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Property Rights and Artisanal Diamond Development

Household Survey Results from Liberia

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Objective

Characterize the artisanal diamond mining sector through review of the results of a comprehensive household survey (826 miners) conducted in Liberia



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Artisanal Diamond Mining in Liberia

- Actors:
 - “Miners” hold informal or formal mining claims
 - “Supporters” finance mining operations
 - “Diamond boys” provide labor on the claims
 - “Brokers” purchase diamonds from miners
 - “Dealers” purchase diamonds from brokers and export
- Pits are dug primarily using shovels / water pump
- Licenses are mandatory, cost US\$150 (doesn't include survey)



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Baseline Survey Results

- Basic Demographic Information:
 - Per capita income: \$US 325
 - 76.4% of income from mining activities
 - 89% of miners are male, 11% female
 - 47% report having no formal education, 77% completed 9th grade or less



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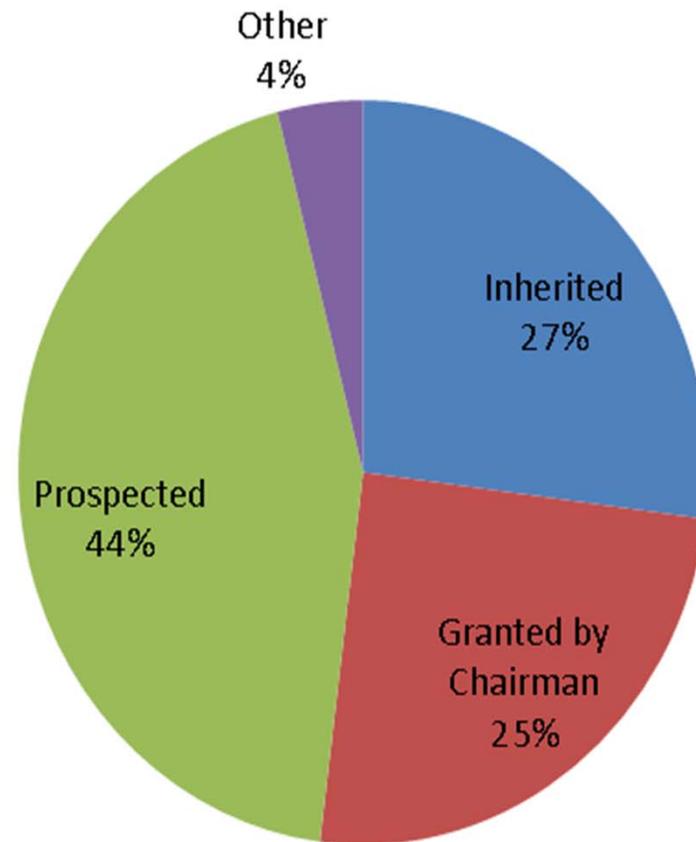
Baseline Survey Results

- General Mining Activities:
 - 18.3% have more than one claim
 - 40.6% report having a valid artisanal mining license for their claim (though this may be overstated)
 - Among the 59.4% of miners who are unlicensed:
 - 57.2 % have held a valid license in the past
 - 29.7% have a pending application for a license
 - 37.7% report holding another form of documentation



