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30 YEARS OF IMPACT STRENGTHENING NATURAL RESOURCE GOVERNANCE AROUND the GLOBE

2015 YEAR in REVIEW

THREE DECADES of TRANSFORMATION

I 1986, the United Nations General Assembly called the international community to act and support Africa's economic recovery and development. In response, Canada created a fund to address the root causes of poverty on the continent—Partnership Africa Canada (PAC) was born. For the past thirty years, PAC has spearheaded initiatives to support long-term, sustainable development in Africa. Our research and policy work helped uncover a root cause of conflict—the mismanagement of natural resources. We revealed how diamonds financed war in Sierra Leone, sparking international outrage, and kick-started the Kimberley Process (KP) to stem the flow of conflict diamonds.

We emerged as a leader in developing innovative solutions to strengthen natural resource governance. Collaborating with communities, civil society, governments, and industry, we provide guidance on developing and implementing programs to promote transparent and legal supply chains, we monitor the implementation of certification for conflict-prone minerals, and we support the formalization of the artisanal mining sector, as in the Great Lakes region. Our work is not over yet.

2015 has been a transformative year. Our team grew in Ottawa, Uganda and the Democratic Republic of Congo—from a staff of six to now almost 20, at home and abroad. We bid farewell to Bernard Taylor, who retired after serving as our Executive Director for 20 years.

In eastern DRC, we launched the Just Gold pilot project and marked a milestone in our efforts to promote a conflict-free artisanal gold supply chain. It's the first step in bringing artisanal gold miners into the formal economy and ensuring that communities—women, men and children—benefit from the sector.

At the Kimberley Process, together with the Civil Society Coalition, we called for change announcing a boycott of the upcoming UAE Chairmanship due to poor trading practices. Without civil society present in 2016, the Kimberley Process will be at a crossroads. It will be up to other members to ensure the institution remains credible.

We are incredibly grateful to the partnerships that have challenged, strengthened and supported us over the years. We look forward to deepening our impact in the years ahead.

Susan Côté-Freeman Board President

Son SCiR

Joanne Lebert Executive Director

Partnership Africa Canada (PAC) is a global leader in developing innovative approaches to strengthen natural resource governance in conflict and high-risk areas. For 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 and clean supply chains. • We provide capacity-building and technical assistance to support transparency in the mining sector, including the development of industry guidelines. • We promote policies and programs that support gender equality and women's entrepreneurship in artisanal mining.

1986 Canada announce the "Africa 2000" fund to support grassroots African organizations and address the root causes of poverty. Partnership Africa Canada (PAC) launches as a coalition of Canadian civil society groups, tasked with disbursing \$75 million over five years from the Canadian International **Development Agency** (CIDA) for long-term development projects in Africa and to promote partnerships between non-profits in Africa and Canada.

The coalition grows to 91 voting members and 28 observers, and the Board of Directors has opened to African members to ensure voices from all stakeholders are integrated. By the start of PAC's fourth year of activities, \$47 million has been committed to projects, with 136 overseas projects approved—59 of which have components in both Africa and Canada—and 132 projects within Canada. Canadian projects focus on educating Canadians on development issues in Africa.



002 PAC legally transitions from a coalition based at the Canadian Council for International Cooperation to an independent non-profit organization. By the end of the year PAC approves almost \$30 million for projects and has 112 voting members and 25 observers.



PAC announces its second

mandate from the Canadian International

Development Agency. The coalition

develops its first long-term strategic

internal governance of organizations,

plan that promotes strengthening

popular participation, gender and

the environment.

\$75 million five-year funding

for Justice and Development (NMJD) in Sierra Leone approaches PAC to co-investigate the root causes of the country's protracted conflict, including the trade of diamonds. Thirteen groups led by PAC's research team—conduct the investigation, that will later have major economic, social and political consequences for Sierra Leone, and globally.



PAC publishes The Heart of the Matter: Sierra Leone. Diamonds, and Human Security, that for the first time connects diamonds with conflict financing. The report finds that rebel forces from Sierra Leone smuggle large quantities of

in exchange for weapons. The findings are covered across international media including BBC, New York Times and Vanity Fair, and spark outrage amongst consumers.

diamonds to Liberia

Heart @ LEONE

insights

PAC begins extensive research into human security, peacebuilding, and the mismanagement of natural resources, in Africa and across the globe. Over the next decade, PAC goes on to publish over 30 reports in four languages. As its body of research grows, PAC becomes recognized as a leader in field-based research that provides actionable policy recommendations.

resources. The Campaign for Just Mining in Sierra Leone, led by NMJD, presents

recommendations to the government for reforming the mining sector. CENADEP in the

Democratic Republic of Congo (DRC) organizes a workshop which leads to the creation

of a national network of organizations to stop the plunder of DRC's natural resources.



