PROPERTY RIGHTS AND ARTISANAL DIAMOND DEVELOPMENT PROJECT (PRADD) QUARTERLY PROGRESS REPORT (OCTOBER-DECEMBER 2009)
Cover Photo: Two artisanal miners prospect for diamonds in the village of Ngotto. Although diamonds are a luxury good commodity, diamond mining often does not lead to economic equity for small scale miners or systematic community development, hence creating the “paradox of plenty”. Courtesy of Kent Elbow.
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<tr>
<td>AFL</td>
<td><em>Artisans-Facilitateurs Locaux</em></td>
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<tr>
<td>BBC</td>
<td>British Broadcasting Company</td>
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<tr>
<td>BICC</td>
<td>Bonn International Center for Conversion</td>
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<td>CAR</td>
<td>Central African Republic</td>
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<td>CBC</td>
<td>Canadian Broadcasting Company</td>
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<tr>
<td>CEMAC</td>
<td><em>Communauté Economique et Monétaire de l’Afrique Centrale</em></td>
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<tr>
<td>COTR</td>
<td>Contracting Officer’s Technical Representative</td>
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<td>DCM</td>
<td>Deputy Chief of Mission</td>
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<td>DDI</td>
<td>Diamond Development Initiative</td>
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<td>EITI</td>
<td>Extractive Industries Transparency Initiative</td>
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<tr>
<td>GIS</td>
<td>Geographic Information System</td>
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<td>GP</td>
<td><em>Groupe Pierre</em></td>
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<td>GPS</td>
<td>Global Positioning System</td>
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<td>GoCAR</td>
<td>Government of the Central African Republic</td>
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<td>GTZ</td>
<td>German Development Cooperative</td>
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<td>IR</td>
<td>Intermediate Result</td>
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<td>KP</td>
<td>Kimberley Process</td>
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<td>LTPR</td>
<td>Land Tenure and Property Rights</td>
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<td>MMEH</td>
<td>Ministry of Mines, Energy and Hydraulics</td>
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<td>MOU</td>
<td>Memorandum of Understanding</td>
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<td>NGO</td>
<td>Nongovernmental Organization</td>
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<td>OCHA</td>
<td>United Nations Office for the Coordination of Humanitarian Affairs</td>
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<td>PRADD</td>
<td>Property Rights and Artisanal Diamond Development Project</td>
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<td>PRA</td>
<td>Participatory Rural Appraisal</td>
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<td>UNDP</td>
<td>United Nations Development Program</td>
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<td>USAID</td>
<td>United States Agency for International Development</td>
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<td>USDOS</td>
<td>Democracy and Human Rights and Labor Affairs Office</td>
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<td>USG</td>
<td>United States Government</td>
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INTRODUCTION AND BACKGROUND

BACKGROUND

The Property Rights and Artisanal Diamond Development project (PRADD) is an element of the support provided by the United States government (USG), through the US Department of State, to the Kimberley Process (KP). The Kimberley Process was established in 2000 by representatives from the diamond industry, civil society, and major diamond-producing and trading countries with the intent of combating the trade in conflict diamonds. Participation is voluntary, but member nations are permitted to trade only with other KP adherents, thus offering an economic incentive to retain membership as long as non-members bear the cost of being excluded from legitimate trading channels. Currently 75 countries are members of the Kimberley Process Certification Scheme, including all the major diamond-producing and trading countries.

To retain membership, participants are required to adhere to a number of rules, including the enactment of national policies aimed at reducing illicit diamond export/import and the timely submission of trade and production statistics that are vital for monitoring the trade. To adhere to these rules, member countries need a system of internal controls capable of regulating and tracking the flow of diamonds from the point of extraction to export. In 2004, the Central African Republic (CAR) enacted a Mining Code that requires registration with the central government of all production and marketing activities involving alluvial diamonds. The 2004 Mining Code is also noteworthy for the level of attention and support that specifically targets economic development of the artisanal diamond-mining sector. The code provides incentives for the organization of artisanal miners into cooperatives, and more broadly provides safeguards to protect the property rights of artisanal miners. The new Mining Code, passed in early May 2009, adds to these provision requirements for filling in pits created by artisanal and industrial diamond mining. The full implications of this new law are not yet fully analyzed by PRADD.

However, implementation of the 2004 code (and now the new 2009 code) has so far been limited; the defined regulatory, tracking and support systems far exceed the implementation and enforcement capacity of the central government. The small-scale and itinerant character of alluvial diamond mining make it particularly difficult for governments to exercise effective monitoring and regulation of this sector, or to improve conditions in an often chaotic environment. Thus, a significant portion of alluvial diamond mining activity remains unregulated and unregistered, giving rise to severe obstacles that limit both transparency and economic development. The commitment of the PRADD team to assist the Government of the Central African Republic (GoCAR) in finding more efficient and effective ways to apply its mining policy to the artisanal diamond sector will remain a defining element of the Phase II program.

