

# Artisanal Gold Monitoring Pilot Phase III Progress Report

## January-June 2017



*Project funded by the Public-Private Alliance for Responsible Minerals Trade (PPA)*

# Editorial

Artisanal Gold Monitoring Pilot. Phase III Progress Report: January-June 2017

Front Cover image: miners operating a sluice on a Mambasa gold mining site (IPIS, April 2017)

Antwerp, September 2017

The **Public-Private Alliance for Responsible Minerals Trade (PPA)** is a multi-sector and multistakeholder initiative to support supply chain solutions to conflict minerals challenges in the Democratic Republic of Congo (DRC) and the Great Lakes Region (GLR) of Central Africa. The PPA provides funding and coordination support to organizations working within the region to develop verifiable conflict-free supply chains; align due diligence programs and practices; encourage responsible sourcing from the region; promote transparency; and bolster in-region civil society and governmental capacity.

**International Peace Information Service (IPIS)** is an independent research institute, providing governmental and non-governmental actors with information and analysis to build sustainable peace and development in Sub-Saharan Africa. The research is centred around four programmes: Natural Resources, Business & Human Rights, Arms Trade & Security, and Conflict Mapping.

D/2017/4320/6

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## Executive summary

In April 2016, the Public Private Alliance for Responsible Minerals Trade (PPA) granted IPIS funds to implement a pilot monitoring system for gold production and trade in eastern DRC. The first overall objective of this pilot is to enhance local capacities to monitor due diligence criteria in artisanal gold supply chains according to a system that balances data accuracy with safety/security, and cost. The second objective is to facilitate access to useful data for a variety of stakeholders in support of sector transparency, good governance and responsible sourcing. In doing so, the pilot will examine the scalability and sustainability of the monitoring system.

This pilot has been broadly conceptualised as unfolding over three phases during the project life cycle:

1. Hub selection, preparatory assessments and methodological development (April-September 2016);
2. Pilot initiation and capacity enhancement (October-December 2016); and
3. Implementation of the monitoring system. (January-June 2017)

This third Progress Reports commences with a concise overview of the main pilot outputs that were made possible thanks to the PPA grant. A second main section describes the approach IPIS took in implementing the monitoring system that was developed in Phase I and initiated in Phase II. It begins with an explanation of how the monitoring missions were planned and executed, and how IPIS supported the surveyors in these challenging tasks (section 2.1.). A second subsection goes deeper into the specifics of the management of the mine site database, data analysis, report writing and cartography (section 2.2.). The prospection mission to Kampene (Maniema) that was undertaken in March 2017 is set out in section 2.3. Section 3 then lays out the findings and reflections that the IPIS project team and its partners made while operating this phase. These relate to capacity-enhancement, sensitisation on responsible sourcing, data use and follow-up and scalability of the pilot. The Annex attached to this Phase III Progress Report, updates the Kampene hub prospection profile (a first version of this profile is attached to the Phase I Progress Report).



# 1. Grant outputs at a glance

The PPA grant supports IPIS in developing a number of concrete outputs. These can be subdivided in tools and results. IPIS invites all interested stakeholders to express their interest in collaborating to further develop and apply these tools in order to achieve more such results in other artisanal mining zones. The list below updates and completes the grant's tools and results set out in the Phase II Progress Report.

## 1.1. TOOLS

### 1.1.1. Prospection methodology

In selecting a pilot hub, IPIS created a dedicated prospection methodology. Initial context assessments by local surveyors, prepared the ground for in-depth prospection missions by IPIS researchers to shortlisted artisanal gold mining and trading hubs. This methodology is ready to be leveraged to assess the potential of more areas with regard to responsible sourcing in general, and implementing the IPIS monitoring methodology specifically.

### 1.1.2. Data collection and assimilation methodology

Throughout Phase I and II, IPIS invested considerable time and energy in developing a data collection and assimilation methodology, which includes a dedicated risk management planning. The methodology engages and reinforces locally anchored capacities of civil society and mining state agents to put in place a dynamic data flow on operational, socio-economic and due diligence aspects of mining and trade in and around an artisanal gold hub. Based on the lessons learned from operating this monitoring pilot between January and June 2017, IPIS now actively seeks opportunities for cooperation and partnership to apply this methodology for improving the monitoring of artisanal gold production and trade in other geographic areas of Eastern DRC, and beyond.

### 1.1.3. Training package

With the PPA grant's support IPIS developed a two-pronged training package to lay the foundations of the monitoring system. One component is designed to sensitise and train a broad audience from diverse backgrounds in (remote) mining areas on issues of due diligence and responsible sourcing. Another component serves to enhance the capacities of mining state agents and civil society to take on monitoring assignments in the context of this project, as well as more generally. IPIS stands ready to deliver this training package in other areas and towards different audiences in order to ensure a broader awareness on responsible sourcing and better monitoring, not only in regional capitals, but also – and particularly – in remote mining areas where these aspects are often most missing and needed.

### 1.1.4. Monitoring sheets/questionnaires

The PPA grant allowed IPIS to develop four dedicated digital monitoring sheets/questionnaires for the joint local surveyor teams. These sheets enable structured registration of observations and interviews. A first sheet relates to baseline mining data is designed to be completed jointly by the CSO and SAESSCAM surveyors. A second sheet for the SAESSCAM team member relates to operational mining issues. The civil society surveyor on each team completes a third sheet that covers due diligence criteria. Finally, the surveyors do a joint assessment of the trading houses on their routes. In cooperation with local civil society and state agents, IPIS grafted these three monitoring sheets on the specific context of artisanal gold mining in Mambasa. IPIS looks forward to cooperate with other parties to tweak and align the monitoring sheets in order to set up more monitoring systems in other artisanal mining areas of Eastern DRC.

### **1.1.5. Data dissemination methodology**

The data dissemination component of this pilot delivers on its aim of enhancing transparency in the artisanal gold sector by making specific information available for use by a broad range of stakeholders. Building on IPIS' long track record as data provider, the output methodology takes two main forms. Firstly, it includes an interactive webmap of the different monitored mine sites, with various layers related to the nature of mining operations, the broader socio-economic context and due diligence criteria. This webmap goes along with a monitoring report that gives a structured and easily digestible overview of and context to the monitoring results.

