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# PROPERTY RIGHTS AND ARTISANAL DIAMOND DEVELOPMENT PILOT PROGRAM - GUINEA QUARTER 1 PROGRESS REPORT (FEBRUARY-MAY 2008)



JUNE 2008

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COVER PHOTO:

Young women and girls employed as gravel carriers at artisanal diamond mine of E.H. Sekou Koulibaly near Banankoro town, March 2008. All photos courtesy of James Shyne, ARD, Inc.

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The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.



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# ACRONYMS AND ABBREVIATIONS

|         |  |
|---------|--|
| APARFE  | <i>Association pour la Protection, l'Amélioration des Ressources Forestières et leur Enrichissement</i> (nongovernmental organization based in Kissidougou)  |
| AREDOR  | <i>Association pour la Recherche et l'Exploitation du Diamant et de l'Or</i> (industrial mining company currently present in Banankoro, although its operations have been suspended since 2004)              |
| BNE     | <i>Bureau National d'Expertise des Diamants et des Matières Précieuses</i> (Guinean government agency that oversees diamond and precious gem exports)  |
| CAR     | Central African Republic   |
| CASM    | Communities and Small-Scale Mining   |
| CECIDE  | <i>Centre du Commerce International pour le Développement</i> (nongovernmental organization based in Conakry, focusing on defense of economic rights)  |
| CNTG    | <i>Confédération Nationale des Travailleurs de Guinée</i> (National Workers Union)   |
| CONADOG | <i>Coordination Nationale des Diamantaires et Orpailleurs de Guinée</i> (private organization representing diamond producers, buyers and exporters in Guinea)  |
| COP     | Chief of Party   |
| CRD     | <i>Communauté Rurale de Développement</i> (defines a local government unit governed by an elected council: the <i>Conseil Rural de Développement</i> )   |
| CTO     | Cognizant Technical Officer  |
| DEA     | <i>Division d'Exploitation Artisanale</i> (agency within the MMG; contains SEEA)   |
| DNAT    | <i>Direction Nationale de l'Administration du Territoire</i> (agency within MIS; oversees central government administrators— <i>préfets</i> and <i>sous préfets</i> —assigned to local administrative units) |
| DND     | <i>Direction Nationale de la Décentralisation</i> (agency within MIS; oversees CRDs)   |
| DOS     | U.S. Department of State   |
| DPDDA   | <i>Droits de Propriété et Développement du Diamant Artisanal</i> (French acronym for PRADD pilot project)  |
| EITI    | Extractive Industries Transparency Initiative  |
| GNF     | <i>Franc Guinéen</i>   |
| GOG     | Government of Guinea   |

|        |  |
|--------|--|
| KP     | Kimberley Process  |
| KPCS   | Kimberley Process Certification Scheme   |
| MAEEEF | <i>Ministère de l'Agriculture, de l'Élevage, de l'Environnement, des Eaux et Forêts</i> (Ministry of Agriculture, Livestock, Water and Forests)  |
| MATD   | <i>Ministère de l'Administration Territoriale et de la Décentralisation</i> (Ministry of Territorial Administration and Decentralization—former name of current MIS)                     |
| MIS    | <i>Ministère de l'Intérieur et de la Sécurité</i> (Ministry of the Interior and Security, formerly MATD)   |
| MMG    | <i>Ministère des Mines et de la Géologie</i> (Ministry of Mines and Geology)   |
| MOU    | Memorandum of Understanding  |
| PCQVP  | <i>Publiez Ce Que Vous Payez</i> (a global campaign launched in 2002 and supported by a consortium of international NGOs; complements the Extractive Industries Transparency Initiative) |
| PRADD  | Property Rights and Artisanal Diamond Development Pilot Program  |
| SEEA   | <i>Service d'Encadrement de l'Exploitation Artisanale de Diamants</i>  |
| SOW    | Scope of Work  |
| USAID  | United States Agency for International Development   |
| USG    | United States Government   |





# 1.0 INTRODUCTION AND BACKGROUND

## 1.1 PRADD AND THE KIMBERLEY PROCESS

The Property Rights and Artisanal Diamond Development pilot program (PRADD) is an element of the support provided by the United States Government, through the U.S. Department of State, to the Kimberley Process (KP), which was established in 2000 by representatives from the diamond industry, civil society, and major diamond-producing and trading countries with the intent of suppressing the trade in conflict diamonds. The KP is voluntary but member nations are permitted only to trade with other KP members, thus offering an economic incentive to retain membership as long as non-members bear the cost of being excluded from legitimate trading channels. Currently, there are 72 KP member countries (27 of which are represented through the European Union). All the major diamond producing and trading countries are KP members. Only those diamonds that are certified as originating from non-conflict areas and that are sealed in tamper proof containers at the point of export are traded between KP members.

To retain membership, participants are required to adhere to a number of rules including the enactment of national policies aimed at reducing illicit diamond export and import and the timely submission of trade and production statistics, which are vital for monitoring trade flows. In order to adhere to these rules, member countries need a system of internal controls capable of regulating and tracking the flow of diamonds from the point of extraction to export.

Guinea was identified, along with the Central African Republic, as a target country for PRADD in 2006, but nationwide strikes and political unrest in Guinea in the first quarter of 2007 led USAID to postpone project design and implementation there. In November 2007, ARD carried out a preparatory mission to Guinea, strongly supported by the US Embassy and USAID, which reconfirmed the interest of the Guinean Government and other artisanal diamond sector stakeholders in having the PRADD project. Guinea is an important producer of alluvial, artisanal diamonds, ranking 11th in the world in 2005. It has been a KP participant since 2003, and in collaboration with the powerful Guinean association of diamond miners, collectors, and exporters (CONADOG), has made important strides in formalizing the artisanal diamond sector and increasing the proportion of diamonds entering officially-sanctioned marketing circuits.

Indeed, in anticipation of establishment of KP, Guinea implemented its own certification system beginning in 2001. Nevertheless, the preparatory team's in-depth consultations with government, private, and civil society actors confirmed the persistence of serious regulatory deficiencies in the artisanal sector that contribute to property rights-based conflicts and illicit diamond marketing. The latter not only deprives Guinea of needed revenues for development but is suspected as a source for weapons trade, and potentially funds local and regionally-based terrorism. The small-scale and itinerant character of much – though not all – of Guinea's artisanal diamond mining make it particularly difficult for GoG to exercise effective monitoring and regulation of this sector, or to improve living conditions in the extremely remote diamond producing region of southeastern Guinea. Thus, a significant portion of artisanal diamond mining activity remains unregulated and unregistered in Guinea.

The core problem being addressed by the PRADD-Guinea pilot project has two dimensions:

- insufficient monitoring of the industry and a lack of reliable information to ensure the integrity of the KP; and
- insecure property rights, poverty and exploitation of artisanal miners and mining area communities.