The PRADD project premise is that the increased security of land tenure and property rights (LTPR) aimed at community and extraction groups (and linked to local government contexts), combined with improved production data, is central to bringing alluvial diamonds into the legal chain of custody and improving the livelihood options of local populations. The fundamental goal of the PRADD project is to achieve a system of control and access (i.e., property rights) regarding alluvial diamonds mined to be exported that is clearly defined, widely recognized, socially accepted, and reliably functioning.

Based on the above overarching goal and objectives, PRADD has defined the following five results to be achieved during its second phase:
• R1 – Customary land and natural resource rights in target areas identified, clarified, and formally recognized;

• R2 – System for reliable tracking of production and initial sale information strengthened and appropriated by GoCAR;

• R3 – Benefits of mining activities to local communities increased and food production diversified and intensified;

• R4 – Capacity to prevent and mitigate environmental impacts of artisanal mining strengthened; and

• R5 – Access and availability of information on artisanal diamond mining to stakeholders increased.

In summary, the core problem addressed by the PRADD program has two dimensions:

• Insufficient monitoring of the industry and a lack of reliable information to ensure the integrity of the Kimberley Process Certification Scheme; and

• Poverty, insecure property rights, and exploitation of artisanal miners and mining area communities.

Regarding the first dimension, one of the most significant obstacles to bringing alluvial diamond-producing countries into the KP has been the inability to capture accurate production data at the mining sites. Concerning the second dimension, government disregard of customary land rights breeds deep resentment among rural populations—frustrations that are easily tapped by advocates of violence and rebellion. Ironically, alluvial diamond production areas within Africa are often among the poorest in their respective regions, despite millions of dollars garnered by diamond production. Artisanal diamond digging often operates in conditions that render miners vulnerable to a variety of rent-seekers and predators, with detrimental effects on producers and their livelihoods, as well as on national economic growth and the natural environment.

Like an expanding cancer, the deleterious impact of artisanal diamond mining manifests itself in numerous ways. As so vividly recounted in the legislation creating USG engagement in the Kimberley Process:

Funds derived from the sale of rough diamonds are being used by rebels and state actors to finance military activities, overthrow legitimate governments, subvert international efforts to promote peace and stability, and commit horrifying atrocities against unarmed civilians. During the past decade, more than 6,500,000 people from Sierra Leone, Angola, and the Democratic Republic of the Congo have been driven from their homes by wars waged in large part for control of diamond mining areas. A million of these are refugees eking out a
miserable existence in neighboring countries, and tens of thousands have fled to the United States. Approximately 3,700,000 people have died during these wars (PUBLIC LAW 108–19—APR. 25, 2003 117 STAT. 631, Section 2).

Even though wars financed by artisanal diamond mining have been stopped in countries like Sierra Leone and Liberia, the impacts remain pervasive. Food security often suffers in mining areas because the rural labor force invests in the speculative business of mining rather than the arduous work and low returns of agriculture. Men generally abandon farming while leaving most of the agricultural work to women.

Labor scarcity for agriculture is thus a major issue in many diamond areas. The collapse of the diamond economy now raises many questions about the future of the restive and young labor force so long involved in diamond digging. Will they return to agriculture or to high risk and often illegal ventures like arms and drug smuggling or mercenary services? The two dimensions of the core problem are linked—the same lack of transparency and ineffective regulatory systems that inhibit information collection enable those with more power or means to continue to exploit the relatively powerless.

The present report provides detailed information on activities conducted and results obtained during the fourth quarter of implementation Year 3, October to December 2009. This reporting period coincides with the activity and reporting cycle of the PRADD/Guinea project, a corollary project that began in May 2008 and had to be closed down in February 2009 as a result of the coup d’état in Guinea.
1.0 SUMMARY OF MAJOR ACCOMPLISHMENTS THIS QUARTER

1.1 PROJECT ADMINISTRATION AND EXPANSION

During the current quarter, PRADD successfully recruited and hired nine additional technical positions including field office managers, rural “animateurs”, and three technical coordinators. The project also opened two permanent field offices in the towns of Nola and Boda.

A site selection workshop was conducted in Nola, the second project pilot site, and nine target communities were identified as viable intervention sites to replicate the PRADD model.

1.2 R1 – CUSTOMARY LAND AND NATURAL RESOURCE RIGHTS IN TARGET AREAS IDENTIFIED, CLARIFIED AND FORMALLY RECOGNIZED

Over 200 community members and local authorities in each of the two pilot zones validated the technical work plan in separate participatory workshops.