## **1.2. RESULTS**

### **1.2.1. Prospection results**

As part of this pilot, IPIS undertook two-phased prospection missions by local surveyors and IPIS researchers to the artisanal gold hubs of Watsa/Durba (Haut-Uélé), Mambasa (Ituri), Nyawaronga (South-Kivu) and Kampene (Maniema). The hub prospection profiles for Watsa/Durba, Nyawaronga and Kampene were published as an annex to the Phase I progress report, while the full Mambasa profile can be found in the monitoring report. Kampene was visited by local IPIS surveyors in June 2016, but could, due to unforeseen logistical issues, only be visited by the IPIS project team in March 2017. Therefore, an updated prospection profile is attached to the present progress report.

### **1.2.2. Monitoring capacity-enhancement**

An in-depth training for 12 surveyors from Mambasa's civil society and SAESSCAM's 'local antennae (6 each), as well as their respective office directors, laid the basis for an on-going monitoring capacity-enhancement throughout Phase III. This involved individualised follow-up, feedback and support of surveyors' mission planning and execution, data gathering and reporting through phone contact and regular follow-up visits to Mambasa by both the IPIS Bunia Focal Point and the project staff in Belgium. Important to note is that this capacity was not imported from a regional capital for the duration of the pilot, but locally anchored. The close cooperation between SAESSCAM and civil society has moreover laid the foundations for a durable working relationship between both partners which will benefit their future joint and individual efforts for monitoring and supporting artisanal gold mining and trade in the long run.

### **1.2.3. Sensitisation on responsible sourcing**

There are two sensitisation components to the design of this monitoring pilot. First, IPIS attached a sensitisation program on responsible sourcing to the surveyors' training for around 30 participants from civil society, local (mining) authorities and mine site managers. Second, there is an intended sensitisation spillover effect from the mine site monitoring as such: by asking questions to various mine workers, the joint monitoring teams raised awareness on the criteria for responsible sourcing that are internationally accepted, but generally unknown on the concerned artisanal mine sites.

### **1.2.4. Monitoring data**

Between January and June 2017 the joint monitoring teams visited over 100 sites around the Mambasa artisanal gold trading hub. Each site was visited twice, once during the dry season and a second time during the rainy season. Surveyors collected data on operational aspects, socio-economic issues and due diligence criteria. This data was subsequently verified, polished and registered by IPIS in a central database, enabling systematic analysis, comparisons, and detection of trends and evolutions. These were disseminated in the form of an interactive cartographic visualisation – that can be tweaked to the needs of diverse stakeholders – as well as an analytical report. It is envisaged that this data output can be put to use for the purposes of due diligence, policy formulation, and promoting and informing responsible sourcing efforts.

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1 Service d'accompagnement et d'encadrement du Small-scale mining.

## 2. Approach to Phase III

The approach IPIS took in operating Phase III of this pilot can be subdivided in three components. A first component consists of the planning, execution and follow-up of the monitoring missions (see section 2.1.). A second key aspect of the work was the data management, verification and analysis, distributed in the form of an interactive webmap and analytical report (section 2.2.). Finally, in the light of the logistical difficulties encountered in Phase I (see Phase I Progress Report), the prospection visit by the IPIS project team to Kampene was postponed to Phase III. The organisation of this mission is set out in section 2.3., while an updated hub prospection profile is attached as annex to this report.

### 2.1. Monitoring missions

Monitoring missions require daily communications with the focal point, the state agents and civil organisation members before, during and after the departure of teams for the field visits of mines. The monitoring mainly consists of managing the administration and finance, providing an itinerary for each team and verifying the security in the area visited, tracking surveyors on the grounds and guide them when necessary and finally ensuring the data collection and its preciseness.

#### 2.1.1. Mission planning

The security of surveyors is a central pillar of this pilot. Therefore, IPIS and its partners continuously assess the security situation in the focal area and undertake a profound check of armed activity, banditry and/or social unrest prior to every monitoring mission.

Two weeks before departure, each surveyor contacts its sources to gather first-hand information and local updates. Our civil society partner in Mambasa, *Réseau Haki Na Amani* (RHA), benefits for this purpose from its extensive network of local committees, present in villages and mining areas across the whole territory of Mambasa. SAESSCAM-Mambasa, on the other hand, is continuously kept up to date by the local “*Comité de Sécurité Restreint*” (or Select Security Committee). This body is composed of representatives from DGM (Directorate General for Migration), ANR (National Agency for Intelligence), the national police force (PNC), the national army (FARDC) and the Territory Administrator. Furthermore, the IPIS focal point follows the security situation from a regional perspective. As member of the civil society in Bunia, he attends OCHA meeting and participates in regional security briefings.



*Surveyors ready to depart on their rainy season monitoring mission*

When this security check is completed, all partners meet to compose teams and determine itineraries. In total the pool of trained surveyors consists of 11 people, 6 of them delegated by SAESSCAM-Mambasa and 5 representing local civil society. Three of these surveyors are women (one SAESSCAM agent and two CSO members). Each month three teams descend on a monitoring mission to different mining areas. They are composed in a manner that ensures maximal complementarity of team members' strengths and weaknesses. In cooperation with the CSO and SAESSCAM office directors, each team subsequently proposes an itinerary of around 8 days to visit between 10 and 15 mine sites, depending on access and distances. These itineraries are subsequently reviewed by the IPIS focal point. They are not communicated to anyone outside this small pool to ensure that visits remain unannounced.

