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PROPERTY RIGHTS AND ARTISANAL DIAMOND DEVELOPMENT (PRADD) PROJECT

QUARTERLY PROGRESS REPORT
(APRIL – JUNE 2011)

JULY 2011

This publication was produced for review by the United States Agency for International Development. It was prepared by Tetra Tech ARD.



Prepared for the United States Agency for International Development, USAID Contract Number EPP-I-00-06-00008-00, Task 5.42, Property Rights and Artisanal Diamond Development in CAR, under the Property Rights and Resource Governance Program (PRRGP) Task Order, under the Prosperity, Livelihoods, and Conserving Ecosystems (PLACE) Indefinite Quantity Contract.

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Cover Photo: Child digger at a diamond mine near Boda. The use of child labor to mine diamonds is illegal in CAR, but is widely practiced due to poverty and ignorance. A major objective of the PRADD project is to help the government end illicit practices, including use of child labor.

Photo by Prosperit Yaka.

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CONTENTS

CONTENTS	2
LIST OF MAPS AND FIGURES	3
ACRONYMS	4
INTRODUCTION AND BACKGROUND	6
1.0 SUMMARY OF MAJOR ACCOMPLISHMENTS THIS QUARTER.....	8
2.0 DETAILED DESCRIPTION OF MAJOR ACCOMPLISHMENTS THIS QUARTER	9
2.1 Project Administration and Management	9
2.2 Staff Capacity Building	10
2.3 IR 1 – Customary Land and Natural Resource Rights in Target Areas Identified, Clarified and Formally Recognized	10
2.3.1 Property Rights Validation.....	10
2.4 IR 2 – System for reliable tracking of production and initial sale information strengthened and appropriated by GoCAR	14
2.4.1 Transfer of the Artisanal Mining Claims Registry/Production and First Sales Database to the Ministry	14
2.4.2 Production Tracking Test	15
2.4.3 Diamond Production Data	16
2.5 IR 3 – Benefits of mining activities to local communities increased and food production diversified and intensified	17
2.5.1 Assisting Community Development Groups	17
2.6 IR 4 – Capacity to prevent and mitigate environmental impacts of artisanal mining strengthened	21
2.6.1 Fish Farming	22
2.6.2 Agroforestry.....	22
2.6.3 Vegetable Farming.....	23
2.7 IR 5 – Access and availability of information on artisanal diamond mining to stakeholders increased.....	23
2.7.1 Mass Communication.....	23
2.7.2 Partnerships	25
2.8 other activities.....	26
ANNEX I: PRADD CAR PERFORMANCE INDICATORS.....	26
ANNEX II: PRADD/CAR GENDER STRATEGY.....	28

LIST OF MAPS AND FIGURES

Figure 1: PRADD/CAR Phase III Organizational Chart.....	9
Figure 2: Adaptation of PRADD's Property Rights Methodology by the Ministry of Mines.....	11
Figure 3: Number of Licensed Artisanal Miners in CAR.....	12
Figure 4: Number of "PRADD" Identified and Licensed Artisanal Miners.....	13
Figure 5: Diamond Production: National and in the PRADD Areas Since 2009.....	16
Figure 6: Percent of National Diamond Production Coming From PRADD Areas.....	17
Figure 7: Results of PRADD Awareness Raising and Technical Training.....	18
Figure 8: Income Generated by Groups Supported by PRADD.....	18
Figure 9: Achievements in Environmental Rehabilitation.....	21
Figure 10: Media Coverage in CAR on Artisanal Diamond Mining (cumulative through July 1, 2011).....	25

ACRONYMS

ADM	Artisanal diamond mining
AFL	<i>Artisan Facilitateur Local</i> or Local Mobilizing Artisan
CAR	Central African Republic
CEMAC	<i>Communauté Economique et Monétaire de l'Afrique Centrale</i>
CIG	<i>Centre d'Information Géographique</i> (GIS Unit of the General Direction of Mines)
COTR	Contracting Officer's Technical Representative (the USAID official responsible for the day-to-day management of a project)
CPJP	<i>Convention des Patriots pour la Justice et la Paix</i> (Rebel group that recently signed a cease fire accord with GOCAR)
DRC	Democratic Republic of Congo
ESF	Economic Support Fund
EITI	Extractive Industries Transparency Initiative
GIS	Geographic Information System
GIZ	German Development Cooperation
GOCAR	Government of the Central African Republic
LRA	Lord's Resistance Army
KP	Kimberley Process
IGA	Income-Generating Activities
IR	Intermediate Result
M&E	Monitoring and Evaluation
MM	Ministry of Mines
MOU	Memorandum of Understanding
MP	Member of Parliament
NGO	Non-Governmental Organization
PEA	Programmatic Environmental Assessment
PoMIGER	Post-Mining Income-Generating Environmental Rehabilitation
PMP	Performance Monitoring Plan
PRSP	Poverty Reduction Strategic Paper
PRADD	Property Rights and Artisanal Diamond Development Project
REMAP	<i>Renforcement de la Gouvernance dans le Secteur des Matieres Premieres en Afrique Centrale</i> (GIZ-funded regional program of natural resource governance support)

STA/M	Senior Technical Advisor/Manager (the Tetra Tech ARD home office position responsible for oversight of a project)
TtARD	Tetra Tech ARD
UFDR	<i>Union des Forces Démocratiques pour le Rassemblement</i> (Rebel group which has signed a cease fire accord with GOCAR)
UNFAO	United Nations Food and Agriculture Organization
UNOCHA	United Nations Office of Coordination of Humanitarian Affairs
UNFPA	United Nations Population Fund
USAID	United States Agency for International Development
USGS	United States Geological Survey
WRI	World Resource Institute
WWF	World Wildlife Fund

INTRODUCTION AND BACKGROUND

Public Law 108-19, The Clean Diamond Trade Act, provides the authority for implementation of the project called Property Rights and Artisanal Diamond Development (PRADD). 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 not an international treaty, or 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 49 members, representing 75 countries, with the European Community and its member states counting as an individual participant. The KPCS is chaired on a rotating basis by participating countries. The 2011 Chair is the Democratic Republic of Congo (DRC).

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 a domestic law 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.

In cooperation with the US Department of State, the US Agency for International Development (USAID) Economic Growth, Agriculture and Trade (EGAT) Land Tenure Unit manages PRADD. Funding comes from Congress’s annual Economic Support Fund (ESF) appropriations.

Tetra Tech ARD implements PRADD as part of a task order called the Property Rights and Resource Governance Program (PRRGP) under the Prosperity, Livelihoods and Conserving Ecosystems (PLACE) Indefinite Quantity Contract (IQC). PRADD has been operating in the Central African Republic since 2007 and in Liberia since 2010. PRADD also includes a number of activities in support of “regional” aspects of the KPCS.

Under the terms of the PRRGP Task Order the PRADD project is intended (a) to bring greater quantities of alluvial diamonds into the legal chain of custody, and (b) to improve the livelihood options of local populations. Making it easier for artisanal miners to acquire licenses while making their rights to prospect and dig for diamonds more formal and secure creates incentives for more miners to enter their production into the formal chain of custody – the key requirement of the KPCS. This decreases diamond smuggling and increases national revenue from diamond exports. Secure property rights also increases the economic value of the land on which the diamonds are mined, thereby making the eventual rehabilitation of that land into other productive uses more likely.

PRADD has defined the following five intermediate results (IRs):

- IR 1 – Customary land and natural resource rights in target areas identified, clarified, and formally recognized;
- IR 2 – System for reliable tracking of production and initial sale information strengthened and appropriated by GOCAR;

- IR 3 – Benefits of mining activities to local communities increased and food production diversified and intensified;
- IR 4 – Capacity to prevent and mitigate environmental impacts of artisanal mining strengthened; and,
- IR 5 – Access and availability of information on artisanal diamond mining to stakeholders increased.

1.0 SUMMARY OF MAJOR ACCOMPLISHMENTS THIS QUARTER

During this reporting period, PRADD made the following noteworthy achievements:

- The Ministry of Mines (MM) officially endorsed and appropriated the PRADD methodology of property rights clarification, clearly defining the responsibilities of its various directorates.
- The percentage of national diamond production entering the official chain of custody from the PRADD project area has tripled since 2009, rising from 4.1% in the second quarter of 2009 to 14.7% in the second quarter of 2011.
- The community income generated from alternative livelihoods of soap-making, vegetable gardening and fish farming was 29% higher than all previous quarters combined.
- PRADD completed its second educational film entitled *The Diamond Journey* and organized screenings at the US Ambassador's residence, at the Kimberley Process Inter-sessional Conference in Kinshasa, and at the Alliance Française of Bangui. Copies of the film were distributed at the conference, and the film attracted a great deal of positive comment at the different screenings.
- PRADD delivered professional diamond valuation training to 10 artisanal miners from the five selected mining associations, and two of the five community workrooms were completed.
- PRADD and the MM ended the four-month diamond production-tracking test in the Lobaye Province; the field test demonstrated successes at the field level but showed that the MM GIS Unit is still not fully operational.
- PRADD/CAR finalized its Gender Strategy.
- PRADD supported the Poverty Reduction Strategy Paper (PRSP) coordination unit of the Ministry of Plan and Economy in the definition of systems and objectives of artisanal mining economic development. The themes of property rights recognition and mining microfinance were included in the final 2011-2015 PRSP presented to the international donors in Brussels on June 17.
- PRADD presented its methodology and achievements at various Working Group meetings of the Kinshasa Kimberley Process Inter-sessional Conference; PRADD also assisted GOCAR's KP Permanent Secretary in presenting CAR's recent achievements in improving its internal control systems.
- While in Kinshasa PRADD made a presentation to the World Bank Promines project.
- PRADD/CAR completed its transition to a new staffing structure. USAID approved all new staff. All staff members participated in a comprehensive two-week training and work planning session.
- The PRADD team from CAR, Liberia and TtARD Home Office deliberated with USAID on a comprehensive PRADD work plan and budget, as well as revised PMPs during a working week in Burlington, Vermont.

