



JUST GOLD

A conflict-free artisanal gold pilot project



THE PROJECT

The Just Gold project aims to develop an independent, equitable and sustainable system that brings legal, conflict-free and traceable gold from artisanal mine sites in the Democratic Republic of Congo to international markets.

In the Great Lakes region of Africa, and Democratic Republic of Congo in particular, the artisanal mining sector remains largely informal and is prone to widespread corruption and violence. While great strides have been made to trace conflict-prone minerals, there continues to be no tracking or monitoring of gold flows. This makes artisanal gold an ideal target for financing armed groups, resulting in the exploitation of mining communities and a loss of revenue for the government when gold is smuggled out of the country.

Partnership Africa Canada (PAC) has developed the Just Gold project to test models of traceability and due diligence implementation, in an effort to formalize the artisanal gold mining sector in the Democratic Republic of Congo. The Just Gold project applies the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and the regional certification standards of the International Conference of the Great Lakes Region (ICGLR).

The Just Gold project creates incentives for artisanal gold miners to channel their product to legal exporters—and eventually responsible consumers—by providing technical assistance to miners in return for legal sales. Miners are taught better exploitation techniques and offered Just Gold project equipment, in return for which any gold produced must be tracked and sold through legal channels.

In the current model being tested, the Just Gold Model Trading House (*Maison d'achat modèle*) acts as the legal conduit for Congolese artisanally produced gold by purchasing it at competitive prices, packaging it, and selling gold to a partnered legal exporter (*comptoir*).

The project is designed to be financially sustainable, with the margin from gold sales paying for operating costs, traceability, and the ongoing maintenance of project equipment. A percentage is also invested into a locally managed community development fund, with a goal to promote local natural resource governance and increase benefits from resources to all members of the community.

The Just Gold project is at the advanced pilot stage, with two sites in eastern Democratic Republic of Congo.

In Ituri, at Some (Mambasa Territory)—the pilot is fully operational from mine site to exporter. 300 miners are registered in the project.

In South Kivu, at Butuzi (Walungu Territory)—groundwork is being set with initial technical assistance assessments, alongside comprehensive community consultations in 2016.



HOW IT WORKS

The current Just Gold model being tested

1 IDENTIFICATION AND REGISTRATION OF MINERS IN THE JUST GOLD PROJECT

The Just Gold project only engages in mines that are suitable for designation as artisanal mining zones by the government, as well as being validated “green” and conflict-free according to national mine site inspectors.

Miners are registered into the Just Gold project according to their mining teams. Teams range in number and size—from four to 12 each—and each has their own team leader. No miners under 18 can be registered.

Miner information including name, ID number and type, date of birth, mining team, and more is logged into the Just Gold registration database. Each participant receives an ID badge confirming their registration.

2 IMPLEMENTATION OF THE TECHNICAL ASSISTANCE PROGRAM

The Just Gold pilot project implements a comprehensive technical assistance program based on mine site assessments.

Miners are provided with various types of mining equipment and training, which can increase their gold yields by a significant amount. Training is also included on safe mining practices, environmental mitigation, land use planning, as well as gender sensitive rights-based training within the wider community.

In exchange for registration in the Just Gold pilot project and participation in the technical assistance program, mining teams



A mining team leader—who leads a team of four male miners—uses Just Gold sieves to wash pulverized ore.

are contractually obligated to sell the gold they produce to the *Maison d’achat modèle* (MAM).

3 TRACKING GOLD PRODUCTION

Each mining team receives a gold production form that tracks their gold yields. The team leader is responsible for the form and completing it accurately at the end of each day. The gold production form must always accompany the gold to the MAM in order to complete a sale.

Just Gold personnel visit the mining teams at their work site each week to collect data from the production form. This data is compared against previous technical assessments and production levels to ensure mining teams are fulfilling their contractual obligation to declare all of their gold yields and sell legally through

the MAM. Teams that neglect the agreement risk having technical assistance withdrawn.

4 SALE OF GOLD AT THE MAISON D'ACHAT MODÈLE (MAM)

At the MAM, the team leader presents the gold for sale to the licensed *négociant* along with the mining team's production tracking form. The *négociant* compares the amount of gold to be purchased to what has been recorded on the production form. This ensures the Just Gold pilot project does not buy more gold than has been mined by registered participants.

The team leader must also present their Just Gold ID badge to prove registration in the project. The miner's ID number is verified against the Just Gold registration database. The MAM will only buy gold from miners registered in the project.

After negotiating the price and finalizing the sale, the *négociant* signs the mining team's production form to mark that the gold has just been sold, ensuring it cannot be re-sold. The miner receives proof of sale in the form of a receipt.



5 TRACKING THE SALE OF GOLD AT THE MAM

The *négociant* logs the details of each gold purchase into a daily purchase form. The form tracks the type of gold bought (gold amalgam or alluvial), weight, price, as well as information about the mining team that produced it. The daily purchase form always remains with the day's gold as it travels from the MAM to exporter.

6 PREPARING GOLD FOR EXPORT

Preparing the gold for export—called evacuation in Congo—is done weekly. The manager of the MAM examines each daily purchase sheet, with all gold reweighed, to ensure accuracy. The manager is responsible for a series of evacuation forms that confirm weight and purchase details.

The evacuation forms and the daily purchase forms accompany the gold to the exporter. This allows for all gold to be traced back to the mining team and the mining pit that produced the gold — adhering to regional and international standards.

7 SALE OF GOLD TO THE EXPORTER

The Just Gold project partners with a local exporter (*comptoir*) who undertakes a full due diligence review and takes action to comply with regional certification.