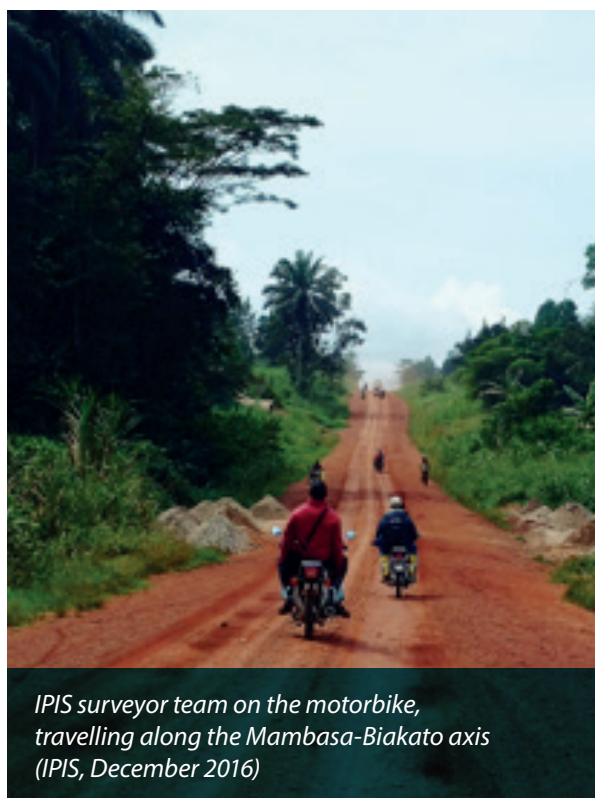
During their mission, surveyors can diverge from their planning to respond to changing circumstances or new information. This can be related to the security context or accessibility, but also to news that a certain site has been abandoned or a new one has emerged. Such alterations are always made in agreement with the focal point, with whom they are constantly in touch, by phone and satellite communication. In this manner over 100 sites were visited between January and March 2017. For the revisits in the second monitoring period (April-June), missions were extended to 10 days in the light of the more difficult access of sites in the rainy season. This extension moreover served to give surveyors the opportunity to collect data on the level of the different artisanal gold selling points (*centres de négoce*) in the area and interview gold traders (see further section 2.1.2.).

The Bunia-based IPIS focal point travels monthly for a 3 to 4-day trip to Mambasa in order to arrange the logistics, administration and finances of the upcoming monitoring missions and to follow-up on the previous ones. On the first three of these monthly pre- and post-departure missions, the focal point was accompanied by an experienced IPIS surveyor. His role was to individually prepare and instruct all surveyors that were about to leave on their mission with regard to their tasks, the mobile data collection tools, and risk management.

### **2.1.2. Execution of the monitoring missions**

Each of the three teams had a motorbike at its disposal to travel along the main axes passing through Mambasa town. Given that most mines in the area lie deep in the bush, they had to leave these vehicles behind at the main access points of the various mining areas and continue on foot, often for long distances. They either spent the night in nearby villages or on mine site camps to continue their journey by foot or motorbike the next day. Each team was equipped with a satellite communicator (In Reach) to keep track of their progress and position at all time and give daily updates to the focal point.

The Phase II Progress Report explains in detail the joint and individual responsibilities of surveyors in data collection, based on the three mobile monitoring sheets/questionnaires (base line data, operations and due diligence). For the second monitoring period (April-June), a fourth monitoring sheet was added to guide data collection at the level of the various artisanal gold selling points. Surveyors were asked to make observations and interview a number of gold traders on origin and destination of gold flows, prices, trade volumes, *modus operandi*, etc. Complementary to these mobile monitoring sheets, surveyors were asked to write a structured report upon return from their mission.





This enabled them to give more qualitative information about their observations and experiences in the mining areas, including on issues such as living conditions, organisation of work, mechanisation, trade, etc.

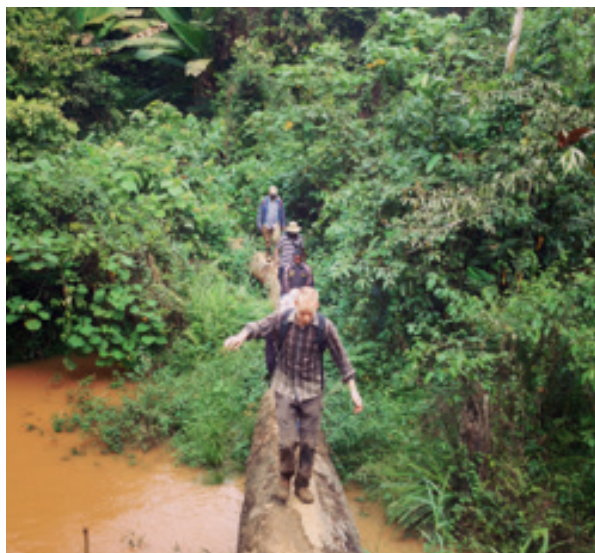
Surveyors were prepared and trained for difficult interview situations. Yet, overall they were well received on the mines and respondents were eager to participate. In over 80% of the visits, surveyors assessed their respondents as open and cooperative. In less than 5% of the cases did surveyors have to deal with respondents that were either suspicious or did not always seem fully honest.

As there were no maps with geographic locations of mines prior to this pilot, the pre-determined itineraries provided an important guidance, but had to be adapted continuously to the realities of the field. As mentioned above, this was done in constant communication between the teams and the focal point and did not cause serious difficulties. Although surveyors at times had to search their way through forest, or were delayed by the rain or by waiting for a mine site representative, none of them encountered major delays. This was mainly due to a realistic planning and the SAESSCAM agents' in-depth knowledge of the field. Some problems occurred during the re-visits of sites in the second monitoring period. With an eye to independence and viability of data we tried as much as possible to send other surveyors than those who did the first visit of a given site.

None of the teams encountered any security-related problems during their missions. Only one site that was initially included in one of the itineraries was excluded a couple of days in advance due to reports of armed group presence in the area. The June mission had to be delayed by a couple of days due to some insecurities on the road between Bunia and Mambasa, which prevented the focal point from travelling any sooner. Some travellers were reported to have been blocked and robbed by armed bandits along that road. This sudden and short period of insecurity appears to be linked to the political unrest in the province that arose when opposition leaders of the provincial Parliament voted a no-confidence motion against the Ituri Governor. The fact that the motion was supported by the coalition of Ituri CSOs also led to rising tensions in Mambasa town as both the vice-president of the CSO coalition and the governor come from that area.<sup>2</sup> At present, calm appears to be restored, but IPIS continues to follow-up closely on the situation.

### **2.1.3. Follow-up of and support to surveyors**

Given that most surveyors had only limited experience with such monitoring assignments prior to this pilot, each of them was individually and closely mentored, assisted and supported throughout the entire monitoring period. Thanks to the hands-on follow-up by the focal point, their learning curve was a very steep one. Continuous follow-up of their performance through phone and satellite contact allowed detecting problems early on and providing immediate feedback. The monthly visits of the IPIS focal point and an experienced surveyor to Mambasa provided opportunities for more in-depth engagement and support.