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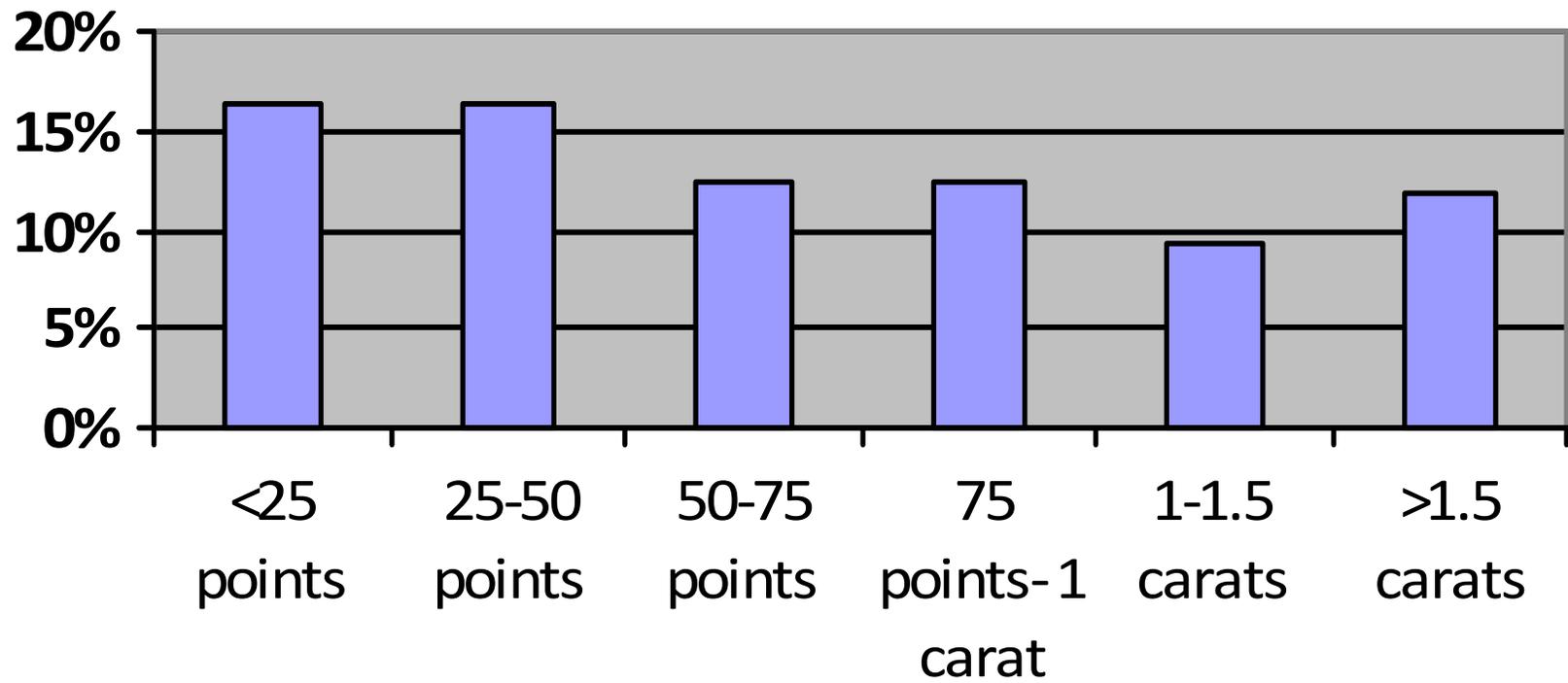
Mode of Claim Acquisition