Regarding the first dimension, one of the most significant obstacles to bringing alluvial diamond producing countries into the Kimberly Process has been the inability to capture accurate production data at the mine sites. This problem was compounded in early 2007, when many existing records on diamond production in and around the epicenter of the Guinean diamond sector, Banankoro, were allegedly destroyed during the period of political instability and rioting.

Concerning the second dimension, artisanal diamond mines often operate in conditions that make them vulnerable to a variety of rent-seekers and predators with detrimental effects on producers and their livelihoods, as well as on national economic growth and the natural environment. Ironically, alluvial diamond production areas within Africa are among the poorest areas in their respective regions, despite millions of dollars of diamond production. This is certainly the case in Guinea, where the leading diamond-producing *prefectures* of Kérouané, Macenta, and Kissidougou are among the poorest in the country.

The two dimensions of the core problem are linked: the same lack of transparency and ineffective regulatory systems that inhibit information collection also enable those with more power or means to continue to exploit the relatively powerless.

The PRADD project premise is that more clearly defined land tenure and property rights, if generally recognized as legitimate and combined with improved production data, will serve to bring alluvial, artisanal diamonds into the legal chain of custody and improve the livelihood options of local populations. The fundamental goal of the PRADD project is to achieve a system of control and access (i.e., property rights) regarding alluvial diamonds from mine to export that is clearly defined, widely recognized, socially acceptable and reliably functioning. Based on the above overarching goal and objectives, PRADD has defined the following five results to be achieved during its pilot phase in Guinea:

- R1 – A system for reliable production and export information for diamonds exists at pilot sites;
- R2 – a process to identify and acknowledge land and property rights holders in target areas has been developed;



A mine laborer (with baby) transporting gravel to be washed, at a semi-industrialized mining site in Banankoro.

- R3 – the benefits of artisanal diamond production better serve the development needs of local populations;
- R4 – measures to reduce the negative environmental impacts of artisanal diamond mining have been developed for pilot areas;
- R5 – a program for raising public awareness and accountability is operating.

## **1.2 THE SPECIFIC CONTEXT OF PRADD-GUINEA**

PRADD-Guinea has the advantage of following its fellow pilot project in the CAR by roughly one year. PRADD-CAR provides both a useful model and point of contrast. Two significant contrasts between the artisanal diamond sectors of the two countries are:

- The geographic concentration of diamond production in Guinea (largely confined to a single area in the country's southeast region); and
- The much more significant level of statutory “zoning” of industrial, semi-industrial and artisanal production areas in Guinea than in CAR

These two factors suggest that the approach to accomplishment of the core results of the PRADD program – Results 1 and 2 focused respectively on availability of diamond production and marketing information and the reinforcement of property rights – will need some adjustment in Guinea as compared to the program that has thus far been implemented in CAR. In particular, in Guinea it is essential as a first step to gain a mastery of the statutory zoning of the alluvial diamond mining zone. PRADD-Guinea's baseline data needs and the steps now being taken to satisfy them are discussed in greater detail in Section 3.2.

The execution of the PRADD pilot project has been divided into four phases: a scoping phase; a design phase; a design validation and start-up phase; and a project implementation phase. The first three phases have been completed, and the project implementation phase is now being launched. The present report provides detailed information on administrative and project-related activities conducted for the first quarter of PRADD-Guinea, from February - May 2008. Activities conducted during the scoping, validation and design phases carried out before February 2008 have been presented in earlier reports.

## 2.0 MAJOR ACCOMPLISHMENTS THIS QUARTER

In the first quarter of implementation, the project has accomplished the major tasks associated with project start-up, most notably assembling and orientating a strong core staff, establishing a functional office/guesthouse in Conakry, identifying a field office in the diamond mining zone, and installing basic project management systems (personnel, communications, accounting, etc.). PRADD has established strong and effective relations with its national counterpart, the Ministry of Mines and Geology (MMG). The collaboration began immediately with the successful co-organization of a national workshop in February to present and validate the draft PRADD project design. Through carefully prepared introductory meetings with government administrative and technical services in the diamond mining region, and consultations with representatives of all major project stakeholders (including diamond producers and collectors, local elected officials, NGOs, women's groups, unions, etc.) PRADD has clarified the objectives and approach of the pilot project and built a wide base of interested supporters and participants.

### 2.1 PROJECT MANAGEMENT

Local staff recruitment: A team of three full-time staff has been assembled in accordance with USAID, GoG and ARD regulations and procedures. The team includes an office manager, a technical program coordinator, and a community development and public information (Results 3 & 5) coordinator. During the first quarter, the project also mobilized three short-term experts a labor law specialist, a residential construction and equipment procurement specialist, and a project start-up assistant.

Three full-time staff members remain to be identified: the Result 4 Coordinator/Natural Resource Management Expert, the Administrative Assistant, and the full-time driver. Several candidates have been identified for the Result 4 Coordinator position, and a final decision should be made by late June. The two administrative support positions will ideally be filled by candidates from the local communities of Banankoro or Kissidougou.

Scopes of work are now being prepared for several key short term technical consultants, including an expert on public finances related to the mining sector in Guinea; a gender analysis specialist; and a GIS expert.

Upon signature of the Memorandum of Understanding between the Government of Guinea (GoG) and USAID, PRADD intends to engage the services of Mr. Mahmoud Sano, a 30-year veteran of the Ministry of Mines, as Resident Technical Advisor. Mr. Sano has been an invaluable technical resource to PRADD since the November 2007 preparatory mission and has facilitated contacts with government technical services both in Conakry and in the field. In order for Mr. Sano to join the PRADD team, he will take an official detachment from his ministry for the duration of the project.

PRADD-Guinea team members possess valuable and diverse skill sets, including comprehensive knowledge of the major national languages of Guinea, long experience working for bilateral and

multilateral donor funded development projects, participatory rural appraisal (PRA) and natural resource management expertise, and an in-depth knowledge of the formal and informal diamond sectors in Guinea.

Offices: A liaison office and guest house has been secured in Conakry for the duration of the project and most major equipment has been purchased. The Conakry office is fully functional and protected by a professional security firm. A spacious and well-constructed field office and guest house has been identified in the diamond producing town of Banankoro, and a lease was ready to be signed at the time of this writing. This property will be available from late June until project closure.

Financial management: A bank account has been opened in Conakry with BICIGUI, a reputable international bank. The PRADD-Guinea office manager has been trained in standard ARD financial management procedures and successfully prepared reports of all expenses incurred to date.

Office policy manual: To ensure compliance with USAID, ARD and GoG regulations and procedures, a comprehensive office policy manual has been developed and distributed to staff members.