*IPIS staff and surveyors on their way to a mine site in Mambasa during the training in December 2016 (IPIS, December 2016)*

2 Radio Okapi; "Ituri: des membres de la société civile affirment faire l'objet de menaces de mort", 8 June 2017, <http://www.radiookapi.net/2017/06/08/actualite/societe/ituri-des-membres-de-la-societe-civile-affirment-faire-lobjet-des>

In March 2017, at the mid-term of the pilot monitoring phase, a member of the IPIS project team went on a 5-day mission to Mambasa to follow-up jointly and individually with all surveyors after their first monitoring assignment. This visit started with a day of group discussions on surveyors' experiences in the field, the difficulties they encountered, lessons learned, and good practices. This was followed by extensive individual sessions with each of the surveyors to discuss the data she/he collected, ask follow-up questions, enrich the quantitative mobile data with more qualitative explanations, discuss problems or challenges and evaluate overall performance.



*Group discussion with CSO and SAESSCAM surveyors on experiences and lessons learned (IPIS, March 2017)*

## 2.2. Data management and analysis

The data management and analysis was a continuous process throughout Phase III. Upon completion of every monitoring mission, data was transmitted electronically to IPIS servers, verified and structured in a central database (section 2.2.1.). This prepared the data for diverse types of analyses, visualised on an interactive webmap and contextualised in an analytical report (section 2.2.2.).

### 2.2.1. Data management and verification

The use of mobile data collection tools enables the immediate transfer of results by each surveyor upon completion of his/her monitoring mission. These results are then automatically aggregated on IPIS servers and downloaded by the project team in CSV/Excel format. In this manner, integration, verification and management of the data start immediately after capture. In particular, this method allows an early identification of data capture problems at the level of each individual surveyor. When outlier data is identified, the project team follows up immediately with the respective surveyors to verify whether it has been correctly inserted and, if so, what the reasons are for such atypical results. If certain errors were made, feedback and follow-up is provided to ensure that such mistakes will not take place in the future. Similarly, additional information can be requested from surveyors and respondents about specific incidents or notable data captures. In addition, IPIS conducts random data checks to assess the performance of surveyors.

Another element of data verification applied at this stage is triangulation. This has been integrated in the data collection methodology in a number of ways: asking the same question to different respondents, asking the same question in different ways, asking the same question at different occasions, asking each

of the two monitoring team members to make independent observations, capturing the same data both directly and through a combination of different questions, contextualising mining data by contrasting it with socio-economic indicators, and superimposing and enriching quantitative (mobile) data with qualitative information from the monthly surveyors' reports. All these data aspects are cross-referenced and if this points to certain anomalies this is followed up again with the respective surveyors.

When this polishing phase is completed, the data is uploaded in a geodatabase combining the four separate data sheets (baseline, operational, due diligence and trading house data). This prepares the data for both structured quantitative analysis and the production of online maps.

### **2.2.2. Data analysis, report writing and cartography**

Analysis of the extensive database is done through a combination of quantitative statistical software ('R') and qualitative evaluations. The quantitative calculations deliver a great variety of numbers, graphs and plots, from averages, over additions, to frequency tables and cross-variable computations. In combination with the qualitative analyses these are subsequently evaluated on their viability and relevance. This allows the project team to detect the most important findings, trends, and evolutions.

The latter are subsequently written down in analytical report and contextualised with the qualitative findings from surveyors, the Bunia Focal Point, IPIS researchers, and literature. This public report gives the necessary background and explanations to allow easy digestion by a diverse audience from diverse backgrounds. This report is written in combination with – and should be read along – a publically available interactive webmap. The latter geo-localises all mine sites visited by the joint monitoring teams, with key data indicators for each of them and several layers that visualise the main findings, with particular attention for responsible sourcing.

## **2.3. Kampene prospection**

As explained in the Phase I Progress Report, Kampene (in Maniema province) was shortlisted as one of the four potential hubs to implement this pilot project. However, due to logistical issues, the planned visit in July 2016 had to be postponed to Phase III. Between 21 and 27 March 2017, two IPIS staff members and an experienced Maniema-based IPIS surveyor subsequently undertook a prospection mission to Kampene.

This 7-day visit started in Kindu, the provincial capital of Maniema. In the first instance, the team met with the Provincial Minister of Mines, and the heads of the provincial bureau of SAESSCAM and the Mining Division. The aim of these visits was to introduce the pilot project and to assess support and potential for cooperation. Additionally, a meeting was set up with the representatives from the provincial civil society coalition, including 7 CSO platforms involved in environment, gender, youth and protection of vulnerable groups. A final actor met in Kindu was the Maniema office of the German Federal Institute for Geosciences and Natural Resources. They shared the experiences from the gold traceability initiative they are currently initiating in Kampene.

Thereupon, the team travelled to Kampene; a 7-hour drive along a poorly maintained road. The round of meetings there began with the Territory Administration followed by the local antennae of



*Artisanal gold miners at work on a mine site close to Kampene town (IPIS, March 2017)*

the state mining agencies, namely SAESSCAM, *Division des Mines* and CEEC (the Centre d'Expertise, d'Evaluation et de Certification des substances Minérales Précieuses et Semi-précieuses). Further, the team met with four mining cooperatives, the mineral traders' association and several representatives of local civil society. Finally, the time was taken to visit two mines in the proximity of Kampene to get a hands-on view of artisanal gold production and trade in the area. These meetings and visits all served to assess the potential of this hub for a possible future extension of the Artisanal Gold Monitoring Pilot. An updated version of the hub profile prospection can be found in annex of this report.



## 3. Findings and reflections from Phase III

IPIS draws a number of findings and reflections from its activities during Phase III. These can be grouped in three categories. Firstly, as in Phase II, the importance of capacity-enhancement of the pilot's partners came once again clearly to the forefront (see section 3.1.). Secondly, the monitoring in and of itself provided a valuable opportunity for sensitising remote mining zones on responsible sourcing criteria (see section 3.2.). Thirdly, reflections on the modalities for data use and follow-up were completed in the light of the dissemination of the Phase III monitoring results (see section 3.3.). Finally, based on the findings and reflections from all three pilot phases, we can draw a number of conclusions regarding its follow-up and scalability (see section 3.4.).

