becoming KPCS-compliant, having prepared its Certificate and changing national laws to meet minimum requirements. Unfortunately, internal instability has prevented the country from achieving this goal. The instability has long roots, but became a long-term crisis in September 2002, when an army mutiny transformed political disputes into a rebellion, resulting in the country's splitting into a rebel-held north and a government-held south. Natural resources were a key factor in funding the conflict. During much of the decade, zone commanders in the north profited from a number of natural resources, including diamonds. Although the government in the south attempted to control the situation by banning diamond sales in 2003, this did not stem the flow of conflict diamonds.

After international advocacy raising awareness of the situation, the United Nations (UN) Security Council extended its sanctions against Côte d'Ivoire in December 2005 to include a provision banning member states from importing its rough diamonds. One month prior, the Kimberley Process pre-empted this ban by instructing its participant countries on steps they should take to prevent Ivoirian diamonds from entering their supply chains. The UN embargo remained in effect since its adoption and was most recently extended through April 30, 2014 in resolution 2101 (2013). Importantly, paragraph 6 confirms the sanctions committee's "readiness to review measures in light of progress made towards Kimberley Process implementation."

In 2010, a group of countries created the Friends of Côte d'Ivoire (FOCDI) to help the Ivoirian government move towards KPCS compliance and the lifting of the embargo. The FOCDI group includes the United States, the European Union, Canada, Belgium, United Kingdom, Brazil, Ghana, and the Republic of South Africa. After the post-electoral crisis of 2010–2011 and the ending of the civil war in April 2011, the new government has continually made its case that the UN sanctions are no longer

justified. However, the UN Group of Experts on Côte d'Ivoire (UN GoE) called into question the government's ability to control diamond-mining zones, among other concerns. In 2012, the KP endorsed an implementation and peer review checklist to break down and measure Côte d'Ivoire's progress towards re-establishing internal controls and all other KPCS requirements. In August 2012, ambassadors representing the FOCDI countries visited diamond-producing areas and offered advice to the Ivoirian authorities on how to achieve these requirements. FOCDI representatives deployed a field mission in September 2012. During both visits, the KP Permanent Secretary requested technical assistance from FOCDI. A month later, in a letter to the Minister of Mines, KP Chair Ambassador G. Milovanovic recommended the deployment of a short-term Technical Adviser to help Côte d'Ivoire prepare and implement a roadmap towards implementing minimal elements of the peer review checklist.

In cooperation with the US Department of State, the United States Agency for International Development (USAID) Economic Growth, Education and Environment (E3) Land Tenure Division responded favorably to this request for technical assistance. Funding came from Congress's annual Economic Support Fund (ESF) appropriations. Tetra Tech implemented the assistance as part of the Property Rights and Resource Governance Program (PRRGP) Task Order under the Prosperity, Livelihoods and Conserving Ecosystems (PLACE) Indefinite Quantity Contract (IQC).

The KP Adviser arrived in Abidjan in March 2013 and was embedded in the KP Permanent Secretariat in Côte d'Ivoire (*Secrétariat Permanent de la Représentation du Processus de Kimberley en Côte d'Ivoire* [SPRPK-CI]), which though inter-ministerial is housed at the Ministry of Mines, Petroleum and Energy (MMPE). The primary objective of the assistance was to assist the Secretariat develop and implement a roadmap toward KP compliance. In addition, the Adviser was to assist the government adopt best practices for management of the sector, which is primarily artisanal in nature, such as those laid out in the KP's 2012 Washington Declaration. His task was also to help coordinate various offers of assistance, primarily from FOCDI member countries. However, the role of the Adviser was not to directly implement any specific programs or measures. The assistance completed on June 28, 2013 and this report constitutes its final deliverable.

# 2.0 SUMMARY OF MAJOR ACCOMPLISHMENTS

Over the course of 15 weeks, the KP Technical Adviser contributed to the achievement of the following results:

- Designed a detailed work plan with 59 actions taking into account all elements of the KP peer review and implementation checklist and adapted to Ivoirian institutional realities.
- Designed a work plan monitoring matrix to help the Secretariat track implementation and communicate progress. By the end of June, 46 of 60 tasks were completed or nearly completed (see Annex IV).
- Strengthened the Secretariat's operational capacity through drafting bylaws, adopted in March, and drafting terms of reference for five ad hoc inter-ministerial working groups.
- Moderated all technical working groups and a national workshop on the Ivoirian mine-to-export KP compliance procedures, which the government completed and adopted in May and updated in June.
- Identified 37 regulatory changes necessary to codify KP procedures. By June, legal documents were fully adopted for 7 changes and drafted for 21 others.
- Engaged in consultations on a diamond stockpiling plan; and, once risks became apparent, successfully steered decision-makers toward focusing solely on KPCS compliance.
- Discussed and drafted ministerial decrees and a work plan allowing the national mining company State Society for Development of the Mining Industry (*Société pour le Développement Minier de la Côte d'Ivoire* [SODEMI]) to re-launch its successful model of support to artisanal miners.
- Produced weekly briefs for United States Government (USG) stakeholders and consistently engaged the broader FOCDI group and UN Group of Experts on issues encountered and progress made.
- Assisted the KP Permanent Secretariat to play a role in the mining code revision process by helping formulate recommendations, 12 of which were integrated into the code's proposed text.
- Contributed to Artisanal and Small-Scale Mining (ASM) mining policy (on issues ranging from license fees to conflicts with industrial actors) through dialogue with ambassadors, presidential Advisers, the World Bank, the Mining Minister, and the mining industry, among others.
- Using best practices developed by previous Property Rights and Artisanal Diamond Development (PRADD) programs, assisted ministry officials to design and implement the field registration system, including mining card design, sensitization tools, and fully computerized databases.
- Identified and leveraged funding opportunities, including writing a successful World Bank grant proposal, as well as pending proposals to the governments of Belgium and South Africa.
- Assisted the KP Permanent Secretary present progress at the KP Intersessional in an effective and compelling manner, resulting in the decision to send a KP review visit in October.

# 3.0 DETAILED DISCUSSION

Annex II offers a summary of the key actions and events of this technical assistance provided by the USAID Land Tenure Division through the Property Rights and Resource Governance Program. The detailed discussion that follows, however, is not organized chronologically but around these themes:

- The five key elements of the support strategy;
- The political, policy, and institutional environment; and
- An analysis of challenges and opportunities moving forward.

## 3.1 KEY ELEMENTS OF SUPPORT STRATEGY

The Adviser based the assistance strategy on two assumptions. First, he assumed that the government of Côte d'Ivoire, insofar as it can be conceived as a whole, did not lack the political will to become compliant with KPCS. This assumption was not without its question marks and caveats (see the discussion of contextual factors in Section 3.2), but was justified by the Ivoirians having requested the assistance. Second, the Adviser assumed that what the government did lack was practical experience with the KPCS and a clear vision for implementation.

Together these two assumptions implied that the government needed someone to assist them determine concretely what needed to happen, but also someone to support the right stakeholders and thereby catalyze progress. This section describes the five pillars of this approach:

1. The KP Permanent Secretariat's work plan and monitoring matrix;
2. The KP procedural guide;
3. The field launch of internal controls;
4. Legal and regulatory reform; and
5. Partnerships, institutionalization, and information-sharing.

### 3.1.1 KP Permanent Secretariat Work Plan and Monitoring Matrix

In 2012, the Kimberley Process Working Group on Monitoring (WGM) provided Côte d'Ivoire with the KP Implementation and Peer Review Checklist. The checklist compiled all required and optional KPCS provisions from multiple sources, including the KPCS core document, administrative decisions, and technical guidelines. The checklist was intended as a guide for review visits and missions, as well as a tool for KPCS participants and candidates to benchmark their progress.

When this technical assistance began, Côte d'Ivoire's progress as measured by the checklist was limited. Indeed, a strict reading of the checklist suggested that Côte d'Ivoire was stalled: almost two years after the inauguration of the new president, it was still unclear who would value diamonds, which authority issued Certificates, and how miners would be licensed. This state of affairs undoubtedly contributed to the

KP rejecting Côte d'Ivoire's request for a formal review visit at the November 2012 plenary. From the Ivoirian point of view, however, this criticism was unwarranted. They pointed to the following actions:

- The founding of the Secretariat by ministerial decree in May 2012;
- The nomination of its members in September 2012;
- The organization of three workshops focusing on the miners around Séguéla (November 2012), the territorial administration (December 2012), and customs officials (March 2013);
- The presentation of an action plan at the June 2012 Intersessional; and
- The budgeting of \$500,000 to attain KPCS compliance in a strategic plan.<sup>1</sup>

The Ivoirian government felt that these actions were not recognized, and could not understand why the UN GoE concluded that “progress remains limited.”<sup>2</sup> Meanwhile, everyone from diamond miners to the president grew impatient.<sup>3</sup>

In this environment of degenerating trust, the Adviser prioritized a rapid demonstration of technical progress and improved communication. To achieve this, the Secretariat needed to develop and implement a detailed work plan covering all elements of the KPCS checklist. The work plan needed to fulfill two functions:

1. Operationalize the KPCS checklist in a clear and concrete manner; and
2. Create shared understanding between international partners and the government on what constitutes progress.

The drafting, discussion, and adoption of the work plan took two weeks. On April 2, the Secretariat agreed to 65 actions set for specific dates, and presented this work plan to the FOCDI during a teleconference on April 11, 2013. The actions were organized in the seven categories summarized in Figure 3.1.

**Figure 3.1: Organization of KP Permanent Secretariat Work Plan**

Category	Number of Actions
Kimberley Process Certificate	7
International trade in rough diamonds	6
Internal controls	26
Cooperation and transparency	3
Statistics	4
Cross-cutting priorities	5
Strategic operation of Secretariat	14

To complement the work plan, the Adviser also prepared a monthly monitoring matrix template. The exercise of filling out the template encouraged the Secretariat to assess its progress and identify next steps. The matrix also helped bridge the communication gap between the Secretariat and outside stakeholders. Indeed, the achievement of 56 percent of all tasks by the Intersessional helped convince the EU that Côte d'Ivoire was finally ready for a review visit. Similarly, the increase to 60 percent completion by the end of June (see Annex IV), with an additional 15 percent of tasks nearly completed, will allow the WGM to justify its decision to schedule the visit before the KP Plenary.

