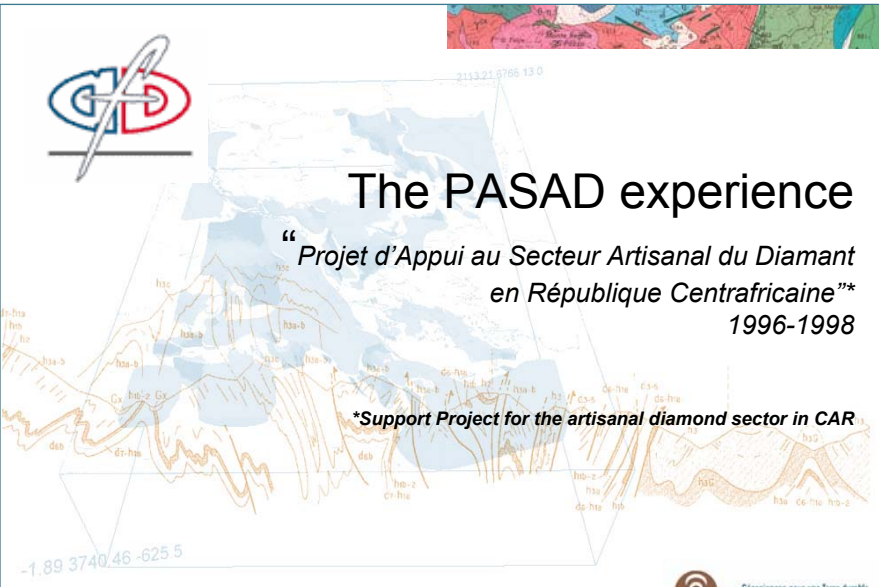



The PASAD experience

“ *Projet d’Appui au Secteur Artisanal du Diamant en République Centrafricaine* ”*
1996-1998

**Support Project for the artisanal diamond sector in CAR*



R.Pelon
vendredi 22 octobre 2004



Support Project for the artisanal diamond sector in CAR



> Content

- First part: context and stake
- Second part : the project
 - frame and approach
 - actions
 - results and lessons

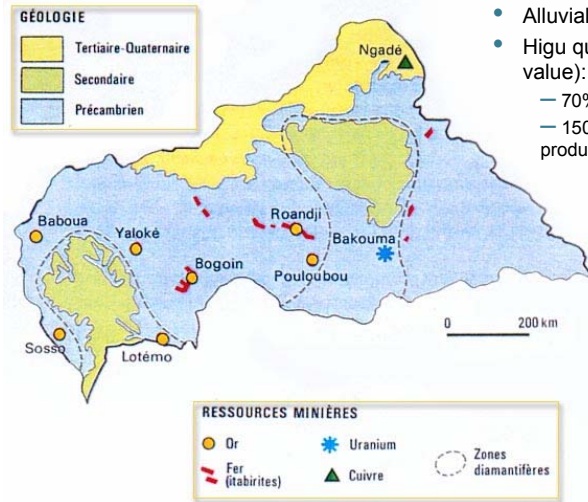
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Central African diamonds (1)

> Two distinct zones



- Main mineral resource
- Alluvial diamond deposits
- High quality (5th place in value):
 - 70% of jewel
 - 150 \$/ct (ex: Ghana same production but 25 \$/ct)



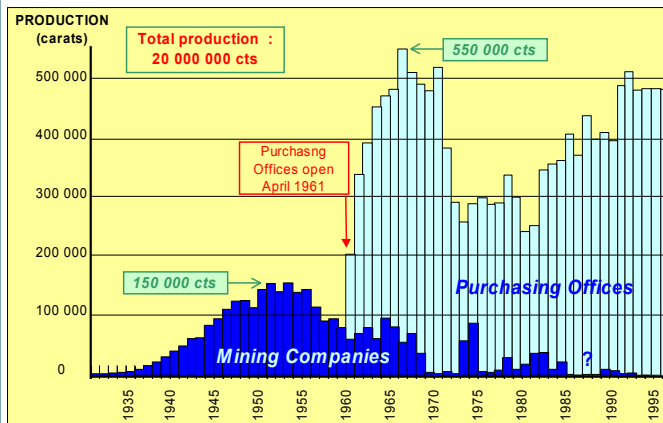
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Central African diamonds (2)

> Estimation of diamond income

- around 50% of export value
- 4% of GDP



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Central African diamonds (3)

- > **Production exclusively artisanal**
- > **Estimation of diamond workers (1994)**
 - from 80.000 to 100.000
 - around 300.000 dependent

With the number of licenced miners	4000
With the average production by digger	5 à 7 carats par an soit de 70.000 à 100.000
With the number of imported shovels	75.000