In anticipation of the fourfold expansion of the pilot project, the project developed a two-part formal training program and accompanying didactic materials to institute a cadre of locally trained professionals to replicate and implement the model beyond Boda in other diamond-producing zones such as Nola, Berberati, Bongassoua, and Bria. PRADD also recruited 25 field data collectors to administer the socioeconomic surveys, miner census, and to collect mapping and GPS data for new mining sites in the second pilot zone.

1.3 R2 – SYSTEM FOR RELIABLE TRACKING OF PRODUCTION AND INITIAL SALE INFORMATION STRENGTHENED AND APPROPRIATED BY GOCAR

In November 2009, the PRADD project continued to contribute actively to the Kimberley Process Plenary in Namibia. The project screened the film that it produced “Diamonds, Development and Property Rights: Affirming the Claims of Artisanal Diamond Miners in the Central African Republic” to a rapt audience of more than 500 attendees. The project also coordinated a roundtable session focused around the theme of “The State of the Artisanal Diamond Mining Sector” with the Diamond Development Initiative (DDI).

Through PRADD, the USG also accorded a grant of $50,000 to the Kimberley Process Civil Society Fund to encourage the innovative work of such organizations as the Partnership Africa Canada and DDI to address broad reaching policy issues of artisanal mining. Lastly, the project also debriefed the American Ambassador in CAR on the major themes and outcomes of the Kimberley Process Plenary.
1.4 R3—BENEFITS OF MINING ACTIVITIES TO LOCAL COMMUNITIES INCREASED AND FOOD PRODUCTION DIVERSIFIED AND INTENSIFIED

- In May 2009, the PRADD project purchased six diamond evaluation kits for distribution to pilot site communities in order to increase the likelihood that local benefits from production and marketing of alluvial diamonds will improve. Due to the reticence of the Ministry of Mines, Energy and Hydraulics (MMEH) to allow the project to make this grant to beneficiary miners who do not possess the necessary mining license, the project undertook a monitoring mission to the pilot zone to initiate a community dialogue to address the reservations of the MMEH.

- A major impediment for small-scale mining communities to better capitalize on the production and sale of diamonds is their selling power parity with better organized financing institutions and buying blocks. One tangible way that PRADD can help small-scale miners to improve their production economies of scale and to create external market linkages is to encourage artisans to form legally sanctioned mining groups or cooperatives.

Consequently, the IR 3 Coordinator and the Boda field office staff are working to identify the functional community groups and to begin developing training modules about the benefits of communal grouping and the legal requirements for these groups to be recognized by GoCAR.

- The project procured two lightweight, inexpensive, solidly constructed manual water pumps adapted to rural environments from Kickstart International as demonstration models for artisanal miners in the pilot zone. The project is encouraging community cooperative groups to purchase these inexpensive pumps to reduce mining production costs and to encourage off-mine activities that will promote food security such as fish farming and market gardening.

1.5 R4—CAPACITY TO PREVENT AND MITIGATE ENVIRONMENTAL IMPACTS OF ARTISANAL MINING STRENGTHENED

The project sponsored a master’s student from the School of Mine Engineering at the University of Bangui as an intern. The intern wrote and defended his master’s thesis on the environmental impacts of artisanal diamond mining and opportunities for rehabilitation in the Lobaye district of CAR, where PRADD currently operates.

1.6 R5—ACCESS AND AVAILABILITY OF INFORMATION ON ARTISANAL DIAMOND MINING TO STAKEHOLDERS INCREASED

- As part of PRADD’s ongoing support to the Kimberley Process Plenary, the project hired Spectrum Media to produce four distinct audiovisual films (in French, English and the lingua franca of CAR, Sango) highlighting the PRADD property rights approach and methodology.

- The Chief of Party and the Deputy Chief of Party attended a two-day conference hosted by GTZ in Yaounde, Cameroon with the theme “Geological Resources and Good Governance in Central Africa.” This conference was attended by 175 representatives from the extractive industries; bilateral donor organizations; nongovernmental organizations (NGOs); transparency initiatives; development, humanitarian relief and human rights organizations; CEMAC government authorities; diplomatic corps; and mining unions. PRADD also exhibited a poster on the PRADD approach and presented the film “Diamonds, Development and Property Rights: Affirming the Claims of Artisanal Diamond Miners in the Central African Republic” to conference attendees.

- A BBC journalist accompanied the project on two site visits to the pilot zone to meet with actors across the value chain to ascertain how the downturn in the global economy has affected small-
scale diamond miners, to evaluate the impact of national policies (such as the closure of the
diamond buying houses) on sustainable development and poverty reduction in CAR, to highlight
the “paradox of plenty” in a resource rich country such as CAR, and to provide international
media content unrelated to the humanitarian crisis that plagues the northern provinces.