<sup>1</sup> The strategic plan was developed by an outside consultancy and acquired by the UN GoE diamond expert.

<sup>2</sup> UN Security Resolution S/2013/228, Final Report of the Group of Experts on Côte d'Ivoire pursuant to paragraph 16 of Security Council Resolution 2045(2012), p. 39.

In a positive sign of appropriation by the Secretariat, members identified in May the weaknesses in the work plan, such as obsolete tasks and unclear formulations. The Secretariat fixed these errors and decided to revise the work plan completely, showing a proactive Secretariat using the work plan as a dynamic management tool.

### 3.1.2 KP Procedural Guide

The development of procedures—from KP Certificate issuance to miner registration—was the second pillar of the assistance strategy. Just as the work plan set the parameters for the Secretariat’s work, the procedures set the parameters for all Ivoirian stakeholders to implement KPCS. In other words, the procedures were the precondition for action. The process of drafting the procedures fostered critical thinking, debate, and cooperation, and this helped move the KPCS compliance process from generalities to specifics. In addition, the collaborative process enhanced ownership over the product by those who will implement its provisions.

The Adviser’s role in this process combined facilitation, coordination and technical advice. In the first week of this assistance, the Secretariat established five ad hoc working groups (see Figure 3.2) with terms of reference drafted by the Adviser.

The working groups brought together technicians to draft procedures in their area of authority. During April, the groups met over 10 times. The Adviser facilitated most meetings: challenging assumptions, offering examples from other countries, and providing opinions on controversial or important issues.

**Figure 3.2: KP Permanent Secretariat Ad Hoc Working Groups**

Working Group	Group Title
WG1.	Customs, Certification and Valuation
WG2.	Registration, Stockpiling, and Sales Tracking
WG3.	Internal Controls
WG4.	Statistics and Geo-referencing
WG5.	Diamond Development Policy

Three examples of these contentious issues illustrate how delicate and important the process was. The first concerned a clear divergence, when it came to miner registration procedures, between pragmatists and legalists. Legalists favored complex rules, higher fees, maximum restrictions, and high levels of state involvement. For example, the departmental directors wanted to require each small-scale miner to get an official stamp from them every month. In addition, miners’ cards would only be valid for their village of origin. These views sometimes reflected ideological differences on the role of the state, while other times reflected bureaucratic positioning, since more rules increases a particular division’s importance and therefore its chances of capturing resources.

Pragmatists like SODEMI field agents with deep field experience counter-balanced these views. They argued that cumbersome regulations would prevent efficient and broad-based registration. For example, requiring highly mobile miners to get multiple professional cards for every village they worked near did not make sense. While giving a voice to all views, the Adviser weighed in at critical points in favor of the pragmatists. For example, the Adviser shared experiences from the PRADD program in the Central African Republic that clearly showed the power of fiscal and policy incentives to increase miner formalization.<sup>4</sup> As a result, the pragmatists won out on many issues: miner cards are affordable (\$10 per year, and free in the pilot phase) and registration procedures are simple. In these ways, the Adviser’s primary role of dialogue facilitation among decision-makers was balanced by his influence and expertise gained from experience with other USG programs.

<sup>4</sup> A modest reduction in the price of the mining license or *patente* led to an almost doubling of registered miners between 2010 and 2013. See PRADD Quarterly Progress Report (October–December 2012), p. 11.

A second contentious issue surfaced around who had the authority to value and seize diamonds. Both the MMPE and the Customs Directorate (*Direction Générale des Douanes* [DGD]) claimed that this was its domain, and had legal reasons to make their cases. These discussions were delicate: they reflected both bureaucratic territorialism and an understandable concern about who gets revenue.<sup>5</sup> In working groups and side meetings, the Adviser continually pushed the two sides to address these questions, which groups often preferred to avoid, while also offering solutions and technical advice. In the end, they reached a solution: customs ceded the right to value diamonds, provided its valuers were on the roster of “independent valuers.” In addition, diamonds seized at borders were to be under customs controls whereas diamonds seized elsewhere under the MMPE. In this way, the Adviser helped facilitate negotiation across ministries that often neglect to communicate or collaborate.

A third example of a contentious issue was the so-called SODEMI model. As described below in the adapted excerpt from the KP Permanent Secretariat’s June 2013 information bulletin (see Figure 3.3, next page), the national mining company SODEMI ran a successful partnership program with nearly two dozen village-based cooperatives from 1986 to 2002. The model was progressive: SODEMI not only tolerated ASM on its mining concessions, but deployed field agents to help miners improve their techniques and ensure a fair price for their diamonds. In exchange, miners stayed away from primary deposits while SODEMI conducted research on their potential. However, while everyone from diggers to the UN GoE wants to see the model start again, the legal grounds for it were questionable. Indeed, under the 1995 mining code, ASM cannot occur on industrial concessions, since they are different permits. The mining code revision process provided an opportunity to both create a legal basis for the model and to create the option of adapting the model for other situations, such as ASM gold.

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<sup>5</sup> Revenue from valuation fees but also proceeds from auctions of confiscated diamonds.

### Figure 3.3: The SODEMI Model of Artisanal and Small Scale Mining—Large-Scale Mining (ASM-LSM) Cohabitation

(Adapted from the KP Permanent Secretariat June 2013 Newsletter)

In 1986, the Ivorian government asked SODEMI, in response to the chaotic and conflict-ridden state of artisanal diamond mining, to put in place a partnership program with small-scale miners inside its diamond exploration permit.

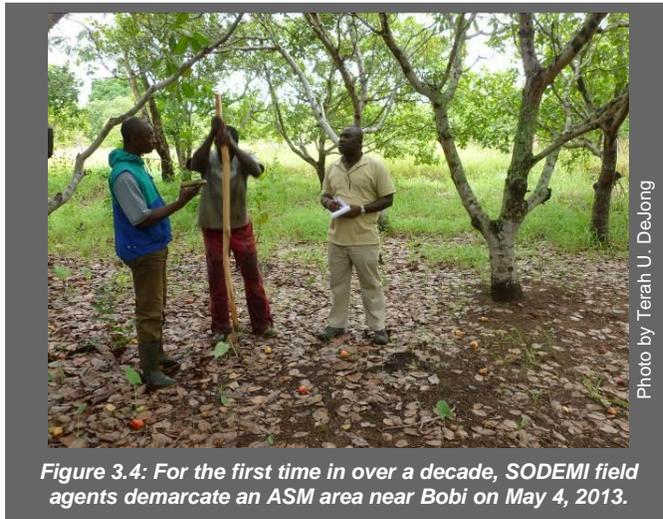


Figure 3.4: For the first time in over a decade, SODEMI field agents demarcate an ASM area near Bobi on May 4, 2013.

The resulting partnership model was an innovative and pioneering step toward mutually beneficial relationships between large and small-scale mining actors. For nearly 20 years, SODEMI collaborated with 22 village-based cooperatives (GVCs) by setting aside areas allowed for artisanal mining. The main incentive for SODEMI, beside the mission conferred by the state, was to end the destruction of kimberlitic primary deposits that the company hoped to one day exploit industrially.

Under the model, all diamond sales were organized by the GVCs. Watchmen from each GVC, paid from a percentage of sales proceeds (5 percent), would monitor all gravel washing and take every diamond immediately following discovery, noting the name of the worker that found it. Next, the mining worker would negotiate his price with a diamond collector or

his financier in a public setting that included the village and chief, the board of the cooperative, and SODEMI agents. Finally, the GVC would levy a tax for community development (12 percent) and SODEMI would take a tax on behalf of the state (3 percent). Unfortunately, the political crisis that began in 2002 forced SODEMI to halt its research activities as well as its partnerships. As a result, anarchy reigned during the decade, leading to the destruction of several primary deposits like the Bobi dike.

Today the government is reestablishing order. Under conditions set by ministerial decree, SODEMI has begun its role as a partner with reconstituted cooperatives, all in compliance with the KP procedures established by the Permanent Secretariat. SODEMI will soon sign updated partnership agreements with 20 cooperatives. The KP Permanent Secretariat approves the agreements. In addition, SODEMI will have the right to levy a modest tax (up to 8 percent) on all sales in order to finance the costs of supervising mining in its zones. (SODEMI will no longer collect taxes on behalf of the government.) In the meantime, SODEMI will continue to pursue its research objectives with the possibility of industrial or semi-industrial production later.

The Ivorian government is currently considering how to codify this model in the law through a provision in the new mining code draft. This could lead to the model's extension to other areas and other minerals, especially gold. The Ivorian mining industry group (GPMCI) has already responded favorably to this idea, though further reflection is needed. In light of the conflicts that often plague ASM-LSM relationships, the experience of SODEMI is relevant as a possible solution to this important problem.

As far as the Kimberley Process is concerned, the main advantage of the SODEMI partnership model is that everyone has the incentive to work in a legal and transparent manner:

- SODEMI ensures that artisanal miners only work in legal designated zones away from primary kimberlitic deposits.
- SODEMI ensures that a fair price is paid during sales, since higher prices will lead to higher tax revenue, and higher prices to miners leads to less smuggling.
- Cooperatives have the incentive to control mining activity and ensure that sales are conducted through them, since their share of sales proceeds is at stake.
- Finally, mining workers have the incentive to register since this gives them access to mining areas.

These incentives encourage formalization and ultimately improve more effective internal controls, which is the core of the KP Certification Scheme.

The Adviser adopted a cautious approach on this issue, since revising the code to allow the SODEMI model would have implications beyond diamonds. The first step was raising the issue in Working Group

5, where KP-related mining code recommendations were discussed (see Section 3.1.4, Legal and Regulatory Reform). The discussion was framed on options for giving the SODEMI model a legal basis. Positions were divergent: SODEMI supported changing the code, the KP Permanent Secretary was concerned it would upset the mining industry, and others preferred the status quo whereby SODEMI operated as an exception to the rule.

Working Group 5 eventually opted to propose the article in the new code draft, and this was among the recommendations adopted by the KP Permanent Secretariat. As a result, the draft KP procedures explicitly mentioned the SODEMI model as an acceptable way for ASM to occur under certain conditions. Debate resurfaced at the procedures validation workshop, however, when several new stakeholders objected. Side discussions were organized over lunch so as not to derail the procedures process, and eventually the group reached consensus. In the following weeks, the provision was integrated into the mining code draft that is currently with the prime minister. As a whole, these three anecdotes show how the process of moving towards KPCS compliance touched on delicate and far-reaching policy questions, and writing the procedures played a role in bringing these questions to the surface.