Memorandum of Understanding: An MOU developed by PRADD in consultation with USAID's regional legal advisor and in consultation with the MMG, was signed by the USAID/Guinea Mission Director in May and transmitted to the Minister of Mines for his counter-signature. The May 2008 army mutiny and sacking of the Prime Minister and Defense Minister led to a two-week period of inaction by all line ministers, as the country awaited the reshuffling of the cabinet. Fortunately, the Minister of Mines and Geology, Ahmed Kanté, survived the change of government, and is expected to sign the PRADD-Guinea MOU in the near future.

Transportation: ARD requested and received a source origin waiver from USAID/W to purchase a Japanese-made 4-wheel drive Toyota Land Cruiser. This vehicle was ordered and scheduled to arrive in the Port of Conakry by mid-June 2008. From February to early June 2008, PRADD-Guinea staff have relied upon taxis and rented vehicles for all overland transport.

Source origin waivers are now being prepared for the purchase of three off-road motorcycles. The motorcycles will greatly facilitate project implementation at the field sites, some of which are inaccessible even to 4-wheel drive vehicles during the rainy season.

In March 2008, ARD-Guinea requested and received permission from the World Food Program to use its humanitarian flight service between Conakry, Kissidougou, and N'Zérékoré.

## **2.2 PROJECT IMPLEMENTATION**

Site visits: Three visits were conducted to alluvial diamond sites in and around the town of Banankoro this quarter, and one scoping visit was conducted to alluvial diamond mines and villages outside of the prefectural capital city of Macenta, roughly 120 km south of Banankoro. The third mission to Banankoro included the participation of PRADD's Principal Technical Advisor, Dr. Kent Elbow, and culminated in a local project launching workshop that was attended by over sixty stakeholders representing a wide range of local government, civil society, faith-based, and private sector groups from Banankoro, Kankan, Kissidougou, and Macenta.

During these visits, informal meetings were held with artisanal groups to explain the PRADD project and learn more about site-specific property rights issues.

Site selection: In close consultation with the Ministry of Mines and other project stakeholders, PRADD has generated a comprehensive list of alluvial diamond producing sites in southeastern Guinea. This list includes villages and mining sites from all three of the major diamond producing prefectures, but is focused especially on the so-called "alluvial diamond triangle" described by Kérouané, Banankoro, and Macenta. The area surrounding the town of Beyla was also mentioned by many participants as an



important hub of diamond production, but its extremely remote location makes it infeasible as a PRADD-Guinea pilot site.

Sensitization activities: The concept of linking improved governance of mineral resources to rural development found an extremely enthusiastic audience everywhere the PRADD-Guinea team visited in southeastern Guinea. One valuable lesson learned from PRADD's Year One experience in the Central African Republic is the need to emphasize the fact that ARD employees and PRADD-Guinea local staff are *not* involved in the exploration,



production, purchase, or sale of diamonds. This message was clearly communicated at the PRADD-Guinea validation and launching workshops at the national level (21-22 February in Conakry), and at the local level (21-22 May in Banankoro). Because there are virtually no residents of Banankoro who are not affiliated with the alluvial diamond sector either directly, as miners, sellers, or buyers, or indirectly, as service providers to these groups, sensitization about PRADD's actual purpose and objectives will be an ongoing task and challenge for PRADD staff.

PRADD-Guinea Validation and Launching Workshops (National and Local): Both of these events were highly successful, and are the subjects of separate reports available in French.

The national workshop was held at the National Directorate of Mines building in Conakry on 21-22 February, and attended by representatives from a wide range of organizations from all sectors of society. The Secretary-General of the Ministry of Mines and Geology and the Deputy Chief of Mission of the U.S. Embassy in Guinea delivered opening remarks. The National Director of Mines helped to plan the event and participated actively in it, along with representatives from the Ministry of Agriculture, Waters, Forests, and the Environment, and the Ministry of Security and the Interior. The workshop succeeded in explaining to the project's principal stakeholders at the national level the proposed goal and results of the PRADD-Guinea pilot project, as well as the specific activities contemplated under each result. All elements of the PRADD-Guinea project design were fully and enthusiastically validated by the workshop participants, clearing the way for implementation. The event was publicized through major print, TV and radio media in Guinea.

The local workshop was held in Banankoro on 21-22 May and attended by over sixty representatives from the local diamond mining sector, civil society – including religious leaders from the Muslim and Christian communities – and local government services. The purpose of this event was to secure local support and ownership of the overall project design validated at the national level in February, and to refine the detailed activity plan in accordance with local realities. Among the most important tasks accomplished at this event was a comprehensive brainstorming to identify all villages known or suspected to be involved in alluvial diamond mining in southeastern Guinea. Over the course of Quarter 2, the PRADD-Guinea team will visit as many of these sites as possible, to ground truth workshop participants' statements about the nature and level of alluvial diamond production at each, and to geo-reference all sites determined to be involved in actual diamond mining.

Preparation for PRA training and field data collection: The PRADD-Guinea Program Coordinator has significant experience leading PRA exercises related to natural resource management and conflict prevention in Guinea. Under the direct supervision of the COP and in collaboration with both the Principal Technical Advisor and PRADD-CAR Program Coordinator, Dr. Zéphérin Mogba, he is preparing a work plan and budget for PRA trainings and implementation in the PRADD-Guinea target zone, now slated for August and September.





# 3.0 DETAILED PROJECT ACTIVITIES THIS QUARTER

## 3.1 PROJECT MANAGEMENT

### 3.1.1 Staff recruitment

Qualified candidates have been found for all full-time positions advertised to date, and it is expected that similarly skilled and experienced individuals will apply for the soon-to-be-advertised Result 4 Coordinator/NRM Expert and the Administrative Assistant positions.

The PRADD-Guinea team is composed of:

1. Chief of Party: Jim Shyne, development economist and specialist in the political economy of civil conflict;
2. Program coordinator: Apollinaire Kolie, agro-forestry expert and specialist in sustainable natural resource management, PRA, and conflict mitigation;
3. Results 3 & 5 Coordinator: Yomba Sanoh, veterinarian by training with extensive community development experience in Kérouané Prefecture and detailed knowledge of the alluvial diamond mining sector in southeastern Guinea;
4. Office manager: Kalil Camara, specialist in financial and administrative management, with extensive experience in USAID-funded projects;
5. Resident technical advisor: E.H. Mahmoud Sano, mining engineer with over thirty years of technical mining experience in Guinea, Mozambique, France, and other countries. (*Note: E.H. Sano will only sign his contract and begin work as a full-time project employee upon signature of the PRADD-Guinea MOU by the GoG, and after all necessary legal and administrative procedures have been performed to detach him from his current position in the National Direction of Mines.*)

### 3.1.2 Utilization of Short-term Technical Assistance and Professional Services

*Dr. Kent Elbow, specialist in land tenure and property rights*

Dr. Elbow's primary responsibility in the first quarter was to ensure that goals of the design validation phase were met. More specifically, he oversaw and participated in the implementation of two workshops held in Conakry and Banankoro in February and May, respectively, that allowed GoG counterparts and representatives from civil society and the private sector to co-develop and validate the goals and activities

of PRADD-Guinea. These workshops succeeded in catalyzing the PRADD-GoG partnership and instilled a sense of ownership and pride for the project among government counterparts.