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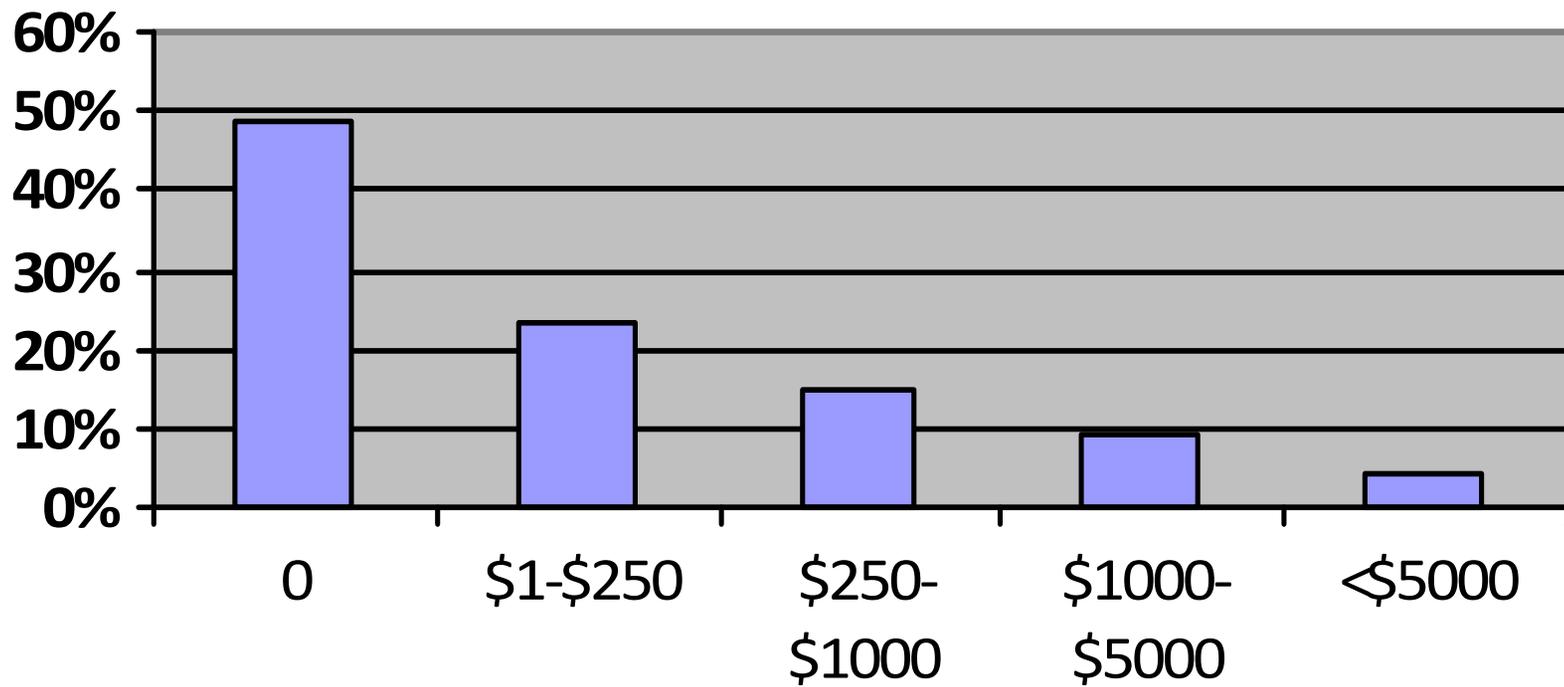
% of Stones by Weight





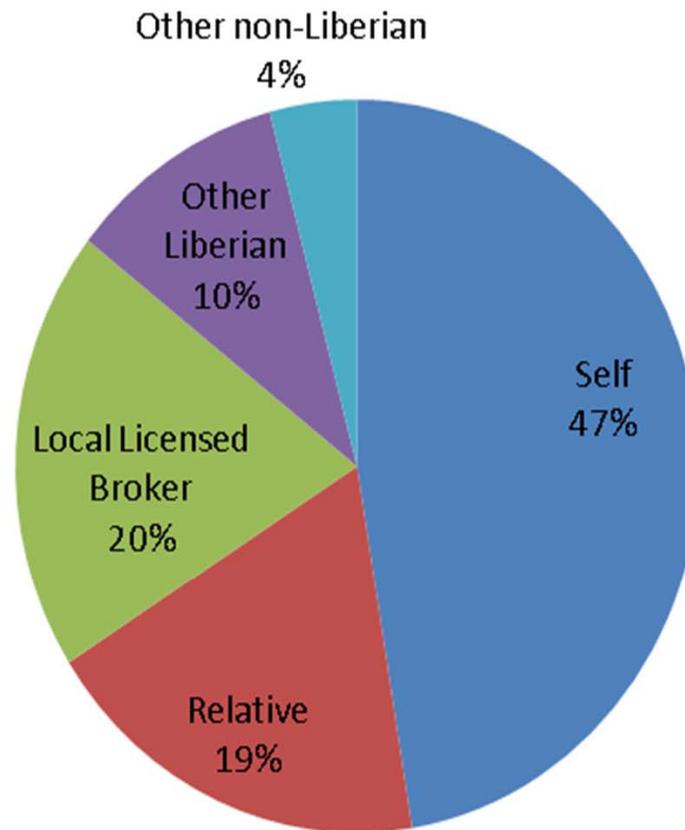
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Total Revenues By Claim