At the exporter, gold is smelted into gold doré ingots before being weighed and the purity of the gold is determined. The manager of the MAM—a licensed *négociant*—negotiates the price and finalizes the transaction with the exporter.

An agent of the *Centre d'Évaluation d'Expertise et de Certification (CEEC)* witnesses the sale and authorizes a receipt to the Just Gold project, confirming the legal sale of gold for export.

< The *négociant* at the MAM uses traditional coins (*kichele*) to weigh the gold, before comparing it to yields noted on the production sheet.

FOSTERING GENDER EQUALITY

As part of its Just Gold project, a complete gender analysis of the artisanal gold supply chain at the mining sites and neighbouring mining communities is undertaken. The survey builds on PAC's ongoing research, in collaboration with Canada's Carleton University and Uganda's Development Research and Social Policy Analysis Centre, on women in the artisanal mining sector in the Great Lakes region.

Through the Just Gold technical assistance program, sensitization and outreach improve understanding of women's rights and their right to access, control, and benefit of resources. Women's leadership opportunities are supported and fostered, through skill-building and training on women's rights.

PROMOTING THE ENVIRONMENT

Miners in Congo face numerous environmental and occupational threats including mercury exposure, landslides, and deforestation. The Just Gold technical assistance program includes significant consideration to implementing mine site safety and environmental mitigation measures, based on recommendations from environmental impact assessments.

According to UNEP, artisanal gold production is the largest source of mercury emissions from human activity and the toxic substance can have potentially lethal impacts, especially for young and unborn children. The Just Gold project provides technical assistance to reduce mercury usage while increasing gold yields, as well as raises awareness on risks to health and safety.

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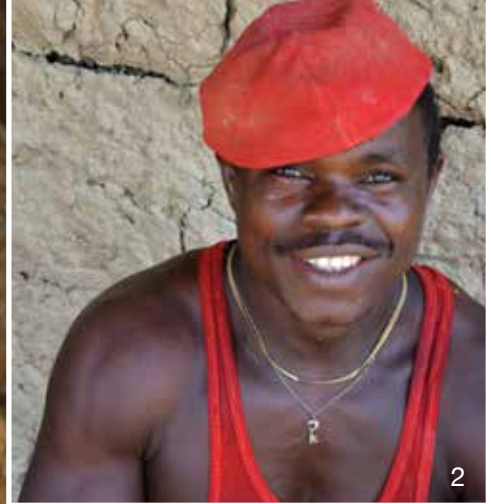
Research on women in artisanal mining in the Great Lakes region, including at Just Gold project communities, is part of the Growth and Economic Opportunities for Women (GrOW) program, jointly funded by the UK's Department for International Development (DFID), The William and Hewlett Foundation, and Canada's International Development Research Centre (IDRC).



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(1) At a mine site in Some, an artisanal miner finds gold while washing ore. (2) A miner takes a break from “crushing” large pieces of ore with a hammer. (3) Miners pound the pieces of ore into smaller particles, before a fellow team member sieves the powder. (4) Women are essential to artisanal mining and carry out various roles in the sector. A mining team leader at a site in Some also runs a small shop with various goods available to miners. (5) A miner who has been designated to sell the team’s gold at the Maison d’achat modèle (MAM) looks on as the négociant weighs the yield and assesses it against the daily production form. (6) A miner (left) registered in the Just Gold project stands with the Administrator of his mine site, outside of the MAM after a trial legal sale. (7) The MAM in Some acts as a legal trading house for artisanal gold. (8) Daily purchases of gold—in this case amalgam—are re-weighed before the weekly export—known in Congo as évacuation. (9) The Just Gold team packages the artisanal gold that has been purchased throughout the week, and prepares the forms for export. (10) At the exporter, the artisanal gold is weighed before being smelted. (11) Smelting turns the gold into gold doré ingots, which are re-weighed for weight and purity. (12) The exporter examines the smelted gold doré ingot before a trial legal export of artisanal Congolese gold.



(1) Sur un site à Some, un mineur artisanal trouve de l’or en lavant le minerai. (2) Un mineur prend une pause lors du concassage de gros morceaux de minerai avec un marteau. (3) Des mineurs pilent le minerai en plus petites particules, avant qu’un membre de l’équipe tamise de la poudre. (4) Les femmes jouent divers rôles essentiels dans l’exploitation minière artisanale. Une chef d’équipe sur un site minier à Some exploite aussi une petite boutique qui offre divers articles aux mineurs. (5) Un mineur désigné pour vendre l’or de l’équipe à la Maison d’achat modèle (MAM) regarde le négociant peser l’or et vérifie le poids par rapport au formulaire de production quotidienne. (6) Un mineur (à gauche) inscrit au projet Or juste en compagnie de l’administrateur de son site minier après une vente légale d’essai devant la MAM. (7) La MAM à Some agit à titre de maison d’achat légale pour l’or artisanal. (8) Les achats quotidiens d’or — dans ce cas-ci de l’amalgame — sont pesés de nouveau avant l’exportation hebdomadaire, qu’on qualifie au Congo d’« évacuation ». (9) L’équipe d’Or juste emballe l’or artisanal qui a été acheté durant la semaine et prépare les formulaires d’exportation. (10) Chez l’exportateur, l’or artisanal est pesé avant d’être fondu. (11) La fonte transforme l’or en lingots, qui sont de nouveau pesés pour déterminer leur poids et leur pureté. (12) L’exportateur examine le lingot d’or fondu avant une vente d’essai légale d’or artisanal congolais.