Dr. Elbow has played a vital role in developing the technical approach for PRADD as well as in establishing an effective partnership with the Government of Guinea. He is particularly well-placed to play this role given his five years of experience as COP for a major USAID-funded, land tenure reform project in Guinea and his extensive contacts in the GoG and the international development community in Guinea.

*Mamadou Houllata Bah, workshop facilitation expert*

Mr. Bah is an expert in workshop design and facilitation, with extensive experience promoting collaboration among government technical services, local elected officials, and community organizations in the management of natural resources. A native of Pita, Guinea and current resident of Senegal, Mr. Bah possesses the local language skills and deep contextual knowledge of current political and social trends in Guinea and the West Africa region generally, that are necessary to conduct a successful workshop on potentially sensitive topics such as those explored by PRADD. The success of the two workshops which Mr. Bah led and helped to organize is a testament to his hard work and exceptional skill.

*Kevin McLaughlin, ARD Administrative Start-up Specialist*

In March, following the national validation workshop, ARD's administrative start-up specialist travelled to Conakry for 12 days to support the COP with various tasks. Mr. McLaughlin facilitated communications between Conakry and ARD's home office to approve employee and consultant contract templates, local employee benefits, and the office lease. He worked closely with the COP in establishing the inventory control and property management system, as well as office policies and procedures.

*Maitre Boubacar Barry, lawyer and specialist in local labor law*

To ensure adherence to Guinean labor laws, PRADD hired Mr. Barry in February on a short-term basis to provide an overview of relevant labor law, and revise ARD contract templates and operating policies according to GoG regulations.

*Robert Dake, industrial engineer and equipment procurement expert*

Mr. Dake, an industrial engineer who recently completed his volunteer service in Guinea with Peace Corps, provided much-needed technical advice to the PRADD-Guinea team on major equipment procurement and repair decisions as well as on all aspects of the renovation of the Conakry liaison office and guest house.

*Mohamadou Diallo, program start-up specialist*

Mr. Diallo, a skilled project administrator, provided intermittent assistance to PRADD/Guinea during the first two months of start-up including logistical support for the project launching workshop, identification and inspection of potential office sites in Conakry, and assembly of price quotes for major equipment and vehicle procurements.

### **3.1.3 Logistics, Administration, and Planning**

*Conakry Liaison Office and Guest House*

The Conakry liaison office and guest house is fully functional, and in the final stages of renovation, at the time of this writing. During start-up, the COP and Results 3 & 5 Coordinator have lived there. After establishment of the field office in Banankoro, the Conakry office and guest house will serve as the base

of operations for the COP and other members of the PRADD-Guinea full-time staff and consultants during periodic trips to the capital city.

#### *Field office*

The PRADD-Guinea field office and guest house will be located in Banankoro, with final negotiations recently concluded on a large, well-maintained, and relatively secure compound owned by a diamond “Master” who understands and supports the objectives of the PRADD project, E.H. Sékou Koulibaly. The location of full-time staff members’ housing, including the COP’s residence, is still under consideration. No suitable properties have yet been identified in Banankoro, so Kissidougou is being explored as an alternate location.

#### *Transportation*

Because of the absence of spare parts and maintenance services in Guinea for US-manufactured 4-wheel drive vehicles, the project decided in February 2008 to request a source-origin waiver to purchase a 2008 Toyota Land Cruiser. The waiver was granted by USAID in late May 2008, and ARD-Guinea was awaiting delivery of a vehicle meeting the required specifications at the time of this writing.

#### *Banking and Financial Management*

ARD has opened a bank account with BICIGUI in Conakry. BICIGUI provides good customer service and has branch offices in most major cities in the country, including Kissidougou, Kankan and Macenta (though, unfortunately, not in Banankoro). PRADD-Guinea is putting in place a financial management system in accordance with USAID and ARD regulations. The Office Manager, who has significant financial management experience, has received specific training from the COP on compliance issues. The COP monitors all expenditures and, starting in early Q2, will conduct a financial review twice a month to ensure timely and accurate submissions of the monthly financial report.

#### *Operating policy manual*

The PRADD-Guinea operating manual is being finalized at the time of this writing, and will be submitted to ARD headquarters in Vermont for review by late June 2008. The manual contains specific policy and procedures regarding finance and administration, in-country travel, equipment use and care, vehicle use, and general employee benefits, rights and responsibilities. All policies and procedures are in compliance with USAID, ARD and GoG regulations.

### **3.1.4 Memorandum of Understanding**

As mentioned above, the PRADD-Guinea MOU has been approved and signed by USAID/Guinea Mission Director, and awaits signature by the Minister of Mines and Geology.

## **3.2 PROJECT ACTIVITIES**

### **3.2.1 Selection of Pilot Sites**

Selection of appropriate pilot sites is critical to project success. The pilot project is designed to develop a model that can be replicated on a wider scale following a 23-month implementation period. This requires striking a balance between maximizing site-specific success factors on the one hand, and achieving a representative sample of the country’s alluvial, artisanal diamond mining sites on the other hand. The PRADD pilot project is pioneering a property rights approach in the artisanal diamond sector with a view to increasing transparency and benefits for miners and mining communities. In evaluating sites, we

remain sensitive to the reality that an emphasis on property rights in a sector characterized across West Africa by fraud, non-transparency, and civil conflict could be viewed by some actors with vested interests as a threat, and that this perspective is likely to vary from one site to another.

Careful site selection is among the tools available to manage negative reactions that may be generated by those favoring the status quo, and it is expected that demonstrated success of the PRADD model during the pilot implementation phase will help to decrease such resistance in the future as the PRADD approach broadens its support base. Beyond the nature of the PRADD pilot project itself, the specific context of Guinea also has to be carefully considered.

Unlike in the CAR, there are no areas in Guinea that are officially off-limits to USG-funded project work for security reasons,<sup>1</sup> though the security of project team members remains a key criterion in site selection. Low-intensity conflict (often over land) and armed robbery are fairly common in southeastern Guinea. Robberies often involve automatic weapons wielded by individuals suspected of having military and para-military backgrounds.

The November 2007 preparatory mission determined, and the May 2008 local launching workshop confirmed, that Banankoro is the center of officially recognized alluvial diamond production in Guinea. It has thus been determined that the main project field office will be located in Banankoro, and at least two pilot sites will be selected in Kérouané Prefecture that are readily accessible from this office by motorcycle or by 4-wheel drive vehicle.