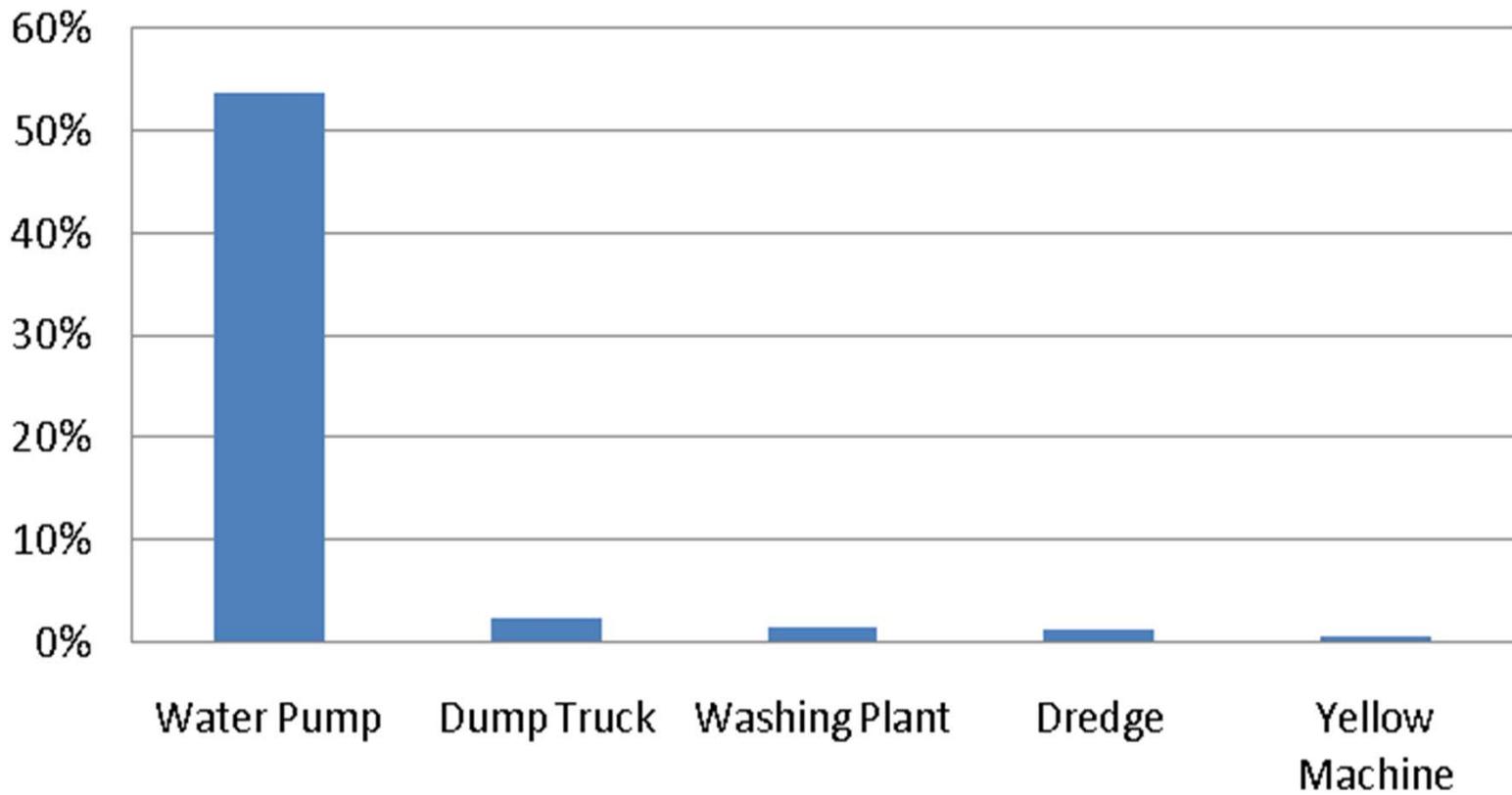
Source of Financing





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Equipment





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Miners' Complaints and Worries

Which are important reasons to you for not digging more pits on your claim?

