



# 2014

## YEAR IN REVIEW



**PARTNERSHIP  
AFRICA CANADA**



## **PARTNERSHIP AFRICA CANADA**

Partnership Africa Canada (PAC) is a global leader in developing innovative approaches to strengthen natural resource governance. For almost 30 years, PAC has collaborated with partners to promote policy dialogue and solutions for sustainable development.

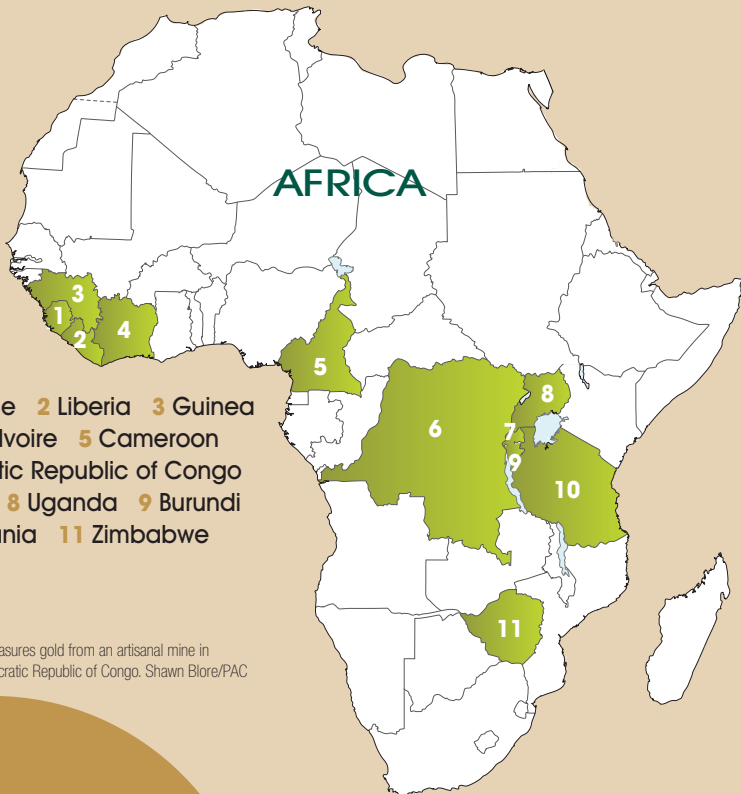
- We investigate and report on the lack of accountability, poor governance, and human rights violations associated with conflict minerals.

- We develop and implement solutions in collaboration with local partners, to improve natural resource governance, including the certification of conflict minerals.

- We provide capacity-building and technical assistance to support transparency in the mining sector, including the development of industry guidelines.

## **Where We Work**

- 1** Sierra Leone **2** Liberia **3** Guinea  
**4** Côte d'Ivoire **5** Cameroon  
**6** Democratic Republic of Congo  
**7** Rwanda **8** Uganda **9** Burundi  
**10** Tanzania **11** Zimbabwe



Cover photo: A trader measures gold from an artisanal mine in Orientale Province, Democratic Republic of Congo. Shawn Blore/PAC

## Message from Partnership Africa Canada

2014 kicked off an exciting year of growth and development for our programmes. As we near three decades of working in Africa on sustainable development—and many years focused on conflict minerals—we are seeing the positive results of our work and close collaboration with governments, regional organizations, and innovative grassroots organizations.

Our longstanding partnership with the International Conference on the Great Lakes Region (ICGLR) and the Organization for Economic Co-Operation and Development (OECD) to develop certification standards and a Due Diligence Guidance reached a pinnacle this year, as the Democratic Republic of Congo—the country in the region suffering the most from a lack of traceability and accountability for its minerals—issues its first ICGLR certificate.

This year also proved exciting as we had the first results from our artisanal mining pilot project, *Just Gold*—and we were able to share its success and lessons with our Congolese and international partners. The project's first results received significant donor support and encouragement, allowing us to spend the year preparing to increase the programme in size and scope. We look forward to sharing the news of the official *Just Gold* project launch with you in the coming months.

In West Africa, our thoughts were with all of our close partners who faced the immense challenge of continuing their daily work while up against the Ebola crisis. Despite the strain on the economy and society as a whole, the governments of the region continue to be committed to ending illegal trade in conflict diamonds.

Our work is possible due to the support we've received from our funders—as well as to the long-standing collaborations we've fostered with grassroots leaders and government policymakers on the ground in Africa. We are grateful for their tireless work towards natural resource governance—at home and abroad. We are proud to support them.