A semi-industrialized diamond mine in Banankoro

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<sup>1</sup> A meeting in late May between the PRADD-Guinea COP and the USEMB Regional Security Officer, Mr. Brian Wood, confirmed this fact.





Gravel washer and two gravel carriers at a semi-industrialized diamond mine in Banankoro

During the May 21-22 local validation workshop and subsequent field visit to the Macenta Prefecture, the PRADD team learned that significant alluvial diamond mining is also taking place in Macenta, and that this has conflicted at times with traditional land tenure and land use. The conflicts correspond in some cases to ethno-linguistic fault lines, and have erupted into communal violence in the recent past in some parts of Macenta. This fact, coupled with the proximity of known diamond resources to officially protected areas covered by primary rain forest, many of which are the scene of active, illegal logging operations, and to other areas under intensive, commercial coffee cultivation, make the inclusion of at least one representative pilot site from Macenta Prefecture highly desirable.

As mentioned in the introduction, the concentration of diamond production in Guinea in a single zone, and the much more significant level of statutory “zoning”



PRADD-Guinea Program Coordinator Apollinaire Kolié (left, forefront) observing illegal logging activity on the road to Binikala diamond market, in Macenta Prefecture.

of industrial, semi-industrial and artisanal production areas in Guinea than in CAR, suggest that the approach to accomplishing the core results of the PRADD program – Results 1 and 2 focused respectively on improved diamond production and marketing information and reinforcement of property rights – will need some adjustment in Guinea as compared to the program that has thus far been implemented in CAR. In particular, in Guinea it is essential as a first step to determine the location and boundaries of statutory claims in the alluvial diamond mining zone.

In Guinea, the diamond mining zone was established many decades ago, and the attempts by the government to manage and control the settlement and exploitation patterns throughout the zone are longstanding. Thus the zone has been officially sub-divided into industrial and semi-industrial mining concessions, and artisanal zones including assigned parcels.

However, the records pertaining to this “zoning” of the different categories of alluvial diamond mining in Guinea are not easily accessible, and this appears to be largely the result of their being neither centralized nor modernized. Thus the crucial initial step in Guinea is to establish a viable property rights information system that efficiently renders available statutory property rights.



Gravel carriers at this semi-industrial mine in Banankoro are paid GNF 300 (approximately 8 cents US) for each load that they carry. Each time a carrier passes this control point, he or (usually) she drops a pebble in his/her bowl. At the end of each day, workers are paid according to how many pebbles each has deposited.

This step addresses both the core objectives of the PRADD pilot project and also provides a valuable service to the Ministry of Mines and Geology which is under-resourced and lacks the technological capacity to adequately establish and maintain a viable information system. The MMG’s *Cellule de Promotion du Développement Minier* (CPDM), responsible for maintenance of a mining cadastre, has expressed strong interest in collaborating with PRADD/Guinea to significantly reinforce the current property rights information system regarding alluvial diamond mining. The activities currently planned to support the CPDM in developing and maintaining a viable property rights information system are described in the final section of this report.

A final observation concerning the general approach adopted by the PRADD pilot project is that the methodologies – again, at the general level – remain identical in the two PRADD pilot countries. A broad two-step process is being followed in each country, with the first step consisting of information gathering and analysis at the level of statutory property rights, and the second step focusing on integration of customary property rights into the statutory system. The difference between the two countries is that the first of these two steps involves a much more intensive effort than was the case in CAR. In many ways this is a positive indication that the alluvial diamond mining property rights system in Guinea will, at least on the statutory side, be a more straightforward and richer exercise than has been the case in CAR.



The following sections are intended to provide the contextual underpinning for eventual PRADD-Guinea site selection. The final section will present the specific activities that will be the focus of the next PRADD/Guinea program implementation quarter.

#### Location of diamond mining in Guinea

Banankoro sub-prefecture is currently the geographical center of Guinea's diamond production, and lies within the general area that has been continuously associated with diamond production since the 1930s. Banankoro (estimated population of 87,080 in 2007) is the name of the most important of the three major diamond-producing sub-prefectures located within the prefecture of Kérouané, and is also the name of the largest town and capital of the sub-prefecture. The two neighboring sub-prefectures of Soromaya (estimated population of 23,219) and Sibiribaro (estimated population of 24,340) are also important diamond producers. However, Guinea's diamond producing zone extends beyond the boundaries of Kérouané prefecture to include parts of the neighboring prefectures of Kissidougou and, especially, Macenta.

In Macenta, the sub-prefectures said to be most heavily involved in diamond production are Binikala (estimated population of 18,160), Kouankan (estimated population 29,829), N'Zébéla (estimated population 18,881), Orémaï (estimated population 13,489), and Vasséredou (estimated population 8,053). The approximate area defined by tracing lines on a map to connect the towns of Kérouané, Kissidougou and Macenta is often referred to as the "diamond triangle." Historically the diamond production area also extends somewhat east of the triangle to Beyla, and south and west of it along the Sierra Leone – Liberia border.

#### History of industrial and artisanal diamond mining in Guinea

Diamonds were discovered in the Macenta area of Guinea in 1932 following the 1930 diamond discoveries in neighboring Sierra Leone. Industrial mining was initiated in 1935 at Baradou (Kissidougou) by the *Société Guinéenne d'Exploitation Minière*. In 1953 the Société Minière de Beyla (to the east of Macenta) began mining the Bonodou deposit. Another company, BEKIMA (named for Beyla, Kissidougou and Macenta), mined 1.28 million carats between 1956 and 1960



Left: Former AREDOR industrial diamond mining zone in Banankoro. Right: Vacant AREDOR guest house just outside of Banankoro town.

Following independence (1958), industrial mining was conducted by the *Entreprise Guinéenne d'Exploitation du Diamant* between 1961 and 1973, which produced approximately 200,000 carats during that period. The sole industrial diamond concession (mining agreement) in effect today – AREDOR – has a rather complicated history.