- To ensure consistent and transparent application of the revised mining code, the project provided
copies of the revised code application texts to local government authorities and traditional leaders
in the five major diamond-producing regions of the country: Boda, Nola, Berberati/Carnot, Bria,
and Bangassaou. The project summarized the core changes in the mining code into a short
handout, which was presented to community groups in and around Nola and Boda. These changes
were incorporated into the Mining Code Guide that the project produced in 2008.

- During this quarter, PRADD finalized its communication strategy which will serve as a roadmap
for the diffusion of best practices in the artisanal mining sector throughout the targeted pilot zones
and nationally.

- The PRADD project has increasingly been using rural radio to disseminate information about
project activities, to promote local buy-in and ownership of the LTPR model, to correct
misinformation about PRADD objectives, and to educate the public about best practices in the
mining sector.
2.0 DETAILED DESCRIPTION OF MAJOR ACCOMPLISHMENTS THIS QUARTER

2.1 PROJECT ADMINISTRATION AND EXPANSION

2.1.1 EXPANSION OF PROJECT ACTIVITIES

The project previously identified Nola and its environs as the second pilot site for PRADD activities based on the criteria of safety and security, communication and transportation infrastructure, potential partnerships, relevance of the diamond economy, preponderance of legally registered miners and cooperatives, and potential for biodiversity and environmental protection (see Figure 1). In order to redefine the geographic scope of the pilot zone, and to prepare for conducting participatory Rapid Rural Appraisal activities in the zone, PRADD organized a participatory workshop with local and traditional authorities and community members. Thirty-five participants attended the workshop. Nine subdivisions of Nola with 30,393 inhabitants were identified as viable intervention sites.

2.1.2 PROJECT ADMINISTRATION

The project officially opened two field offices in southwestern CAR—one in Boda, another in Nola. Boda is where the pilot project has been tested and validated in Phase I; during Phase II, project activities in Boda will focus on alternative livelihoods, food security, and environmental protection. In Nola, the project will apply the LTPR lessons learned from the pilot phase to replicate and expand the PRADD property rights model.

Beyond the two target areas where the project will have a permanent presence, the project will also work with the MMEH to promote best practices in the alluvial mining sector in three other major diamond-producing poles in CAR: Berberati, Bria, and Bongassoua. Human and material resources permitting, PRADD will mobilize property rights survey teams to each of these hubs for concerted data collection for future incorporation into the property rights registry. Through a national media campaign, the project plans to diffuse mining best practices to each of these regions. Illustrative themes to address include 1) proper completion of the production notebook; 2) the importance of restoring expired mine sites back into productive land uses such as agriculture or fish farming; 3) the value of Kimberley Process Certification Scheme; 4) public education campaigns on the revisions in the Mining Code of May 2009; and 5) how transparently managed diamond mining revenue can contribute to fiscal responsibility, conflict mitigation, and perpetuation of the PRADD property rights model.
Major procurements during this period included additional computer hardware and software, two generators, and durable goods for the two field offices. The project also initiated the transfer of the PRADD/Guinea project vehicle to the CAR for local use, as the PRADD/Guinea project was closed down when US foreign assistance was withdrawn from the country following a coup d’état.

2.1.3 STAFF RECRUITMENT

During this quarter, the PRADD project recruited and hired nine additional technical positions including field office managers, rural animators, and three technical coordinators. The project has encountered numerous difficulties, however, recruiting for the IR 1 (property rights) and IR 4 (environmental) technical coordinators; the project identified qualified civil servant candidates for each of these IR Coordinator positions, but the host country government did not grant either candidate full-time sabbaticals to work with PRADD. Consequently, these job announcements have been reposted.
2.1.4 STTA

PRADD hired a specialist in project administration to review and update the project policy manual to take into account changes required to accommodate the fourfold expansion of the project.

2.2 R1 – CUSTOMARY LAND AND NATURAL RESOURCE RIGHTS IN TARGET AREAS IDENTIFIED, CLARIFIED AND FORMALLY RECOGNIZED

2.2.1 VALIDATION OF TECHNICAL WORK PLAN

The MMEH, local authorities, stakeholders, partners, and beneficiaries validated the technical implementation plan for Phase II at national and regional levels. The project organized three different workshops in Bangui, Boda, and Loppo to present project objectives, design, and implementation. More than 200 participants attended these workshops.

2.2.2 CAPACITY BUILDING FOR PRADD PROPERTY RIGHTS MODEL

To facilitate scaling up of the PRADD model, the project developed a formal training program and accompanying didactic materials to develop a cadre of locally trained professionals to replicate and implement the model in other zones. The theoretical foundation of the training model, to be implemented in January 2010, will be a week-long training course offered to University of Bangui students, MMEH technicians and engineers, development practitioners and newly hired PRADD IR Coordinators. The training will present the rudiments of the eight-step PRADD model, the physical collection of GPS points and community and mine mapping.