The procedures themselves were the ultimate goal, and this was achieved on May 7 after a weekend workshop with over 20 participants. The KP Adviser worked as lead technical writer, in addition to facilitator, and all participants actively worked together to compile and finalize the contributions of each working group. The adopted procedures were then distributed widely and the Cabinet Director of the MMPE unveiled them on May 13 at the African Diamond Producers Association (ADPA) workshop opening ceremony. While several gaps in the first version were not resolved until the second version (adopted on June 26), the May 7 adoption was a key accomplishment. It created the framework for the legal reform and field activities that followed. In addition, the culmination of six weeks of hard work built a sense of momentum and pride, which helped carry the KPCS compliance process forward to the field launch and beyond.

### **3.1.3 Field Launch of Internal Controls**

Timing played a key role in successfully launching miner registration and production and sales tracking. In late March, ADPA requested that Côte d'Ivoire host a special workshop on ASM in Abidjan. The choice of venue was deliberate, as the ADPA wanted to demonstrate its solidarity with the Ivoirian bid to lift the sanctions. The Adviser saw an opportunity to time the launch of KP procedures and their implementation in the field with the conference, and recommended that it be held between May 13 and 17, several weeks before the KP Intersessional. In addition, the Adviser encouraged the Ivoirians to invite ADPA delegates to Séguéla to witness the launch of registration and traceability systems. This timing placed positive pressure on the government to move quickly in adopting procedures and ensuring that its guests from 18 countries saw substantive results. In addition, the timing also allowed leveraging funds for the registration drive earmarked for the conference.



Figure 3.6: The ADPA Executive Secretary delivers a miner card in the presence of a South African diplomat and other dignitaries.

Photo by Terah U. DeJong

This strategy was successful: the ADPA delegates and mining communities shared what was essentially the end of an era of mining in the shadows of a decade-long political crisis. Concretely, the launch consisted of small distributions of mining worker registration cards, diamond collector cards, production and sales tracking notebooks, and sales slips. However, the effect of the event went beyond this, as it was a turning point and an important moment of solidarity.

Following the departure of the delegates, the Adviser and KP

Permanent Secretary stayed on to continue setting up systems. Drawing upon best practices from PRADD in the Central African Republic and Liberia, the Adviser assisted regional mining authorities on everything from the logistics of registration to sensitization of villagers. A particularly promising element was the integration of fully computerized databases into the registration and tracking process. Thanks to a skilled and hard-working head of the ministry's precious stone valuation service (*Service d'Expertise et d'Evaluation des Pierres et Métaux Précieux* [SEEPMP]), miners and collectors will all have unique identification numbers that will allow a seamless tracking of declared production and sales. By the end of June, 118 collectors and 546 mining workers received their mining worker cards and were entered into the registration databases. In addition, by the end of June, one village started reporting production, and these 35 carats were officially recorded in the database.

Importantly, the government only launched these systems up to the point of first sale, meaning that after collectors buy diamonds from village cooperatives, the government will not trace the stones. The KP Adviser was present when the KP Permanent Secretary officially informed collectors of this key decision, which was subject to long internal debate. At stake was whether the government should wait until the lifting of the UN embargo before launching its field systems or go ahead while risking the perception of indifference to smuggling. The Adviser discussed the government's decision in dialogue with FOCDI, the UN GoE, and other stakeholders, and supported the decision while also recommending certain measures to ensure its legality, laid out in a ministerial decree.<sup>6</sup>



Figure 3.7: Miners near Bobi show their new registration cards.

Photo by Terah U. DeJong

<sup>6</sup> The decree, signed on May 30, requires that tracking and ID documents contain disclaimers stating that these documents do not replace the need for licenses and permits.

Concurrently to the registration and production launch, SODEMI began to re-establish itself by delimiting ASM zones for the two most active village-based cooperatives, with all necessary GPS coordinates. The launch was limited to the SODEMI zones in part because of their long-term involvement with these communities before leaving in 2002. Other zones like Tortiya will require attention before a KP review visit, as launching there will be more challenging.<sup>7</sup> In the meantime, establishing ASM zones offers a legal basis for the miners' presence.

The path to re-launching SODEMI's other activities—like playing a role in ensuring fair sales—has been less straightforward. SODEMI has been slow in sending its agents to Séguéla despite requests from the Ministry. The main reason cited has been their lack of valid exploration permits, which provide secure legal rights. Without these rights, SODEMI could not justify to its board of directors spending money on the concession. Applications for permits were delayed in the Council of Ministers for a number of months before finally being signed by the president on June 12. The permits were delayed in part because, when combined with other permits the company had, they would have exceeded the three permits any company can hold at one time. Because of the Kimberley Process, the President granted SODEMI an exception.

Two other elements were needed to facilitate SODEMI's work: a ministerial decree and a roadmap approved by the KP Permanent Secretariat. The Adviser strongly encouraged the Secretariat to draft such a decree, as it was needed for the Secretariat to exercise oversight over SODEMI's activities, and important since these zones account for most of Côte d'Ivoire's production. The Adviser also saw the need for the decree when SODEMI gave indications that it sought to purchase diamonds, which would mark a radical departure from the model described above. Safeguards were needed to protect against conflicts of interest and possible abuses, such as the risk of creating a de facto or real monopoly on Ivoirian diamonds if SODEMI bought most production in its zones. This would be harmful for a number of reasons, not least of which was the fact that it would arguably increase the chances of miners selling on the illicit market to avoid monopolistic prices.

Discussions occurred which recommended that the decree prevent SODEMI from buying diamonds. This resulted in considerable pushback from SODEMI. After a number of long meetings, compromise was reached: SODEMI could buy only if it separated its partnerships with cooperatives from its buying activities, and it could not establish exclusive buying relationships. While this still leaves in the possibility of conflict of interest down the line, it avoided major risks.

The final piece of restarting SODEMI's field presence was the roadmap, requested by the Director General of SODEMI to present to his board of directors. The Secretariat asked the Adviser to work with SODEMI on a plan. They drafted a plan, subsequently adopted on June 26. Priority actions include completing all delimitation, sending agents to all sales, and providing technical advice to miners. All the pieces were now in place for SODEMI to play a central role in ensuring that the internal controls of the KPCS.

Consolidating this progress remains the biggest area of work as Côte d'Ivoire moves toward compliance. A number of issues will be touched upon below, including next steps and management challenges in the MMPE. However, in the context of this technical assistance, the extent to which the procedures were translated into concrete action on the ground affirms that the government has both the political and the capacity to implement and sustain such actions. It also raises hopes that these efforts were not a one-time show, but will become standard practice in the coming months.

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<sup>7</sup> Since mining workers can only get cards if under a valid diamond mining permit, re-launching in Tortiya will take some time, as there are currently no valid ASM permits for diamonds in Côte d'Ivoire.

### 3.1.4 Legal and Regulatory Reform

Just as the procedures need translation into meaningful action on the ground, they also need integration into relevant laws and regulations. While strictly speaking, Côte d'Ivoire probably already meets KPCS minimum requirements on paper (see Annex IV for a list of existing laws), legal and regulatory reform was a key pillar of the assistance strategy, especially in light of the KP procedures and the mining code revision process.

The legal issues encountered while developing the KP procedures were challenging, mainly because it was unclear to what extent the procedures should precede the laws or the laws precede the procedures. In reality, the process went both ways: the procedures took into account a number of laws and regulations, but the Adviser also encouraged stakeholders not to *limit* themselves to existing law. The reasons for this were three-fold:

- First, certain minimum KP requirements absolutely needed a regulatory change, such as setting the export tax for diamonds.
- Second, the assistance coincided with the mining code revision process, which was an opportunity that generally occurs once a decade.
- Third, the Adviser encouraged stakeholders to conceive the best system of internal controls possible, based on their experiences and the experiences of other countries.

This meant that not all changes identified or made were strictly necessary for passing KPCS, but were necessary to implement the Ivoirian vision for diamond governance as formulated during the process of writing the procedures (see Annex V for a graphic presenting this vision).

The procedures were the basis for determining what laws and regulations to change. Immediately following the completion of the first draft, the Adviser analyzed the text to see whether existing law covered each provision. If changes were needed, workshop participants then decided what type of changes were appropriate, given their understanding of the Ivoirian administrative system. In all, 37 regulatory changes were identified, which were then classified into 10 different legal or regulatory instruments (see Annex IV). These ranged from the mining code and its application decree to administrative decisions at a directorate or sub-directorate level. This exercise allowed for a systematic approach toward regulatory reform.

By the end of June, progress in enacting these changes was encouraging, though incomplete. Of the 37 changes identified, 7 changes are fully adopted, 21 changes are taken into account in drafted documents, and there has been no action on the remaining changes. In terms of the mining code, all KP-related recommendations were integrated into the proposed text, although the application decree has yet to be written. As noted above, the Mining Minister signed two legal decrees that legalize certain aspects of the procedures, such as the fact that mining worker cards are free in 2013. In addition, a presidential order setting all taxes and fees related to the traceability system has been drafted, approved by the Minister, and is currently in the pipeline at the government General Secretariat. On the customs front, a directorate-wide administrative decision is being drafted, in addition to a sub-directorate service note.

The mining code revision process deserves a few more words, given its evolution during the Adviser's presence. At the beginning of the assistance, differences of opinion were apparent between higher levels of the government and the MMPE, especially when it came to the speed of the process and to the extent that the Ministry's proposed draft offered an attractive and clear tax regime to investors. Numerous actors expressed concern at a very high level about the lack of involvement of the mining industry. As a result of pressure from the top, the Ministry was increasingly sidelined, especially after the President asked the Prime Minister to take over the process. At the end of May, under pressure from the World Bank and possibly the Presidency, the Mining Minister submitted a formal request asking for external facilitation of

the process. While this request was accepted, it has not yet materialized, and work on the code continues in the meantime.

The Adviser made sure to approach the revision process through the auspices of the Secretariat. Rather than propose mining code recommendations directly as an Adviser, he sought to facilitate a process whereby the Secretariat proposed recommendations to the MMPE. This approach was necessary due to the sensitive nature of the revision, and the risk that the Adviser’s words could be erroneously construed as representing the views of the United States or the Kimberley Process. This also ensured that once the technical assistance ended, the recommendations remained documented.

