

Artisanal Diamond Mining in Sub-Saharan Africa

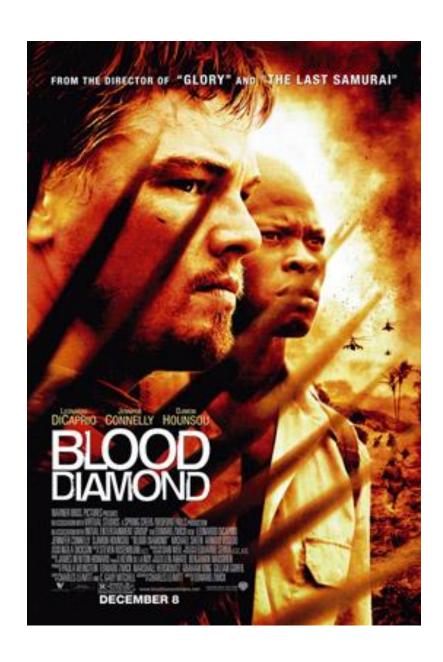
Taking Stock of the Bigger Picture

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- Kimberley Process
- KPCS
- January 2003 UN Security Council Resolution 1459
- Events in Angola (UNITA)
- Meeting in May 2000 in Kimberley, Northern Cape
- In December 2000, the UN General Assembly adopted Resolution A/RES/55/56 supporting the creation of a certification scheme for rough diamonds
- KP is not working











- Kimberley Process
 - Porous borders
 - Low levels of monitoring
 - Lack of focus on artisanal mining in the KP 'space'



Who is this guy?

- Leading authorities on ASM
- 3 months a year on the ground
- 15+ years
- Published 200 papers on ASM and try to convert all of my students into miners
- Ghana, Sierra Leone, Liberia, Nigeria, Mali, Tanzania, Malawi, Guyana, Suriname
- Consulted for the donor community (World Bank, UN, USAID, DFID, GIZ), NGO Community (WWF Guianas, IIED, OXFAM, ARM) and Private Sector (Gold Fields, Newmont)
- Child labour, the environment, legalization, ASM-farming linkages, ASM-large-scale mining relations, gender
- Draw on these experiences
- Kind of seen it all...



I like the KP...it could be really good...(honestly)...

The low level of priority given to ASM on the development agenda, and ASM's policy treatment

Where's the foundation?



Overview

- 1. Background
- 2. Reason 1: A Mining Issue or a Livelihoods/Development Issue?
- 3. Reason 2: Archaic Policy and Perceptions
- 4. Reason 3: I Really Love Large-Scale Resource Extraction
- 5. Conclusion: What do I know?

(ASM): Where?

Background

- 20-40 million people directly
- 200+ million dependent on the sector
- All over the world and in sub-Saharan Africa, largely poverty-driven
- Alluvial or near-surface hardrock deposits
- Low-tech, labour-intensive branch of the mining sector
- Medium Intensity ASM
- LowIntensity ASM
- Estimate Unavailable

For details, please see: "ASM Map Documentation.pdf"

Artisanal and Small-scale Mining Around the World



(ASM): Where?

Background

- Links with agriculture (Kono, Akwatia)
- Small-scale diamond mining and small-scale gold mining linked
- Mostly unlicensed (licenses, inappropriate policies)
- Neglected sector (policies designed without the sector in mind)



Medium Intensity ASM

Low Intensity ASM

Estimate Unavailable

For details, please see: "ASM Map Documentation.pdf"

Artisanal and Small-scale Mining Around the World

(ASM): Where?

Background

But...

- A lot of energy in the donor and NGO space to formalize ASM but they don't know what to do
- Acute shortage of information about small-scale miners.



Medium Intensity ASM

Low Intensity ASM

Estimate Unavailable

For details, please see: "ASM Map Documentation.pdf"

Compiled by AJ Gunson/CASM

Artisanal and Small-scale Mining Around the World



keason 1: A Mining Issue or a Livelihoods/Development Issue?

Mining issue $\rightarrow \rightarrow$ Livelihoods

Who's around the table?

Maendeleo Diamond Standards™

FAO

The Mindset...