A French company, Soguinex, created in 1934, mined the area of the current AREDOR concession until 1960 in collaboration with another company, Beyla. At that time the Guinean government formed a state-owned company called *Entreprise Guinéenne d'Exploitation du Diamant (EGED)*, but in the following years failed to achieve success with this enterprise.<sup>2</sup> On July 7, 1981, AREDOR Guinea S.A. was established to develop diamond deposits explored for and defined by Simonius Vischer (I.D.C.) Ltd. in Eastern Guinea. Between 1983 and 1994 AREDOR Guinea S.A. produced 1.25 million carats valued at \$378,000,000. The AREDOR mine closed in 1994 for economic reasons.<sup>3</sup> A new 10-year concession was signed for the AREDOR mine in 1996 with the Canada-based Trivalence Mining Corporation. Subsequently, Trivalence applied for and was granted a 15-year extension to March 27, 2021.<sup>4</sup> The new concession provides mining rights to 1,212 km<sup>2</sup> (43 km north-south by 37 km east-west) in Kérouané prefecture, of which 200 km<sup>2</sup> were ceded back by 1998 for artisanal mining in an attempt to manage illegal diamond mining common within the AREDOR mine. Unresolved issues between the AREDOR mining company and GoG resulted in a suspension of the company's mining operations that is said to have become effective in 2004 and to continue to the present day.<sup>5</sup>

The history of artisanal diamond production in Guinea began in 1956 when illegal miners from Sierra Leone were said to have “invaded” the diamond bearing areas of Guinea.<sup>6</sup> Artisanal mining was authorized between 1980 and 1984 and managed by the government through its *Service National d'Exploitation du Diamant (SNED)* for a total production of 160,850 carats during this period. SNED was shut down in 1985, and subsequent artisanal diamond mining was officially prohibited. This gave rise to high levels of illegal artisanal diamond mining, as well as something of a diaspora of artisanal producers, many of whom fled to diamond centers in Sierra Leone and the former Zaire.

Legal artisanal diamond mining was reintroduced in late-1992. Since that time Guinea has progressively designated “artisanal diamond mining zones” that are (at least on paper) circumscribed areas tightly bounded by designated geographical coordinates. The first of the artisanal zones consisted of the former mining concession area of *Star Guinée* (Sibiribaro sub-Prefecture, adjacent to Banankoro sub-prefecture), which ceased mining operations in Guinea in 1992.

This initial designation of an artisanal diamond mining zone was followed by the retrocession in 1996, 1998, and 2005 of areas within the AREDOR concession that were reclassified as artisanal mining zones. Following designation of each newly-designated artisanal diamond zone, the government conducted a series of “parceling” operations in which either two-hectare (during the earliest parcels in 1993) or one-hectare (the now typical size) parcels have been defined and illustrated on “parcel plans.” The parceled areas generally do not coincide exactly with the complete artisanal zone, but rather seem to constitute a

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<sup>2</sup> This and following information included in this paragraph are found in an excerpt from a 20-F SEC Filing, filed by [TRIVALENCE MINING CORP](http://sec.edgar-online.com/2005/01/18/0001137171-05-000050/Section4.asp) on 1/18/2005, and reproduced at the website: <http://sec.edgar-online.com/2005/01/18/0001137171-05-000050/Section4.asp>

<sup>3</sup> Among the reasons is the prevalence of illicit mining on the AREDOR concession (<http://sec.edgar-online.com/2005/01/18/0001137171-05-000050/Section4.asp>). Nevertheless, AREDOR S.A. obtained a fresh concession in January 1993: Arrêté 4/93/2362/MNREE/SGG (see, SRK Consulting, *Trivalence Mining Corporation: Review of Mining and Exploration Assets in Guinea, South Africa and Botswana*, November 2003, page 16. This concession changed ownership in 1996 to Trivalence Company, the current owner of the AREDOR concession. A new concession, including 100km to be retroceded for artisanal mining, was granted in 1996 (Arrêté A96/2861/MMG/SGG). A subsequent retrocession 100 km<sup>2</sup> was completed in November 1998 (Arrêté A98/8838/MRNE/SGG).

<sup>4</sup> <http://sec.edgar-online.com/2005/01/18/0001137171-05-000050/Section4.asp>

<sup>5</sup> Documentation of this suspension has yet to be located.

<sup>6</sup> <http://www.minelinks.com/alluvial/diamondGeology60.html>



sub-category of each zone. Thus, in most cases it appears that there exists a reserve of “diamond zone” area that remains to be parceled.

The one-hectare parcels are said to be distributed to “masters” via a lottery system, though the extent to which this system may be influenced by political considerations is unclear.

In order to complete the legal order (*arrêté*) that identifies the new holder of a parcel, fees of 1.5 million FNG (approximately \$350) are required. The number of parcels available is said to be significantly inferior to the demand. But it is also true that many current parcel holders are not actively engaged in mining operations, and have let their artisanal permits lapse. It is not yet clear why this is the case, though a few possible explanations include:

- Certain parcels are not currently economically exploitable, because diamonds are too far from the surface or access to the site is too difficult;
- Certain parcels are potentially profitable but are being left “fallow” at the moment, as masters who own multiple parcels focus their scarce capital and skilled labor resources (unskilled labor being relatively abundant) on other parcels;
- Parcels that appear “inactive” on paper and under statutory law are, in fact, the site of active, illegal mining;
- Parcels that are, in fact, “inactive”, but potentially profitable, are held by individuals without access to the capital required to exploit them profitably.

Note that above-listed possible explanations are neither exhaustive nor mutually exclusive.

A pertinent example is the most recent area of Banankoro designated as an artisanal mining zone and subsequently platted into approximately 500 one-hectare artisanal parcels in 2004 (followed by distribution of the parcels by lottery in 2005). Although each permit holder is legally required to renew the permit on an annual basis, only about 110 of the approximately 500 parcels have in fact been renewed since 2005. On October 30, 2007 the Minister of Mines addressed a letter to the nearly 400 title-holders who had failed to renew their titles, fixing a deadline of December 31, 2007 for renewal of the parcels. The DEA says that to date, it has received only 13 applications, each including a deposit of one million FNG, on the part of existing “masters” seeking award of the non-renewed parcels.

A similar incidence of non-renewal of artisanal permits appears to have long characterized the original artisanal mining zone designated in Sibiribaro in 1993. It is said that most of the original artisanal miners have never renewed their permits, and that today a good portion of the “artisanal” zone has been conceded by the government to small-scale industrial or semi-industrial companies that have at least some international participation. These concessions appear in the mining cadastre maintained by the *Cellule de Promotion et de Développement Minier* (a branch of the Ministry of Mines dedicated to promoting an industrialized level of diamond mining).

#### Possible property rights trends in the alluvial diamond mining sector

PRADD findings to date suggest that the “artisanal” diamond mining sector in Guinea may be in a process of consolidation such that fewer producers are seeking – and reportedly gaining – access to more surface area within the designated artisanal mining zones. A brief tour of the artisanal zones in Banankoro and Sibiribaro reveals at least three distinct categories of activity:

- Industrial – although relatively small-scale – diamond production characterized by earth movers, industrial scale gravel washers and high-power auxiliary tools;
- Small-scale pick and shovel diamond production; and

- Numerous parcels displaying no sign of activity whatsoever.

The most commonly-cited explanation for the contrasting levels of mining activities is the difference among the categories of actors in access to financial resources. While a relatively small number of “masters” control enormous resources, a larger number of aspiring artisanal miners either rely on sweat equity or allow their parcels to remain inactive or to be exploited by others.