The applied component of the training will be an opportunity for selected candidates to work with senior level property rights specialists to understand the process through one full property rights model series in Nola and its environs. The property rights specialists will work with the trained staff in January and February 2010 to conduct socioeconomic surveys and baseline analyses, to conduct the mine/miner census, to map existing mine sites, to mitigate local conflicts, and to validate new entrants into the PRADD property rights registry. Knowledge gained from these two activities should enable local staff to replicate the PRADD model in other diamond producing poles such as Bria, Bangassou, or Berberati, zones where GoCAR would like PRADD to have more exposure and current activities.

Accompanying didactic materials developed for this training included a draft comprehensive training manual (with hands-on exercises, a Central African case study, copies of project questionnaires and sociographic research tools, PRA methodology handbooks, project case studies and policy analyses) and an updated PowerPoint presentation reflecting the objectives, methodology and context of the property rights model.

2.2.3 PROPERTY RIGHTS DATA COLLECTION IN NOLA

In preparation for the practical application of the PRADD model in Nola and the subsequent property rights data collection, PRADD recruited 25 field data collectors to administer the socioeconomic surveys, miner census and to collect mapping and GPS data for new mines sites in the second pilot site.

2.3 R2 – SYSTEM FOR RELIABLE TRACKING OF PRODUCTION AND INITIAL SALE INFORMATION STRENGTHENED AND APPROPRIATED BY GOCAR

2.3.1 KIMBERLEY PROCESS PLENARY

In November 2009, the PRADD project again contributed actively to the Kimberley Process Plenary in Namibia. The project presented the film that it produced, entitled “Diamonds, Development and
Property Rights: Affirming the Claims of Artisanal Diamond Miners in the Central African Republic” to a rapt audience of more than 500 attendees.

Given the particular tension and controversy over alleged human rights violations in the Murange diamond fields of Zimbabwe during this year’s Kimberley Process Plenary, the KP delegation heralded the PRADD model as shown in the film as a successful approach for developing artisanal diamond mining and for improving internal production control mechanisms. Numerous participants requested individual copies of the film and five diamond producing countries (Angola, Sierra Leone, Liberia, Congo, Brazil) have expressed interest in have technical assistance to implement the PRADD model in their respective countries.

The Government of Taiwan also declared it political willingness to contribute additional GPS units to the project and/or the host country government in order to nationalize the PRADD model and to bolster the existing property rights registry. In the next quarter, the project will broker a dialogue with the US State Department and the Taiwanese government to identify the diverse technological needs of GoCAR to adopt, maintain, and update the PRADD model and the GIS property rights/production data registry, for further innovation and compliance with the Kimberley Process Certification Scheme.

The project also coordinated a round-table session focused around the theme of “The State of the Artisanal Diamond Mining Sector” with the DDI. The panel discussion was moderated by the Minister of Mines for Liberia (Mr. Faya). Panel participants included the head of the delegation from Democratic Republic of Congo to represent Africa, the head of the delegation from Brazil to represent Latin America, Ms. Veronika Kohler of CASM, and Mr. Andrew Bone, the representative from The World Diamond Council/DeBeers. The participants spoke about their impressions of how the artisanal diamond economy has evolved following the diamond crisis and prognosis for the future.

The diamond specialists note that no new discoveries of diamonds have been located over the past years and that diamonds are “running out.” In the next years, one may reasonably expect to see a progressive rise in the price of diamonds, more conflicts around access to alluvial diamond mining by the two million Africans involved in the sector accounting at this time for 15% of all of Africa’s production of diamonds. The African and Latin American contingents spoke passionately of the enormous social costs of the recession on diamond mining economies but countries dependent on this sector. Others spoke of the likely growth of diamond smuggling linked to the collapse of government’s abilities to monitor internally the flow of diamonds due to administrative budget cutbacks.

Through PRADD, the USG also accorded a grant of $50,000 to the Kimberley Process Civil Society Fund to encourage the innovative work of such organizations as the Partnership Africa Canada and the DDI to address broad reaching policy issues of artisanal mining. Lastly, the project also debriefed the American Ambassador in CAR on the major themes and outcomes of the Kimberley Process Plenary.