Reason 2: Archaic Policy and Perceptions

- 'Get Rich Quick'
- Start Conflicts
- Africa Mining Vision: *Boosting Artisanal and Small-Scale Mining* Poverty-Driven?
- Working Group on Artisanal and Alluvial Production (WGAAP)
 Youngest Working Group

2007

I don't care: it's there...



Reason 2: Archaic Policy and Perceptions

- 'Why?
- Communities and Small-Scale Mining (CASM)
- Yaoundé Declaration/UNDESA
- Mining, Minerals and Sustainable Development Project
- Global Mercury Project
- ZEEERRRRROOOOOOO Momentum...



Reason 3: I Really Love Large-Scale Resource Extraction

Host Governments

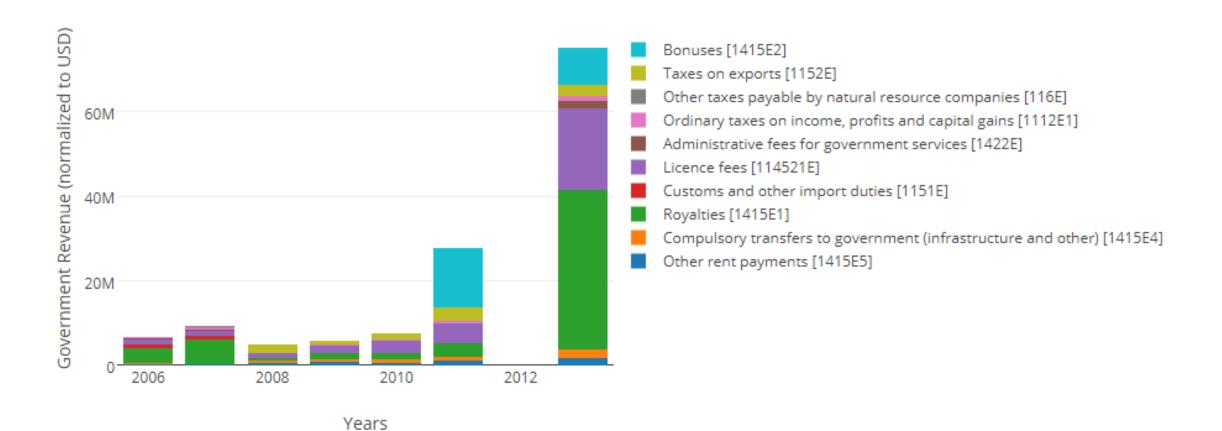
Lazy, 'Sloth' Governments

Angola: In 2015, exported US\$34.2B (95% oil)

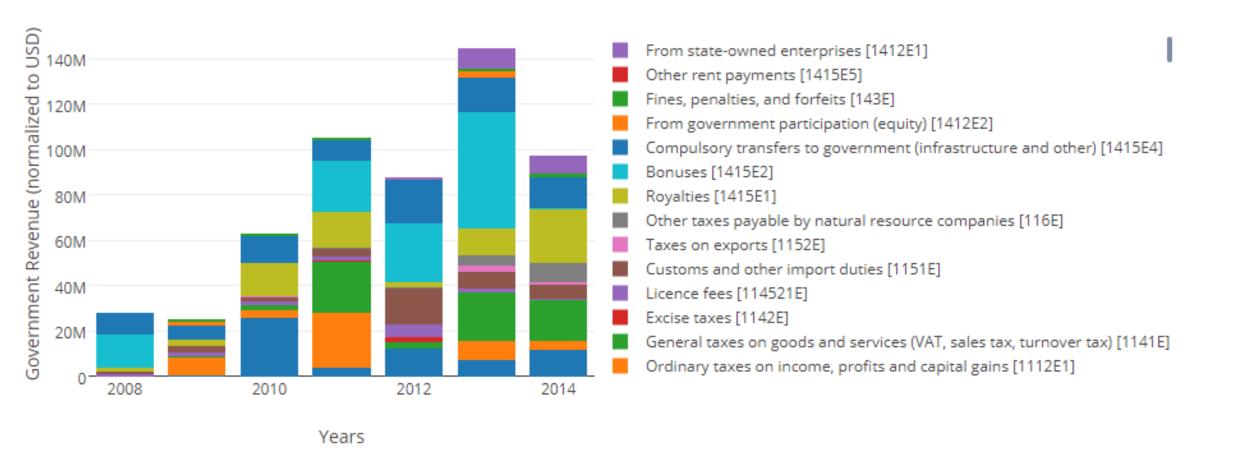
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The latest EITI disclosures (2014 Report) show that Sierra Leone received USD 58 million in revenue from its extractive industry operations. 85% of these revenues came from the mining sector, with the rest mainly stemming from exploration activities in the petroleum sector. Revenues were mainly collected through mineral royalties (57%), mining licences (9%) and signature bonuses from the award of oil blocks (7%).