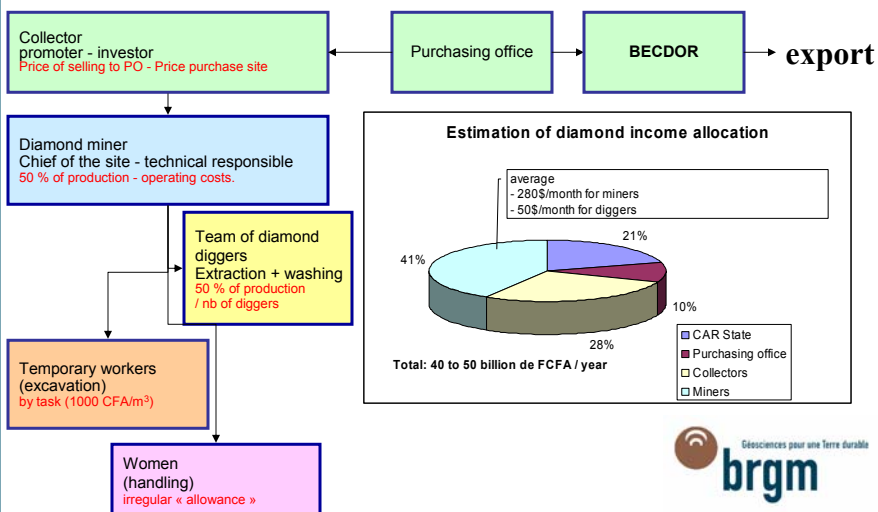
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Central African diamonds (4)

EXPLOITATION :

Organisation and income allocation



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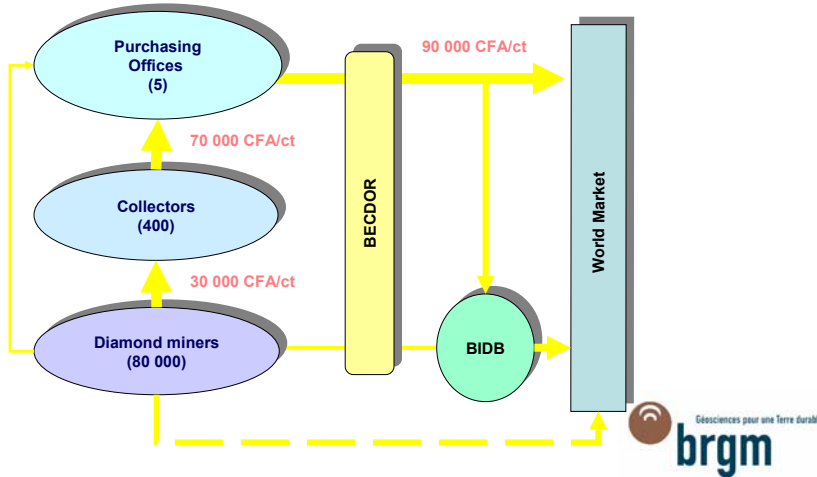
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Central African diamonds (5)

> MARKETING

- Selling price at each step
- diamond is less « fair » than gold

- BECDOR: Bureau d'évaluation et de commercialisation pour le diamant et l'or
- BIDB: Bourse internationale pour les diamants à Bangui



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Major issues

> technical:

- decrease of easily exploitable reserves
- mining potential significant but not developed
- techniques

> economical:

- poor profitability
- high risk investment
- unstable legal framework

> socio-cultural:

- health, security, education
- resistance to change



Géosciences pour une Terre durable
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The project framework

> Institutionnal framework :

- Identification work starting in 1995
- Convention CAR - AFD (10MF = around 1.5 M\$)

> PASAD main objectives : evolution of diamond artisanal mining towards a more efficient sector:

- Organise a rational exploitation of mining sites with Artisans and Authorities
- Conceive and test new working methods and techniques so that actors can appropriate them
- Find new geological and mining potential to eventually ensure the renewing of mid-term reserves
- In parallel, act in co-operation, provoke internal solutions and study means to make the action durable



Actions (1)

> Information and sensibilisation :

- make the PASAD known and respected : meetings, seminars...
- Radio Centrafricaine
- Joint activities: health and finance

> Training

- Six mining technicians (Agents Techniques Miniers) were recruited for training



Actions (2)

> **Direct support to the diamond artisanal sector :**

- evaluation of reserves and organisation of pilot sites
- demonstration of the rational to do prospecting
- assistance for the extension of existing sites
- promotion of new methods and techniques of exploitation
- providing “artisanal mining services”



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Actions (3)

> **Identification of potential regional reserves**

- find resources able to support a continue and durable exploitation
- technico-economic studies on different models of exploitation : artisanal, improved artisanal or half-mechanised



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Lessons 6 years after (1)

> **Succes by appropriation**

- implication of local actors
- communication strategy
 - national radio broadcast
- technological input

> **Access to funds remain the main economical issue**

- not possible to find true investors
- more concrete actions would be required : micro-finance...
- sensibilisation of the financial sector to the mining sector



Lessons 6 years after (2)

> **Time is needed**

- the creation of a commercial company delivering artisanal mining services highly demanded but not funded
- the durability must be considered from the beginning as a priority

> **Good governance**