	Very Important	Somewhat Important	Not a problem
Hard to find diamond boys (labor)	76.2%	8.9%	14.5%
Hard to find financial support	81.3%	6.9%	10.6%
Not enough diamonds on claim	19.1%	37.0%	43.3%
Busy pursuing other opportunities	11.0%	30.4%	58.1%



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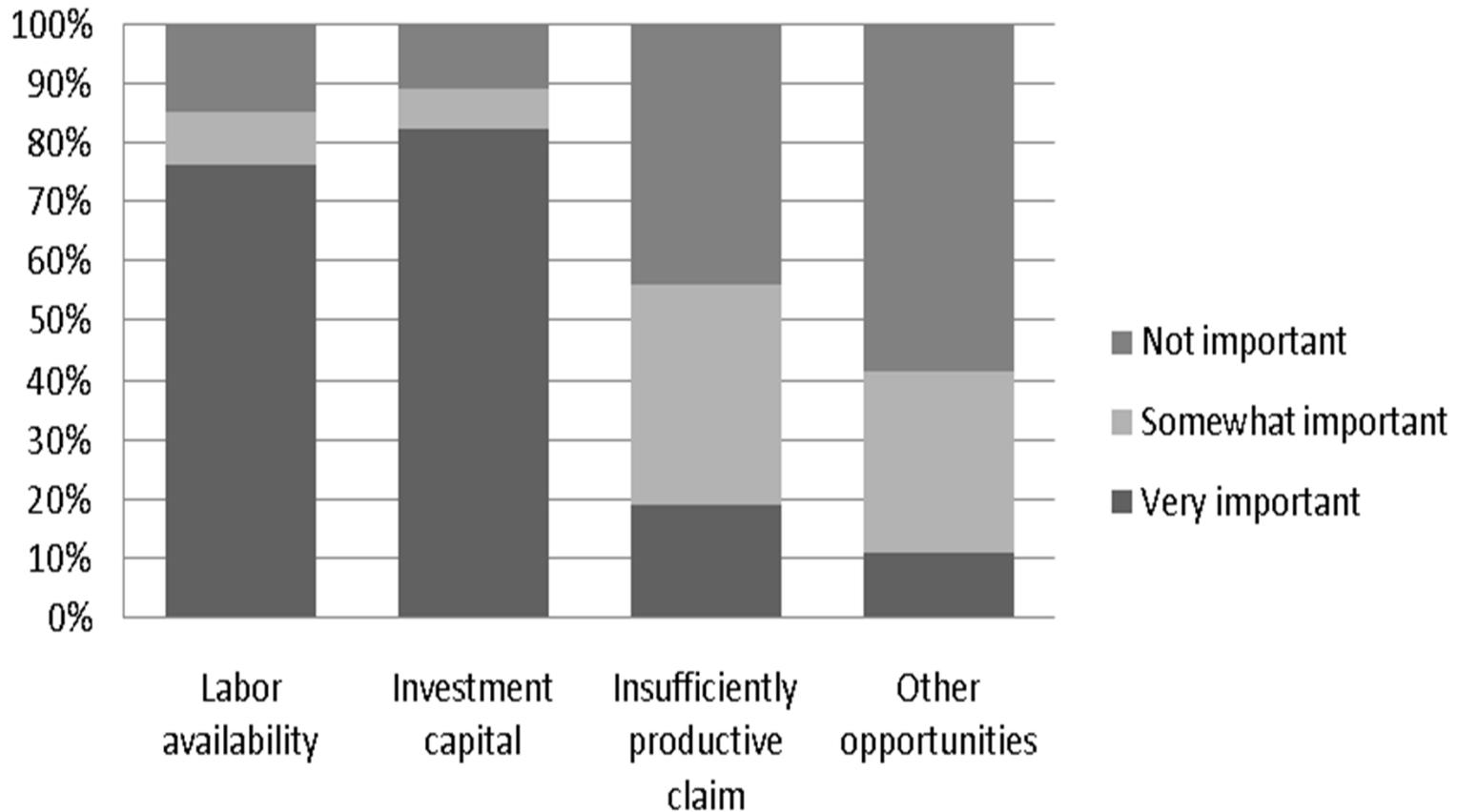
Miners' Complaints and Worries

- Conflicts and Security:
 - 17.0% of mining households report having had a conflict over their mining claim
 - Over 50% of disputes occurred within the past 2 years
 - Majority of conflicts are related to the boundaries of claims
 - Who resolved the disputes?
 - The conflicting parties = 18.9% Police or courts = 1.8%
 - Mining chairman = 22.0% Other = 11.0%
 - Mining agent = 25.6% It was not resolved = 7.9%
 - Are you worried about future conflicts over your claims?
 - Yes, very worried = 39.7%
 - Yes, a little worried = 20.3%
 - No, not worried at all = 39.7%