### 3.1. The importance of local capacity-enhancement

Given the relatively low starting position of the Mambasa-based surveyors with regard to due diligence, geology, monitoring, analysis and reporting, the capacity enhancement component of this pilot could not be just a one-off training effort (see Phase II Progress Report). The desire to work with and empower locally anchored civil society and state agent representatives, required IPIS to approach the artisanal gold monitoring pilot as a continuous capacity-enhancement endeavour. This was done in four main ways:

- Direct remote feedback and assistance to individual surveyors by phone by the IPIS Focal Point (regarding mission planning and execution) and IPIS Belgian-based project staff (regarding the monitoring and data collection);
- General remote feedback on aspects of organisation, attitude, techniques and content of the monitoring missions towards the CSO and SAESSCAM office directors, who subsequently organised separate evaluation sessions for their respective surveyors;
- Direct engagement by the Bunia Focal Point with surveyors and office directors during a monthly visit to Mambasa in order to both follow-up on the previous monitoring mission and prepare the next one;
- A mid-term follow-up training in Mambasa in March 2017 (when all surveyors had performed their first visit) by IPIS project staff with both individual and joint capacity-enhancement sessions to ensure that lessons were learned from the first visits. The opportunity of this training was also used to enrich the database with additional information obtained through group and individual discussions.

### 3.2. Sensitisation through monitoring

In the Phase II Progress Report, IPIS noted the low level of awareness on responsible sourcing and due diligence criteria in the areas addressed by the latter, such as the artisanal gold mining zone of Mambasa. With the sensitisation component of our training, for a broad audience of around 30 civil society, (mining) authority and mine site management representatives, IPIS aimed to deliver a first step towards addressing this gap. This was continued during Phase III as an intended spill-over effect of the monitoring work. By asking questions on issues such as child labour, interference by armed groups, illegal taxation, health and safety, the surveyors not only indicated that these issues matter, but also that actors at home and abroad are watching them to identify responsible sourcing areas in Eastern DRC.

This approach was well received in the Mambasa area, as mine site managers and workers were eager to receive IPIS surveyors when they showed up unannounced to monitor their operations. Many were eager to demonstrate the potential of their sites to the outside world, and to learn how they could ensure that their site would meet all relevant responsible sourcing criteria. Some managers whose sites had not been visited yet by the joint monitoring teams even expressed their concern that they would not be included in this monitoring exercise.

### 3.3. Data access

IPIS attaches great importance to data security. With this Artisanal Gold Monitoring Pilot, the aim is to enhance overall transparency of artisanal gold supply chains, whilst taking into account the potential political and commercial sensitivities of distributing detailed and disaggregated data. That is why IPIS decided on a slightly stricter approach to data access, than the one proposed in the Phase II Progress Report. In essence, IPIS opts for a two-tier approach to data access that reflects the nature of potential data sensitivity: public access for non-sensitive data, and tailored responses to specific queries regarding commercially and politically sensitive data.

On the one hand, the publically available data is disseminated in three ways. Firstly, an analytical monitoring report provides and contextualises aggregated data for the entire zone of coverage. Secondly, an interactive webmap presents non-sensitive mine-site specific data. This includes both static or slowly changing information such as site coordinates, type of mining operations, and state services presence, as well as more dynamic data on worker and pit numbers, armed group presence/interference, and working conditions. Thirdly, an open data sheet displays the (non-sensitive) mine-site specific data on which the webmap is based.

On the other hand, commercially and politically sensitive data is not considered appropriate for raw distribution and will therefore only be provided through tailored responses to specific requests in the context of due diligence enquiries. Data that is considered commercially sensitive due to its utility to commercial purposes or competitive practices includes disaggregated information on gold pricing, taxes and fees, and destination of gold flows. Political sensitivity refers to issues such as the identities of certain actors in the (illegal) supply chain and details of certain security, fraud, conflict financing and human rights incidents. Data requests that relate to such sensitivities will be responded to once the identity of the data user is known and the security/commercial status of the information requested has been verified.

### 3.4. Data use and dissemination

IPIS will disseminate the webmap, report and datasheet through its regular communication channels, and specifically target actors involved or interested in responsible sourcing. IPIS sees three main dimensions in the use of the data produced by this pilot.

Firstly, the data must be seen as the output of a pilot testing a trade-hub level monitoring system. It demonstrates what a low-cost model, using and enhancing local structures and capacities to put in place a dynamic data flow, can deliver. IPIS in this manner delivers its contribution to the on-going debate on enhancing transparency and traceability of artisanal gold supply chains in Eastern Congo.

Secondly, the data gives a detailed insight into the production and trade conditions along the artisanal gold supply chains feeding into the Mambasa trade hub. This data is of use to actors interested in setting up specific responsible sourcing initiatives, as well as in the light of the on-going work of validating artisanal mine sites in Eastern DR Congo.

Finally, the data output of this pilot gives broader insights into the often opaque world of artisanal gold mining and trade in DR Congo. It helps to understand the dynamics of this sector, in a manner that seeks to aid the multitude of actors and initiatives striving to improve the governance, security, socio-economic and human rights impact of artisanal gold mining.

In order not to limit this discussion to the international level, IPIS will translate the report to French and organise a dedicated dissemination event in Ituri. It will distribute the report and maps broadly and stimulate the much-needed Congolese debate.

### 3.5. Follow-up and scalability of the pilot

With its artisanal gold monitoring pilot, IPIS simultaneously strived to reach sustainable results in Mambasa, and develop a reliable, dynamic, secure and low cost monitoring methodology that can be applied in other areas of Eastern DRC.

In Mambasa, the results obtained by the pilot can be divided in two categories. First, the most visible output of the monitoring pilot is evidently the data on operational, socio-economic and due diligence aspects, which can be accessed by interested parties in various forms (see section 3.3.). IPIS will actively promote this data and hopes it can trigger, inform or support existing or new responsible sourcing initiatives in Mambasa/Ituri. Secondly, the capacities and awareness in the area on responsible sourcing were raised considerably and sustainably. Mambasa now has a pool of around 10 responsible sourcing agents from civil society and SAESSCAM who will under their respective mandates continue to monitor artisanal gold mining and trade conditions in the area. These surveyors stand moreover ready to be engaged by any actor seeking to attach a monitoring component to a specific initiative or operation.

