Fully traceable, responsibly-mined diamonds from a cooperative in Congo



Over the last few years I have been involved with an innovative and exciting small-scale mining project that is breaking new ground. The term 'artisanal mining' is used and misused (and has negative associations for some people), so I would like to begin with a bit of background.

Artisanal mining – mining using hand tools and traditional techniques – accounts for more than 80% of coloured gemstone production worldwide, but only 20% of diamond production.

Those engaged in it are surprisingly skilled and knowledgeable. This knowledge is shared orally. They operate, by the way, in parts of the world where land rights are customary and outsiders are treated with caution. Artisanal miners are experts in locating, identifying and extracting gemstones and diamonds. To offer just one example, it was the customary land users and garimpeiros, or artisanal prospectors, who discovered ruby. Wherever they are located, the miners use trial and error, rather than science, and are frequently surprisingly well organised and productive. They may not be able to read or write – may lack formal education – but that doesn't mean they aren't efficient or good at business.

The other important thing to know about artisanal miners is that they generally have a stake in the area in which they mine. It is where they live and often where they farm. They have every reason, therefore, to care about the local environment, or at the very least to understand it and its importance. Having said this, some miners are itinerant and may be less measured or considerate, as a result.

For obvious reasons, artisanal miners lack direct access to international markets. So, as is the case in any business, there are intermediaries. These intermediaries provide the vital first step in a chain delivering goods to market and, of course, make a profit for providing the service. The lack of international market access is advanced as one reason miners get caught in 'poverty traps'. It is the justification for expensive donor and development NGO-led interventions, which deliver mixed results. Yet, artisanal mining – if harnessed the right way, and as part of a diversified livelihood strategy – promises broad-based development, without destabilising external interventions.

Consumers are increasingly keen to buy 'artisanal' and ethically sourced products – including, of course, gemstones and diamonds. The challenge is how to meet this demand and to provide a robust alternative to large-scale mined, factory worked diamonds. A certain amount can be achieved through a combination of mining/tax regulation in producer countries and a mixture of regulation/self-regulation downstream from the mine in the direction of consumers. The Kimberley Process and the WDC System of Warranties play a valuable role, too, of course.

But what if consumers demand more transparency and granular detail?

The project I am involved with in western Congo (DRC) involves connecting an artisanal diamond mining cooperative to the international market via Antwerp. It relies on a secure, documented closed chain of custody with warranties to achieve a better price for rough diamonds and better development outcomes for the miners, their families, their community and the region.









The cooperative is based around 135kms from Kananga, the provincial capital of central Kasai, in the district of Luebo – an area long-renowned as a reliable source of high-quality rough diamonds. The region, by the way, is largely peaceful although there was a rebellion against the central government in 2016 which set the cooperative back. Its 137 members including diggers, divers and their families. All are paid a monthly salary well above the regional average. They also have access to first aid, basic healthcare and schooling for their children. The diamonds being mined are alluvial – in gravels in the riverbed or on land. Small sizes are sold in Kinshasa, rather than to local brokers. The larger stones are exported to the Antwerp Diamond Office and offered for sale at the international market price.

I was introduced to the cooperative in 2019 at the end of a four-month trip to Africa scouting for coloured gemstone cooperatives to buy from. I look after their UK sales. One of the issues that concerned the head of the cooperative, a deeply humanist Congolese, was how to prove to buyers that the diamonds were genuinely ethical. He was confident that the cooperative was operating above the requirements of the DRC mining code. It was accident free, with strong safety protocols in place and the support of a Dutch gemmologist and Antwerp-based master cutter.

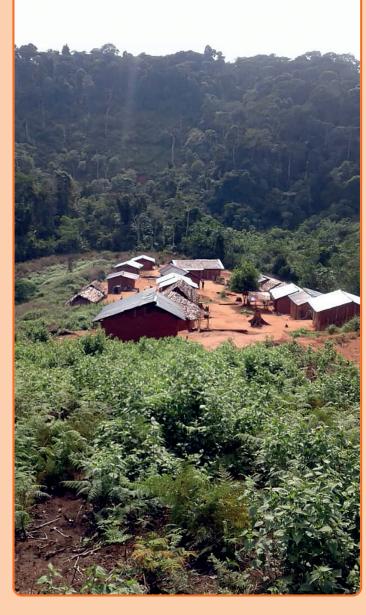
We looked at a number of ways to provide additional assurance, particularly around mining operations, reaching out to organisations such as the Antwerp World Diamond Centre (AWDC) and the Alliance for Responsible Mining. We also reviewed the closed chain of custody for vulnerabilities and opportunities. Happily the Diamond Development Initiative (DDI), working alongside the DRC government, chose our cooperative as one of six with which to pilot DDI's Maendeleo Diamond Standards (MDS) for diamonds mined safely in conflict-free zones with consenting communities.

The cooperative easily passed the baseline assessment and is compliant with the MDS. It is the most advanced of the six now under the umbrella of Antwerp World Diamond Centre's Origem A project. Much to the delight of its president, it's now being promoted as a model for best practice nationwide in DRC.

While production remains erratic and the volume unpredictable, the quality is generally high – FVS or better, sizes 0.20ct upwards to 2cts polished. There are also three custom cuts – modified rounds with the theme 'beyond brilliant'.

Diamonds are cut by hand, incidentally, in an artisanal workshop in Antwerp's diamond district.





The aim isn't to compete with large scale mined, factory worked diamonds. But to market a product which offers an alternative to them complete with a compelling narrative.

The hope is to see this segment grow as more cooperatives adopt a similar model, increasing supply while putting more money directly in the pockets of communities at source.

The next step, for those who require an added layer of transparency, will be blockchain traceability. In support of which satellite communications and solar panels have just been installed at the location by DDI, courtesy of the OrigemA project.

It's worth noting, there will always be a human element. Trust will always be involved. The blockchain processes build on the manual processes required by the DRC mining code and industry regulation. And of course, blockchain does not provide assurance of mining practices – it offers secure rails for goods to pass along from the mine, via the workshop, to consumers. It will be interesting to learn first-hand what costs might be involved and what will be the benefits in sales presentations in the showroom.

That leaves just one further question: can the model be scaled and become commercially sustainable ?

If you want to support a project that wants to prove well-managed artisanal diamond mining is a force for good, driving sustainable development and better outcomes for communities, contact me right away: matthew.morrell@live.com / 07973 674840.

By Matthew Morrell