Therefore, in April, the Adviser formulated 25 recommendations for the mining code based on stakeholder discussions, his own analysis of eight other mining codes from diamond-producing countries, and consultations with home office experts on the subject. These recommendations were then debated in Working Group 5, as mentioned above, and were eventually consolidated to around 20 recommendations. Finally, these recommendations were debated by the full Secretariat, around the time that the procedures were adopted, and resulted in a total of 12 recommendations for the code. These recommendations were then formally adopted by the Secretariat and passed on to the mining code revision committee. As a result, the KP Permanent Secretariat was able to speak with one voice as a stakeholder to the revision process and present a formal document that will preserve the recommendations should the revision process take another turn with the World Bank.

While the Secretariat did not authorize the circulation of this document beyond the MMPE, it did authorize the Adviser to speak to its contents, summarized in Figure 3.9. By the end of the assistance, all of the recommendations related to the mining code were integrated into the draft. The application decree revision process had not yet begun.

**Figure 3.9: Summary of KP Permanent Secretariat Mining Code Recommendations**

<i>Recommendations for the mining code</i>	<p>These recommendations included the following modifications:</p> <ul style="list-style-type: none"> <li>• Changing the definition of the Kimberley Process and KPCS;</li> <li>• Requiring all diamond production and sales to conform to the KPCS; and</li> <li>• Allowing a mineral concessionaire to permit structured and organized ASM activity inside their concessions.</li> </ul> <p>In addition to these recommendations, a Justice Ministry adviser worked with the MMPE to add three additional articles related to KP aimed at:</p> <ul style="list-style-type: none"> <li>• Defining punishments for illegally buying or selling diamonds;</li> <li>• Defining punishments for possessing diamonds without KPCS traceability documents; and</li> <li>• Allowing a court to order the confiscation of diamonds for the aforementioned infractions.</li> </ul>
<i>Recommendations for the mining code’s application decree</i>	<p>These recommendations are more specific and include the following suggested articles:</p> <ul style="list-style-type: none"> <li>• Designation of the KP Permanent Secretariat as the legal body authorized to deliver Certificates;</li> <li>• Permission for non-Ivoirians to be diamond collectors;</li> <li>• Definition of mining worker cards and penalties for not having one; and</li> <li>• Requirement of sales slips for all transactions.</li> </ul>
<i>Other recommendations</i>	<p>These recommendations were not directly concerned with KPCS but they were relevant to its implementation:</p> <ul style="list-style-type: none"> <li>• Remove the term “semi-industrial” from the title of ASM authorizations and instead add “small-scale”; and</li> <li>• Call for the creation of a mining policy declaration that includes provisions specifically related to ASM.</li> </ul>

### 3.1.5 Partnerships, Institutionalization, and Information-Sharing

The final pillar of the assistance strategy involved partnerships, institutionalization, and information-sharing.

#### *Partnerships*

In terms of partnerships, the Adviser identified opportunities to leverage funding and other opportunities to assist and strengthen the Secretariat further. For example, the Adviser pursued valuation training by the Gemological Institute of America (GIA). The dialogue predated the arrival of the Adviser, but continued until it became clear that logistical challenges were insurmountable. As a result, the Adviser reached out to the Belgian ambassador and assisted the KP Permanent Secretary in sending a formal request for assistance. At the time of writing, the request had received a preliminary favorable response, but a formal letter is forthcoming once the Antwerp World Diamond Center completes a proposal. Meanwhile, the Adviser followed up with De Beers, South Africa, Angola, and Botswana on offers to support valuation training, but those are on hold as long as the Belgian option stays open.

The Belgian assistance request also included support to print blank KP Certificates. The Bank of Belgium had done this for Côte d'Ivoire in 2003, but these Certificates went unused. This printing would not occur for a number of months, however, while the KP Certificate format is finalized. Indeed, during the assistance, the Adviser analyzed the Certificate specimen and drafted a list of 15 changes that he then shared with the Chair of the Kimberley Process Working Group on Diamond Experts (WGDE). In his response, the Chair noted that the WGDE is considering updating the technical guidelines for Certificate, and that Côte d'Ivoire should wait before printing new Certificates.

Meanwhile, during a World Bank visit to Abidjan, the Adviser identified a small grant opportunity for the Secretariat to purchase diamond valuation equipment, computers, and GPS devices. This complemented existing efforts to strengthen capacity of the mining authorities. For example, the Ministry had deployed new vehicles to regional offices and designated a budget line to the Secretariat. However, the World Bank grant was seen as an opportunity to go further, as well as to engage the Bank in case a larger assistance program became possible. The Adviser therefore assisted the Secretariat draft a grant proposal for around \$30,000, approved by the Bank in June.

#### *Institutionalization*

While FOCDI and the UN GoE were heartened by the rapid progress during the assistance, they repeatedly raised the issue of sustainability. They worried that the Adviser was doing most of the work and that advances would cease or reverse upon his departure. The Adviser made a conscious effort to address this concern and institutionalize his work through a number of approaches.

First, in formulating the assistance strategy, the Adviser emphasized not just actions themselves but measures that structure actions. The work plan and the procedures are key examples of this, since they are tools that guide and facilitate actions by all KPCS stakeholders. This reflects the fact that sustainability requires both the will of decision-makers and conditions to facilitate their actions.

The importance of the latter became apparent during the assistance. For example, low-level SODEMI agents were ready and eager to get back and start working with the mining cooperatives. However, they could not do it without the orders from their superiors, the Director General of SODEMI could not authorize this without the mining permits and instructions from the MMPE, and the MMPE could not create its instructions without knowing what specific role SODEMI would have in implementing KPCS in its zones. In other words, the KP procedures were essential in creating the conditions for action, irrespective of the will of individual actors. In this way, the procedures and regulatory changes are essential for the institutionalization of the KPCS system, and hence their chances of sustainability. The

Secretariat's bylaws, adopted in March, were created in the same spirit: mainly, to define the roles and responsibilities of all the members.

As for the will of the individual actors, it remains to be seen to what extent they will continue to push things forward. The Adviser did play a role in supporting all of them and, where necessary, exerting pressure. This kind of role is short-lived, however, and only works if it always defers to the independence and sovereignty of all decision-makers.



Figure 3.10: The KP Adviser and KP Permanent Secretariat members discuss the May work plan monitoring matrix.

A second aspect of the Adviser's institutionalization strategy involved introducing and modeling approaches and management tools. The particular style of work planning, borrowed from standard development project management, exemplifies this. The Adviser placed emphasis on explaining its purpose, and making sure that the content came from the Secretariat. In addition, the Adviser would never insert an idea of his own until it reached full agreement. This was important not just to respect the autonomy of the decision-makers, but also because the work plan's content and the work plan as a tool were more likely to be appropriated and therefore last. Achieving this required a delicate

balance between contributing as a full and active member of the Secretariat while consciously stepping back and making the Secretariat take the final decision. This also helped build trust, respect, and positive team spirit.

The Adviser was conscious of the same balance in developing key documents, from the procedures to the Secretariat's bylaws. The Adviser would conduct initial brainstorming sessions, then complete a first draft in order to move things along quickly and show added value. Then the draft would be revised line-by-line in large group settings. This approach proved particularly effective in advancing rapidly while not doing all the work for the Secretariat. The Adviser consciously decreased the amount of work he did for the Secretariat as time progressed. For example, the compilation of different revisions to the procedures in June was not done by the Adviser but by a Secretariat member.

### *Strategic Communication*

The Adviser was in a unique position: embedded in the Ministry, financed by and working closely with the USG, and collaborating closely with other FOCDI members. It was essential in this position to act as a bridge between these different actors. On a practical level, this meant sending the detailed weekly updates to USG stakeholders, which were then adapted for the EU. The updates kept stakeholders informed and raised certain issues that required their attention, such as the SODEMI stockpiling challenge, described below.

The Adviser attempted to convince the Secretariat to enhance communication with the FOCDI and other external stakeholders. To the extent possible, the Adviser encouraged the Permanent Secretary to send the work plan matrices to the EU and UN GoE, even though this sometimes resulted in delays. In addition, the Adviser helped put together a bilingual information bulletin to distribute to stakeholders at the KP Intersessional. Finally, the Adviser helped the Secretariat design sensitization posters for mining

communities, targeted just as much at the communities as at the outside stakeholders visiting the areas and evaluating government actions.

Strategic communication by the Adviser was also needed in bridging certain knowledge gaps. As mentioned above, the growing frustration toward the beginning of the assistance was due in part to communication issues. The Secretariat thought that it was taking concrete steps towards KPCS in organizing workshops, but outside stakeholders saw these as not very substantive. The development of the work plan matrix was important in defining a shared understanding of what constituted real action.

## **3.2 INFLUENCE OF THE POLITICAL, POLICY, AND INSTITUTIONAL ENVIRONMENT**

The successes and roadblocks encountered during this technical assistance were embedded in Côte d'Ivoire's political, policy, and institutional environments. Certain features of these contexts with examples of their effects on the assistance are presented below.

### **3.2.1 Political Context**

While a full discussion of the Ivoirian political context is beyond the scope of this report, three elements are worth highlighting. The first is the Ivoirian President's vision of economic growth driven by foreign investment. This is crucial in understanding the high-level buy-in for lifting the UN embargo, despite the fact that diamond exports represent an infinitesimal part of the Ivoirian economy. In short, the government is less motivated by the lost revenue from diamonds but instead is driven by the indirect effects of the sanctions. At a time when the President hopes to attract a maximum amount of foreign investment, the status as the only country in the world with a UN embargo against diamonds does not help their case of a country on the rise.

Of course, this fact was the same two years ago, which raises the question of why this technical assistance appeared to be aided by an unusual amount of political buy-in. Indeed, lifting the embargo has been a priority for some time, but compared with last year, the issue is now pressing. Until January, other priorities dominated, but as the sanctions persist, frustration has mounted—both with the United Nations and internally—and a sense of urgency is now emanating from the top.

The reason was that the UN embargo was becoming a political problem for the President, since continued sanctions nearly two years into his presidency undermined his political platform. At least one ambassador recounted having warned the President of this likelihood back in 2010, and by early 2013, this seemed to be becoming the case. This technical assistance was fortuitously timed, since it allowed the MMPE to show that it was moving forward with extra speed. In addition, human and financial resources were much easier to mobilize in this context. As a result, typical challenges in government assistance—such as getting people to attend meetings—were not issues.