Thanks to the PPA grant IPIS was offered the opportunity to develop this methodology and test and optimise it during 6 months in Mambasa. IPIS is now ready and eager to apply it to different geographic areas in Eastern DRC in order to achieve similar data outputs, raise awareness and improve monitoring capacities. IPIS believes there is a future in DRC for this kind of monitoring, which does not rely on snapshot visits or expensive technology, but on a continuous reliance on and enhancement of local structures and capacities. Parties interested in cooperating with IPIS to replicate this methodology as such or adapt it to the specific needs of their activities are warmly invited to reach out to IPIS.

## 4. Annex: Updated hub prospection profile – Kampene

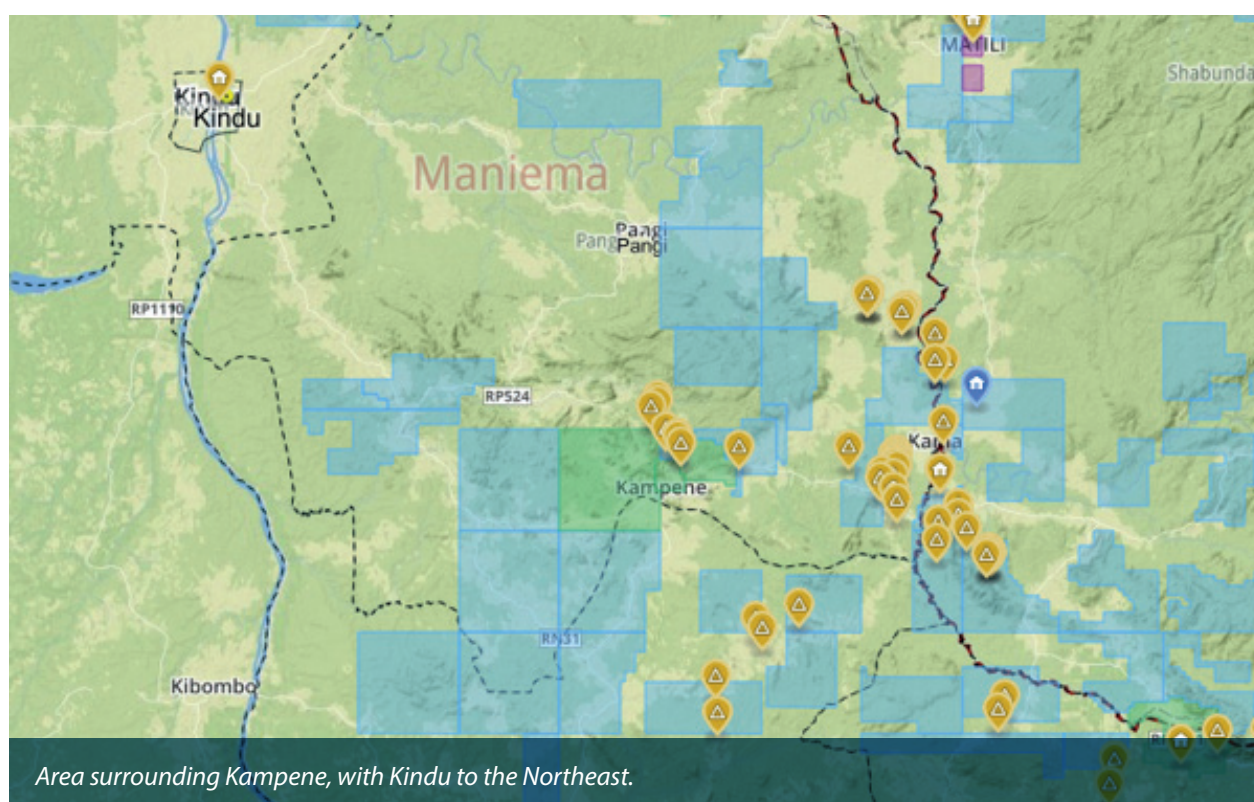
In the Phase I Progress Report from October 2016, IPIS wrote a preliminary hub prospection profile of Kampene. This was based on desktop research, interviews with key stakeholders, and a situational assessment mission by local IPIS consultants.<sup>3</sup> Based on the full prospection mission that was undertaken in March 2017 (see section 2.3.) an update of this profile is provided below.

It assesses the potential of this artisanal gold trade hub for responsible sourcing in general, and the implementation of IPIS Artisanal Gold Monitoring System in particular. In this light, it is structured according to the criteria identified for hub selection (see Phase I Progress Report): (1) assessment of the provincial administration, (2) access and location, (3) estimates on production and worker numbers, (4) security situation and OECD compliance, (5) concession legal status, (6) civil society presence, (7) presence of cooperatives, and (8) the presence of the state agencies.

### 4.1. Provincial administration

On the provincial level, the authorities have actively taken steps to sever Maniema's mineral production from conflict-affected production further east.<sup>4</sup> Discussions in March 2017 with the Minister of Mines, the provincial office of SAESSCAM and the provincial Mining Division confirmed that authorities would respond positively to a project focusing on transparency and monitoring capacity-enhancement in the artisanal gold sector. The stability of the province already attracted traceability pilots of BGR and the Capacity Building for Responsible Minerals Trade (CBRMT) programme of TetraTech.

### 4.2. Access and location



3 PPA Artisanal Gold Monitoring Pilot, Phase I Progress report, Annex 2, pp.23-27. The report is available here: <http://www.resolv.org/site-ppa/files/2016/11/IPIS-Phase-I-Report-Final-Public.pdf>

4 IPIS, Mineral Supply Chains and Conflict Links in Eastern Democratic of Congo: Five years of implementing supply chain due diligence, OECD Paris, 2015, p. 9.



Kampene is located in the territory of Pangî, to the southeast of Maniema's provincial capital Kindu. In the dry season the travel from Kindu to Kampene is straightforward and takes only 3-4 hours. Yet, the rains quickly deteriorate the travel conditions and often make the direct road inaccessible. The detour can easily extend the travel time to 7-8 hours, whereas the two cities lie less than 150km apart. Given that the roads are impracticable for a normal car, and motorbikes are not convenient when traveling with a lot of equipment, a powerful 4x4 would be needed for field visits by the project team if a monitoring system would be set up in Kampene. As the rent for such vehicles is high in Kindu, this evidently has budgetary implications.

Kindu hosts an airport with a limited number of flights per week that connect the city to Goma and Kinshasa. Kampene also has airstrip, but it is currently out of use. Transport of goods to and from Kampene is now mainly done by road, or via the Kindu airport or to the cargo airstrip of Kama, which lies about 60 km to the East on the border with South Kivu.