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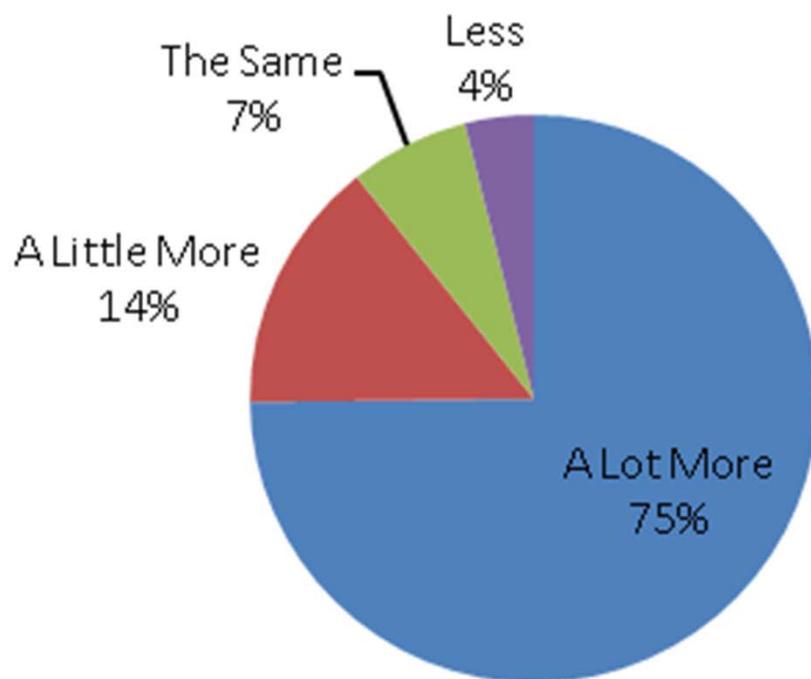
Constraints on Mining Activity





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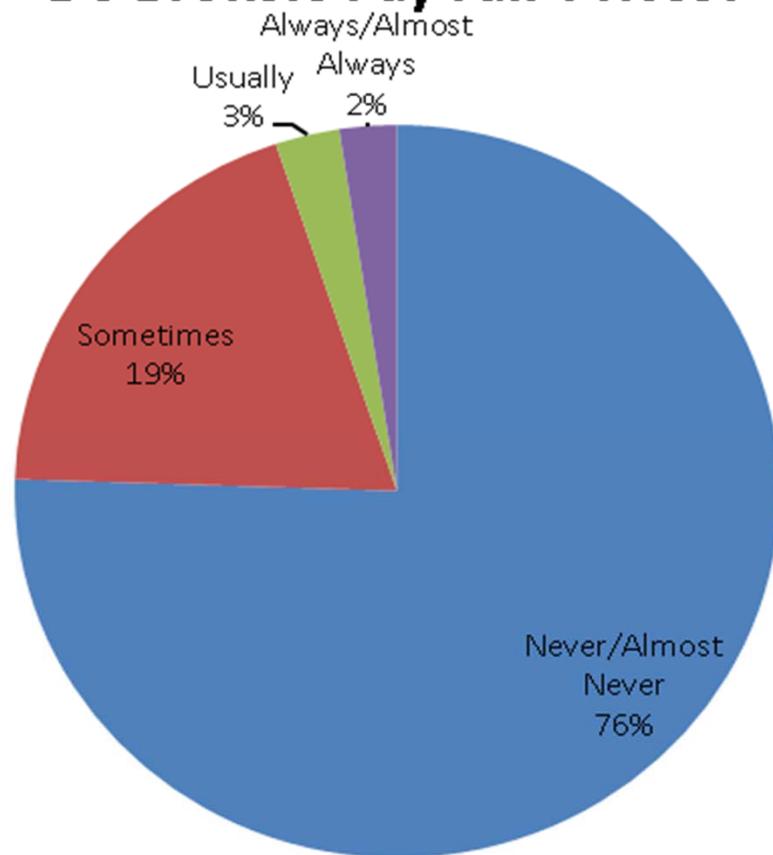
Are Brokers Better Informed Than Miners About Prices?