The Ministry of Mines tends to take visitors to Banankoro to the most technologically advanced and active production sites, i.e., to sites that are substantially mechanized. PRADD/Guinea has visited several such sites and been impressed by the scale of activity reflected by the number and types of equipment in use (including back-hoes, water pumps, and gravel-washing machines), the number of workers, and reported sales.

PRADD/Guinea has also visited a number of less-mechanized diamond production sites. For example, the team visited the site of a “master” in Sibiribaro who has been mining diamonds with picks and shovels on a parcel he’s held since 1993. He estimates that he’s mined about one half of the holding so far, and acknowledges that some years he is more active than other years depending on available resources. In Banankoro we encountered pick and shovel producers who had reached agreement with a parcel holder to mine a parcel to which they did not hold the title. The arrangement with the title-holder was loose enough that the miners said they were free to sell their production to anyone they chose, and were not required to sell to the parcel holder (although the official parcel holder was generally contacted for an initial round of negotiation that may or may not result in a sale of newly-mined diamonds). These miners of the borrowed parcel expressed a desire to gain a parcel of their own, but admitted to a lack of investment resources.

In general, one observes very significant production activities and resources at choice artisanal mining sites, such as at the juncture of the Baoulé and Bomboko rivers. The “masters” of such sites are well known throughout the local area and the diamond production sector. One also notes that when visiting Banankoro, whether exchanging with ministry technical agents, CONADOG producers or diamond collectors, the names of a fairly small number “masters” are cited over and over.

#### Clandestine diamond mining in Guinea

All actors in the artisanal diamond mining sector with whom PRADD-Guinea has come in contact acknowledge the occurrence of clandestine diamond mining. In Guinea clandestine mining can take the following forms:

1. Unauthorized mining within a designated artisanal diamond mining zone. This category of clandestine mining might take one or two forms: mining that takes place outside of the “parceled” area yet within the artisanal zone; mining activities conducted on a parcel by an individual other than the title-holder and without the title-holder’s permission.
2. Unauthorized mining that takes place outside of the designated artisanal mining zone and within an industrial or semi-industrial concession (such as the very large AREDOR concession). Documentation regarding either the present or former AREDOR concessions repeatedly notes the prevalence of illicit mining within the concession.
3. Mining activities conducted outside of any zone – artisanal or industrial – that has been explicitly designated for diamond mining.

Based on interviews of actors in the alluvial diamond mining sector, it appears that a very significant portion of Banankoro sub-prefecture, and perhaps of the neighboring sub-prefectures of Soromaya and Sibiribaro, consists either of artisanal zones or mining concessions. Whether this is also the case in the adjoining regions of Macenta Prefecture remains to be verified.

Poor Quality and Inaccessibility of information



Government of Guinea's mining archive in Macenta Prefecture, May 2008

Numerous statutory acts that define property rights (e.g., of mining concessions and awards of artisanal parcels) have been produced in recent years, and the majority of these apparently remain legally valid. Following the nation-wide strikes and political upheaval of January-February 2007, popular pressure resulted in a government decision to renegotiate existing mining concessions. This is an ongoing exercise and the eventual results will be instructive. In the meantime it has proven extremely difficult to gain straightforward access to existing records. In spite of repeated efforts, PRADD has been unable to locate any centralized archives regarding the numerous and varied statutory decrees designating artisanal zones or awarding artisanal parcels or industrial concessions. The complications arise largely from a lack of human, financial and material resources to compile and maintain adequate archives, especially at the level of the CRD, Sous-Prefecture, and Prefecture.

Many documents and records that are fundamental to a well-managed diamond sector, including lists of artisanal parcel holders and records of diamond production by zone, are handwritten. Others were destroyed during events such as those of January-February 2007. Although a “mining cadastre” exists within the CPDM, the information available appears to be disorganized, lacking in geographical accuracy, and generally,

accessible only with great difficulty. The inaccessibility of information appears to be largely, if not entirely, a question of inadequate resources and technology.



Hand-written demographic statistics were all that was available for Macenta Prefecture's local administrative units, May 2008.

In general, MMG agents are knowledgeable about the history and current state of industrial, semi-industrial and artisanal rules, concessions, and (at least generally) boundaries. But each individual's knowledge is based on his or her personal professional experiences, and is therefore selective.

In other words, information exists, but it appears to be neither centralized, nor systematically collected and maintained, nor readily accessible. An important conclusion based on PRADD/Guinea findings to date is that development of information management systems that would allow efficient storage and

retrieval of statutory property rights information pertaining to the alluvial diamond mining sector is an important first step toward achievement of targeted objectives – it is absolutely essential to gain in-depth understanding of the statutory standing of all zones that collectively compose the surface area within the KKM



The poorly-lit office of the Section Chief for Mines and Quarries in Macenta Prefecture.

triangle. In addition, it would constitute an important service for the government of Guinea.

### Priority Activities for PRADD-Guinea (July-September 2008)

The focus of activities planned for the coming four-month period (June-Sept 2008) will be the establishment of a viable statutory property rights information database and system. During this period, PRADD will extend the statutory policy analysis by completing property rights and information management policy reviews across the broad range of land and natural resource legislation in Guinea, and initiate Result 3 activities by helping project stakeholders to better understand how public revenues from diamond mining are intended to support local development, and to determine how to track the allocation and use of such revenues.



Land tenure claim near Binikala, Macenta Prefecture ("Here is the parcel of Kono-Baboue Diabate and son.")

To ensure that PRADD-Guinea does not overlook potentially legitimate, competing claims to land under customary authority, even in areas officially designated by government statute as artisanal diamond mining zones, the PRADD-Guinea team is developing a brief questionnaire focusing on local, customary land tenure and management systems, which will be administered to knowledgeable residents of each site included in the statutory property rights analysis.

In addition, given the number of women and children involved directly or indirectly in artisanal diamond mining in Guinea, a gender-based analysis of the sector will be conducted by consultants working closely with PRADD project stakeholders over the course of Q2. The purpose of this work will be to analyze the various roles of women and children in the diamond sector and the nature of their property rights, and to build awareness and consensus around actions that can be taken to protect them from exploitation, improve their welfare, and increase the economic benefits they derive from artisanal mining.





Child labor and the exploitation of women and girls are issues in the Guinean diamond sector. Above, a young girl carries wet gravel to be washed as an older man looks on.

A complete list of activities planned for the coming four months follows.