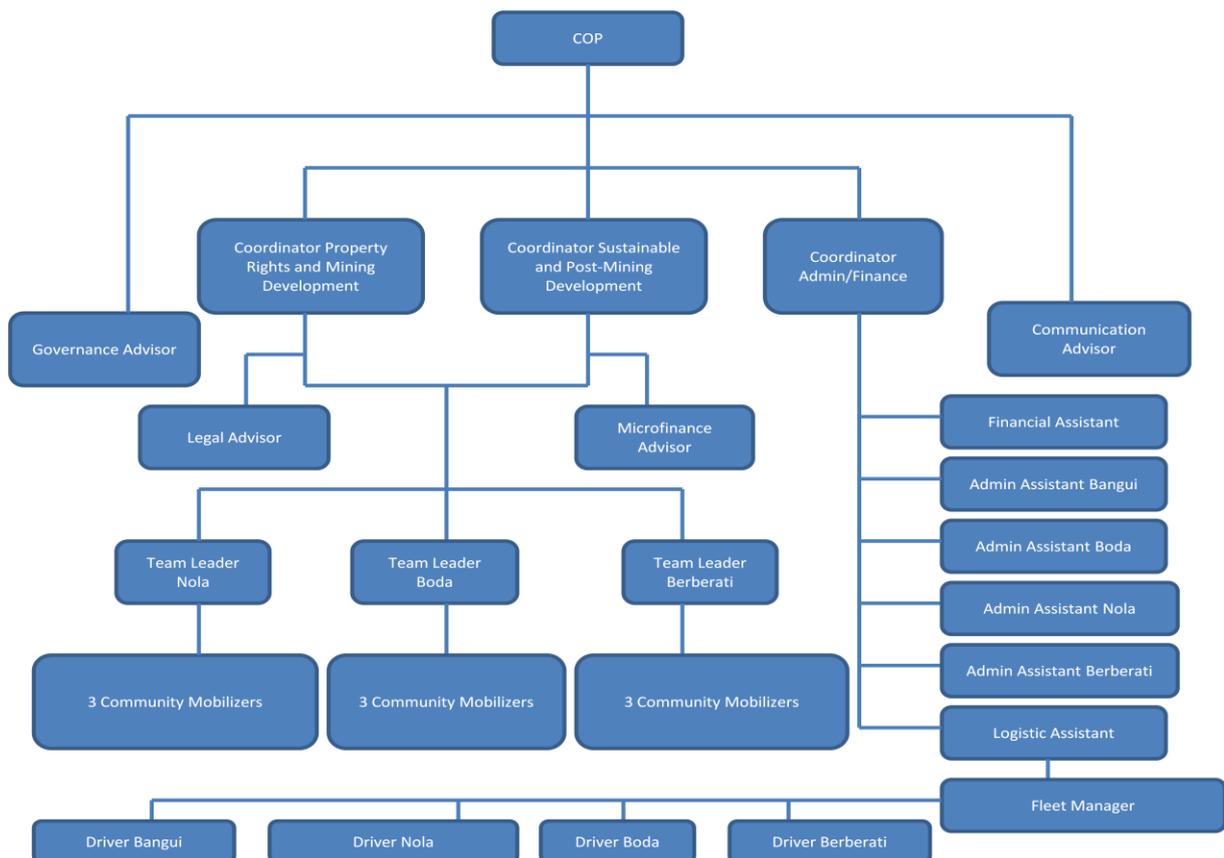
2.0 DETAILED DESCRIPTION OF MAJOR ACCOMPLISHMENTS THIS QUARTER

2.1 PROJECT ADMINISTRATION AND MANAGEMENT

On May 31 the 2009-2011 work plan for PRADD/CAR expired. PRADD had been in discussion with USAID for several months to build on its successes and refine its approach for the next period from June 2011 to May 2012. During a working week in late May in Burlington, Vermont, PRADD and USAID agreed on a specific set of activities and timelines and subsequently submitted the June 2011 to May 2012 work plan as well as a revised PMP for approval.

PRADD/CAR completed its administrative transition. This included hiring 12 new personnel, changing various positions and salary increments, and terminating two staff members. USAID approved the new hires and the organizational chart shown in Figure 1 entered into effect on June 1. It should be noted that as of the end of the reporting period the positions of Governance Advisor and Legal Advisor were not filled.

Figure 1: PRADD/CAR Phase III Organizational Chart



In addition to the changes due to restructuring, the DCOP and one Community Mobilizer resigned and PRADD terminated the contracts of the Boda Administrator and the Legal Advisor. The COP is now in discussion with the General Director of Mines to find the most appropriate candidate for the post of Governance Advisor. PRADD is presently in a court case with the former Boda Administrator.

PRADD designed this new staffing structure to better to meet PRADD objectives. In particular, the field teams were made more robust. Upon GOCAR's request, PRADD has expanded to the province of Mambere Kadei and in late June opened its third sub-office in the provincial capital of Berberati. Each field team is now composed of one Team Leader, one Administrative Assistant, and three Community Mobilizers including one female. PRADD also dispatched its three 4X4 vehicles and nine of its ten motorcycles to the provincial sub-offices, and has rented one 2X4 car for Bangui.

PRADD purchased additional office and field equipment, renewed its vehicle insurance and revised its overall administrative, financial and logistic procedures. Finally, the PRADD staff elected their two legal staff representatives in accordance with the CAR Labor Code. The first task of these representatives will be with the Administrative Coordinator to identify a better medical insurance plan that complies with CAR law and with TtARD international standards.

In light of the project's transition to its third operational phase, the Minister of Mines expressed his desire to revise the Memorandum of Understanding between GOCAR and USAID. Although the current MOU is valid until January 2012, the reference documents, which date from 2007, no longer accurately describe PRADD activities. PRADD recommended to USAID that a revised MOU would be advisable to clarify activities, to define responsibilities, and to commit GOCAR to utilize its resources in support of PRADD, something the current MOU specifically rules out. The new MOU would annex the 2011-2012 comprehensive work plan. USAID agreed and PRADD will submit a draft revision of the MOU to USAID early in the next reporting period.

2.2 STAFF CAPACITY BUILDING

PRADD undertook a two-week training of the whole staff. A wide range of topics were discussed, including the Kimberley Process Certification Scheme; the project's history; the PRADD proximity methodology; the details of each IR component; the diamond economy in CAR; and USAID's property rights vision. Community Mobilizers learned soap-making skills and visited commercial fishponds as well as the PRADD papaya multiplication plots. Finally, the team established quarterly targets and activities in a three-month planning matrix it presented to the General Director of Mines.

Newly recruited field staff then spent one week with the experienced PRADD field staff for immersion in villages with ongoing PRADD interventions. At the end of the reporting period, PRADD deployed all staff members to their respective stations.

2.3 IR 1 – CUSTOMARY LAND AND NATURAL RESOURCE RIGHTS IN TARGET AREAS IDENTIFIED, CLARIFIED AND FORMALLY RECOGNIZED

2.3.1 Property Rights Validation

As of the end of June 2011 PRADD's expansion into new areas was not completed. Therefore, PRADD did not conduct any property rights workshops during this reporting period, and the number of validated and certified mining claims remains 1,432. This exceeded the IR1 target of the previous Performance Monitoring Plan (PMP).

During this reporting period, PRADD focused on transferring its methodology to the host government. The turnover took place at an official workshop on April 19 and 20. Over twenty representatives from various directorates of the Ministry of Mines gathered. Participants included Regional Directorates, Mining Brigade commanders, PRADD experts and field managers, as well as two AFL artisanal miners.

The workshop started with a presentation on the results of PRADD's pilot phase. This was followed by discussions of the four core objectives of the methodology: (1) the clarification of customary property

rights, (2) the reduction of local diamond-related conflicts, (3) the clarification of community land tenure, and (4) the enablement of proper production tracking. PRADD also presented its expenditures for the property rights clarification process.

Government representatives formally acknowledged the success and the utility of PRADD's approach, but identified two potential limitations in transferring the property rights validation methodology to the Ministry: (1) PRADD never tested its methodology in the country's eastern areas, and (2) the methodology as piloted would be too expensive for the government, and would thus have to be adapted.

Artisanal diamond mining in the east: The ADM industry in eastern CAR differs from ADM in the southwest in two significant ways:

- Eastern artisanal mining sites are usually very large and can involve thousands of diggers. The certification of individual plots could thus work during the mining process but could hardly extend to an immutable land claim. This would hamper the possibility of post-mining income-generating environmental rehabilitation (PoMIGER), for example.
- The Mining Code allows only mining companies to claim ownership over large mining sites and only through the acquisition of a mining permit. Customary rights are never recognized over such large mining sites. The Regional Director usually dispatches individual miners to the site and allocates specific micro-sites to each.

At the workshop, PRADD duly recognized that applying the methodology would be a challenge in the east. However, the size of artisanal mining sites may not represent a problem for allocating individual mining rights. The Regional Directorate could do this through preliminary GPS mapping. Individual claims to land would be the problem on mining sites of vast size should the Ministry attempt to extend the PRADD methodology to the east.

Adapting the PRADD methodology: The second day of the workshop was dedicated to the adaptation of the property rights methodology by the Ministry. The PRADD eight-step process was deconstructed into 24 sub-activities to permit detailed consideration. Working in small groups the Ministry decided either to adapt, discard or maintain each element. The groups then presented and compared their propositions, and the final adaptation was validated in plenary. The figure below shows how the Ministry of Mines has adapted the PRADD methodology of property rights clarification.