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Do Brokers Pay Fair Prices?





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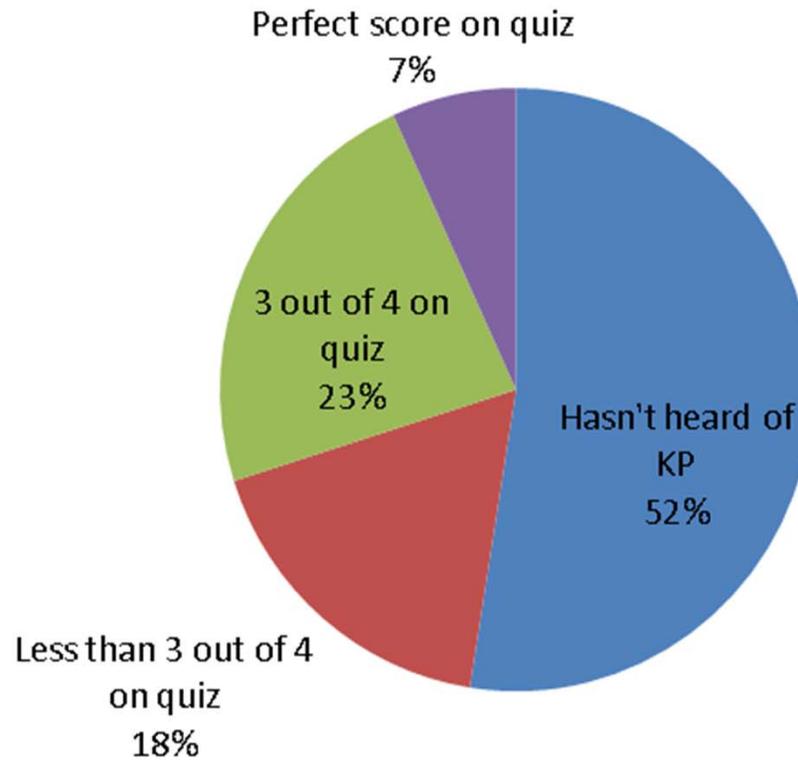
Baseline Survey Results

- Policy Awareness and Perceptions:
 - 48% of survey respondents had heard of the KPCS
 - Mini Quiz administered to those who had heard of KPCS:

What steps are part of the KPCS?	Yes	No
Getting a mining license for any claim that you are mining	81.8%	8.2%
Asking the mining agent for the correct price of each diamond you find	56.2%	30.8%
Registering all diamonds you find with the Regional Diamond Office	83.7%	6.8%
Giving a voucher to the broker when the diamond is sold	65.5%	17.9%