The moving towards Extractive Industries Transparency Initiative (EITI) compliance was also a contributing factor in creating this urgency. The deadline for EITI compliance was May 30; in light of the government hoping to build the mining sector and rise in the ranks of countries in terms of its investment attractiveness, pressure to finish the EITI process was strong and followed closely by the Presidency. The Kimberley Process was viewed as similar to EITI, despite its many differences, so KP compliance benefitted from the EITI deadline.

The second element of the Ivoirian political context is its post-conflict nature. Indeed, Côte d'Ivoire remains fragile, with sporadic outbreaks of violence often linked to supporters of the ex-President. Uncertainty surrounds the 2015 elections; as the latest UN GoE report noted, there is evidence of troublesome activities, including profiteering and worse by former zone commanders, though no evidence since 2008 to link the commanders specifically to diamonds.

Indeed, the Adviser was unable to uncover even rumors of links to armed groups. While he was repeatedly warned of pushback from those with vested interests, this did not occur. On the contrary, buy-in by multiple sections of the government was impressive. This does not mean those interests do not exist, as the UN GoE has pointed out in its reports, but it does mean that suspicions by some that the Ivoirian government is “dragging its feet” on diamonds because of involvement by zone commanders does not appear accurate.

What is true is that a smuggling network is in place and continues to export diamonds. The Adviser did not observe resistance from actors in those networks, but this was because these interests are not yet directly threatened, as the government has limited its oversight to collectors and not beyond. However, as the country moves towards lifting the embargo, a backlash may emerge. In the view of the government, however, most of these actors are relatively easy to co-opt or remove, in part because the diamond economy has less weight than it once did, as smugglers have shifted to gold.

The third and final political factor concerns the diplomatic consequences of mounting frustration against the UN sanctions. Indeed, there were numerous indications throughout the technical assistance that a number of countries, especially those in the ADPA, were ready to use lobbying and mount a diplomatic offensive to push through either rejoining the KP and/or lifting the UN sanctions. In other words, it would seem as if a critical point was being reached whereby all actors either quickly agree that the time is right for Côte d’Ivoire or risk major schisms. While it is impossible to know how such a situation would have played out, a history of rancorous divisions within the KP on the Zimbabwe issue justifiably worried observers about this possibility.

The Adviser helped to build awareness of the risks of this situation for all parties involved. With the Ivoirians, the Adviser continually pointed to the importance of linking political actions with concrete technical advances. For example, when the UN sanctions committee was set to meet in New York, the Mining Minister wanted to attend as a show of “political will.” In discussions with the Secretariat, the Adviser acknowledged the potential merit of their attendance, but emphasized that such action was unlikely to have a major effect, and emphasized that the key to lifting the sanctions was technical progress towards KP compliance. In addition, the Adviser noted that any political lobbying at the international level—whether within the KP or the UN—would be much more effective if Côte d’Ivoire could prove technical progress, since no one could then accuse them of empty rhetoric.

On the other side, the Adviser also sought to communicate, through dialogue and via the weekly updates, the mounting discontent in the government over the sanctions. This frustration grew when the UN GoE released its final report in April, which was perceived as entirely negative. The Adviser conveyed the risks of not providing a clear path forward for the Ivoirians. The Adviser’s primary recommendation was to focus on KPCS compliance. This approach had practical consequences, such as the decision by the government to abandon an ill-conceived stockpiling scheme and focus instead on launching the systems and institutions for the KP. From the perspective of the UN GoE, this was somewhat risky: by explicitly turning a blind eye to what happens to diamonds after collectors buy them, the government could be accused of not taking the sanctions seriously.

In these ways, the Adviser played a role in conveying to the Ivoirians the extent to which technical progress was crucial, and how to achieve it. At the same time, the Advisor conveyed to outside stakeholders the extent to which patience was wearing thin, and how raising the bar for Côte d’Ivoire beyond reasonable standards could have serious diplomatic consequences.

### **3.2.2 Policy Environment**

The mining code revision process needs to be seen in the context of Côte d’Ivoire trying to position itself as the most attractive mining destination in West Africa. The President wants an attractive code, and is therefore frustrated with MMPE actions like a windfall tax. (This was removed from an early draft after

industry lobbied the President.) This policy context is relevant to the KP-related parts of the code, since in efforts to create an attractive law, the government may favor repressive policies towards ASM. This is the case with ASM gold currently, with many arguing for forced removal of miners by the army, which in other countries has led to years of violence and little improvement living or working conditions. It is more likely that the government, in trying to make a code attractive to industry, will opt for these measures, whereas the mining industry itself—or at least parts of it—would favor a more conciliatory approach to ASM-Large-Scale Mining (LSM) cohabitation.

Côte d’Ivoire’s experience with SODEMI and artisanal diamond mining is relevant in this context. The Adviser placed importance on engaging with policy-makers and decision-makers to preserve and update the model. The main strategy was giving the model a legal basis in the mining code. However, the Adviser also saw the opportunity to contribute to the larger policy debates by encouraging the KP Permanent Secretariat to position itself and contribute its SODEMI experiences. For example, the Adviser worked with Ministry officials on presenting the SODEMI model during the ADPA conference on ASM policy, and gave it visibility in the presentation at the KP Intersessional.

In addition, the Adviser strongly encouraged the KP Permanent Secretary to reach out to private industry on this issue. As a result, the KP Permanent Secretary publicly spoke of allowing ASM in industrial permits during a World Bank sponsored forum with representatives from all of Côte d’Ivoire’s industrial mining industry. In his public reply, the President of GPMCI expressed openness to the concept and commitment to dealing with ASM in a responsible manner. This reassured the KP Permanent Secretary to include the provision in the mining code draft. In these ways, the policy debates emerging from the mining code revision process were important in shaping the Ivoirian vision for KP compliance.

### **3.2.3 Institutional Environment**

It is crucial to understand the place of the KP Permanent Secretary in the MMPE. Unlike in many countries, where the KP Permanent Secretary is a mid-level technician or official, the Ivoirian Secretary is also the Deputy Cabinet Director, who is third in line to the Minister. In a ministry with a very large portfolio, including everything related to power and petrol, this is quite an unusual arrangement and is a key feature of the institutional environment.

The Mining Minister made this choice deliberately, as he wanted to ensure that the Permanent Secretary had the right rank in the Ministry to get things done. The Adviser observed that this was mostly true. For example, obstructive behavior by certain lower-level Ministry officials could be ended with a phone call. The downside of this arrangement, however, is availability and management effectiveness. This may have been a reason why the Secretariat has moved slower than some would have hoped. Indeed, the fact that the Ministry sometimes was slow in responding to correspondence has more to do with this fact than any lack of political will or an intention to dissimulate.

A second institutional factor relevant to this assistance is the institutional place of SODEMI and its relationship with the MMPE. SODEMI is private, although the Ivorian states owns the entirety of it shares, and it is under the supervision of the MMPE. This relationship creates a number of tensions. The MMPE could order SODEMI to work with miners in Séguéla, even though it may incur a loss as a result. In the face of this, SODEMI has no choice but to agree, but will also assert its independence in a backdoor manner. This is an important consideration for the KP stakeholders to consider as they monitor the SODEMI model and consider its possible expansion to other areas, such as Tortiya.

### 3.3 ASSESSMENT OF NEXT STEPS

#### 3.3.1 KP Intersessional and Beyond

The Kimberley Process Intersessional from June 4–7 in Kimberley, South Africa, was in some ways the culmination of this technical assistance to Côte d’Ivoire. The Adviser explained the gathering’s importance to the Secretariat, mainly, as the *déclencheur*—the trigger—for achieving KP compliance in 2013. Without the WGM decision to send a review mission before the November plenary, chances of becoming KPCS-compliant in 2013 were very slim, and it would have been likely that the UN GoE, faced with lack of KP progress, could extend the sanctions through April 30, 2015. Given the political context described above, this could have had serious consequences.

The WGM decision at the KP Intersessional was therefore fundamental, and the presentation by Côte d’Ivoire was critical. The Adviser worked very closely with the KP Permanent Secretary on how to present in the best manner the progress in a substantive way and with maximum impact. As such, the Adviser worked with the MMPE’s communication service to create a short video clip of the field launch, put together an information bulletin in French and English to distribute to delegates, helped put together a professional presentation, and sat in on at least three rehearsals.

Feedback was very positive, and the chair of the WGM announced their intention to send a review visit in late September or early October, pending continued progress during the remainder of June. At the end of this technical assistance, the Secretariat adopted its June work plan monitoring and sent it to the WGM, who will finalize the date in mid-July.

#### 3.3.2 Challenges and Priorities

The following are eight challenges and priorities confronted by Côte d’Ivoire as the country moves forward toward KPCS compliance and beyond:

##### *Continuation of Technical Assistance*

FOCDI and the MMPE expressed concern that the three-month USAID technical assistance contribution of Terah deJong, while very beneficial, was not enough for a successful review mission. While previously mentioned sustainability strategies would help prevent stagnancy, further engagement could help consolidate the approaches and achievements. When it became clear that the USG was unable to continue its support for budgetary reasons, the MMPE formally requested that the EU fund an extension. By the end of this technical assistance, the EU indicated its intention to do this, although the choice of consultant and other details have yet to be finalized. Given the demonstrated impact that a well-timed assistance can have, this decision should help increase the chances that momentum will continue through the Plenary and beyond.

##### *Field Activity Implementation*

The continuation of field activities is both a key challenge and priority. The Ministry has so far taken the right decisions: field staff in and around Séguéla have been increased, including the assignment of two extra mining engineers. In addition, SODEMI is now poised to play a key supporting role in continuing miner registration and ensuring that the new traceability system takes root. However, the Adviser has noted management hurdles in terms of how the registration and sales tracking systems are functioning. For example, registration could be more systematic. Such issues are normal in the beginning, but the KP Permanent Secretariat should monitor these issues closely. In addition, the Secretariat needs an action plan for Tortiya, the other diamondiferous zone of Côte d’Ivoire. It will be necessary to identify how to give a legal basis to existing mining activities, whether through issuing ASM authorizations or installing SODEMI in that zone.

