



USAID PROGRAM BRIEF

PROPERTY RIGHTS AND ARTISANAL DIAMOND DEVELOPMENT (PRADD)

SUPPORTING THE KIMBERLEY PROCESS IN THE CENTRAL AFRICAN REPUBLIC AND LIBERIA

OVERVIEW

The Property Rights and Artisanal Diamond Development (PRADD) project was launched in the Central African Republic (CAR) in 2007 and in Liberia in mid-2010 as a joint USAID/Department of State initiative. The aim is to assist the governments of CAR and Liberia to fulfill their commitment to comply with the Kimberley Process (KP).

The objective of PRADD is to increase the amount of alluvial diamonds entering the formal chain of custody while improving the benefits accruing to diamond mining communities in both CAR and Liberia. Nearly all of the thousands of artisanal miners are extremely poor. Only a very small minority purchase mining licenses, which are expensive and must be renewed every year. This means most miners operate outside the law. They are therefore vulnerable to arrest, and to having their diamonds confiscated. Not surprisingly the prevailing mindset is to mine quickly, sell fast taking the first price offered, and then move on. The economic and environmental consequences of these prevailing attitudes are predictably bad, and impact compliance with the KP.

THE PRADD APPROACH

PRADD is premised on the knowledge that strengthened property rights create positive incentives to be a good steward of the land. When a community makes the right of an artisanal miner to prospect and dig for diamonds more formal and secure, that miner is more likely to sell any diamonds he finds through legal channels, enabling the government to meet its obligation to the KP to track the origin of those diamonds. The miner who is secure in his rights will not sell his diamonds in fear and haste. He will negotiate better prices that he can use to provide for his family.

Furthermore, a secure claim on the land increases the value of the claim should the miner decide to sell, and thereby stimulates the market in land. PRADD is demonstrating that compliance with the KP is easier for governments when miners' rights to mine have been strengthened.

PRADD ACHIEVEMENTS IN CAR

- 2,849 artisanal diamond mining claims certified by the government.
- Diamond production from PRADD project areas reached 68% of national total, up from 5.4% in 2010.
- 591 exhausted diamond mines converted into 361 fishponds, 176 vegetable gardens and 54 fruit tree orchards.
- Household incomes in project groups are 9 times higher than a year ago.

OBJECTIVES

The PRADD project works with artisanal diamond mining communities in Lobaye, Sangha Mbaere and Mambere Kadei Provinces, CAR, and in Lofa Bridge and Weasua, Liberia. PRADD assists the governments of CAR and Liberia to:

- Clarify and formalize rights to land and natural resources;
- Improve monitoring the production and sale of diamonds;
- Increase the benefits accruing to mining communities;
- Strengthen capacity to mitigate environmental damage; and,
- Improve stakeholders' access to crucial information.

PRADD IN THE CENTRAL AFRICAN REPUBLIC

Prior to 2011 the fee for artisanal mining licenses was very high and only a small percentage of miners bought licenses to mine. PRADD produced a comparative study of artisanal licensing systems in ten countries that showed that reducing license fees increases the number of miners who buy licenses sufficiently



A worker at an artisanal diamond mine near Mbanza in the Central African Republic

Photo: Propert Yaka, Tetra Tech ARD.

to increase government revenues. Based on this evidence the government of CAR cut the artisanal mining license fees by 36% in January 2011 and 41% more miners bought licenses in 2011.

Since opening as a pilot in 2007 PRADD has worked to identify and geo-reference mining sites in its area of intervention, has conducted community meetings to validate the miners' rights to mine, and has provided the miners with certificates signed by the government, and finally has inputted the data into a claims registry. PRADD has formalized customary claims to a total of 2,849 diamond mines.

The PRADD system of community-validated certificates reduces conflict. The certificates are increasingly used by authorities and the courts to arbitrate diamond-related land conflicts, which fell from 142 to 51 in one year, and now have nearly disappeared in PRADD's project area. The certificates have also stimulated the market in land; certified claims are sold at a higher price than non-certified ones. Because of these positive outcomes the government of CAR has directed the PRADD operation since April 2011, and now PRADD is assisting the government in a larger land tenure reform process initiated in December 2011.

To mitigate the environmental damage caused by artisanal mining PRADD assists communities to undertake income-generating projects that reclaim exhausted mines while diversifying livelihoods. As of October 2011 a total of 591 mined out diamond pits had been converted into 361 fish farms, 176 vegetable gardens, and 54 fruit tree orchards. Some artisanal miners now earn more income from fish farming than from digging for diamonds.

PRADD IN LIBERIA

Since commencing operations in 2010 PRADD has conducted a census of diamond mines in Lofa Bridge and Weasua and has geo-referenced over 500 claims. PRADD has used those GPS coordinates to create an artisanal mining cadastre for the government.

Late in 2011 PRADD conducted a review of the policy, legal, regulatory and administrative frameworks governing artisanal mining, and identified gaps and contradictions that create points of friction between statutory and customary rights. PRADD recommended 20 changes to policies, laws, regulations and procedures to secure tenure rights, improve the licensing system, increase the amount of

diamonds entering the formal chain of custody, increase benefits for miners, and promote environmental rehabilitation. PRADD presented these to the government and they have been accepted.

As part its effort to comply with the KP the government opened diamond offices to monitor the production and marketing of diamonds. PRADD has refurbished ten of the buildings and equipped them with motorbikes and solar-powered high frequency radios to enable its agents to visit mines and report on activities.

Artisanal mining of diamond deposits in Liberia is environmentally destructive. The mining law obligates miners to backfill their sites, but this is seldom done. Pitting is the main technique used by artisanal diamond miners. Pitting leaves a large amount of the diamond-bearing gravel unexposed and thus unexploited, and the sterile overburden leaves the land useless once mining ends. To address this issue in Liberia, PRADD is introducing the SMARTER mining method of trenching and stepping. Trenching and stepping exposes more of the diamond-bearing gravel and allows higher recovery of diamonds. The miner backfills a mined out trench with overburden from a new trench as mining proceeds, so environmental damage is mitigated as part of the excavation process.



Left: Transforming a mined-out diamond pit into a fish farming pond. Right: This pond now produces 50 kilograms of tilapia every six months. The proportion of mining households owning one or more fishponds increased from 18.8% to 34.4% in two years.



SMARTER mining combines 'stepping' with 'trenching' to improve productivity and mitigate environmental damage. In this trench, workers move the diamond-bearing gravel up the steps into bags.



Mrs. Yata Varney at her diamond mine near Lofa Congo, Liberia. Note the pitting method being used. A relatively small surface area of gravel is exposed. After the gravel is mined out, very few miners backfill their pits, leaving the overburden in place.