

From Blood Diamonds to Fishponds:

Land-Rights Project for Central African Republic Miners Has Ripple Effect

By Anthony Piaskowy



Photo by Prosper Yaka, Tetra Tech ARD

FIVE YEARS AGO, Berthe Yadjo and her family had a very different life and livelihood. Her husband, like most artisanal miners in the Central African Republic (CAR), would search for a new site to mine and begin to dig quickly. When he discovered diamonds, he would sell them to the first buyer at the first price offered. This process would repeat itself until the mine was exhausted, and then

the family would move on to the next mine.

The Yadjos lived in fear that at any time a rival miner or the government would confiscate the mine, and that diamonds would be stolen before they could sell them. At the same time, the family struggled daily to meet its basic needs.

Through a USAID project that strengthens property rights, Yadjo and her children now lead a more stable

life in the small village of Loppo. The project deals with illicit diamond production—which violates the Kimberly Process—by channeling the diamonds into the legal market. This enables the artisanal miners to earn a fairer wage on their diamonds.

Even with the death of her husband, Yadjo has been able to secure land and a livelihood. That's because before he died more than two years ago, Yadjo's husband obtained a

A miner searches for diamonds in the Central African Republic.

property-rights certificate verifying the mine site as his own, which Berthe Yadjo has since inherited.

After the mine was exhausted, Yadjo converted the mine pit into a fishpond, which generated enough income through fish farming for her to purchase two additional exhausted mining sites and rehabilitate them as well. She and her children no longer worry about land confiscation or when and what they will eat. In addition, this work supports environmental recovery.

This is just one successful result of a program managed by USAID's Office of Natural Resources Management in Central African Republic to increase legal diamond production and strengthen property rights, while at the same time reducing conflict and promoting economic growth, advancement for women, education, and good governance. Due to the success of the five-year program, it was recently expanded to Liberia.

USAID is not the only interested party. The Property Rights and Artisanal Diamond Development Project is also attracting attention from civil society organizations and from private industry. In 2011, the Taipei Economic and Cultural Representative Office, responsible for maintaining and developing bilateral relations between Taiwan and the United States, awarded a small grant to the project implementers to purchase GPS devices to support claims mapping and certification.

The Gemological Institute of America (GIA), a nonprofit institute with a mission to ensure the public trust in gems and jewelry, awarded a grant for 20 miners to attend a one-week training course on diamond sorting and

valuation this spring. Through the grant, GIA will provide specialized training materials, including rough diamonds, as well as an instructor, assistant instructor, and translator.

GIA President and CEO Donna Baker said: "We look forward to serving this region through our educational offerings and are honored to work alongside USAID on this important initiative to help achieve a greater quality of life for the residents of these African communities."

At the foundation of these partnerships is the five-year-old USAID project in the land-locked country. "What started as a pilot project has developed into a mature project and

replicable model for other programs," said Eric Postel, assistant administrator for USAID's Bureau for Economic Growth, Agriculture and Trade. "As a result, partners have come forward on their own to contribute financial and other resources in support of our development efforts. We anticipate additional partners joining us in strengthening the project in CAR and possibly expanding to other countries."

IN CAR, ALL MINERALS are the property of the state, however, small-scale mining is permitted where industrial techniques are impractical. Small-scale miners are required to



Photo by Jamil Simon, Tetra Tech ARD

The mining process is filmed for two USAID videos on the Property Rights and Artisanal Diamond Development Project.

obtain a license from the government for \$60, but most are extremely poor and never buy them. Because the penalty for mining without a license is arrest and confiscation of diamonds, the prevailing mindset is to mine quickly, sell fast, and move on.

The economic and environmental consequences are predictable: financial benefits to miners and their communities are low, and exhausted mine pits are left behind.

At its core, the USAID project works to increase the amount of diamonds entering the international market legally while improving the benefits to mining communities by promoting legal mining and strengthening property rights. Formal diamond production cuts down on smuggling the valuable gems—estimated to be a \$10 million to \$15 million business on the black market—and increases national revenues from exports.

“With property rights strengthened and clearly defined, small-scale diamond miners can move from the sidelines into the formal production system. Additionally, strong property rights increase the economic value of land and makes the eventual rehabilitation of that land much more likely,” explained Tim Fella, land tenure and conflict specialist at USAID.

USAID also provides technical assistance to help the Central African Republic Government identify and record more claims and issue certificates. Because the certificates improve the security of the miners’ rights, the value of the land also increases.

In addition, certificates provide miners with legal recourse should a land dispute arise. It appears to be working: Resource-related disputes fell 97 percent from 2008 to 2010 in the two prefectures in which the program is operating.

The project is implemented in consultation with the Department of State in support of the Kimberley Process Certification Scheme, which aims to eliminate the international trafficking of conflict diamonds. It

was set up to ensure that consumers are not financing war and human rights abuses by purchasing diamonds. Conflict diamonds jumped into the public consciousness most prominently with

the 2006 “Blood Diamond,” a big-budget movie starring Leonardo DiCaprio and Djimon Hounsou, who become inadvertent allies in a quest to retrieve an especially lucrative illegally mined diamond.