2.4 R3– BENEFITS OF MINING ACTIVITIES TO LOCAL COMMUNITIES INCREASED AND FOOD PRODUCTION DIVERSIFIED AND INTENSIFIED;

2.4.1 DIAMOND EQUIPMENT TRANSFER

In May 2009, the PRADD project purchased six diamond evaluation kits for distribution to pilot site communities in order to increase the likelihood that local benefits from production and marketing of alluvial diamonds will improve. The transfer has been impeded by two external factors—the reticence of the MMEH to allow the project to make this grant as illegal miners could benefit from the evaluation of their diamonds; and the inability of the beneficiary communities to furnish their
Contribution stipulated by the project (15% community cash contribution, a secure office space, and diamond evaluators with the necessary legal paperwork required to handle and evaluate diamonds) to ensure long-term sustainability and compliance with the National Mining Code.

Consequently, the project undertook a monitoring mission to the pilot zone to initiate a community dialogue to address the ministry’s reservations. In the next quarter, the project will draft an agreement with the MMEH to develop the terms and conditions of the transfer of the diamond evaluation equipment to beneficiary communities.

2.4.2 COMMUNITY ASSOCIATIONS

A major impediment for small scale mining communities to better capitalize on the production and sale of diamonds is their selling power parity with better organized financing institutions and buying blocks. One tangible way that PRADD can help small-scale miners to improve their production economies of scale and to create external market linkages is to encourage artisans to form legally sanctioned mining groups or cooperatives.

Cooperative grouping enables artisans to directly export their diamonds to international buying houses, avoiding middlemen, to have better standing to acquire micro-credit and loans, and to leverage more economic resources and manpower to conduct the mining work itself, increasing the likelihood of a discovery. Promoting cooperative and community interest groups likely will also be a necessary social structuring to encourage wide-scale environmental rehabilitation work and land use planning in PRADD’s work sites.

PRADD had previously worked to identify and train local community groups in each of the six hamlets of Boda, but as the project lacked a permanent field presence in the pilot zone during the pilot phase, many of these groups lost momentum to continue functioning. Consequently, the IR 3 coordinator and the Boda field office staff are working to identify the functional community groups and to begin developing training modules about the benefits of communal grouping and the legal requirements for these groups to be recognized by GoCAR.

In coming quarters, the project will work with these individual community groups to pool resources to buy mining permits, to facilitate the operation of community sponsored diamond evaluations, to procure improved mining technologies such as the Kickstart treadle pumps or to finance alternative livelihood activities such as fish farming and community gardening.

2.4.3 ALTERNATIVE LIVELIHOODS ACTIVITIES

The project procured two lightweight, inexpensive, solidly constructed manual water pumps adapted to rural environments from Kickstart International as demonstration models for artisanal miners in the pilot zone. The proposed utility of the treadle pump is to evacuate water from artisanal mines quickly and efficiently, in lieu of using of the popular gasoline-powered, pollution-emitting motor pumps. With lower costs, increased efficiency and fewer environmental impacts from prospection activities, artisans could identify more highly valued stones, while maintaining the natural resource base for other activities such as fishing and food production.

The smaller, lighter, ergonomic “hip pump” could compliment mining activities, and most particularly small scale gardening activities. Consequently, the project is encouraging community cooperative groups to purchase these inexpensive pumps to improve mining profits and to encourage off mine activities that will promote food security. The pumps were demonstrated at an active mine site and will be demonstrated in coming quarters to various community groups and mining cooperatives.
2.5 R4 – CAPACITY TO PREVENT AND MITIGATE ENVIRONMENTAL IMPACTS OF ARTISANAL MINING STRENGTHENED

In an effort to build local institutional capacity and to encourage numerous actors in the diamond value chain to understand the PRADD model, the project sponsored a master’s student, Mr. Paterne Doui, from the School of Mine Engineering at the University of Bangui. As an intern on the PRADD project, Mr. Doui provided technical assistance to the project, and under the auspices of the Deputy Chief of Party, he wrote his master’s thesis on the environmental impacts of artisanal diamond mining and opportunities for rehabilitation in the Lobaye district of CAR. Mr. Doui defended his thesis, receiving an honorable mention, and as possible, the project hopes to integrate him into future field data collection teams.

In the next quarter, the project will examine how to integrate more interns from the relevant University departments (Mine Engineering, Sociology and Cartography) into project activities, and as possible will encourage the MMEH to incorporate their own interns into ongoing project activities.

2.6 R5 – ACCESS AND AVAILABILITY OF INFORMATION ON ARTISANAL DIAMOND MINING TO STAKEHOLDERS INCREASED.

2.6.1 DIAMONDS, DEVELOPMENT AND PROPERTY RIGHTS

As part of PRADD’s ongoing support to the Kimberley Process Plenary, the PRADD project hired Spectrum Media to produce four distinct audiovisual films (in French, English and the lingua franca of CAR, Sango) highlighting the PRADD property rights approach and methodology. During this reporting period, the project interfaced regularly with USAID, US State Department, and local stakeholders to finalize and edit the films, “Diamonds, Development and Property Rights: Affirming the Claims of Artisanal Diamond Miners in the Central African Republic” and “More Than a Piece of Paper.”