### *Transitioning to Legal Exports*

The UN GoE rightly expressed concern about how to deal with existing smuggling networks as Côte d'Ivoire moves towards starting legal exports again. For the time being, collectors on the ground have been satisfied with government assurances of no prosecution. This should not remain the policy after buying houses re-open, however. At that stage, backlashes are possible, and at that point the government must sift through those it can and cannot bring into the legal chain of custody. In the latter case, stepping enforcement will be necessary, and this will be a delicate exercise. Fortunately, this technical assistance has had no issues with interests, but that does not mean that these interests will exert an influence in the coming months.

### *UN GoE Change*

The UN diamond expert with longstanding involvement in Côte d'Ivoire was replaced in late June. The new expert was reportedly chosen in order to focus on uncovering and identifying smuggling networks. Unfortunately, the Adviser was unable to speak with the new expert, but the KP Permanent Secretariat and advisers will need to reach out and develop a strong relationship. A number of issues are at stake. First, if indeed the expert will focus on existing smuggling networks, the government will need to show its seriousness about violations while also maintaining trust with those collectors who will easily conform. A second risk is the extent to which the new UN expert understands the KP and its history in Côte d'Ivoire, and his willingness to highlight recent progress in the mid-term report. It will be important to ensure maximum information-sharing between the UN GoE and the KP Permanent Secretariat, and further technical assistance can play a role here. Given the frictions that arose between the previous diamond expert and the MMPE, there may be an opportunity to create new collaboration, depending on the approach and attitude of the new expert.

### *Government Capacity*

Valuation training is the biggest capacity gap in preparing Côte d'Ivoire for KPCS compliance. Currently there is not a single person trained in valuing diamonds up to international standards. As noted above, the Belgian government has expressed willingness to assist the government; if this support is not forthcoming, the government should find alternatives. The capacity of the ASM directorate is another capacity issue. It is currently weak, since it focuses on passing along paperwork for artisanal and semi-industrial authorizations. The KP Permanent Secretary, without the prompting of the Adviser, recognized this issue at the KP Intersessional and indicated her intention to recruit a strong ASM point person in the government. If she follows through, this will create a great opportunity to do things like pilot the new Washington Declaration diagnostic tool. Finally, the Secretariat itself requires self-sufficiency. Fortunately, there is progress here: a new office has been identified, the draft presidential order will use a portion of diamond export taxes to fund activities, and the World Bank grant will allow the purchase of basic equipment. However, further technical assistance must pay attention to the Secretariat's operational development, especially its cash flow, as this issue has plagued equivalent structures in other countries.

### *Mining Code and Mining Policy*

The ongoing mining code revision process has been complex and dynamic. While this USAID technical assistance has included substantial engagement in the process, including the inclusion of 12 provisions, there are further challenges and opportunities moving forward. As the World Bank becomes more involved, effort must be made to ensure that gains are not lost. Further technical assistance, if provided by the EU, should prioritize engaging the World Bank to make sure that this does not happen. In addition, there are other opportunities. For example, the World Bank plans to sponsor a series of workshops on issues in mining policy, which could lead to a formal mining policy document. Lessons learned from the KP Permanent Secretariat and the diamond sector in Côte d'Ivoire, especially the SODEMI model, could contribute to designing a progressive and intelligent ASM policy. Chances to influence national laws at

this scale only are rare, and the KP Permanent Secretariat should remain an active player in taking advantage of this window of opportunity.

### *SODEMI*

As noted, extending the SODEMI model to other diamond zones—and to other minerals and private-sector actors—presents real opportunities to develop innovative and effective models of ASM-LSM cohabitation. However, this comes with a number of challenges and risks, both specific to SODEMI and to the concept in general. Care should be taken to monitor SODEMI, and great thought should accompany any decision to expand to other areas. While the Adviser supports the SODEMI model, this should in no way imply that it is perfect or right for every situation. Indeed, it is an open question whether it could work with a purely private operator. If SODEMI restarts industrial or semi-industrial activity, or if it opens a buying house, a whole host of risks and considerations will emerge. Finally, it is also not a given that installing SODEMI in other diamond areas is desirable, since this could increase the risk of monopolistic behavior. In short, the SODEMI model is an opportunity, but it should not be accepted blindly, and requires constant monitoring as circumstances change.

### *Geologic Modeling*

Developing accurate deposit models is fundamental for KPCS compliance, and the United States Geological Survey (USGS) has developed an effective methodology doing so. Côte d'Ivoire's model could require an update if additional deposits or information are uncovered. In the past, SODEMI has been reluctant to share all of its information, especially reports on prospection in the Haut Nzi river area. Updating the model would allow comparisons of actual production with production capacity, as recommended by the Administrative Decision on Internal Controls (ADIC) as a tool for detecting supply chain contamination. On a broader level, improved modeling will help ensure a rational and orderly expansion into new diamondiferous zones, if they exist. This is essential in maintaining the KP's internal controls. SODEMI has been protective of data that could help improve these models, and towards the end of the technical assistance, the Adviser sought to engage the government on this issue. The Adviser found many to be open and enthusiastic to collaborating on better models. At the suggestion of the Adviser, the KP Permanent Secretary asked the KP Chair whether South Africa would fund aerial reconnaissance flights and the response was encouraging. In addition, SODEMI's Director General expressed interest in collaborating on a research program. In the view of the Adviser, the best way to proceed is to coordinate everything through the MMPE and the Secretariat.

In summary, the contributions of the USAID-financed Technical Adviser unfolded within the broader backdrop of the slow but significant evolution within the Kimberley Process itself, as advances like the Washington Declaration of 2012 show an increasing awareness of the need to integrate development approaches as a strategy to better achieve the KP's purpose. Indeed, this assistance benefitted from and reflected these trends, especially in its combination of KPCS technical requirements with smart and sensitive field actions, and smart and strategic governance actions. While the results in Côte d'Ivoire are untested, the lessons of this assistance may contribute to a shared understanding of how to build internal controls that are sustainable, meaningful, and effective.

# ANNEX I: SCOPE OF WORK

## 1.0 Scope of Work: Objectives, Activities and Deliverables

### Description of objectives

The Technical Adviser will assist the Ivoirian KP Permanent Secretariat (KPPS) develop and implement a roadmap toward KP compliance and adoption of best practices as stated in the recently adopted Washington Declaration. The Technical Adviser will assist the KPPS to report progress against the KP implementation checklist. He will receive backstop support on KPCS compliance best practices. He will make recommendations regarding ASM production, marketing and exports but is not expected to implement any specific intervention. The Technical Adviser is to exercise the upmost caution in light of political and security sensitivities around this sector, and it is understood that this task is about assisting the KP Permanent Secretariat in its endeavors, not about direct implementation. The government of Côte d'Ivoire is expected to contribute financially to the activities designed under this technical assistance.

### Description of activities

- Advise the KPPS on artisanal diamond mining policies based on relevant best practices
- Assist the KPPS to develop a roadmap for KP compliance and adoption of best practices as outlined in the Washington Declaration
- Assist the KPPS to report on compliance progress against KP implementation checklist
- Assist the KPPS to sequence events and activities against UN and KP timeline
- Assist the KPPS to organize informational, educational and pedagogical events regarding the organization of diamond production, marketing, and exports
- Assist the KPPS to coordinate between various technical assistance requests (possibly the GIA, the Republic of South Africa, GIZ, etc) including possible visits and STTA
- Assist the Ivoirian Ministry of Mines to develop sound and KP-compliant articles on artisanal diamond mining in the Ivoirian Mining Code, which is currently under review
- Assist the KPPS to prepare for an official review visit of the KP Monitoring Working Group

### Description of deliverables

- Weekly Updates (2 pages)
- Final Report (10-15 pages)

The KPPS remains fully responsible for the reports to the United Nations Group of Experts and the Chairman of the Kimberley Process.

# ANNEX II: CHRONOLOGY OF KEY ACTIONS

Date	Action or Key Event
March 13–15	Briefings with USG stakeholders in Washington, DC
March 16	KP Adviser arrives in Abidjan with STA/M Sebastien Pennes
March 18–22	Introductory meetings with Ivoirian and FOCDI stakeholders in Abidjan
March 26	KP Permanent Secretariat establishes 5 ad hoc working groups
April 2	KP Permanent Secretariat adopt work plan with 65 action items
April 2	KP Permanent Secretariat adopts bylaws, establishing roles and responsibilities of members
April 8–10	Field mission to Seguela with KP Permanent Secretary and KP Adviser
April 11	Work plan presented and discussed at FOCDI teleconference
April 25	Design completed for six KP databases
April 30	KP procedures draft completed by working groups and KP Adviser
April 30	First work plan monitoring matrix completed. Completion rate 13%.
May 3-5	KP procedures finalized at retreat attended by 20 stakeholders.
May 7	KP procedures adopted by KP Permanent Secretariat
May 7	KP Permanent Secretariat adopts list of 37 regulatory changes needed to enact procedures
May 7	KP Permanent Secretariat adopts 12 mining code recommendations; all are integrated into the mining code draft
May 13–17	Côte d'Ivoire hosts ADPA conference on ASM policy
May 16	ADPA delegates attend KP field launch in Seguela
May 21	KP Permanent Secretariat updates work plan and formally removes stockpiling scheme
May 25	Côte d'Ivoire becomes EITI-compliant
May 26	KP Permanent Secretariat requests assistance from Belgian government for valuation training and capacity building
May 30	Mining Minister briefed on KP by Adviser and KP Permanent Secretary
May 30	Mining Minister signs 2 decrees and 1 presidential order draft
May 31	Second work plan monitoring matrix completed. Completion rate 56%.
June 1	Field launch progresses: 345 miners registered, 38 collectors registered, and 15 carats of production formally recorded
June 4	KP Permanent Secretary presents to WGM at KP Intersessional in Kimberley
June 7	WGM recommends KP review visit for each of September or early October
June 12	President signs 3 decrees granting SODEMI diamond exploration permits
June 14	World Bank approves \$30,000 grant to KP Permanent Secretariat
June 18	Building for KP Permanent Secretariat designated
June 21	Simon Gilbert replaced on UN Group of Experts by Roberto Sollazzo
June 26	Second version of KP procedures adopted
June 26	KP road map for SODEMI adopted by Secretariat
June 26	KP Permanent Secretary announces EU intention of continuing technical assistance
June 27	Field launch continues: 548 miners registered, 118 collectors registered, 56 additional carats of production formally recorded
June 28	USAID assistance to Côte d'Ivoire for KP compliance completed