Figure 2: Adaptation of PRADD's Property Rights Methodology by the Ministry of Mines

PRADD METHODOLOGY		MM METHODOLOGY	
Stakeholder: USAID		Host Structure: Directorate of Mining Production Support	
STEPS	ACTIVITIES	STEPS AND ACTIVITIES	STAKEHOLDER IN CHARGE
A. Participatory Rural Appraisal	1. Village History 2. Tribal Mapping 3. Economic Mapping 4. Participatory Mapping 5. Identification of Artisanal Mining Leaders	A. Identification of artisanal mining leaders (union representatives, opinion leaders)	Regional Directorate Mining Brigade
	6. Calendar of Professional Activities 7. Professional Mapping	B. Village History and Economic Mapping	Village Chief and Elders Artisanal Mining Leaders (AFL)
B. Census/Identification	8. Identification of Artisanal Miners 9. Localization of	C. Preliminary Identification of Artisanal Miners	Artisanal Mining Leaders (AFL)

	Waterways	along Waterways	
C. Socio-Demographic Survey	10. Artisanal Miners' Civil Status 11. Artisanal Miners' Legal Mining Status 12. Features of Mining Sites 13. Appropriation Mode	D. Final Identification of Artisanal Miners (civil and mining status, appropriation mode, etc)	Regional Directorate
D. GPS Coordinates	14. Mining Sites GPS Coordinates 15. GPS/SIG Mapping	E. GPS Coordinates	Cadres (TBD) from the General Direction of Mines
		F. GPS Mapping	GIS Unit (CIG)
E. Conflict Resolution	16. Identification of Conflicts 17. Nomination of Conflict Resolution Committees	G. Public Validation (including data verification, conflict resolution and photography)	Regional Directorate Village Chief and Elders Artisanal Mining Leaders (AFL)
F. Public Validation	18. Data Verification 19. Public Validation 20. Photography of Validated Artisanal Miners		
G. Certification	21. Data Entry 22. Printing 23. Signatures 24. Distribution of Certificates	H. Certification - Data Entry - Printing - Signatures - Distribution of Certificates	- GIS Unit (CIG) - GIS Unit (CIG) - Directorate of Mining Production Support - Regional Directorate

The Ministry took the minutes of the workshop and circulated the methodology internally. Official validation by the Minister is now pending, at which point the method will have been officially adopted by the Ministry.

In light of the adaptation and adoption by GOCAR, PRADD has decided to restructure its Property Rights Methodology Manual into a Training Module to be delivered by the Directorate of Mining Production Support to the various stakeholders. As of the end of the reporting period, this Module was halfway completed.

During the month of May, PRADD asked the Directorate of Mining Production Support to decide the location of the extension areas and to set the specific targets for Phase III. These decisions will be finalized in the next quarter.

2.3.2 Toward Formalization

Artisanal Mining Licenses: The effects of the reduction of the license fees for both artisanal miners and collectors combined with a nationwide sensitization campaign led by the Ministry and supported by PRADD contributed to increased formalization of illicit miners. As Figure 3 shows, the number of licensed miners in mid-2011 reached 103% of the total for all of 2010.

Figure 3: Number of Licensed Artisanal Miners in CAR

	End of 2010	June 2011
Total Number of Licensed Miners	1,821	1,872

This is evidence of the positive effects of an enlightened policy promulgated in conjunction with a concerted nationwide communications campaign. The Ministry now fully agrees that there is a positive

correlation between license fees, formalization, and economic benefits. However, the number of licensed miners represents only about 2% of the estimated total of 80,000 artisanal miners nationally. The miners participating in PRADD register at about twice the national rate, and the rate is increasing. Already by June, only halfway through 2011, the 4.8% of the 1,525 PRADD miners with a license was approaching the 5.1% total for all of 2010.¹

Figure 4: Number of “PRADD” Identified and Licensed Artisanal Miners

		Number of “PRADD” artisanal miners	Percentage of “PRADD” artisanal miners bearing a license
Lobaye Province (PRADD present since 2007)	October 2009	255	5.1%
	December 2010	402	9.7%
	March 2011	402	7.5%
	June 2011	402	10.2%
Sangha Mbaere Province (PRADD present since 2009)	October 2009	0	N/A
	December 2010	1,123	3.4%
	March 2011	1,123	2.6%
	June 2011	1,123	2.8%
TOTAL	October 2009	255	5.1%
	December 2010	1,525	5.1%
	March 2011	1,525	3.9%
	June 2011	1,525	4.8%

Legal miners are in a better position than illicit ones to negotiate fair prices. They are free from worry about harassment, arrest and confiscation by the Mining Brigade, and are able to travel to town to sell their diamonds. They do not have to rely on illegal intermediaries – locally called “*coxeurs*” – who collect diamonds in the villages to resell to the legally licensed collectors.

In the Boda area, the number of licensed miners in June 2011 already exceeds that of the end of 2010. In the Nola area, where PRADD has identified a significant proportion of socially and economically vulnerable artisanal miners (e.g. pygmies) as well as artisanal miners working illegally in the Dzanga-Sangha protected forest, the percentage remains lower².

Toward Legal Recognition of the “PRADD”

Certificate: The official adaptation and appropriation of the PRADD property rights methodology by the Ministry means the official signatory of the customary property rights certificate will not be the Regional Director as before, but the national Directorate of Mining Production Support. Although this is a step further in formalization, full legal recognition of the certificate is still a distant objective, as it will require harmonizing the various sector-specific land tenure

REPUBLICQUE CENTRAFRICAINE
Unité - Dignité - Travail

DIRECTION REGIONALE DU SUD OUEST

CERTIFICAT DES DROITS COUTUMIERS DE PROPRIETE

IDENTITE DE L'ARTISAN
Nom et Prénoms : KETTE André
Sexe : MASCULIN
Date de naissance : VERS 1961
Résidence actuelle : Ndéléngue-SCED
ID de l'Artisan : CCH1264

DONNEES PHYSIQUES DE LA PARCELLE

ID Chantier	CCH1264-1
Latitude	3.3136709999999998
Longitude	16.33379
Cours d'eau exploité	NDELENGUE
Délimitation physique de la parcelle	Cours d'eau Marquage sur les arbres
Superficie totale (m²)	7500

DONNEES COUTUMIERS DE LA PARCELLE

Reconnaissances coutumières	Reconnaissance par le travail investi
Mode d'appropriation de la parcelle	Don

LE DIRECTEUR
LEONARD NDOUNGUE NTOKO
Inspecteur Endoungue Ntoko

Certificate of Customary Property Rights now signed by the Directorate of Mining Production Support

¹ PRADD is learning that longstanding attitudes and resultant behavior do not change easily. Even among the 1,525 miners with whom PRADD is working in close proximity, fewer than five percent have bought their license. It may be that the reason the vast majority of miners still run the risk of mining without a license is because the license fee, even though reduced, is still too high.

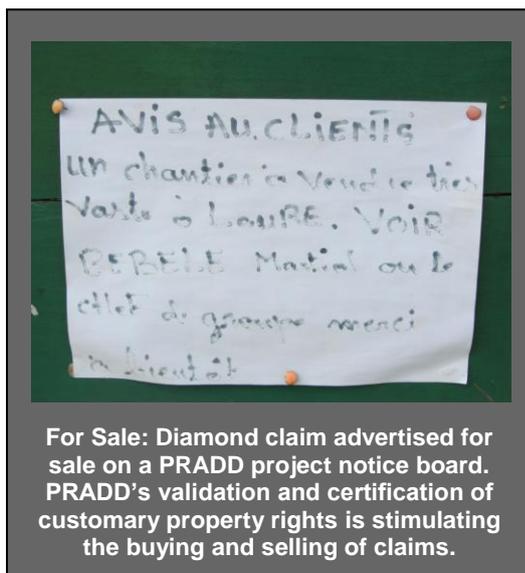
² Of course, PRADD has neither registered the GPS coordinates nor validated these illegal mining sites.

codes and decrees, including the urban cadastre and the mining, forestry and agriculture codes.

Toward a Comprehensive Land Tenure Code: The report by legal expert Arsène Sendé, which PRADD submitted to the Minister of Mines in April 2011, summarized in accessible language the main challenges and policy recommendations regarding land tenure in CAR:

- Laws governing land tenure in CAR date from 1964 and are obsolete, as they neither cover enough of the forms of property rights actually in effect in CAR nor give local judges jurisdiction over property conflicts;
- Land tenure regulations are scattered among different sector-specific codes and decrees, some of which contradict each other;
- There is a need for a comprehensive Land Tenure Code in CAR that would make the concept of land valorization central in order to contribute to national economic growth.

The Minister of Mines, himself a former judge by profession, is not opposed to considering these propositions, potentially in an inter-ministerial forum. However, the heavy political agenda of this last quarter placed this action low in his order of priorities³.



Meanwhile, PRADD consulted other Ministries to gauge the importance of this issue at the governmental level. PRADD learned that a new Agro-Pastoral Land Tenure Code is in the final stages of preparation and that the Ministry of Urban Development is preparing a revision of its cadastral regulations. PRADD has reason to believe that these new codes and regulations will hamper the mining sector, and thinks that the powerful Ministry of Mines, technically under the direct control of the President, should lead the much needed harmonization process. PRADD will keep on advocating for this during the next quarter.

The USAID Land Tenure Unit started gathering international donor support for this potential political process led by GOCAR. The UNFAO, the World Bank, and the GIZ have expressed interest in providing

technical and financial support in the event that the Ministry of Mines decides this would advance the country's economic development. PRADD has allocated a specific budget for this in the current work plan.

2.4 IR 2 – SYSTEM FOR RELIABLE TRACKING OF PRODUCTION AND INITIAL SALE INFORMATION STRENGTHENED AND APPROPRIATED BY GOCAR

2.4.1 Transfer of the Artisanal Mining Claims Registry/Production and First Sales Database to the Ministry

The restructuring of PRADD and the focus on the production tracking test (see below) slowed the GIS training provided to the *Centre d'Information Géographique* (GIS Unit of the General Direction of Mines, or CIG) of the General Direction of Mines somewhat during this reporting period. PRADD delivered two additional training modules, bringing the total to eleven chapters out of seventeen.

³ In the last three months, GOCAR finalized its 2011-2015 Poverty Reduction Strategy Paper (PRSP), presented it at the international donor roundtable in Brussels to secure funding commitments, and completed its ministerial reshuffle for the mid-level appointees (Chiefs of Staff and Directors). In addition, the Ministry of Mines prepared for the Kimberley Process Inter-sessional Conference and started its internal restructuring, e.g. the creation of a new General Direction.