*Susan Côté-Freeman, Board President  
Bernard Taylor, Executive Director*



An artisanal miner in Mangi, Orientale Province (Democratic Republic of Congo) uses locally designed equipment from basic materials to separate gold from earth. Joanne Lebert/PAC

## Conflict Minerals

Through 2014, PAC continued its close engagement with the International Conference on the Great Lakes Region (ICGLR) providing technical support to the ICGLR Secretariat and Member States to move the Regional Certification Mechanism forward. 2014 was a year of great progress, with the first ICGLR certificates being issued out of the Democratic Republic of Congo (DRC). Throughout the year, PAC provided training for officials from the Ministry of Mines in the eastern provinces to increase officials' capacity to carry out export procedures in compliance with ICGLR regional certification standards.

Progress to move  
implementation  
forward across  
the region  
has  
been

successful, with training provided in Rwanda. Having issued its first certificate in 2013, Rwanda is now preparing to introduce certification nationwide. Based on PAC's recommendations, policymakers began to identify a strategy to tackle gaps in the system. Elsewhere in the region, Burundi adopted the Regional Certification Mechanism into its legal code in 2014 as a first step towards implementation.

Throughout this year, PAC has been heavily involved in supporting capacity building and providing technical support for the ICGLR. PAC has worked closely to provide the ICGLR Audit Committee with training and support to build a credible accreditation system and develop best practices for audits. The work PAC has undertaken has laid the foundations to build further expertise at the ICGLR Secretariat, including a planned certification database of all conflict minerals.

# Sustainable Development: 2014 Highlights

## Just Gold Project

In recent years, PAC has increasingly focused on developing solutions to the many challenges surrounding artisanal and small-scale gold mining. In the Great Lakes Region, and in particular DRC, the artisanal mining sector remains largely informal and is prone to wide corruption and violence, with almost no traceability or tracking for gold. This makes artisanal gold an ideal target for financing armed groups, resulting in exploitation of miners and a loss of revenue for the government when it is smuggled out of the country.

In 2013, PAC piloted the *Just Gold* project in Orientale Province to bring legal, conflict-free, and traceable gold from artisanal mine sites to the international market. Artisanal gold miners are trained in better exploitation techniques and provided with basic equipment, in return for selling the gold produced through legal channels.

This year was one of learning for PAC with success from the *Just Gold* pilot allowing for the project to increase in size and scope. Over the year, PAC has undertaken a significant search to find suitable mine sites and partners, to ensure the success of the project as it begins a new phase of expansion with the first legal, conflict-free, and traceable export of artisanal gold from DRC in 2015.

## Spotlight on Women and Artisanal Mining

PAC released *Women in the Artisanal Gold Mining Sector in the Democratic Republic of Congo* in November based on research and analysis in Orientale Province and South Kivu. The report examined the realities of women's lives in the artisanal gold sector to better understand their gender-specific vulnerabilities and the opportunities for economic empowerment.



PAC held consultations in March in Bukavu (South Kivu), Kisangani (Orientale Province), and Kinshasa with civil society, government, and security services to discuss the findings. The preliminary recommendations were welcomed by the stakeholders.

PAC's research has led to a three-year project with Canada's Carleton University and the Development Research and Social Policy Analysis Centre in Kampala to study the impact of artisanal small-scale mining on women across the region. Resulting in the collection of a larger data set and deep qualitative research, as well as providing support to grassroots organizations across the region, the project seeks to improve the safety and overall benefits for women engaged in artisanal mining.



## Conflict Diamonds

PAC is continuing its work with the Kimberley Process (KP)—taking an active role in its management, the various working groups, and in the KP Civil Society Coalition. As the KP has failed to adopt a number of needed reforms to ensure better compliance and due diligence in the diamond sector, PAC has shifted its focus to provide technical support and capacity-building to artisanal-diamond producing countries and civil society partners.

A major part of this work sees PAC continue to support a regional approach to KP compliance in West Africa's Mano River Region—Côte d'Ivoire, Guinea, Liberia, and Sierra Leone. PAC is part of a technical team working to strengthen internal controls, harmonize policies, and work across the region to overcome shared challenges, such as smuggling and lower valuations on diamonds. In

2014, the Ebola crisis stalled efforts, and the agreed upon priorities in the action plan were put on hold.



Artisanal diamond miners in Nimba County, Liberia have spent over two months digging without uncovering minerals. Alan Martin/PAC

Right: Rough diamonds from an artisanal mine in Côte d'Ivoire. Alan Martin/PAC



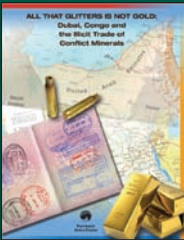
# Sustainable Development: 2014 Highlights

## Spotlight on Dubai

At an OECD meeting held in Paris in June, PAC released *All that Glitters is not Gold: Dubai, Congo, and the Illicit Trade of Conflict Minerals*. Highlighting the role trading centers play in political and economic destabilization of the Great Lakes Region, the report was favourably received by the ICGLR and government of DRC.