The USAID project includes working with government officials to lower artisanal mining fees, which increases incentives for miners to obtain a license to mine. With more miners operating legally, government revenues rise. Due to the 36-percent reduction in mining fees and a legal mining promotion campaign, CAR miners in 2011 bought licenses at twice the rate of the previous year. It is expected that future revenues will exceed levels reached under the previous fee structure.

Additionally, the project has helped map mining sites through the use of GPS

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for more information on conflict diamonds and to see a video on the artisanal mining project.

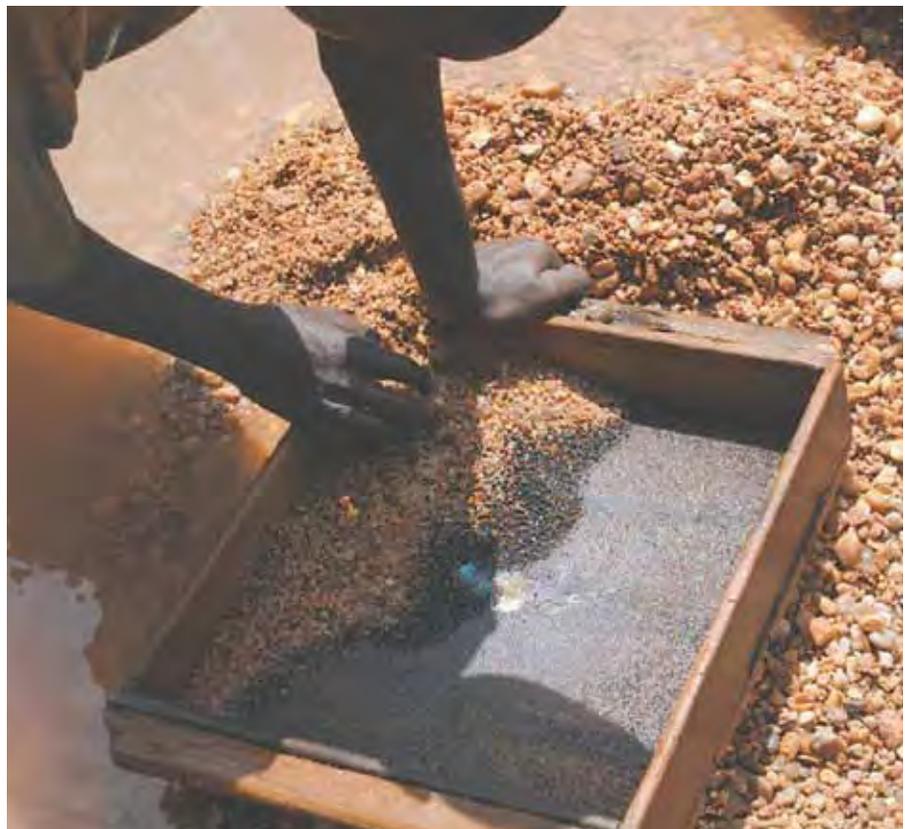


Photo by Prosper Yaka, Tetra Tech ARD

Artisanal mining techniques used in the Central African Republic are often very simple. This man uses a basic sieve to find diamonds.

and community validation workshops. After sites have been mapped and claims verified, the mines can be certified.

SINCE ADDRESSING the concerns of land and mineral confiscation, miners have been able to focus their time and other resources on boosting production. Many are making investments in equipment and other improvements to increase productivity. Legal diamond production in the provinces where the program operates increased from 4 percent to 27 percent of national production in just two years.

One miner summarized the improvement to his life looking forward: “I now have a livelihood after my mine is exhausted—this project helps me find other options to make investments in work that is not as physically demanding. I can now grow old a little more comfortably.”

The potential for miners could grow even more. Late last year, NGOs and representatives from the global diamond industry—including buyers, sellers, polishers, and cutters—joined with USAID, the Department of State, and the U.S. Geological Survey to explore partnership opportunities. The group has scheduled an exploratory trade mission for March to assess the feasibility of the U.S. diamond industry directly sourcing minerals from project-supported miners at fair prices. A partnership would not only offer the opportunity for increased incomes for miners but also technical training and investment, said Fella.

During preliminary talks, one diamond company executive said to U.S. Government partners: “For you, this project is about development, and for



Photo by Prosper Yaka, Tetra Tech ARD

Through the promotion of legal mining, more accurate information on diamond production is available, a key component of the Kimberley Process Certification Scheme.

us it's about profit, but these are not mutually exclusive.”

In the meantime, diamond miners are finding other ways to grow their profits with USAID assistance. To lessen environmental damage and create more sustainable livelihoods, the Agency is helping communities reclaim exhausted mines. Nearly 500 mined-out diamond pits, which would have otherwise been left as malarial breeding grounds, have instead been converted into fish farms, vegetable gardens, and fruit tree orchards.

Some miners now say they make more money from fish farming than

digging for diamonds. The intervention also has enhanced the land market. Well-situated exhausted pits are being bought for conversion to income-generating uses just as Yadjo has done.

In fact, Yadjo's success earned her an invitation to the U.S. Embassy in Bangui for a women's entrepreneurship workshop recently. While there, she gained invaluable knowledge and, back at home, stature in her community. She now organizes women and provides them with investment training to build their own fishponds. ■