The CIG made significant progress on inter-service and inter-program networking. The General Director of Mines and his CIG Manager endeavored to stipulate and nurture the CIG's relationship with the other Directorates and services of the Ministry in accordance with the November 2010 Ministerial Order. The Directorate of Marketing and Industry in particular made tangible efforts to associate the CIG in the updating of the mining registry list of licensed miners, collectors and buying



Data entry at the CIG, the GIS Unit of the Ministry of Mines

offices, and the General Director started drafting procedural guidelines on inter-service requests within the Ministry. The Minister of Mines also expressed his willingness to associate the CIG in his policy of geological research and survey. In general, the CIG is gaining stature in the Ministry's internal systems.

Meanwhile, PRADD publicized the role and usefulness of CIG among international partners. During this quarter, the GIZ-funded ReMAP program to improve governance of the mining sector, which created a GIS Mining Unit at *Communauté Economique et Monétaire de l'Afrique Centrale* (CEMAC) headquarters in Bangui, agreed to devote time and funds to integrate CIG into the regional network. In its vision of developing best practices and exchange visits, GIZ is

presently identifying and supporting counterpart structures in the other CEMAC countries⁴. The USAID Land Tenure Unit and ReMAP started coordinating directly.

PRADD also initiated collaboration on data exchange and the update of digitized regional maps of natural resources with the Washington-based World Resource Institute (WRI), which developed a comprehensive CAR forestry atlas with the Ministry of Waters and Forests. PRADD has begun collaborating with the USAID-funded regional CARPE program of natural forest protection in the Congo Basin. In late June, the WRI, the Ministry of Plan, the Geological Faculty of Bangui University, UNOCHA and PRADD held their first coordination meeting on standardization and dissemination of data.

Finally, during the Kinshasa Kimberley Process Inter-sessional Conference, PRADD and the US Geological Survey (USGS) discussed closer collaboration.

2.4.2 Production Tracking Test

As previously reported, in February in the province of Lobaye PRADD and the Ministry of Mines initiated a test of a mine-to-export production-tracking system. The test is still ongoing. Seventy active artisanal miners, the Mining Brigade of Boda, the Directorate of Marketing and Industry and the CIG are involved. Miners have registered a total of 191 carats since the beginning of the test. During the reporting quarter, PRADD and the Directorate of Marketing and Industry undertook several missions to assess and evaluate data collection, and have found the following:

- 90% of the artisanal miner participants understand the principle of the test and fill in their modified production notebook on a monthly basis.
- All artisanal miners who fill in their production notebook systematically demand a purchase slip from the collectors or buyers at first sale.
- The regularity of data collection (every month) motivates miners to register all their production.
- Participating artisanal miners demonstrate better-than-average knowledge of the Mining Law.

⁴ These countries include Chad, Cameroon, Congo Brazzaville, Equatorial Guinea, Gabon and CAR.

- Miners do not always fill in the new production notebook correctly. The sale's value is often left blank, for example, and miners confuse the buying collector's ID provided by the Mining Registry with their mining site's ID provided by the PRADD property rights methodology.
- Data collection logistics remain very poor, due mostly to the fact that the Mining Directorate does not have offices in the prefectures.
- While the CIG succeeded in collecting all production sheets, it did not digitize the data nor compare them with the Export Office's data.

Although the MM has not yet made these findings official, which would be the first step toward potential reform, the test is already detecting flaws in the existing system, and means for improvement are indicated. The MM has asked PRADD to deepen the GIS training in the CIG, and is currently proposing to the Ministry of Finances a bigger 2012 budget in order to open new offices in every mining city.

2.4.3 Diamond Production Data

GOCAR's January 2011 reforms in the diamond sector continue to yield increases in the amount of carats exported through the formal chain of custody, as shown in Figure 5. Comparing second quarter data, the amount of carats that CAR exported jumped 9.7% from 87,753 in Q2 of 2010 to 97,156 in Q2 of 2011.

Figure 5: Diamond Production: National and in the PRADD Areas Since 2009

Period	National Exports (carats)	Nola Production		Boda Production		Nola and Boda Production	
		Volume (carats)	% to national	Volume (carats)	% to national	Volume (carats)	% to national
Q1 2009	76,573	1,044	1.36%	2,115	2.76%	3,159	4.13%
Q2 2009	81,658	2,534	3.10%	823	1.01%	3,357	4.11%
Q3 2009	66,839	428	0.64%	1,325	1.98%	1,752	2.62%
Q4 2009	85,398	N/A	N/A	N/A	N/A	N/A	N/A
Total 2009	310,469	N/A	N/A	N/A	N/A	N/A	N/A
Q1 2010	63,189	1,699	2.69%	518	0.82%	2,217	3.51%
Q2 2010	87,753	3,233	3.68%	2,652	3.02%	5,885	6.71%
Q3 2010	86,112	1,474	1.71%	1,594	1.85%	3,068	3.56%
Q4 2010	64,503	1,320	2.05%	3,815	5.91%	5,135	7.96%
Total 2010	301,557	7,726	2.56%	8,578	2.84%	16,304	5.41%
Q1 2011	76,493	2,784	3.64%	2,567*	1.36%	3,875	7.00%
Q2 2011	97,156	10,471	10.78%	3,845	3.96%	14,316	14.74%

*Boda figures for Q1 2011 are for Boda's 14 collectors only, and do not include the buying offices.

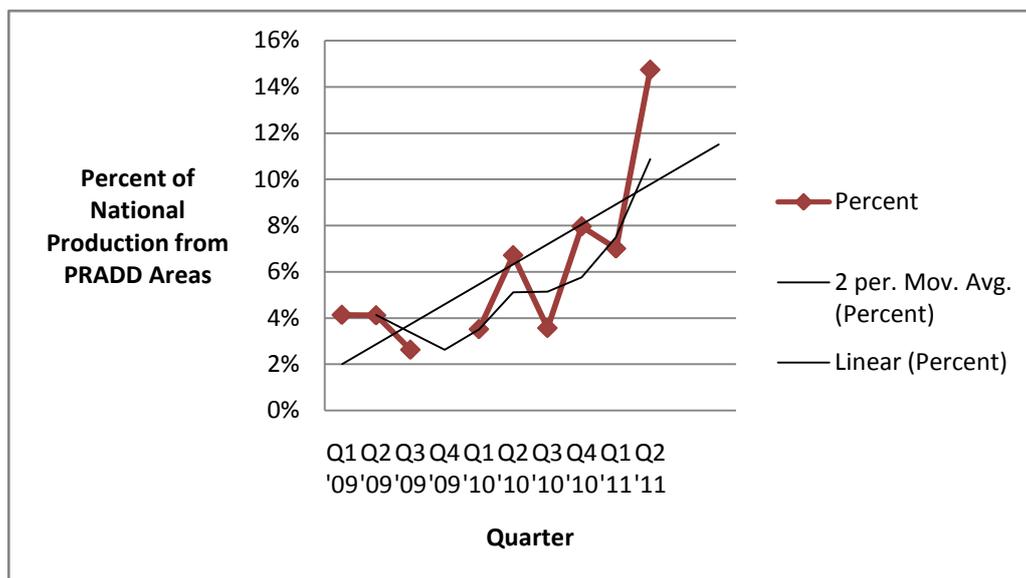
There are several factors contributing to the increase in diamonds entering the formal chain of custody:

- A new diamond deposit in Salo in the Nola area has come into production. (This area will be part of the PRADD zone of expansion under the recently approved work plan).
- The January 2011 reduction in the artisanal mining license fee has incentivized miners to buy their licenses, while the nationwide sensitization campaign has raised awareness of the requirement to demand purchase slips at the first sale. Both help prevent smuggling.
- The reduction of the collector's license fee increases the amount of money collectors can use for investing in miners' operations, in exchange for which miners, in selling the diamonds they find, give right of first refusal to the licensed collectors who finance them.

- The recent presidential reprieve of the October 2008 closure of certain diamond buying offices has increased the activity of buyers.
- GOCAR has been proactive in tackling the challenges of enforcing internal controls in the country’s volatile Eastern areas. During the last quarter, the MM forcefully endeavored to open “pockets of legality” in two diamond rich eastern areas:
 - In Nzacko, it worked with local collectors, buyers and the Mining Brigade to protect a huge newly discovered mining site that employs hundreds of diggers from local bandits associated with the Lord’s Resistance Army (LRA).
 - In Sam Ouandja, it worked with the ex-rebel group UFDR to ensure that diamond production would enter the legal chain of custody; vigorously encouraged local collectors to buy their license; and allowed the two biggest buying offices – representing 72% of the 2010 exports – to reopen their offices.
 - GOCAR brokered a peace deal with the largest eastern rebel group, the CPJP on June 12.

Figure 6 shows that production from the PRADD project areas as a percentage of national production is increasing, this in a national figure that is itself increasing. The percentage has risen over two years, most sharply in the last 12 months. The two period moving average, and the linear trend line give roughly equal projections. It is not unreasonable to attribute at least some of the increase in the amount of diamonds entering the formal chain of custody, the first objective of the PRADD project, to PRADD’s proximity training and communications campaign.

Figure 6: Percent of National Diamond Production Coming From PRADD Areas



2.5 IR 3 – BENEFITS OF MINING ACTIVITIES TO LOCAL COMMUNITIES INCREASED AND FOOD PRODUCTION DIVERSIFIED AND INTENSIFIED

2.5.1 Assisting Community Development Groups

This quarter saw continued increases in the benefits accruing to mining communities, the second PRADD objective, under the alternative livelihoods component. PRADD provided several hundred seedlings for the planting of orchards to artisanal miners who completed the rehabilitation of their exhausted mining sites. PRADD’s Community Mobilizers followed up on raising awareness and provided ongoing technical training in support of the income-generating activities (IGA) commenced

during the previous quarters. Figure 7 shows that a cumulative total of 2,270 people have been reached.