The report examined the loopholes in the import controls of the United Arab Emirates (particularly Dubai), that allow smuggled Congolese gold to enter the refineries and the

legal gold supply. The investigation also looked at how transfer pricing of African diamonds by UAE is depriving African treasuries of needed tax revenues. PAC's work, in conjunction with other research by civil society partners, succeeded in putting deficiencies in UAE's internal controls firmly on the radar of mineral governance initiatives such as the OECD's *Due Diligence Guidance* and the Kimberley Process.



*Publish What You Pay – Canada is the national coalition of the global PWYP network that includes over 800 civil society organizations around the world united in their call for a more open and accountable extractive sector. The Canadian coalition is hosted by PAC.*

2014 saw much progress after the government of Canada announced the year before that it would implement mandatory reporting requirements for Canadian extractive companies operating in Canada and abroad. PWYP-Canada participated in a number of government consultations to promote a strong transparency law in Canada, and after the draft legislation was tabled, PWYP-Canada was invited to testify as an expert witness before both the Senate and the House of Commons committees studying the law. The Extractive Sector Transparency Measures Act was tabled in September and passed in December. The first round of disclosure reports from Canadian companies is expected in late 2016.

PWYP-Canada's profile grew considerably nationally and internationally with an increase in events and speaking engagements on transparency. PWYP-Canada staff was featured extensively across Canadian national media throughout the year including in the Globe and Mail, Financial Post, and Huffington Post.

# Statement of Operations

Revenues and Expenses for the year ending	March 31 2015	March 31 2014
<b>Revenues</b>		
International Development Research Centre (Canada)	-	22,316
USAID/IOM	379,832	-
European Union	330,656	329,514
AusAid (Australia)	236,109	6,294
Federal Institute for Geosciences and Natural Resources – BGR (Germany)	164,641	27,018
Irish Aid (Ireland)	-	265,196
Foreign Trade and Development Cooperation (Belgium)	-	67,183
Federal Department of Foreign Affairs (Switzerland)	-	5,880
Public-Private Alliance (PPA)/Resolve (USA)	-	241,218
Contributions to Publish What You Pay-Canada	90,328	69,402
Non-Governmental Organizations	2,136	-
Humanity United (USA)	-	301,425
Carleton University	41,803	-
Private Sector / Industry	19,155	-
Other contributions	13,847	18,573
Interest	2,617	5,773
	<u>\$1,281,124</u>	<u>\$1,359,792</u>
<b>Expenses</b>		
Conflict Diamonds	346,109	497,446
Conflict Minerals	834,701	732,263
Transparency and Accountability	92,928	141,632
Security and Human Rights	7,899	7,082
	<u>\$1,281,637</u>	<u>\$1,378,423</u>
<b>(Deficiency) Excess of Revenues over Expenses</b>	<b>(513)</b>	<b>(18,631)</b>

## Supporting Our Work

Partnership Africa Canada received funding from a broad range of governments, institutions, and non-governmental organizations across the globe. We are deeply grateful for this support.



ROYAUME DE BELGIQUE  
Affaires étrangères,  
Coopération extérieure et  
Coopération au développement



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Confédération suisse  
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Confederaziun svizra



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## Board of Directors

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Alex Neve (Canada), *Treasurer* • Mario Malouin (Canada) *until June 2014*  
Ross Gallinger (Canada) *from November 2014* • Rolland Morier (Canada) *from November 2014*  
Charles Mutasa (Zimbabwe) • Mirabelle Rodrigues (Canada)  
Mary Rusimbi (Tanzania) • Marie-Angélique Savané (Senegal) *until February 2014* • Rebecca Tiessen (Canada)

### Hon. Flora MacDonald



PAC celebrates the life of Flora MacDonald who supported our work for many years, serving as the President of our Board of Directors in 2002 and 2003. She remained Honorary President of Partnership Africa Canada until her death in 2015.

She will be remembered as a woman of vision who put principle above personal interest and remained fully committed in her support for disadvantaged communities—and especially women—around the globe.

## Staff

Bernard Taylor, *Executive Director* • Josée Létourneau, *Director—Finance and Administration*  
Joanne Lebert, *Director—Great Lakes Programme* • Alan Martin, *Research Director—Natural Resources*  
Kady Seguin, *Policy Analyst* • Claire Woodside, *Director—Publish What You Pay-Canada*

Partnership Africa Canada would like to thank the researchers and consultants who supported our work in 2014:

Shawn Blore, Ajay Garg, Victor Kangela Kingombe, Gisèle Eva Côté, Rob Dunn,  
Stephen Turyahikayo, Adam Hewson and Hélène Helbig de Balzac.



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ISSN : 1493-0986