The films contextualize the relevance of the Kimberley Process for conflict mitigation, highlight the effects of the resource curse for small scale artisanal miners, underscore the environmental impacts of diamond mining, and outline the PRADD methodology in a replicable eight-step process. The intended audiences for the films are the Kimberley Process Plenary Artisanal Mining Working Group, the GoCAR/MMEH, donor agencies and partner organizations, and the national artisanal mining communities.

The film was presented to the US Senate and House Foreign Relations Committees (alongside a country brief titled “Issue Brief: Property Rights and the Kimberley Process in the Central African Republic”), at the GTZ Conference on Good Governance and Extractive Industries, within each of the project pilot zones, and for an audience of approximately 50 diplomats, bilateral and multilateral donor organizations, national and international partner NGOs, and government agencies at the American Embassy in Bangui. Each attendee of the viewing at the Embassy received a copy of the film for circulation within their respective organizations, and absent invitees received a copy post facto. The film viewing at the US Embassy was followed by a press conference and a question-and-answer session for five local journalists with the US Ambassador and the PRADD COTR, Dr. Gregory Myers, to discuss the PRADD project model and USG foreign assistance in CAR.

In the next quarter, the Chief of Party will contact the UN about doing a specialized viewing of the film at the weekly OCHA stakeholder meetings, as well as showing the film to the English Club at the US Embassy to foster a debate on control and access of natural resources and the KP. The ARD home office will also coordinate the distribution of approximately 60 copies of the films to various KP members ranging from Taiwan to the European Union to Guyana.
2.6.2 GOOD GOVERNANCE IN THE EXTRACTIVE INDUSTRIES

The Chief of Party and the Deputy Chief of Party attended a two-day conference hosted by GTZ in Yaounde, Cameroon with the theme “Geological Resources and Good Governance in Central Africa.” PRADD project participants assisted in the working group sessions on 1) Economic Integration of Extractive industries; 2) Good Governance in the Extractive Sector—the EITI; 3) Extractive Industries and Local Communities- Social and Environmental Costs of Mining and other Activities of Extractive Industries; 4) Artisanal (informal) and Industrial Mining—Toward a Sustainable Partnership. PRADD also exhibited a poster on the PRADD approach (see box at right) and showed the film “Diamonds, Development and Property Rights: Affirming the Claims of Artisanal Diamond Miners in the Central African Republic” to conference attendees.

This conference was attended by 175 representatives from the extractive industries; bilateral donor organizations; NGOs; transparency initiatives; development, humanitarian relief and human rights organizations; CEMAC government authorities; diplomatic corps; and mining unions.

Subsequent to the conference, a representative from the consulting firm Wardell Armstrong, which previously helped the World Bank to conduct an audit of the Central African mining sector and national laws, as well as a representative from the Bonn International Center for Conversion (BICC), contacted the Chief of Party to obtain additional information about the project methodology and approach.

2.6.3 INTERNATIONAL MEDIA COVERAGE

A key theme emerging from the civil society advocates in the Kimberley Process Plenary is the need for artisanal diamond production to contribute to sustainable local development and fiscal responsibility with diamond producing governments. This subject is also of interest to international media outlets, such as the British Broadcasting Company (BBC) and the Canadian Broadcasting Corporation (CBC).
Company (CBC) who are currently researching documentaries on the “paradox of plenty” in the diamond producing countries, such as CAR.

To this end, the project was contacted by a lead journalist for BBC based in Bangui who wanted to develop an exposé around the theme of “diamonds for development” in the Central African Republic. The journalist accompanied the project on two site visits to the pilot zone to meet with actors across the value chain. They wanted to ascertain how the downturn in the global economy has affected small-scale diamond miners, to evaluate the impact of national policies (such as the closure of the diamond buying houses) on sustainable development and poverty reduction in CAR, to highlight the “paradox of plenty” in a resource rich country such as CAR, and to provide international media content unrelated to the humanitarian crisis that plagues the northern provinces (see Figure 3). A preliminary press article was circulated about the impacts of the economic crisis on the mining sector and food insecurity in southwest CAR, and a documentary is pending.

Through the United Nations Development Program (UNDP), CBC contacted the project to request information and photos with regard to child labor in artisanal diamond and gold mines in the CAR. By law, minors under the age of eighteen are prohibited from working in the mines, but it a common local practice throughout the country as children are important contributors to rural household incomes.

2.6.4 MINING CODE REVISION

The World Bank initiated a policy review of the national mining law and the texts of application in May 2009. In mid 2009, the law—which incorporated several important changes in terms of environmental management, artisanal miner permitting requirements, and revenue streams for industries from the previous Code—was adopted by the National Assembly.