Figure 7: Results of PRADD Awareness Raising and Technical Training

Theme	Type	Tool	Outreach (number of people)
Fish Farming	Technical Training	Module	547
Agroforestry	Technical Training	Module	51
Vegetable Gardening	Technical Training	Module	212
Soap Making	Technical Training	Module	599
Mining Law	Awareness Raising	Guide to Mining Code	1,525
Income Diversification	Awareness Raising	Sensitization Toolkit	2,318
Environmental Impact of Artisanal Mining	Awareness Raising	Sensitization Toolkit	3,305
Gender Equity	Awareness Raising	Sensitization Toolkit	253
Artisanal Mining Associations	Awareness Raising	Sensitization Toolkit	2,270

During this past quarter, PRADD participants harvested their garden vegetables, the 22 soap-making women's groups sold their production at a lower price than the locally available industrial ones, and the community fishponds supplied by the local breeding ponds multiplied their production. As shown below in Figure 8 the income came almost exclusively from the production and trade of soap cakes, fish and agricultural products. No income was realized by the miners' savings associations, which were created to enable them to buy licenses. Savings associations created to fund IGAs have used their income to invest in raw materials and tools.

Figure 8: Income Generated by Groups Supported by PRADD⁵

Type of Association or Activity	Total Production (Q2 2011 only)	Total Monetized Income (USD equiv.)				Number of participants (Q2 2011 only)			Total Monetized Income per Individual (USD equiv.)			
		Q3 2010	Q4 2010	Q1 2011	Q2 2011	W	M	Total	Q3 2010	Q4 2010	Q1 2011	Q2 2011
Soap-Making Groups	4,582 batches of soap	12	164	0	916.4	107	7	114	0.8	4.2	0	8
Fish Farming Groups	737 Kg of fish	412	635	358.5	2,254	19	67	86	82.4	12.5	14.9	26.2
Agricultural Groups	8 kinds of vegetable*	500	468	478.5	1,362	55	25	80	4	4.2	6.7	17
Petty Trade Groups	Various	0	216	136	181	7	1	8	0	6.6	4	22.6
Savings Associations (artisanal miners)	Savings	320	1,980	200	0	0	0	0	6.5	29.1	6.7	0
Savings Associations (IGA)	Savings	0	176	140	40	10	0	10	0	5.2	14	4
TOTAL		1,244	3,639	1,313	4,753.4	198	100	298	6.7	11.3	7.8	16

* These vegetables include amaranth, okra, tomatoes, spinach, cabbage, onions, cucumbers and red pepper.

⁵ The table in Figure 7 breaks down the monetized income and the number of participants by quarter. PRADD's data collection system does not track alternative livelihood activities down to individual participants, which prevents the accurate calculation of beneficiaries. The same individual can thus be both a fish farmer and a soap-maker, in which case will be counted twice.

PRADD has demonstrated that with careful planning, a transparent approach, adequate training, and ongoing technical assistance and sensitization, an alternative livelihoods scheme based on cost sharing can be successful. However, to transform this to a self-sustaining system that could continue after the project has ended, PRADD has begun to transition to a commercial model. PRADD will no longer distribute seeds, fingerlings and seedlings in a cost-sharing model as before. Communities will now have to purchase inputs from commercial producers that PRADD will help establish under the recently approved work plan. During the initial period of transition, therefore, it is likely that revenues from alternative livelihoods will not continue growing at the recorded rate.

The income from vegetable gardening, for example, which came from a donation of seeds by the UNFAO, will drop because PRADD will not donate seeds in the future. Instead, PRADD will establish commercial seed banks. Similarly, the 22 soap-making women's groups received just enough raw materials to ensure that the groups accumulated enough profit to re-invest in raw materials on their own. Now they will need to buy their own raw materials. Fish farming and fruit growing groups will also have to buy their fingerlings and seedlings from the commercial units.

During this reporting period, PRADD completed its assistance to the women's group of Bossoui that received a grant from the US Embassy Self-Help Fund. After PRADD purchased and delivered the mills to grind cassava along with fuel and spare parts, it trained the women in maintaining the machines and in basic accounting. The village chief gave the women a location at the local marketplace, and they set up a system of taking turns operating the mills. The women have ground an average of 310 baskets of cassava per week, and generated an average weekly income of \$30. Given that the US Embassy provided \$1,700 to this project, this US taxpayers' "investment" will be amortized in just over one year. The project has proved highly successful for both the women's group, which generates a steady income, and the local women of the community, who can if they are able save time and energy from manual grinding by having their manioc ground at the mills.

2.5.2 Improving Artisanal Miners' Ability to Negotiate Fair Prices

Artisanal Mining Associations: PRADD continued to advocate grouping artisanal miners into associations using its "Artisanal Mining Associations" toolkit, which was validated by the Directorate of Mining Production Support. During this reporting period, the PRADD Microfinance Advisor also improved the savings and rotating asset schemes proposed to these associations.

Forming and strengthening associations is a long-term undertaking. The participating associations have done little other than pool savings to acquire annual licenses for their members. Moreover, despite PRADD's communication efforts, many associations still believe that PRADD will eventually fund them directly in some way. More effort will be needed to convince artisanal miners that creating communal associations to pool savings, labor, assets and even profits for their own direct benefit is a worthwhile end in itself. The communications campaign that will accompany the forthcoming PRADD experiment in microfinance will incorporate this message.

The Ministry of Mines itself is still not convinced that this activity is the right way to proceed. In its response to the allegations made by the International Crisis Group report of December 2010 regarding the weakness of the National Union of Artisanal Mining Cooperatives, submitted as a report to the Working Group on Monitoring of the Kimberley Process in June 2011, the Minister wrote, "In principle, the PRADD project should work in close collaboration with the cooperatives for their professional training; unfortunately this project works much more with illegal miners".⁶

In terms of the rights and opportunities granted to artisanal mining cooperatives, GOCAR's 2009 Mining Code is a progressive law. For example, the Mining Code permits artisanal mining cooperatives to directly export a minimal amount annually⁷. PRADD shares GOCAR's vision, enshrined in its 2003 *Etats Généraux du Secteur Minier*, that to bring artisanal miners together into

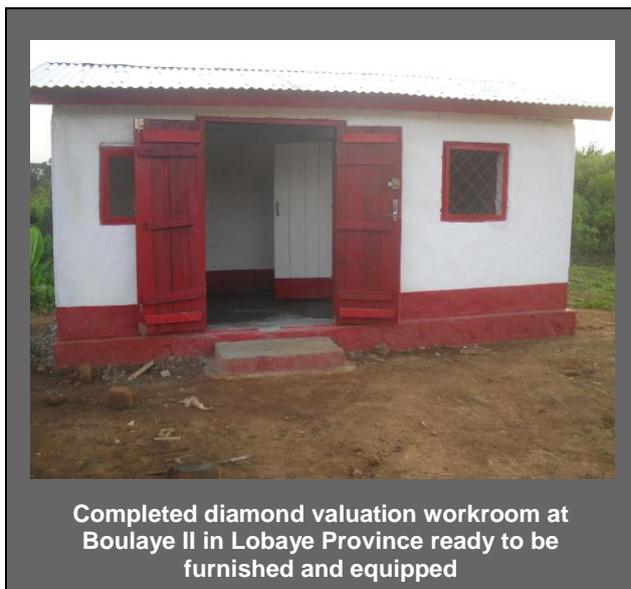
⁶ *Observations on the International Crisis Group Report Regarding the Diamond Sector in the Central African Republic*, 10 June 2011, page 21.

⁷ \$40,000 in production.

cooperatives will not only empower their productivity and profits, but also make tracking production easier. Given the limited funding available to PRADD, however, direct assistance to the existing cooperatives is not a priority for the following reasons:

- Artisanal mining cooperatives only provide 0.1% of the annual national exports⁸. The rest of the legally exported diamonds are dug by individual artisanal miners, who will be PRADD's priority;
- Not every cooperative is composed of legitimate artisanal miners;
- Many cooperatives are in actuality private ventures funded by the richest of the artisanal miners and do not need USAID assistance;
- Central African artisanal miners are not yet capable of selling their diamonds on the international market. The priority should be to build their capacity at the grassroots level, especially through diamond valuation training. PRADD's vision is to encourage individual miners to associate and thereby create the foundation upon which cooperatives of miners could be built.

Diamond Valuation Training and Kits: During the reporting period, the five communities selected for the diamond valuation workrooms run by local artisanal mining associations worked on the



Completed diamond valuation workroom at Boulaye II in Lobaye Province ready to be furnished and equipped

construction of their workrooms. PRADD has verified that the workrooms' locations are all on non-private, community-owned property, and has signed contracts with the village chiefs. During the reporting period, PRADD provided cement, lumber, rebar, roofing and other materials, and paid for the skilled labor, while local communities provided locally available gravel and sand and contributed unskilled labor. By the end of June the diamond valuation workroom of Camp Goum, in the Lobaye Province, was completed. On June 30, Mr. Brad Brooks-Rubin from the State Department and one representative of the US Embassy formally inaugurated it in a ribbon-cutting ceremony⁹. A second workroom in Boulaye II in Lobaye Province is finished, and the third is 90% completed. The

two workrooms of the Sangha Mbaere Province are 75% completed. Once all five are completed and documents governing their usage are signed, PRADD will dispatch the furniture and the valuation kits to the workrooms.

During the reporting period, each of the five diamond valuation associations selected two members to receive professional training. PRADD contracted the prestigious Diamond School, created by its partner Carat Investissement. The Diamond School sent two trainers and the necessary valuation material to Nola. During eight days they trained the ten selected artisanal miners. All ten passed the final test and received a certificate. PRADD and the Ministry have scheduled a first evaluation of this activity for September 2011.

While PRADD has not been able to provide quantitative data, in the areas of PRADD intervention, where during this reporting period the field teams have intensified proximity sensitizations on the

⁸ *Statistics of Diamond and Gold 2010*, Ministry of Mines : in 2010, the UNCMCA exported 340 carats against 301,217 carats by the buying offices.

⁹ PRADD expected the Director of Marketing and Industry to preside over this inauguration, but he had to cancel the joint field visit.

Mining Law, PRADD is able to report anecdotal information that a larger number of artisanal miners are already receiving more income from their first sales than was previously the case.