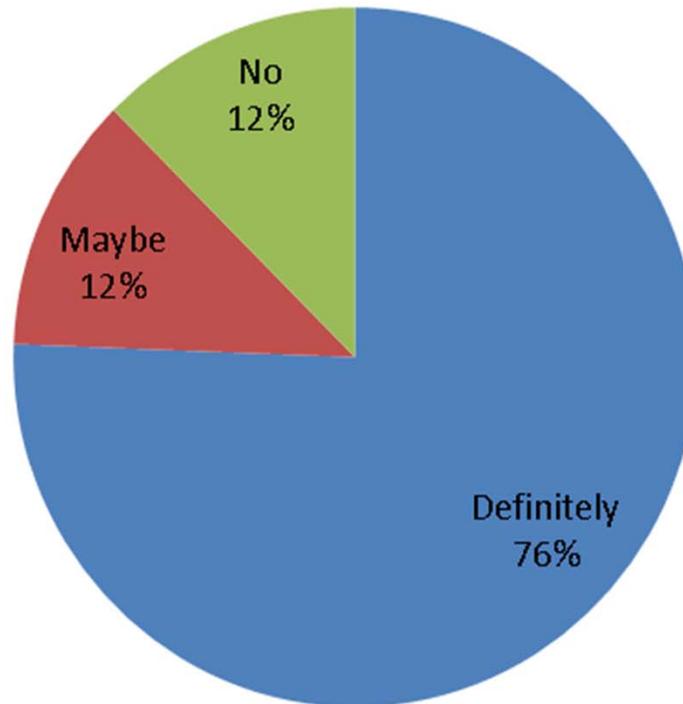
Awareness of Kimberley Process





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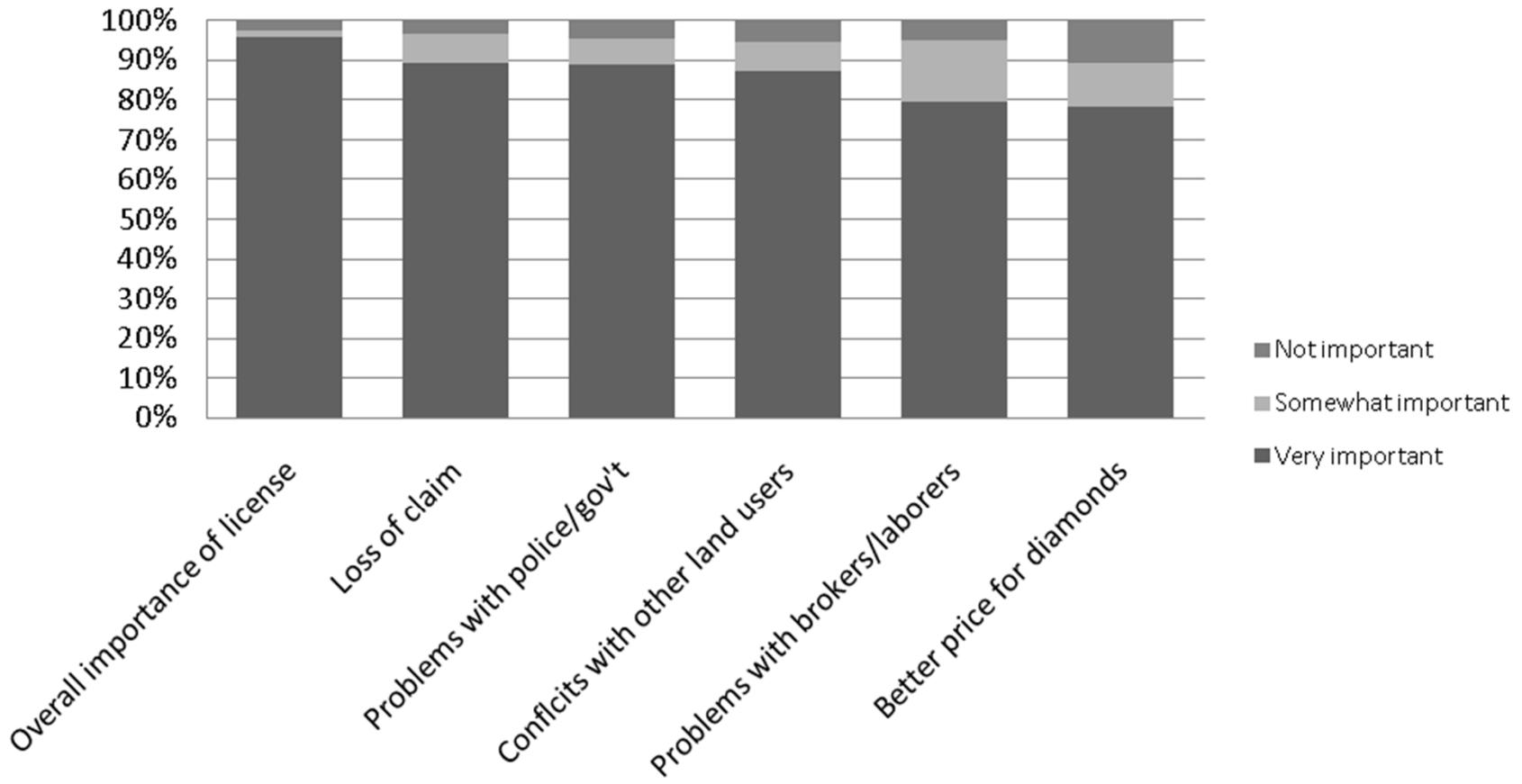
Interest in Cooperative-Based Microfinance





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Reasons for Obtaining License





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Thank You