# ANNEX III: WORKPLAN MONITORING MATRIX

<b>MATRICE DE SUIVI</b>		A faire	%	En cours		
<b>JUIN 2013</b>		Achevé		Pas entamé		
<i>Cible</i>		Mars	Avril	Mai	Juin	<b>EXPLICATION</b>
<b>1. Certificat du Processus de Kimberley</b>						
<b>1.1 Production du certificat</b>						
<i>Avril</i>	1.1.1 Mise à jour du dessin		75%	75%	75%	Propositions de modifications déjà faites. Vu la possibilité de changements de critères au plénière en novembre, la mise à jour est suspendue
<i>Avril</i>	1.1.2 Validation par experts au PK			50%	50%	Réponse du président du Groupe de Travail des Experts Diamantaires du PK (GTED) indiquant que la validation se fera après la plénière en novembre
<i>Oct</i>	1.1.3 Impression des certificats					
<b>1.2 Systèmes de délivrance</b>						
<i>Avril</i>	1.2.1 Elaboration des procédures de délivrance		90%	100%	100%	Guide de procédures validé
<i>Mai</i>	1.2.2 Préparation du guide et outils de mise en œuvre des procédures			25%	75%	Base de données des Certificats du PK déjà fait. Brouillons des fiches de conformité aux critères préalables élaborés
<i>Mai</i>	1.2.3 Mise en place du système informatique		25%	75%	75%	Base de données déjà mise en place. Système d'impression des Certificats à réaliser
<i>Oct</i>	1.2.4 Formation sur les procédures					
<b>2. Commerce international de diamants bruts</b>						
<b>2.1 Systèmes douaniers</b>						
<i>Avril</i>	2.1.1 Elaboration des procédures d'exportation		90%	100%	100%	Guide de procédures validé

<b>Mai</b>	2.1.2 Préparation des guide et outils de mise en œuvre des procédures			50%	75%	Brouillons des fiches rédigés
<b>2.2 Systèmes d'évaluation</b>						
<b>Avril</b>	2.2.1 Etablissement de l'entité d'évaluation		100%	100%	100%	Le Service d'Evaluation des Pierres et Métaux Précieux désigné avec l'appui de la Direction Générale des Douanes
<b>Avril</b>	2.2.2 Elaboration des procédures d'évaluation		90%	95%	95%	Guide de procédures validé; consignes techniques sur le processus d'évaluation à réaliser
<b>Août</b>	2.2.3 Formation des évaluateurs					
<b>Juill</b>	2.2.4 Acquisition de matériel nécessaire					
<b>3. Contrôles internes</b>						
<b>3.1 Etablissement des systèmes d'enregistrement des opérateurs</b>						
<b>Avril</b>	3.1.1 Elaboration des procédures d'enregistrement des opérateurs		90%	100%	100%	Guide de procédures validé
<b>Mai</b>	3.1.2 Désignation et sensibilisation des autorités compétentes			100%	100%	Séances de travail tenues entre le 17 et le 20 mai avec le corps préfectoral, les directeurs départementaux, et les agents de terrain
<b>Mai</b>	3.1.3 Préparation des guides et outils de mise en œuvre			100%	100%	Toutes les cartes imprimées, fiches et registres confectionnés
<b>Mai</b>	3.1.4 Préparation d'outils informatiques		25%	100%	100%	Les bases de données complétées et les stagiaires formés
<b>Avril</b>	3.1.5 Préparation d'un plan d'action pour l'enregistrement et sensibilisation		75%	100%	100%	Cibles de nombres d'artisans enregistrés établis pour compléter d'ici fin juin
<b>Mai</b>	3.1.6 Sensibilisation des opérateurs			100%	100%	Réunions en 3 villages clés avec le SPRPK-CI. Le directeur départemental a effectué une prise de contacte avec les 19 villages restants
<b>Mai</b>	3.1.7 Campagne d'enregistrement initiale		25%	75%	75%	Campagne d'enregistrement en cours de réalisation; 546 ouvriers miniers enregistrés et 118 collecteurs

<b>3.2 Etablissement des systèmes d'enregistrement des sites miniers</b>						
<b>Avril</b>	3.2.1 Procédures d'enregistrement des sites artisanaux		90%	100%	100%	Guide de procédures validé
<b>Avril</b>	3.2.2 Procédures d'enregistrement d'autres catégories de sites		90%	100%	100%	Guide de procédures validé
<b>Mai</b>	3.2.3 Campagne initiale de recensement des sites			50%	50%	Délimitation des sous-parcelles en zone SODEMI complétée pour les villages les plus actifs
<b>Mai</b>	3.3.4 Mise en place des systèmes informatiques d'enregistrement		25%	100%	100%	Base de données complétée
<b>Mai</b>	3.3.5 Production d'une carte du recensement initiale			100%	100%	Carte des sous-parcelles SODEMI complétée
<b>Juill</b>	3.3.6 Campagne élargie d'enregistrement des sites miniers					
<b>3.3 Clarification du régime fiscale</b>						
<b>Avril</b>	3.3.1 Détermination des taxes d'enregistrement		50%	75%	75%	Projet d'ordonnance rédigée
<b>Avril</b>	3.3.2 Détermination des taxes d'exportation		50%	75%	75%	Projet d'ordonnance rédigée
<b>Avril</b>	3.3.3 Clarification des procédures relatives au paiement des taxes d'exportation		90%	100%	100%	Guide de procédures validé
<b>Avril</b>	3.3.4 Détermination des pénalités et amendes		100%	100%	100%	Réunion tenue avec le Ministère de la Justice
<b>3.4 Systèmes de commercialisation</b>						
<b>Avril</b>	3.4.1 Elaboration des procédures de traçabilité commerciale		90%	100%	100%	Atelier de validation de procédures prévu du 3 au 5 mai

<b>Mai</b>	3.4.2 Préparation des guides et outils de mise en œuvre			100%	100%	Carnets de reçus d'achat confectionnés
<b>Avril</b>	3.4.3 Préparation du plan d'action pour le stockage pilote					Activité annulée
<b>Mai et Juin</b>	3.4.4 Mise en œuvre du projet pilote de stockage					Activité annulée
<b>Mai et Juin</b>	3.4.5 Evaluation du projet pilote de stockage					Activité annulée
<b>3.5 Systèmes de contrôle</b>						
<b>Avril</b>	3.5.3 Elaboration des procédures de contrôle de la chaîne		90%	100%	100%	Guide de procédures validé
<b>Mai</b>	3.5.4 Préparation des guides et outils de mise en œuvre			50%	75%	Base de données complétée; fiches de contrôles à réaliser
<b>Juin et Juill</b>	3.5.5 Sensibilisation des opérateurs et populations			50%	75%	Sensibilisations entamées l'année passée et pendant le lancement sur le terrain en mai 2013
<b>Juin et Juill</b>	3.5.6 Formation des agents de contrôle					
<b>4. Coopération et transparence</b>						
<b>4.1 Etablissement des systèmes de communication et transparence</b>						
<b>Mai</b>	4.1.1 Préparation d'un canevas pour chaque rapport exigé					Activité annulée; le renseignement des données se fait par site Internet
<b>Mai</b>	4.1.2 Préparation d'une vue d'ensemble du système PK ivoirien		100%	100%	100%	Déjà adopté
<b>Mai</b>	4.1.3 Rédaction d'une stratégie d'harmonisation des systèmes PK avec les pays voisins		25%	100%	100%	Echanges avec les pays voisins lors de l'atelier ADPA. Décision prise d'harmoniser le taxe d'exportation

<b>5. Statistiques</b>						
<b>5.1 Etablissement des systèmes de collecte et analyse des données</b>						
<b>Avril</b>	5.1.1 Elaboration des procédures et guides de collecte et d'analyse des données		90%	100%	100%	Guide de procédures validé
<b>Mai</b>	5.1.2 Création des bases de données		50%	100%	100%	Bases de données réalisées
<b>Juin</b>	5.1.3 Formation sur l'utilisation des bases de données			75%	100%	Stagiaires à Séguéla formés
<b>Mai</b>	5.1.4 Préparation des canevas des rapports statistiques exigés					Activité annulée; le renseignement des données se fait par site Internet
<b>6. Eléments transversaux</b>						
<b>6.1 Cadre légal</b>						
<b>Avril</b>	6.1.1 Analyse des changements nécessaires des lois et règlements		50%	100%	100%	Analyse réalisée; 10 changements réglementaires identifiés
<b>Avril</b>	6.1.2 Propositions d'articles pour le nouveau code minier		90%	100%	100%	12 recommandations adoptées
<b>Mai</b>	6.1.3 Validation des procédures PK par les autorités compétentes			100%	100%	Guide de procédures validé par le SPRPK-CI
<b>Mai</b>	6.1.4 Validation des changements de loi et règlements			40%	50%	Décision DGMG prise, 2 arrêtés ministériels signés, projet d'ordonnance rédigé et transmis
<b>6.2 Développement d'une politique minière</b>						
<b>Mai</b>	6.2.1 Propositions des grandes lignes des éléments d'une politique minière relative au PK			100%	100%	Grandes lignes intégrées dans le guide des procédures et recommandations sur le code minier

<b>7. Opération Stratégique du Secrétariat</b>						
<b>7.1 Systèmes de gestion, coordination et communication</b>						
<b>Avril</b>	7.1.1 Validation des termes de références et règlements d'ordre intérieur		100%	100%	100%	
<b>Avril</b>	7.1.2 Dissémination d'une matrice de suivi mensuel		100%	100%	100%	
<b>Avril</b>	7.1.3 Création des groupes de travail ad hoc		100%	100%	100%	
<b>7.2 Etapes clé de mise en œuvre</b>						
<b>Avril</b>	7.2.1 Validation et dissémination du plan de travail		100%	100%	100%	
<b>Avril</b>	7.2.2 Dissémination d'un rapport d'activités avant l'appel avec FOCDI		100%	100%	100%	
<b>Juill</b>	7.2.3 Atelier de lancement du PK en Côte d'Ivoire			100%	100%	Lancement intégré dans l'atelier ADPA à Abidjan et à Séguéla
<b>Mai</b>	7.2.4 Conférence Association des Pays Africains Producteurs de Diamants			100%	100%	
<b>Juin</b>	7.2.3 Assistance à l'intersession du PK				100%	
<b>Juin</b>	7.2.4 Demande d'une mission de revue PK				100%	Mission de revue prévue fin septembre ou début octobre
<b>Juin</b>	7.2.4 Préparation de documentation pour la mission de revue PK					
<b>Juill</b>	7.2.5 Facilitation de la mission de revue PK					
<b>Juill</b>	7.2.6 Préparation de documentation pour le Groupe des Experts					

<b>Nov</b>	7.2.7 Participation dans le plénière PK					
<b>Nov</b>	7.2.8 Intégration de la Côte d'Ivoire dans le PK					

# ANNEX IV: LEGAL AND REGULATORY ANALYSIS

The following laws constitute the current legal basis of the KP system. As mention in the body of this report, Côte d'Ivoire would possibly pass KPCS legal and regulatory requirements on paper on the basis of the following, especially the 2003 decree which explicitly treats KPCS requirements.