7 The Kimberley Process Certification Scheme (KPCS) is signed at Interlaken, Switzerland The first African civil society coalitions emerge to address the illicit trade of natural by over 50 governments, the diamond industry and a small group of NGOs—including PAC. The Kimberley Process (KP) controls the trade of rough diamonds to ensure no conflict diamonds enter the legal supply chain. PAC leads efforts to ensure the agreement is not only signed but is credible and independently monitored.

30 YEARS 30 MILESTONES

PAC provides support and capacity-building to both.



The organization restructures and shifts its strategy to support partners through research and policy solutions, including working through international forums. Consensus on PAC's new structure and mission is reached at the Annual General Meeting. The new board structure provides equal space for Canadian and African members.

BER 3, 2002

U With the threat of foreign aid budget cuts on the 774 horizon, PAC publicly advocates to the Prime Minister and Members of Parliament to keep federal funding for development in Africa. Despite this, CIDA cuts funding for PAC. The following year, the PAC office closes its doors and staff are laid off.

1000 PAC opens 770 an office in Addis Ababa, Ethiopia to ensure African civil society have a central voice in the new PAC. The office is a hub to exchange information and ideas, strengthen the skills of members in policy dialogue and offer training workshops. To inaugurate the office. PAC offers a workshop on strengthening collaboration at all levels to 20 grassroots partners from across Africa.

45 Nations Set to Back Rules **On Illicit Diamond Trading**

By ALAN COWELL LONDON, Nov. 2 — Representa-tives of 45 countries that produce.

phone interview from Washington Friday. He said that the United States intended to require certifica-



As the KPCS comes into force. PAC becomes a founding civil society member of the Scheme. American Senator Patrick Leahy and Congressmen Tony P. Hall and Frank R. Wolf nominate PAC for a Nobel Peace Prize for its efforts to end the trade of conflict diamonds.

Fight against war diamonds earns Nobel nomination

Ottawa group leads battle on conflict jewels or conflict diamonds, Just last week, the United Nations Gen-eral Assembly endorsed a plan initiated by the two groups to regulate the diamond trade.

Global Witness and PAC jointly publish Rich Man, Poor Man—a report that demonstrates weaknesses in the KP in the context of artisanal mining. The report provides recommendations for reform in the KP, and lays the foundation for a new PAC program that focuses on ensuring diamonds promote development for artisanal miners and their communities—Diamond Development Initiative (DDI) Two years later DDI becomes an independent non-profit organization with continued collaboration from PAC.



2006 The International Conference on the Great Lakes Region (ICGLR) Heads of State—Angola, Burundi, Central African Republic, Republic of Congo, Democratic Republic of Congo, Kenya, Uganda, Rwanda, Sudan, Tanzania and Zambia—sign the Pact for Security, Stability and Development, implementing the Dar es Salaam Declaration, to address the root causes of conflict and constraints to development in the region. PAC begins advising the ICGLR on the development of a regional protocol to address the illicit exploitation of resources. PAC has supported civil society engagement with the ICGLR since its creation two years earlier.

PAC publishes field-based research reports on the diamond trade in several countries, including Brazil Venezuela and Guyana. Findings from Venezuela reveal 100% of diamonds as illicit and the government is forced to suspend itself from the KP. In Brazil, findings lead police to suspend all diamond shipments from February to September.

PAC launches Publish What you Pay (PWYP) Canada and hosts the group. The Coalition is part of a global network of civil society organizations that call for increased transparency in the extractive sector, domestically and internationally, to enable citizens to hold their governments to account for how their natural resource wealth is managed.

Together with other members of the KP Civil Society Coalition, PAC calls for Zimbabwe's suspension from the KP. The call comes after investigations, including a PAC report, reveal human rights abuses committed by the government in the Marange diamond fields. The KP suspends sales from Marange until Zimbabwe is able to demonstrate improved accountability, security, and provide evidence that the diamonds from the area are conflict-free. PAC's follow-up report in 2012 spotlights corruption and calls for accountability in mining contracts awarded at Marange. Zimbabwe's President finally admits in 2016 that corruption and poor management has led to a \$15 billion loss of diamond revenues for the country.

PAC releases Taming the Resource Curse: Implementing the ICGLR Certification Mechanism for Conflict-prone Minerals to outline how regional certification for 3T and gold can succeed, based on lessons learned from other certification mechanisms including the KPCS. As implementation advances, the leading international electronics industry coalition announces that it will recognize ICGLR certification as a credible in-region mechanism for verifying the origin of high value minerals linked to conflict.