To diffuse the legal requirements of the revised Mining Code to stakeholders across the value chain, the PRADD project undertook three major activities. First, the project provided copies of the revised law and application texts to local government authorities and traditional partners in the five major diamond-producing regions of the country: Boda, Nola, Berberati/Carnot, Bria, and Bangassaou, to ensure consistent and transparent application of the law. Recipients of the code included regional directors from the MMEH, prefects/sub-prefects, mayors, Mining Brigade commanders, and partners from the extractive industries, cooperative groups and environmental non-profit organizations. Second, the project summarized the core changes in the mining law into a short handout, which was presented to community groups in and around Nola and Boda. PRADD also incorporated these changes into the Mining Code Guide that the project produced in 2008 and in the next quarter, this guide will be translated into the local dialect, Sango, for wide distribution among the mining community.

2.6.5 COMMUNICATION STRATEGY

During this quarter, PRADD finalized its communication strategy which will serve as a roadmap for the diffusion of best practices in the artisanal mining sector throughout the targeted pilot zones and nationally. In the next quarter, this report will be translated in French to permit the local staff to develop a robust communication plan, integrating audiovisual and written media, for the five principle indicator results.
2.6.6 LOCAL RADIO COVERAGE

The PRADD project has increasingly been using rural radio to disseminate information about project activities, to promote local buy-in and ownership of the LTPR model, to correct misinformation about PRADD as an international development project rather than a diamond buying house, and to educate the public about best practices in the mining sector. To that end, the project used the “Radio Rurale” to organize community planning meetings, and to present project objectives during this quarter. The Nola field office manager has also negotiated a time slot for a weekly PRADD radio emission, whose content was being developed at the time of this publication.

2.7 PARTNERSHIPS

2.7.1 COTR PROJECT SITE VISIT

In December 2009, the project hosted the PRADD COTR, Dr. Gregory Myers, in country for an evaluation mission of the project activities to date. Dr. Myer’s visit included partnership meetings (GTZ, UNDP, and MMEH delegate to the Kimberley Process Plenary), a site visit to the pilot site with the Deputy Chief of Mission of the US Embassy/Bangui, and a formal viewing of the PRADD film for an audience of local policymakers, bilateral and multilateral donor organizations, and local partners at the Cultural Center of the US Embassy.

2.7.2 US EMBASSY

After a four-month hiatus, the Deputy Chief of Mission (DCM) at the US Embassy/CAR was appointed. The project briefed the DCM on the project activities to date and partnership constraints with our local counterparts. For example, the major impediment to the implementation of project activities to date is the unsigned memorandum of understanding (MOU) between USAID and GoCAR, pending since May 2009. The failure to receive a signed MOU from the Central African Government resulted in the USAID withdrawing its sponsorship of one government and one civil society member to attend the Kimberley Process Annual Plenary held in Namibia in November 2009.

At the request of the US Embassy, the PRADD project also collaborated with temporary duty employees visiting Bangui from the US State Department and USAID. In September, the Chief of Party met with Mr. Stuart Crampton, the Democracy and Human Rights and Labor Affairs Office (USDOS) to discuss way in which the State Department could influence national mining practice and policy in CAR to mitigate human rights violations and child and/or conscripted labor and public finance mechanisms that would enable diamond revenue to promote rural development. Furthermore, on several occasions, the Chief of Party has met with Mr. Andrew Karas (USAID/Kenya) and Mr. Jacob Greenstein (USAID/Washington) to help hone their understanding of the contextual environment for implementing international, donor-driven projects in the CAR. The USAID delegation is working to implement a rural roads construction project in the center of the country, which would be reliant upon manual labor and community led maintenance of the road.

2.7.3 EXTERNAL STAKEHOLDERS AND PARTNERS

During the COTR’s site visit, project staff had the opportunity to meet with the US Ambassador and extractive industry leaders doing business in tropical timber, uranium, diamonds, and gold in the CAR. The encounter helped to elucidate the operating environment for extractive industries in CAR and omnipresent difficulties of collaborating with the MMEH, and more positively, to open a dialogue among different actors in the sector with parallel objectives.
ANNEX I: REPORTS, MAPS AND OTHER DOCUMENTS PRODUCED IN QUARTER 2

Cartes des Différents Sites du Projet DPDDA/USAID dans la Sanga-Mbaere (Sud-ouest de la République Centrafricaine. December 2009. GIS map of proposed pilot site project interventions around Nola, CAR.


Elbow, Kent. Toward a Program to Ensure Sustainability of PRADD Results with a Focus on Enhanced GOCAR Buy-In to the PRADD Analysis: Observations and Analysis. November 2009.