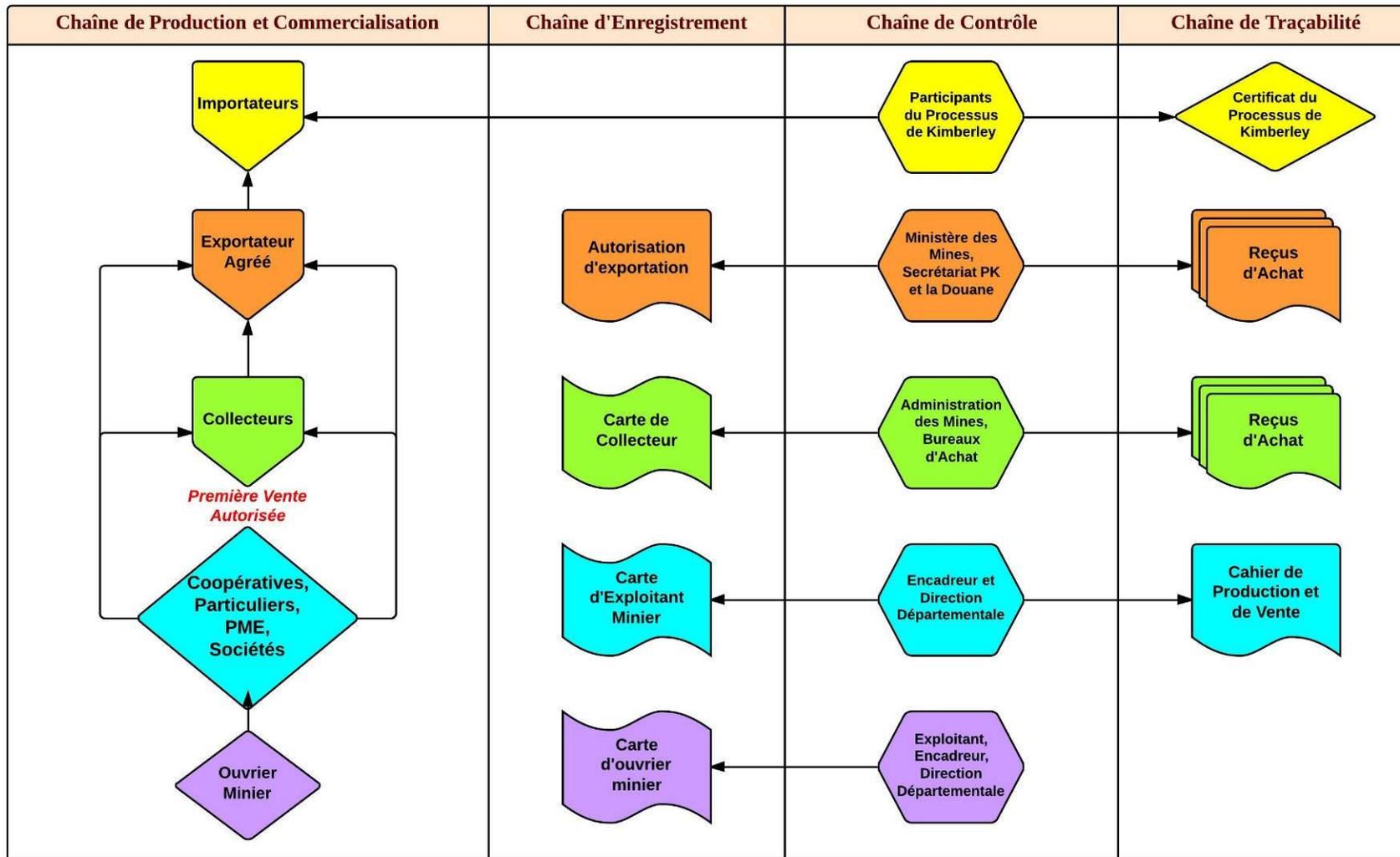
1. Loi N° 95-553 du 17 juillet 1995 portant Code minier
2. Décret N° 96-634 du 9 août 1996 déterminant les modalités d'application de la loi n° 95-553 du 18 juillet 1995 portant Code minier
3. Décret N° 2003-143 du 30 mai 2003 portant additif au Décret N° 96-634 du 9 août 1996 déterminant les modalités d'application de la loi n° 95-553 du 18 juillet 1995 portant Code minier relatives à l'importation et à l'exportation des diamants bruts en vue de la mise en œuvre du Processus de Kimberley
4. Ordonnance N° 96-600 du 9 août 1996 fixant les taxes et redevances du secteur minier
5. Arrêté N° 0070 du Ministère des Mines et de L'Energie du 19 novembre 2002 portant suspension de l'expertise et des autorisations d'achat de diamant brut
6. Arrêté N° 0019 du 18 mai 2012 du Ministère des Mines, du Pétrole et de L'Energie portant création du Secrétariat Permanent de la Représentation en Côte d'Ivoire du Processus de Kimberley.
7. Arrêté N°0074 du 26 septembre 2012 du Ministère des Mines, du Pétrole et de L'Energie portant nomination des membres du SPRPK-CI

The following table presents the 37 regulatory changes and the corresponding 10 regulatory instruments identified as part of the KP procedures guide. The first column notes the provision in the KP procedures that requires the cited regulatory change. By the end of this assistance, the DGMG decision and two ministerial decrees (MMPE) have been completely enacted . A number of other instruments have been drafted (Ordonnance, Code minier, Note de Service DSARE) but have yet to be finalized and enacted. Relevant agencies have indicated they are prepared to draft the remaining instruments, but have not yet done so.

Réf.	Modification réglementaire	Instrument réglementaire
1.1.3	Etudier la possibilité de prévoir l'exploitation artisanale dans le cadre d'un titre minier dans le projet de code minier.	Code minier
1.2.1	Délivrance de la carte d'exploitant minier par la DGMG	Décret d'application
1.2.1 1.2.2	Carte d'ouvrier minier et carte d'exploitant minier	Décret d'application
1.2.2	Prix des cartes d'ouvrier miniers et carte d'exploitant minier	Ordonnance
1.2.2	Suspension des frais de cartes en 2013	Arrêté ministériel
1.3.1.3	Autorisation d'achat et de vente : enlever la nationalité ivoirienne comme une condition d'octroi	Décret d'application
1.3.1.2	Définir les collecteurs comme les détenteurs d'autorisation d'achat et de vente	Décret d'application
1.3.1.2	Préciser que les autorisations d'achat et de vente ne confèrent pas de droit à l'exportation pour les diamants bruts	Décret d'application

Réf.	Modification réglementaire	Instrument réglementaire
1.3.1.4	Droits fixes de collecteurs	Ordonnance
1.3.2.2	Changer la validité de l'agrément des bureaux d'achat de 4 ans à 1 an	Décret d'application
1.3.2.3	Droits fixes des bureaux d'achat	Ordonnance
1.4.1	Carte de collecteur délivrée par DGMG	Décret d'application
1.4.1	Identifiant de collecteur établi par SEEPMP	Décision DGMG
1.4.2	Identifiant exportateur créé par SEEPMP	Décision DGMG
1.5.1.1	Déclaration de production des opérateurs au SEEPMP	Décision DGMG
1.5.2.5	« Toute transaction de diamant brut doit être accompagnée de reçu d'achat » Ajouter au décret d'application	Décret d'application
2.1.1.3	L'autorité du SPRPK-CI de gérer le processus d'évaluation	Arrêté ministériel
2.1.2.4	Rôle du SEEPMP dans les démarches préalables à l'évaluation	Décision DGMG
2.1.3.1	La valeur établie par deux évaluateurs : MMPE et indépendant	Arrêté interministériel MMPE - MEF
2.1.3.5	Prime d'intéressement aux participants de l'évaluation	Arrêté interministériel MMPE- MEF
2.1.3.4	Présence de deux représentants DGD aux évaluations convoquées par le SPRPK-CI	Circulaire DGD
2.2.1.1	Désignation de l'autorité compétente de la délivrance du Certificat PK	Décret d'application
2.2.1.2	Désignation des signataires DGD sur le Certificat PK (l'Autorité exportatrice)	Courrier MMPE à DGD
2.2.1.3		
2.2.1.9	Frais de délivrance du Certificat PK	Ordonnance
2.3.1.1	Toute exportation de diamant brut doit être accompagnée d'un Certificat PK	Code minier
2.3.1.2	Seule l'exportation par l'Aéroport est autorisée	Circulaire DGD
2.3.2.1	Le rapport d'évaluation fait office de facture	Circulaire DGD
2.3.2.1	Certificat PK est l'équivalent du certificat d'origine	Circulaire DGD
2.3.3.5	Taxe de 3% et sa répartition	Ordonnance
2.3.4.1	Étapes de contrôle contradictoire à l'Aéroport	Note de service DSARE (DGD)
2.3.4.2	Fiche de contrôle contradictoire transmis au SPRPK-CI	Note de service DSARE (DGD)
2.3.4.3	Le SPRPK-CI informé en cas de saisie	Note de service DSARE (DGD)
2.4.1	Importation	Note de service DSARE (DGD)
3.1.2	SEEPMP et sa responsabilité de gestion de données	Décision DGMG
4.1.2.2	Autorité du SEEPMP de faire des contrôles inopinés des bureaux d'achats	Décision DGMG
4.2.3	Conditions de saisie, stockage, vente et liquidation	Arrêté interministériel MMPE-MEF
4.3	Infractions et sanctions	Décret d'application

# ANNEX V: IVORIAN KPCS MODEL SCHEMA



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