14 PAC releases All that Glitters is not Gold: Dubai, Congo and the Illicit Trade of Conflict Minerals, one of the first investigations of the loopholes in the United Arab Emirates (UAE)'s import controls that permit smuggled gold to enter the legal supply chain. The report also examines the transfer pricing of African diamonds in Dubai.

PAC launches a new research project in collaboration with Carleton University and Development Research and Social Policy Analysis Center (DRASPAC) in Uganda to examine the role of women in the artisanal mining sector in the Great Lakes region. The project is the first extensive, multi-country study on women's role in the sector and contributes to PAC's work to ensure gender is fully integrated in natural resource governance initiatives.

The Mano River Union Hegional Approach to **Kimberley Process Implementation** launches in Sierra Leone, Côte d'Ivoire, Guinea and Liberia. The group aims to harmonize policies among the countries and develop a harmonized strategy to end the illicit trade of diamonds in the region. PAC is a founding civil society member of the group and provides technical and strategic advice.

After extensive campaigning by PWYP-Canada as well as dialogue with industry and policymakers, Canada passes the Extractive Sector Transparency Measures Act. The Act requires Canadian extractive companies to implement mandatory reporting requirements.

in the DRC.

PAC works with the ICGLR to move certification for conflict-prone minerals forward by drafting the Regional Certification Mechanism standards. The Mechanism and its standards, which will be adopted by all ICGLR Members, aligns with the OECD Due Diligence Guidance. After training from PAC on mining site inspections and export procedures, Rwanda issues its first ICGLR Regional Certificate, followed by the Democratic Republic of Congo in 2014.





11 ICGLR Heads of State sign the U Lusaka Declaration, marking the formal approval of six tools to address the illegal exploitation and trade of high-value minerals linked to conflict in Africa's Great Lakes Region: 3T (tin, tantalum, and tungsten) and gold. PAC begins its technical support to the ICGLR to implement these tools, a relationship that is formalized in a Memorandum of Understanding.

The Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas is launched with recommendations for the private sector to help respect human rights in their mineral sourcing. PAC advises and contributes to the development of the Guidance, and is a member of the Multi-Stakeholder Steering Group to advance its implementation.

Alongside local civil society, PAC continues to call for action on conflict minerals, and works with the ICGLR to implement the Protocol on the Illegal Exploitation of Natural Resources to end the trade of conflict-prone minerals. As a result of growing pressure from international advocacy groups, the US signs into law the Dodd-Frank Wall Street Reform and Consumer Protection Act. The Dodd-Frank Act requires all companies listed on the US stock exchange and Securities Exchange Commission to disclose whether the minerals they use are sourced in the Democratic Republic of Congo or neighboring countries, and if so how they ensure the profits of these minerals don't benefit armed groups.

PAC builds on an initial 2013 pilot and launches the Just Gold project which aims to develop an equitable, autonomous, and sustainable system that brings legal, conflict-free and traceable gold from artisanal mine sites in the Democratic Republic of Congo to international markets. Just Gold is promoted as a model of due diligence implementation



PAC opens offices in Uganda and the Democratic Republic of Congo to support the work of its partners to promote natural resource governance in the Great Lakes region. PAC's team also grows in Ottawa.

The KP Civil Society Coalition announces a boycott of the KP Chair—the UAE due to lenient internal controls and an antagonistic relationship towards civil society. For the first time in its history, civil society is not present at the KP Intersessional nor the Plenary.

PACWEB.ORG

2015

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Partnership Africa Canada

331 Cooper St., Suite 600, Ottawa ON K2P 0G5 Canada

www.pacweb.org

STATEMENT OF OPERATIONS		
REVENUES and EXPENSES for the year ending	March 31 2016	March 31 2015
REVENUES		
Global Affairs Canada	1,135,777	3,212
European Union	368,775	330,656
USAID/IOM	363,314	379,832
AusAid (Australia)	4,099	236,109
Federal Institute for Geosciences and Natural Resources – BGR (Germany)	0	164,641
Carleton University (Canada)	195,603	41,803
Private Sector / Industry	32,840	19,155
Contributions to Publish What You Pay- Canada	130,789	92,464
Other contributions	9,749	10,635
Interest	2,997	2,617
TOTAL	2,243,943	1,281,124

EXPENSES

Conflict Diamonds

Conflict Minerals

TOTAL

Expenses

Transparency and Accountability

(Deficiency) Excess of Revenues over

Security and Human Rights

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.



- t +1-613-237-6768
- Partnership Africa Canada
- PACMinerals

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Top cover photo credit: Network Movement for Justice and Development

346,109

834,701

92,928

7,899

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1,281,637

373.842

1,699,773

2,211,192

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646