Gender Equity: PRADD made noteworthy advancements on promoting gender equity through the soap-making IGA. The main goal of this activity is to increase women's share of artisanal mining households' income in order to increase women's economic decision-making power. During this quarter, the 22 women's groups earned an income of \$916, and production is still growing. As these women's groups have now nearly exhausted the raw materials provided during the last quarter, PRADD will endeavor to organize them into a federation capable of procuring the necessary palm oil and caustic soda at wholesale prices.

At the project management level, PRADD embedded its vision of gender promotion in a PRADD/CAR Gender Strategy (see Annex II). As the gender component of the project is not highlighted enough in the Intermediary Results, but as it has direct effects on PRADD's general objective of improving artisanal miners' livelihoods, the PRADD/CAR management decided that a program-specific gender strategy was needed. The Gender Strategy was developed by the former IR3 Coordinator and revised by the COP. The Strategy was formally adopted by project staff at the beginning of June. PRADD will report internally on its implementation through quarterly meetings of the three female Community Mobilizers. PRADD has allocated a specific gender budget line item in its 2011-2012 work plan activities.

Ms. Berthe Yadjo, since October 2010 one of PRADD's most successful change agents for her conversion of exhausted mining sites into fishponds, made the national news this quarter. In May, the pro-governmental newspaper *La Plume* dedicated a full page to "those Central African women who count". Ms. Yadjo was one of the ten women profiled in the article, the only rural woman among lawyers, business executives, politicians and intellectuals.

2.6 IR 4 – CAPACITY TO PREVENT AND MITIGATE ENVIRONMENTAL IMPACTS OF ARTISANAL MINING STRENGTHENED

PRADD continues to register remarkable progress in environmental rehabilitation of exhausted artisanal diamond mining sites. PRADD has labeled its methodology "Post-Mining Income-Generating Environmental Rehabilitation" (PoMIGER) and will formalize it under the recently approved 2011-2012 work plan. Although PRADD understands that this methodology applies only to small mining sites at this stage, it has the advantage of further securing property rights over the land, as anecdotal evidence of artisanal miners buying exhausted sites to rehabilitate them continues to show. PRADD plans to utilize short-term technical assistance and to fund the research costs of producing a peer-reviewed journal article to document the accelerating changes underway on the ground.

Figure 9: Achievements in Environmental Rehabilitation

Type of Rehabilitation	Number of trained people (total)	Number of completely rehabilitated mining sites (cumulative)				Total rehabilitated surface (acres)
		Q3 2010	Q4 2010	Q1 2011	Q2 2011	
Fish Farming	547	18	83	159	245	13.5
Agroforestry	51	0	7	26	44	158.4
Vegetable Farming	212	0	0	71	136	149.5
Total	810	18	90	256	425	321.4

As shown above in Figure 9 the overall surface of rehabilitated artisanal mining sites increased from 222 to 321.4 acres (or 160.7 hectares) during the last quarter. Most of these new sites were already in progress during the last reporting period and the number of candidate sites it will be possible to rehabilitate in the present PRADD areas has almost reached its maximum¹⁰. The extension of PRADD

¹⁰ It is important to note that not every mined out pit can be rehabilitated using the PoMIGER approach. Pits must be sufficiently close to villages in order to access the labor needed for rehabilitation. For fishponds to be a viable option, pits must be adjacent to streams. PRADD does not claim PoMIGER to be a panacea for small-scale mine reclamation.

to new artisanal mining communities in the coming quarters should enable miners to rehabilitate additional pits. However, experience shows that a reasonable time is necessary to convince miners to do so, and as PRADD will not donate free tools anymore, PRADD does not expect the rate of increase to remain constant during the next quarter.

2.6.1 Fish Farming

PRADD continues to receive anecdotal evidence that increasing numbers of communities neighboring PRADD's areas of intervention are converting their exhausted mining sites into fishponds. PRADD has been told that the number of these additional fishponds now exceeds 200. PRADD has not had the resources to verify these reports firsthand. Therefore, the only data included above in Figure 9 are those collected by PRADD personnel.



Above: Transforming a mined-out diamond pit into a fish farming pond, 2010.

Below: This fishpond on a mined out pit in Lobaye Province is now producing 50 kilograms of talapia every six months.

A total of 737 kilograms of fish were harvested from PRADD fishponds during the reporting period. This production came from free fingerlings distributed by PRADD. The fish farming groups will now face the challenge of shifting to buying their fingerlings from commercial breeders if they harvest all fish in their ponds and must restock, or adopting conservation practices and only harvesting the biggest fish and releasing the small ones back into the pond. Some groups have already adopted the latter approach.

2.6.2 Agroforestry

In the long term, the conversion of exhausted mining sites into tree orchards is the most profitable of the three PoMIGER activities and environmentally the soundest. However, at least six years are required before profits can be realized from fruit trees. Thus agroforestry requires (and contributes to) changing miners' mentalities to include long-term economic calculations and land property valorization more than vegetable gardening and fish farming. This positive behavioral effect is the reason why PRADD decided to focus further on agroforestry.

The method PRADD uses is for communities to backfill mining sites and to broaden the planted surface to the nearby forest.

However, forest trees are not cut; fruit trees are planted within the existing forest instead. Unlike vegetable gardens or fishponds, the 159.4 acres of rehabilitated land through agroforestry come closest to restoring the original ecological structure of the area. PRADD will explain these methodological differences between the three PoMIGERs over the next quarters, possibly in a Programmatic Environmental Assessment (PEA).

During this reporting quarter, PRADD procured and donated another 1,500 fruit tree plants to the artisanal miners who completed the backfilling of their mined-out sites, bringing to 4,500 the number of fruit tree seedlings procured by PRADD and transferred from local nurseries to the orchards. PRADD hopes that the 44 fruit orchards will trigger demonstration effects.



High quality papaya from seeds developed at the University of Hawaii growing just outside Bangui

The high quality papaya seeds imported from the University of Hawaii and distributed to professional farmers and farming associations at the outskirts of Bangui germinated in early April. Although germination was delayed due to a lack of rains, as of the end of the reporting period the papayas were thriving. PRADD continues monitoring their growth.

2.6.3 Vegetable Farming

After conducting sensitizations in late 2010, PRADD selected 110 vegetable gardening groups that had backfilled exhausted mining sites on their own, following PRADD's training sessions and continuous technical orientations. In February, PRADD received various vegetable seeds from the UNFAO and distributed them to these groups. Seeds included onion, carrot, cabbage, bean, lettuce, cucumber, tomato and watermelon. Demonstration effects have been at work. Other artisanal miners adopted vegetable gardening during the reporting period and sowed locally available seeds such as amaranth on an additional 26 plots.

The results of this PoMIGER activity proved positive but not quite as satisfactory as expected. While the tomato, bean, carrot and watermelon seeds germinated and grew successfully, only around half of the cucumber and onion seeds germinated. Furthermore, only a very small portion of lettuce and cabbage seeds germinated, and insects attacked all that did. The PRADD Sustainable Development Coordinator analyzed the reasons for this problem and learned the following:

- The fields were backfilled with underground layers of soil that lacked the necessary organic matter for optimal growth. In the future, PRADD will encourage miners to backfill exhausted mining sites during the rainy season to allow water infiltration and organic enrichment of the soil. PRADD will also encourage miners to produce natural compost to enrich the soil.
- Because insects often destroyed the yields, PRADD will encourage miners to produce the locally available *tephrosia* plant, a natural insecticide, and spread it over gardens during growth.



Farmers netted \$1,362 from vegetable yields, and vegetable gardening rehabilitated 149.5 acres of previously degraded land. These two results were satisfactory enough to convince local mining communities that this PoMIGER is useful, and PRADD hopes it will continue triggering demonstration effects. As with the other income-generating activities, local farming groups will now face the challenge of procuring seeds from local commercial sources.

2.7 IR 5 – ACCESS AND AVAILABILITY OF INFORMATION ON ARTISANAL DIAMOND MINING TO STAKEHOLDERS INCREASED

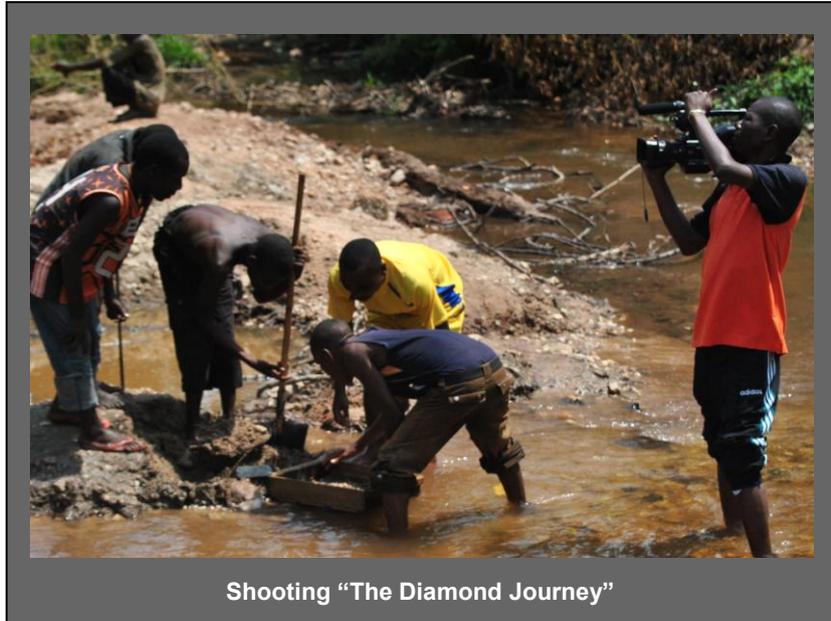
2.7.1 Mass Communication

PRADD's Educational Film: PRADD completed its second educational film, entitled *The Diamond Journey*, at the end of April. USAID officially approved the film in late May. Filmed in the Sango language and subtitled in English, the 52-minute film traces the journey of diamonds from their geological creation to their international use and outlets. The Ministry of Mines is the presenter in the film, and contributed to the synopsis. *The Diamond Journey* is an educational tool intended for an

audience of Central African artisanal miners, and will be screened throughout the country. Its main objective is to present the legal commercial chain of custody of diamonds in CAR and to educate miners through positive depictions about responsible and lawful artisanal mining.