The difficult access of Kampene would evidently cause important logistical, planning and financial challenges for any responsible sourcing initiative in the area.



*Road conditions between Kindu and Kampene  
(IPIS, March 2017)*

#### 4.3. Estimates on production and worker numbers

In 2015, SAESSCAM registered 18.224 grams of gold from 27 sites that fall under the Kampene antenna. For 2016 this volume dwindled to 3.000 grams.<sup>5</sup> They are aware that this is most likely a considerable underestimation, as a significant amount of production is not registered. The different mining cooperatives interviewed during the March 2017 mission (COMOZO, COMILU, CEAMI and COMIKABA) suggested considerably higher volumes, indicating that some mines produce around 2 kg in a normal week and up to 4 kg in lucrative weeks.



*Mining activity around Kampene  
(IPIS, March 2017)*



5 SAESSCAM, "Aperçu Général de l'antenne minière de Kampene", March 2017, handwritten note (not published).

Almost all miners in southern Maniema are currently digging for gold. The Kampene and Nyamboko antennae of SAESSCAM conduct a monthly census on 88 sites managed by 9 cooperatives. In March 2017 they reported a total of 13.352 mine workers digging for artisanal gold on these sites. Some sites such as Mavula (over 3.000 diggers) are so large that they became genuine villages, with shops, restaurants and bars. The cooperatives confirm these numbers and state that at least 80 % of their workers have a mining license. *Division des Mines*, on the other hand, claims to have sold only 500 such licenses in 2016.

In terms of trade, SAESSCAM indicates that there are 12 traders in Kampene, 5 in Kasogo and 11 in Niyamboko, 85 % of which hold a licence. In 2016, *Division des Mines* sold 25 licenses for big traders ("*cartes de grands négociants*") and 15 for small ones ("*cartes de petits négociants*"). The association of traders in Kampene notes that many of the small traders operating in commission of bigger buyers have no license of their own. Several respondents indicated that gold from Kampene is mainly transported by road to Bukavu, where many of the traders originate from.

#### 4.4. Security situation and OECD compliance

Maniema is the province with the most stable security situation in Eastern DRC and the 3Ts sector has remained largely free from militarization.<sup>6</sup> Based on an assessment of the criteria for the ICGRL Regional Certification Mechanism (RCM), BGR identified Kampene as an area that "offers a body of good features that make it a preferred site to test for the first time the traceability of the gold supply chain in DRC".<sup>7</sup>

However, illegal taxation, including by undisciplined FARDC elements stationed in the province, persists and must therefore be taken into account despite the prevailing stability. May 2016 saw civil society reports of state agent harassment, including acts of extortion, arbitrary arrests, torture, erecting barriers and ransoming.<sup>8</sup> These reports were confirmed by a number of interviewees spoken to by IPIS consultants in June 2016, who reported the situation to be on going. Furthermore, some ANR, DGM, Police, FARDC and other state agents, were reported to be harassing miners for a share of production on routes or at sites known to be productive. In order to avoid such harassments, there are indications that pits are offered to representatives of these state services, which mostly manage them and reap the benefits through family members. On IPIS most recent visit to Kampene, in March 2017, several civil society representatives noted that these practices have diminished in the past year. They attribute this improvement partly to the arrival of the BGR artisanal gold traceability pilot.

As a consequence of various sensitisation initiatives on ICGLR certification, pregnant women are generally not allowed in mining operations, often even to the extent that they are deprived of access to sell food or drinks. None of the respondents reported cases of child labour in mining. Yet, on their March 2017 visit, IPIS staff noticed young children washing and panning for gold on two mine sites. As this visit took place on a Sunday, there is no evidence that such work would deprive them of educational opportunities.

#### 4.5. Concession legal status

While a number of cooperatives have launched procedures to obtain a ZEA ('*zone d'exploitation artisanale*'), the *Cooperative Minière Kasongo Baseme* (COMIKABA) is the only one that has yet managed to officially register its ZEA by the National Ministry of Mines.<sup>9</sup> Most of the other sites are currently on the (inactive) concessions of Kampene Mining, SAKIMA and BITMAK.

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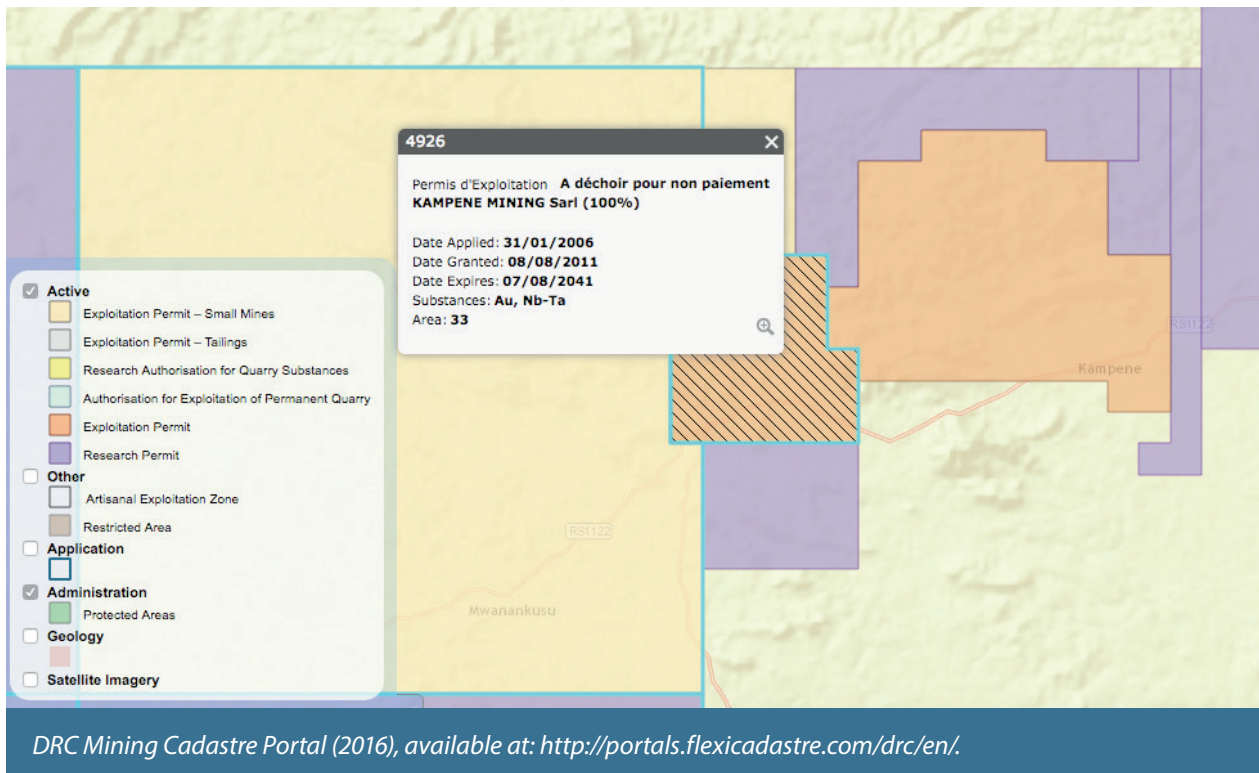
6 IPIS, *Mineral Supply Chains and Conflict Links in Eastern Democratic of Congo*, Paris, 2015, p. 8.