Government Revenues



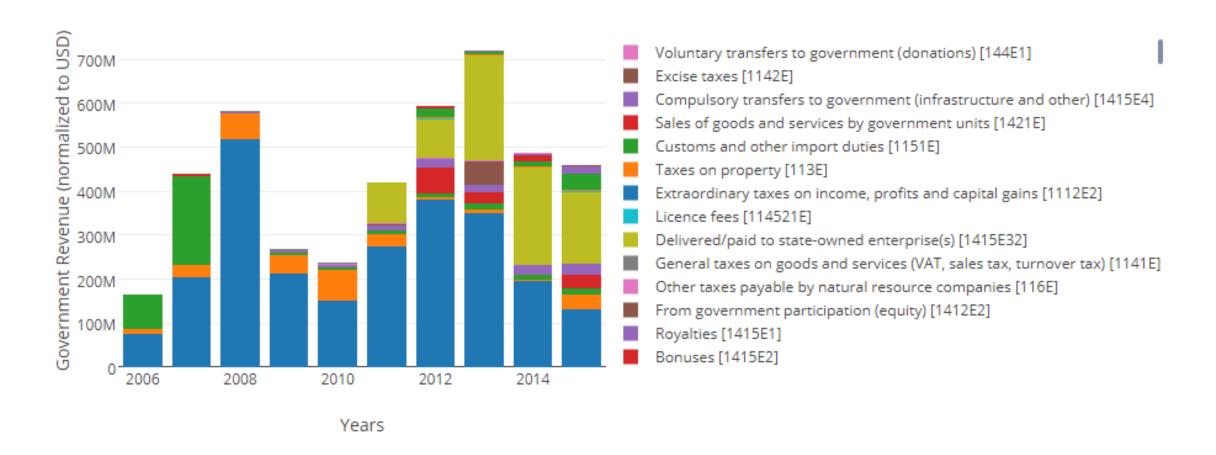
Government Revenues



Export Data



Government Revenues



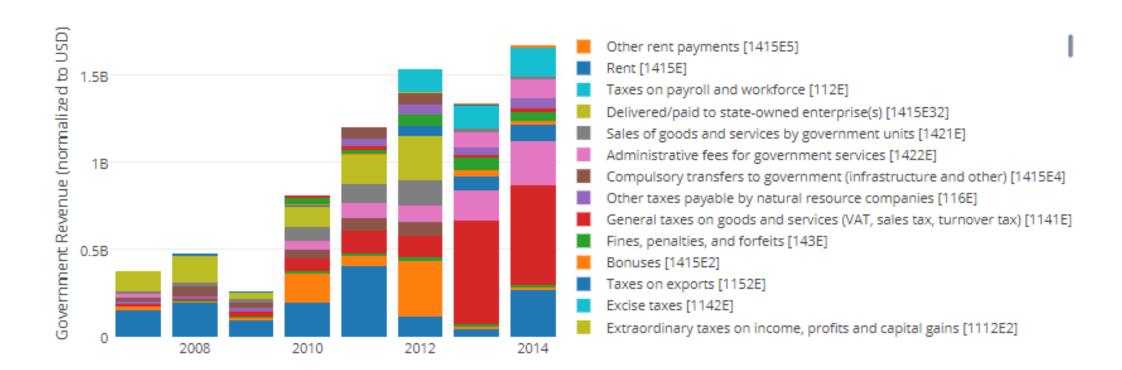
Export Data

The 2014 EITI Report shows a more resilient mining sector, characterised by increased production, employment and revenues. The USD 2 billion in government revenues in 2014 stands in stark contrast to the paltry USD 400 million that the government reported receiving from the oil, gas and mining sector, when EITI implementation began in 2007. USD 1.5 billion or 72% of all collected revenues went to the treasury in 2014. Ten percent or roughly USD 200 million went to provincial governments and local communities, while SOEs and other government agencies collecting taxes on behalf of the government withheld 18% of