The PRADD Communication Advisor Prosper Yaka Maïde directed the film, which stars Central African actors, was shot by a Central African cameraperson, is narrated by a Central African, was edited by a Central African film editor, and features music by Central African musicians. A US company DigiNovations produced the 3D graphics animations and sourced the stock footage. Production lasted five months and cost around \$60,000.

PRADD screened the film on May 17 at the US Ambassador's residence to invited representatives of the private sector, diamond buying offices, the General Direction of Mines, and international donors. The Minister of International Cooperation and the former Prime Minister attended the screening and praised the quality and the positive viewpoint of the film.



On June 23, GOCAR's delegation to the KP and USAID Land Tenure Specialist Timothy Fella presented the film at the KP Inter-sessional plenary in Kinshasa.

Back in CAR, PRADD organized its first public screening on June 30 at the Alliance Française of Bangui. Reportedly, the Ministry of Mines also organized a public screening in early June in Sam Ouandja in its efforts to foster a pocket of legality in a volatile but diamond-rich area. The success of PRADD's second educational film is yet another sign of the deepening of a constructive partnership between the US government and GOCAR.

PRADD's Educational Music: In order to target the young generation of artisanal miners, PRADD funded production of three hip-hop titles in Sango and French that were used as the film's soundtrack. The songs deliver positive and encouraging messages, such as the need to work legally and responsibly and the valuable role of artisanal miners in the country's development. In early June, PRADD distributed 18 CDs to the bars and nightclubs of the Western artisanal mining areas, which started playing them regularly.

PRADD's Weekly Radio Program: PRADD has been broadcasting a 30-minute weekly radio program on artisanal mining every Friday on the community radio station of Nola for over one year. During this last quarter, the PRADD Communication Advisor endeavored to improve the quality and the outreach of this successful use of the radio medium. PRADD designed a systematic program plan for its "PRADD Magazine" broadcast and trained its Community Mobilizers in radio communication during the June staff training. PRADD started negotiating contracts with four independent radio stations in Berberati and Nola. Three of the stations have province-wide range. A fourth shortwave station in Bouali has countrywide coverage, so PRADD's radio programs will start reaching the whole of CAR during the next quarter.

PRADD's focus on film, music and radio programs somewhat slowed its regular relation to the journalists of the national media. The table above, which summarizes overall media coverage on the

subject of artisanal mining, demonstrates little progress since the last quarter, as only seven subjects were added (three over the national radio, two over the national press and two over the web).

Figure 10: Media Coverage in CAR on Artisanal Diamond Mining (cumulative through July 1, 2011)

Type of Media	Length (minutes)	Length (words)	Total Number of Subjects	Number of Subjects by Main Topic				
				Environment	Property Rights	Artisanal Mining Law	IGA	Other
Radio	34,958		247	63	80	47	42	15
TV	350		9	2	4	2	0	1
Press		154,048	86	22	45	4	6	9
Web Press		65,195	44	11	17	5	6	5
Web Radio/TV	160		4	0	1	0	0	3
TOTAL	35,468	219,243	390	98	147	58	54	33

Finally, despite PRADD efforts in providing communication tools to GOCAR, the Ministry of Mines could not organize the festivities scheduled for the 50th Anniversary of Artisanal Mining.

Kimberley Process Inter-sessional Conference: The PRADD/ CAR COP provided background documents, figures, and comments on the presentation for the Kimberley Process Inter-sessional Conference prepared by CAR's KP Permanent Secretary. The presentation was made to the Working Group on Monitoring. PRADD's COTR, STA/M and the COPs from Liberia and CAR attended the Kimberley Process Inter-sessional Conference in Kinshasa, in the Democratic Republic of Congo, from June 20 to 23, as part of the US delegation. PRADD made various presentations during this conference:

- The COTR presented the results of the PRADD/Liberia Baseline Survey at the Working Group on Artisanal Alluvial Producers;
- The COTR and GOCAR jointly presented a portion of the *The Diamond Journey* in plenary;
- PRADD distributed over 200 DVDs and CDs of the PRADD/CAR educational films and 100 copies of the project brochures.

PRADD's presence helped the US government highlight the positive features of its global diamond policy, which was acknowledged by the Congolese Chairman in his closing speech. This counterbalanced the focus on the Zimbabwe controversy.

2.7.2 Partnerships

PRADD continued nurturing positive and constructive relationships with its usual partners throughout the reporting period. The main highlights were the following:

- PRADD/CAR agreed with the USAID-funded CARPE project, the World Resource Institute, and UNOCHA to improve the exchange of data for the benefit of various Ministries, especially in the mining and forestry sectors;
- GIZ agreed to contribute to PRADD's objectives by helping bring the CIG into a regional network with the other CEMAC countries, and by supporting GOCAR in its potential future reflection on harmonizing its sector-specific land tenure regulations;
- USAID started networking with the World Bank, the UNFAO, and GIZ at the international level to gather support for the aforementioned land tenure harmonization process;

- PRADD and World Bank project Promines in the DRC shared their respective methodology during the Kinshasa KP Inter-sessional Conference and broadly agreed on developing a partnership.

2.8 OTHER ACTIVITIES

PRADD submitted a new Work Plan (which USAID approved shortly after the end of this reporting period) running from June 2011 to May 2012, which describes benchmarks and activities. PRADD also submitted to USAID a revised PMP (likewise approved shortly after the end of the reporting period) that provides new targets, adds some indicators, and refines other ones.

The following activities are scheduled for the next quarter:

- PRADD will complete its Training Module on its methodology of property rights clarification;
- PRADD and the Directorate of Mining Production Support will identify the project's extension areas in the three provinces of intervention and complete a preliminary identification of the targeted artisanal miners;
- PRADD and the General Direction of Mines will determine and start implementing a more robust and systematic training plan to the CIG, while improving diamond production data collection and entry from the test areas;
- PRADD will implement its second Household Survey in the three provinces of intervention, and process and analyze its results;
- PRADD will fully equip the five diamond valuation workrooms, and the MM will inaugurate them officially;
- PRADD will complete a pre-feasibility study on microfinance in CAR;
- PRADD and USAID will work together on complying with USAID Regulation 216 regarding environmental protection;
- PRADD will set up a first commercial fish breeding unit in the Mambere Kadei province;
- PRADD will set up two commercial fruit tree nurseries in the provinces of Lobaye and Sangha Mbaere;
- PRADD will mobilize the artisanal mining communities in the province of Mambere Kadei, present the project's objectives and approach, and organize cross-provincial exchange visits for local artisanal mining leaders;
- PRADD and the MM will screen *The Diamond Journey* in the provinces;
- PRADD will start producing technical films on PoMIGER to be used as training tools by the MM in the future.

ANNEX I: PRADD CAR PERFORMANCE INDICATORS

#	Indicator Name/Definition	Indicator Type	Unit of Measure	June 2009	June 2011	Target (May 2012)
Intermediate Result 1: Customary Land and Natural Resource Rights in Target Areas Identified, Clarified and Formally Recognized						
1.1	Number of artisanal sites validated and officially recognized by local customary and administrative authorities	Outcome	Number	361	1,432	3,000 (cumulative)
1.2	Percentage of properly licensed artisanal miners	Outcome	Percentage	5.1% (Dec 09)	5.1% (Dec 10)	8% (Dec 11)
1.3	Number of United States Government (USG)-supported initiatives/mechanisms designed to reduce the potential for violent conflict over the control, exploitation, trade, or protection of natural resources	FACTS/ Output	Number	0	12	18
1.4	GOCAR's direct counterpart funding of PRADD's activities (in percentage of PRADD's activity expenditure)	Outcome	Percentage	0%	0%	10%
Intermediate Result 2: System for Reliable Tracking of Production and Initial Sale Information Strengthened						
2.1	Number of artisanal miners introduced into the Artisanal Mining Claims Registry/Production and First Sales (AMCR/PFS) GIS Database, disaggregated by gender, pilot site, community, and place of origin	Output	Number	257	1,525	3,000 (cumulative)
2.2	Number of requests processed by the ministerial GIS Database unit	Output	Number / month	0	0	10
2.3	Proportion of carats entered legally in the legal chain of custody from the PRADD production areas against national legal exports	Outcome	Percentage/ quarter	4.1%	14.7%	6.7%
Intermediate Result 3: Benefits of Mining Activities to Local Communities Increased and Food Production Diversified and Intensified						
3.1	Number of stakeholders (i.e., miners, sellers, dealers, brokers, but with a focus on artisanal miners, disaggregated by gender, pilot site,	Output	Number	33	43	100

#	Indicator Name/Definition	Indicator Type	Unit of Measure	June 2009	June 2011	Target (May 2012)
	<i>community, and place of origin</i>) trained on the four Cs (Cut, Carat, Color, and Clarity)					
3.2	Number of people (<i>disaggregated by gender, pilot site, community, and place of origin</i>) with increased economic benefits derived from sustainable natural resource management and conservation as a result of USG assistance—FACTS	Outcome / Impact	Number	0	5,294	10,000
3.3	Percentage of artisanal mining household reporting they earn income originating from non-diamond activities	Outcome / Impact	Percentage	N/A	97%	100%
3.4	Percentage of artisanal miners' wives declaring a greater participation in household decision-making	Outcome	Percentage	N/A	11.1%	35%
Intermediate Result 4: Capacity to Prevent and Mitigate Environmental Impacts of Artisanal Mining Strengthened						
4.1	Number of mined-out sites rehabilitated and/or regenerated and protected	Output	Number	0	425	400
4.2	Number of people (<i>disaggregated by gender, pilot site, community, place of origin</i>) receiving USG supported training in natural resources management and/or biodiversity conservation	FACTS/ Output	Number	0	810	1,200
Intermediate Result 5: Access and Availability of Information to Stakeholders on Artisanal Diamond Mining Increased						
5.1	Number of articles and programs on artisanal mining broadcast and disseminated by the media	Output	Number	120	390	450
5.2	Percentage of artisanal miners in project area demonstrating knowledge of the Mining Law	Outcome	Percentage	N/A	25.5%	50%

ANNEX II: PRADD/CAR GENDER STRATEGY

Background and rationale

The USAID Property Rights and Artisanal Diamond Development (PRADD) project has been implemented in Central African Republic (CAR) since 2007. It aims to increase the number of alluvial diamonds reaching the legal chain of custody while improving the livelihoods of artisanal miners.