7 Y. Bertran, *Project CTC-BGR, Audit Baseline Report, Mine of Kampene, English Summary*, October 2014, p.6.

8 "Maniema : des ONG accusent les forces de sécurité de tracasseries", *Radio Okapi*, 19/05/2016, available at: <http://www.radiookapi.net/2016/05/19/actualite/en-bref/maniema-des-ong-accusent-les-forces-de-securite-de-tracasseries>.

9 RDC Ministère des Mines, *Les coopératives minières installées sur les zones d'exploitation artisanale dans les nouvelles limites déterminées par le SAESSCAM, Province du Maniema*, Annexe. Kinshasa, 30 July 2014.





Kampene Mining's owns concession PE4926 (due to expire in 2041). The industrial miner is not currently active in Maniema and has confirmed to authorize artisanal miners to exploit its concession, "as long as they abide by the law" and until his company starts industrial exploitation.<sup>10</sup> There is however no contractual formalisation of this agreement. Meanwhile, the Congolese Mining Cadastre (CAMI) indicates that this title will be withdrawn due to non-payment of fees.

SAKIMA owns exploitation permit PE89 for 3Ts, and thus not for gold in which most artisanal miners in the area are active. BITMAK has a number of large concessions to the West of Kampene, which have however all been revoked.<sup>11</sup>

#### 4.6. Civil society presence

At the territorial level, the association of development NGOs got together in May 2016 to publically reprimand the harassment and illegal taxation by state authorities, an issue they fear will lead to the departure of civil society from Pangni.<sup>12</sup> Most of these civil society organisations deal mainly with issues of human rights, gender and youth and only incidentally focus on mining. Several consulted stakeholders pointed to the need for in-depth capacity-enhancement of CSOs in Maniema. This was confirmed during our meeting with the platform of the civil society organisations in Kindu.

IPIS identified 6 civil society organisations or platforms active in and around Kampene, namely FUPAPD ('Femmes Unies pour la Paix Durable'), ASADO, Haki za Binadamu, REWASI (Kiswahili acronym for 'Réseau des femmes debout'), REMOKI ('Réseau des femmes du monde') et PADECOPA ('Promotion pour le développement de la communauté de Babene'). All these organisations are rather informal and have limited resources and capacities. FUPAPD is slightly better organised and has the most relevant experience related to the artisanal gold mining sector. In 2017, it executed a survey on the income-generating activities undertaken by women on mine sites around Kampene.

<sup>10</sup> IPIS phone interview with CEO of Kampene Mining, 7 June 2017.

<sup>11</sup> See for instance: Arrêté Ministériel n° 0724 du 24 novembre 2014 portant déchéance de Bitmak Company Sprl de ses droits sur le Permis d'Exploitation de Petite Mine n° 3111.

<sup>12</sup> "Maniema : des ONG accusent les forces de sécurité de tracasseries", *Radio Okapi*, 19/05/2016, available at: <http://www.radiookapi.net/2016/05/19/actualite/en-bref/maniema-des-ong-accusent-les-forces-de-securite-de-tracasseries>.



The main road passing through Kampene town (IPIS, March 2017)

#### 4.7. Presence of cooperatives

SAESSCAM-Kampene reports the presence of nine cooperatives in its coverage area: COMITCHAMBI, COMIPROMA, COMIMO, COMILU, COMISO, COMKABA, COMIPABA, CEAMI and COMIDEKWA. As noted above only COMIKABA has a ZEA, while several others are still awaiting approval of their application. Meanwhile, these cooperatives pay an annual fee of 900.000 Congolese Francs (or around USD 1.100) to the Division the Mines for the right to extract. Overall, cooperatives are well organised with a clear administration (general assembly, president, secretary, etc.). Their membership varies between 500 and 3.000 workers spread on 2 to 6 sites.

#### 4.8. State agent presence

Three state mining agencies are present in Kampene: SAESSCAM, *Division des Mines* and CEEC.

The SAESSCAM bureau in Kampene disposes of 13 agents divided over two antennae: Kampene (also in charge of Babene and Ikama) and Nyamboko. They indicate to visit all 88 sites in their zone of coverage at least once a month and provide technical training to miners to improve safety and productivity. SAESSCAM expressed an interest in improving transparency in the artisanal gold sector and would be eager to cooperate with IPIS on implementing a monitoring system. It stressed its significant needs for capacity-enhancement on monitoring and data management. Also its resources are severely limited as its office is currently not equipped with a computer, nor does it have motorbikes to facilitate mine visits in its zone of coverage.

*Division des Mines* in Kampene is also composed of 13 agents. It often accompanies SAESSCAM on field visits to mine sites. The office has a more narrow geographic mandate, covering only Kampene itself. It is responsible for the administration of mining activities, including the licensing and management of cooperatives. It has similar limits in terms of human and technical resources for monitoring and assisting artisanal miners.

The CEEC (*Centre d'Evaluation, d'Expertise et de Certification*) also holds an office in Kampene. In 2016, it delivered 83 certificates and exported 8, 116 grammes of gold (a certificate costs 150 USD and can be used for a transaction of maximum 200 gram). There is however no equipment to determine the purity of gold. Also for identifying the origin of the ore it depends on self-reporting by the traders. There is no official trading house (*'comptoir agréé'*) in Kampene.