1. Compile geographical coordinates that define the principal diamond-producing zone of Guinea. These coordinates will be used as a reference to obtain recent satellite imagery that will underpin the planned GIS database and diamond mining registry.
2. Obtain the appropriate satellite imagery.
3. Prepare and conduct a consultancy by a GIS database design expert to:
  - Evaluate the CPDM mining cadastre;
  - Develop a methodology and program for further data collection (e.g., geographical coordinate collection at artisanal parcels);
  - Identify needs and design an approach to developing an exhaustive GIS database that includes all statutory property rights information for the area defined as the KKM triangle. (The database design will allow for future integration of diamond production and other types of data.)
4. Compile and process a complete list of statutes defining the legal status of surface area within the KKM triangle along with all rights holders. The records and specific documents to be consulted include:
  - Mining concessions to industrial companies (our current understanding is that this applies to a single concession, which is AREDOR);

- Smaller-scale industrial and semi-industrial concessions;
  - Designation (by *arrêté*) of artisanal zones;
  - Artisanal parceling blueprints;
  - Award of artisanal parcels (i.e., identification of parcel holders);
  - All registries and archives that include information regarding legitimate artisanal miners, diamond buying houses, diamond collectors, courtiers, and diggers;
  - Records regarding the activity status of artisanal parcels;
  - Additional categories of information identified in the process of GIS and property rights database design.
5. Collect geographical coordinates from as many artisanal parcels as feasible. A preliminary analysis will indicate the extent to which it is practical to collect coordinates that define parcel boundaries in addition to a coordinate (or set of coordinates) that serve more simply to provide the geographical location of the parcel but without boundaries.
  6. Enter all of the above information elements into the newly-designed database.
  7. Involve and train CPDM mining cadastre managers in the design, construction and maintenance of the new statutory property rights database.
  8. Complete a policy analysis of statutory property rights to land and natural resources that pertain to alluvial diamond mining zones.
  9. Complete a policy analysis of information management regarding property rights and production and marketing in the alluvial diamond mining sector.
  10. Design and conduct a consultation aimed at creating a better understanding of the real and potential role of diamond sector revenues in public financing of local development and environmental mitigation.

### **3.2.2 Public awareness**

Several steps have been taken to accomplish Result 5 (a program for national public information awareness and accountability is operating). During validation phase activities, journalists from the major TV and newspaper media outlets attended the PRADD launching workshop conducted in February 2008 in Conakry. Media coverage for the event was effective – PRADD was featured on television, the radio, and two national newspapers. Since that time, relations have been maintained with various journalists.

In addition, PRADD-Guinea’s COP and technical staff have held several meetings with Dr. Steve Snook, COP of the RTI-led “*Faisons Ensemble*” Project, and his local technical staff. *Faisons Ensemble* is a major USAID-funded, initiative aimed at strengthening the rule of law, increasing transparency, reducing corruption, and promoting good governance at the local, regional and national levels. Though no formal partnership between PRADD-Guinea and *Faisons Ensemble* is being planned, the two projects are committed to working together wherever their geographic and sectoral areas of intervention overlap.

### 3.2.3 Other progress

1. The COP and Program Coordinator each attended the international conference on mining and sustainable development held in Conakry from 9-13 June 2008. The conference was organized by the Environmental Studies and Research Center of the University of Conakry, and the International Francophone Secretariat for Environmental Assessment.
2. The COP has met with Ms. Prisca Beauchamps of IFC and Mr. Boubacar Bocoum of the World Bank to discuss possible areas of collaboration in Guinea. PRADD Principal Technical Advisor, Dr. Kent Elbow, held a follow-up meeting with Mr. Bocoum in Washington, DC.
3. Support for PRADD-Guinea from the US Embassy in Conakry and the local USAID Mission has been very strong. US Ambassador Philip Carter has provided the PRADD-Guinea team with valuable advice and support since the beginning of the project validation phase in early February 2008. DCM Kent Brokenshire participated in the project validation workshop as a keynote speaker, and has shown keen interest in the project over the course of Q1. USAID/Guinea Mission Director Clifford Brown has provided the PRADD-Guinea team with valuable technical and administrative advice on a regular basis. He has also guided PRADD in finalizing the MOU to be signed with the GoG, and supported PRADD/Guinea's source origin waiver request.
4. Relations with the Government of Guinea's National Direction of Mines have been strong from the outset. National Director of Mines, Mr. Moumini Sylla, is a strong advocate of the program and has worked hard to ensure its success.





# 4.0 CONCLUSIONS, RECOMMENDATIONS, AND LESSONS LEARNED

## 4.1 PROGRESS SUMMARY

The first quarter of PRADD-Guinea implementation has proven successful, despite political instability and the significant logistical challenges posed by trying to set up two offices at opposite ends of the country.

On the administrative front, a motivated team of local hire employees possessing the desired skills has been assembled, a liaison office and guest house in Conakry has been secured, and a field office and guest house requiring minimal renovations or improvements has been identified in Banankoro. A four-wheel drive project vehicle has been ordered, an internal policy manual is being completed, and a financial management system has been established and is being rolled out.

On the project front, PRADD-GoG relations are excellent at the level of the National Direction of Mines, the MOU has been approved by the Minister's staff and awaits his signature. The PRADD-Guinea full-time staff is nearly complete, and the team is ready to mobilize to the project site and begin PRAs and a range of baseline data-gathering exercises.

## 4.2 DEVELOPING AND SUSTAINING LOCAL SUPPORT AND CAPITALIZING ON RECENT POLITICAL OPENING

Unlike PRADD's Q1 experience in the CAR, the PRADD-Guinea team has received an enthusiastic welcome virtually everywhere they have traveled in southeastern Guinea. Political events of the past year have opened the way for outspoken criticism of the status quo, and produced a pervasive sense of hope that significant political changes may be in the offing. There is also, of course, a very real risk of increased political violence in the short to medium term, as demonstrated by May 2008's armed forces mutiny.

## 4.3 GOVERNMENT CAPACITY AND ACCOUNTABILITY

As in the CAR, GoG capacity to enforce mining regulations in the alluvial diamond sector is low. Data on diamond production are out of date, highly fragmented and incomplete, and often stored in rotting paper archives. Socio-demographic data from southeastern Guinea are also of dubious quality. Communications and information sharing between government ministries, and even within different branches of the same ministry, tend to be labyrinthine at best, and at worst, nonexistent.

On a more positive note, PRADD-Guinea is lucky to have two able and willing partners within the National Direction of Mines, namely, the National Director, Moumini Sylla, and PRADD-Guinea Resident Technical Advisor, E.H. Mahmoud Sano, and a strong regional ally in the person of the Governor of Kankan. In addition, the Section Chief of the Regional Direction of Mines and Quarries in Macenta Prefecture, the Prefects of Macenta and Kérouané, the Sub-Prefect of Banankoro, and a number of representatives from key CRDs likely to be included as pilot sites, have all expressed strong support for PRADD-Guinea's work through their participation in the local workshop and various site visits.



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