USAID's mission is to help reduce poverty, promote democracy, foster economic growth, assist victims of natural disasters, and reduce potential conflicts. USAID's guidelines demands that its implementing partners integrate gender promotion at every level of project implementation.

According to the 1948 United Nations Human Rights Charter, "all human beings are born free and equal in dignity and rights." Unfortunately, in many countries social, cultural, economical and political prejudices significantly hamper women's participation in many different areas such as decision-making, natural resource management, and access to credit and economic opportunities. According to the 2010 UNDP Gender Inequality Index, CAR ranks 159 out of 169 on the international gender equity scale.

(http://hdr.undp.org/en/media/HDR_2010_EN_Table4_reprint.pdf)

Women, however, represent a core pillar in human and social development. In the specific PRADD context, they can significantly help the nation reach the Millennium Development Goals through a better management of diamond income. It is demonstrated that improved women's participation in decision-making increases the allocation of expenses in children's education, food and health, while strengthening savings as well as family solidarity.

Increasing women's role in artisanal mining communities is even more important because artisanal mining is a predominantly masculine activity that tends to strengthen male decision-making within households and isolate women in the community. In 2008, a joint survey between PRADD and the German Cooperation Agency (GIZ) demonstrated that HIV/AIDS prevalence was 15% higher in artisanal mining areas than in other rural areas.

Therefore, the promotion of gender equity is essential to the core objectives of PRADD. As the UNFPA slogan goes, it is important to understand and communicate that "investing in women pays off." A society advances better and more quickly when its two halves participate in an equitable manner in the definition of its development objectives.

The present strategy constitutes internal guidelines and obligations for the PRADD project team in CAR. It aims to reinforce the economic and social participation of women in decision-making. It is directly linked to the project's Intermediary Result 3 of diversification of income sources as well as to the project's general objective of livelihood improvement.

Definitions

Sex

Sexual characteristics corresponding to every biological, hereditary, and genetic feature which split individuals into two categories: male and female.

Gender

While sex is a biological notion, the concept of gender refers to the roles socially attributed to men and women or that have been individually acquired. These roles are essentially influenced by a given society's social, cultural, and economic features shaped by its ethnic, legal, and religious norms and values. Within the society, these differences can also vary according to age, socio-economic standards, matrimonial situation, and religious or ethnic group. While biological sex is immutable, the socially defined roles of men and women are dynamic: they can evolve. This acknowledgment that the attribution of social tasks to different sexes is the product of a mental and social construction is the very first step towards gender equity.

Equity

While equality is an absolute concept, the notion of equity implies the allocation of resources and opportunities to each individual or group according to its own needs and capacities. Equity thus takes individual differences into account and allows each individual to improve, thrive, and pursue happiness.

I. PRADD's Main Achievements and Limitations on Gender Equity

Main Achievements:

1. Production of a consultancy report by an international expert on gender strategy : *The Impacts of Artisanal Diamond Mining on Women's Livelihoods*, Pulchérie Hantanirina, November 2008
2. Production of two awareness raising tools on the Diversification of Income Sources (November 2010) and Gender Equity (December 2010)
3. Support to the organization of women's socio-economic groups: 427 women trained and monitored
4. Training on the elaboration of internal socio-economic groups' procedures and guidelines: 6 women's socio-economic groups trained
5. Awareness Raising on income source diversification: 1,416 women sensitized
6. Awareness Raising on gender equity: 145 women sensitized (March 2011)
7. Technical Training on fish farming: 69 women trained
8. Technical Training on soap-making: 580 women trained
9. Support to female micro-entrepreneurship: two women from the PRADD areas participated to a comprehensive workshop organized by the US Embassy (December 2010)
10. Household Survey on gender relations within artisanal mining households: 11.9% of women declare more participation and 9.8% less participation in their household's decision-making process between the end of 2009 and the end of 2010. The survey's methodology included a gender-specific approach: female questionnaire, female survey conductors, gender-weighted statistical analysis, and disaggregation of results by gender
11. Support in soap-making inputs to 22 women's groups for an overall value of \$4,000
12. Identification of female leaders capable of relaying the PRADD gender equity toolkit to broader communities: 8 female leaders identified
13. GPS mapping and certification of artisanal mining sites belonging to women: 91 women
14. Validation of women's property rights over artisanal mining sites: 98 sites
15. Support to the women's socio-economic group Yeke-Yeke of Bossoui in accessing the US Embassy's Self-Help Funds
16. Promotion of female change agent Ms. Berthe Yadjo from Loppo through the dissemination of a USAID Success Story since October 2010, which led her to become a local referral to her community
17. Imposition of a female Member of Parliament, known as a major women's rights activist, in the PRADD parliamentary mission of September 2010

Main Limitations:

1. The methodology of recognition and clarification of customary property rights over artisanal diamond mining sites strengthened the role of husbands in the households' socio-economic decisions

2. The axes of recommendation set by consultant Pulchérie Hantanirina have not been followed
3. The soap-making income generating scheme started late during Phase II
4. The PRADD gender equity awareness raising toolkit was developed only at the 19th month of 24 months of implementation timeframe and field sensitizations only started at the 20th month
5. The PRADD/CAR project only employed 6 women out of 23 employees and starts Phase III with only 5 women out of 32 employees
6. All student interns employed by the project were men
7. The majority of governmental partners were men and the ministerial cadres invited to the field evaluation missions were over 90% men

II. Elements for a Gender Strategy in PRADD CAR

The overall objective of PRADD's present Gender Strategy is to strengthen women's role in society by improving their participation to decision-making, their economic autonomy, and their political influence at every level of intervention.

This objective is directly attached to the PRADD's specific objectives, in particular the increased share of educational and nutritional expenses in the household's expenses.

Specific Objectives of the PRADD Gender Strategy

1. Increase women's role in natural resource management
2. Increase women's role in the local economy and women's share of household income
3. Increase women's role within the PRADD/CAR project and amongst partners

III. Women and Natural Resource Management

Objective

To increase women's role in natural resource management

Rationale

Women feel less secure about their land tenure than their male counterparts do. This feeling leads most of them to keep money hidden from their husbands with the prospect of buying property. To acquire full control over land is one of the strongest aspirations of rural women.

The allocation of land remains a masculine privilege. Traditional authorities who often are judges of property conflicts lack information on gender equity. Such situation benefits male stakeholders, especially in property transfer through inheritance and bequeathment.

The development of artisanal mining activities deeply modified labor division within households that were previously turned towards agriculture. Large swaths of the male workforce rushed into mining activities, hence leaving agricultural tasks to women. This situation is gradually changing: the return to agriculture offers opportunities to women. However, artisanal mining communities still have very limited access to means of production, services, inputs, and technology, which keeps weakening agricultural production and productivity.

Expected Outcomes

1. Communities recognize unequal gender power relations in land access and use
2. Women's capacity to access and valorize land is improved
3. Women's property rights are recognized by traditional authorities

Activities

1. Prioritize female artisanal mining in the consolidation and clarification of property rights at each step of the methodology: identification, GPS mapping, validation and certification
2. Prioritize women in the technical training sessions on post-mining sustainable development
3. Strengthen the rights of spouses, non-married partners and co-wives in the customary property rights certificate, especially on use, inheritance, and bequeathment rights
4. Consolidate focus groups and women leaders for the promotion of gender land tenure equity in the mining areas
5. Improve the availability of information on existing laws regarding women's rights to participate equitably to decision-making at the community level and empower women leaders to use them

IV. Women and the Local Economy

Objective

To increase women's role in the local economy and women's share of household income

Rationale

Artisanal mining communities lack funds and inputs to effectively boost the local economy, especially in agriculture. Women in particular lack financial means to invest in agriculture despite the circulation of an important mass of cash in the mining areas.

This issue leads some women to gather into rotating savings and loans groups locally called "kelemba." Therefore, the capacity to save and manage money, i.e. to comprehend the notions of investment and profit, is usually more developed amongst the women of these communities. Petty trade also represents a significant economic dynamic to women. In artisanal mining areas, most women are traders, cooks, or market sellers.

Expected Outcomes

1. Access to capital
2. Access to agricultural and commercial inputs
3. Technical training
4. Improved decision-making in the use of diamond income

Activities

1. Prioritize women socio-economic groups in accessing equipment rental for post-mining land valorization
2. Prioritize women in technical training sessions on diamond income management
3. Prioritize women's savings and loans associations and women's access to microcredit
4. Develop and support specific gender-focused income-generating activities such as soap-making and post-agricultural transformation in artisanal mining communities

V. Women and Project Management

Objective

To increase women's role within the PRADD/CAR project and amongst partners

Rationale

Despite an enabling legal environment, women have less access to employment as well as decision-making in governmental and private institutions than men do. In addition, the integration of gender equity in the development of strategic plans often remains incomplete and superficial.

Expected Outcomes

1. Increased women's role in project management decisions
2. Increased women's role amongst PRADD's partners
3. Specific integration of gender equity in the elaboration of project objectives, budgets, and planning matrixes

Activities

1. Maintain women's presence and voice at all levels of PRADD project
2. Encourage and prioritize women candidates to the project's decision-making posts
3. Prioritize the female staff in professional training and development
4. Keep professional internships in the project to female candidates only
5. Integrate gender equity promotion as a specific sub-activity in the 2011-2012 PRADD Work Plan and specific gender indicators in the USAID Performance Monitoring Plan
6. Systematize sessions on gender equity in the quarterly programming and planning weeks, while insisting on quantitative results and objectively verifiable indicators
7. Prioritize women in the field missions proposed by PRADD to partners
8. Build privileged relations with women leaders amongst PRADD's political partners (National Assembly, Ministries)
9. Systematize PRADD's coordination with gender-aware stakeholders such as UNFPA, Ministry of Social Affairs, NGO clusters

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