DRC's effort to increase transparency begins to pay dividends

collected revenues.

Government Revenues



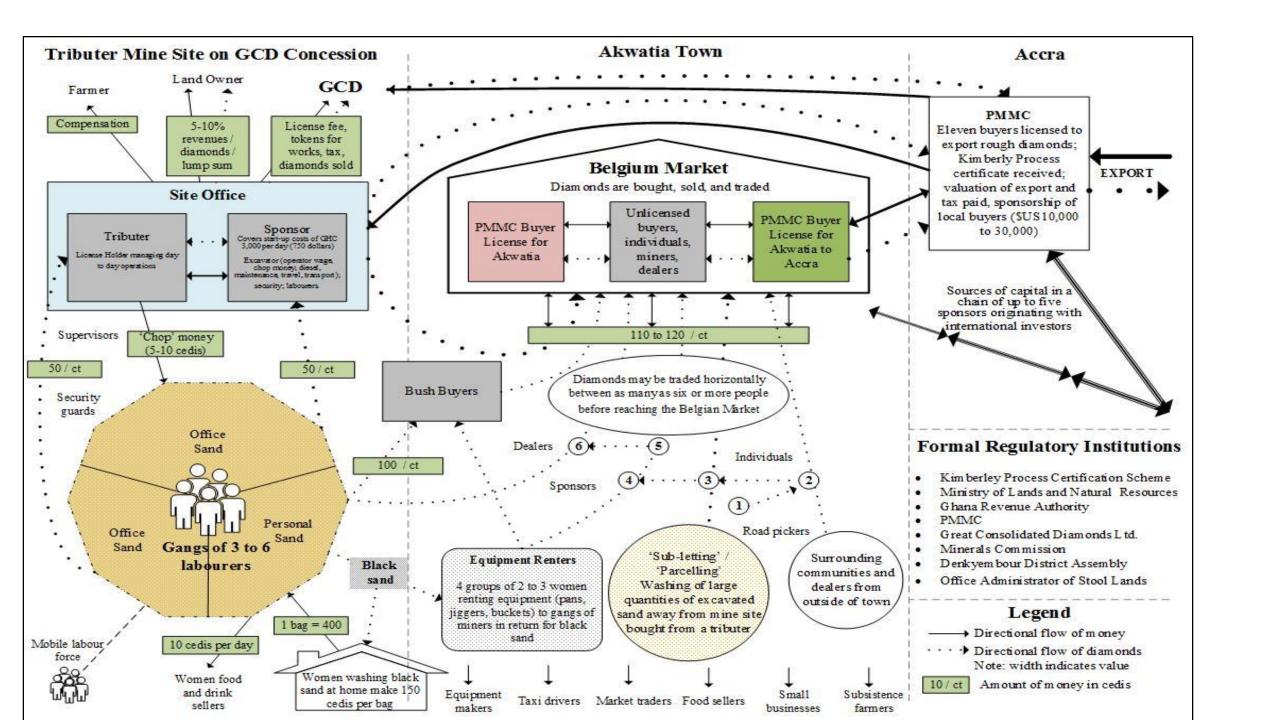


Conclusion: What do I know?

- Transition to Livelihoods

DELVE http://www.delvedatabase.org/

Akwatia and the Global Production Network (GPN)





Conclusion: What do I know?

- Transition to Livelihoods
- DELVE http://www.delvedatabase.org/
- Akwatia and the Global Production Network (GPN)
- CIRDI and IGC
 - Financial Diaries Methodology
 - Alluvial Diamond Miners Financial Transactions
 - Following for one year



Thank You