



**USAID**  
FROM THE AMERICAN PEOPLE

# **Property Rights and Artisanal Diamond Development**

Household Survey Results from Liberia

Tim Fella

USAID Land Tenure and Conflict Specialist

## Objective

Characterize the artisanal diamond mining sector through review of the results of a comprehensive household survey (826 miners) conducted in Liberia



**USAID**  
FROM THE AMERICAN PEOPLE

## Artisanal Diamond Mining in Liberia

- Actors:
  - “Miners” hold informal or formal mining claims
  - “Supporters” finance mining operations
  - “Diamond boys” provide labor on the claims
  - “Brokers” purchase diamonds from miners
  - “Dealers” purchase diamonds from brokers and export
- Pits are dug primarily using shovels / water pump
- Licenses are mandatory, cost US\$150 (doesn't include survey)



**USAID**  
FROM THE AMERICAN PEOPLE





**USAID**  
FROM THE AMERICAN PEOPLE

## Baseline Survey Results

- Basic Demographic Information:
  - Per capita income: \$US 325
  - 76.4% of income from mining activities
  - 89% of miners are male, 11% female
  - 47% report having no formal education, 77% completed 9<sup>th</sup> grade or less



**USAID**  
FROM THE AMERICAN PEOPLE

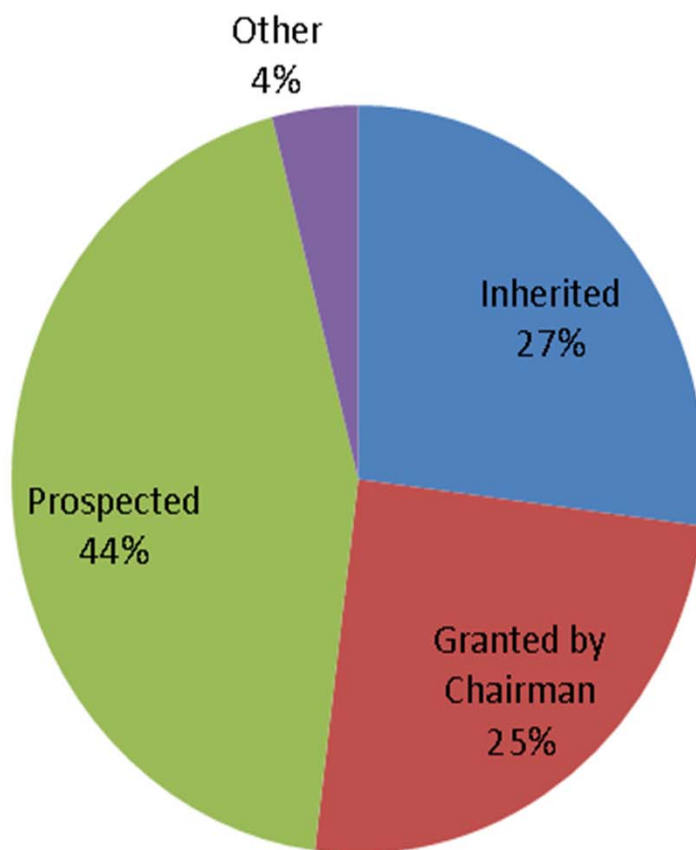
## Baseline Survey Results

- General Mining Activities:
  - 18.3% have more than one claim
  - 40.6% report having a valid artisanal mining license for their claim (though this may be overstated)
  - Among the 59.4% of miners who are unlicensed:
    - 57.2 % have held a valid license in the past
    - 29.7% have a pending application for a license
    - 37.7% report holding another form of documentation



**USAID**  
FROM THE AMERICAN PEOPLE

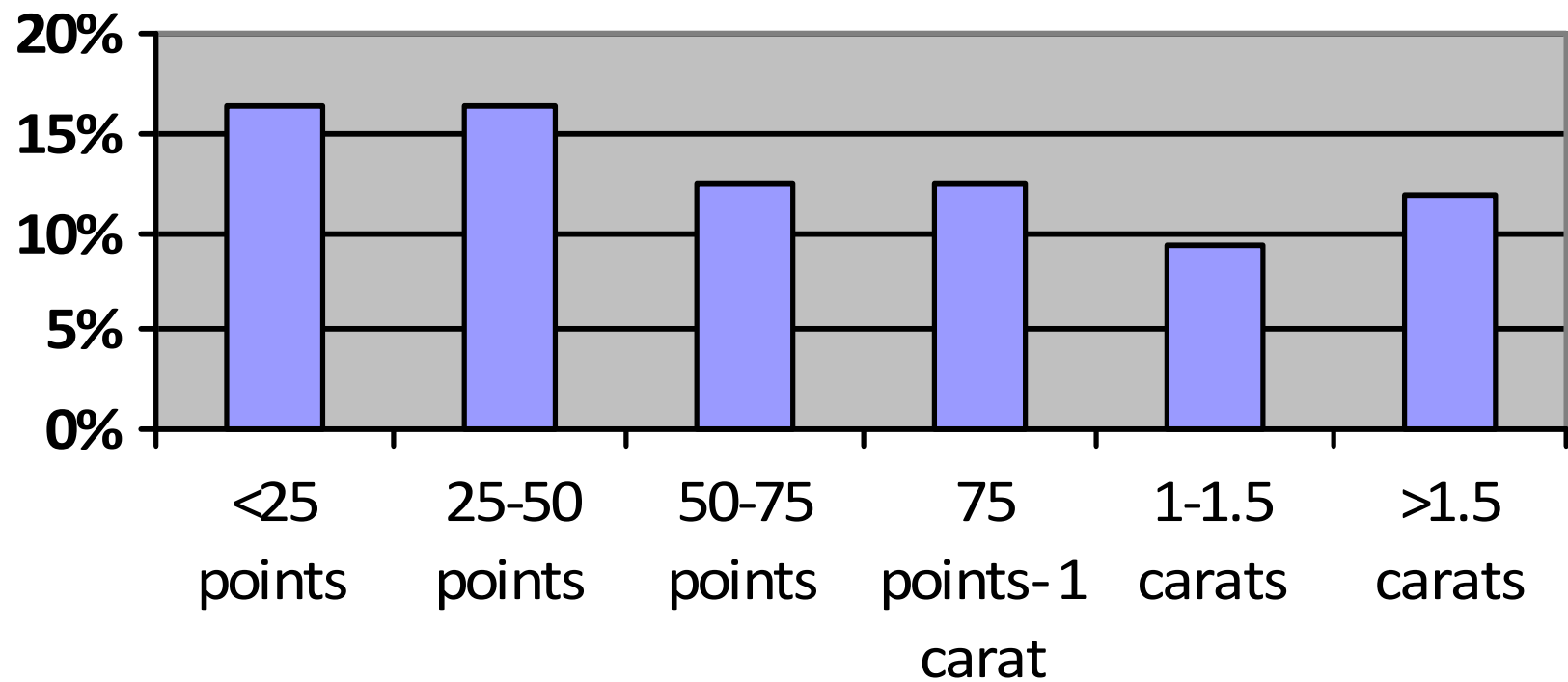
## Mode of Claim Acquisition





**USAID**  
FROM THE AMERICAN PEOPLE

## % of Stones by Weight

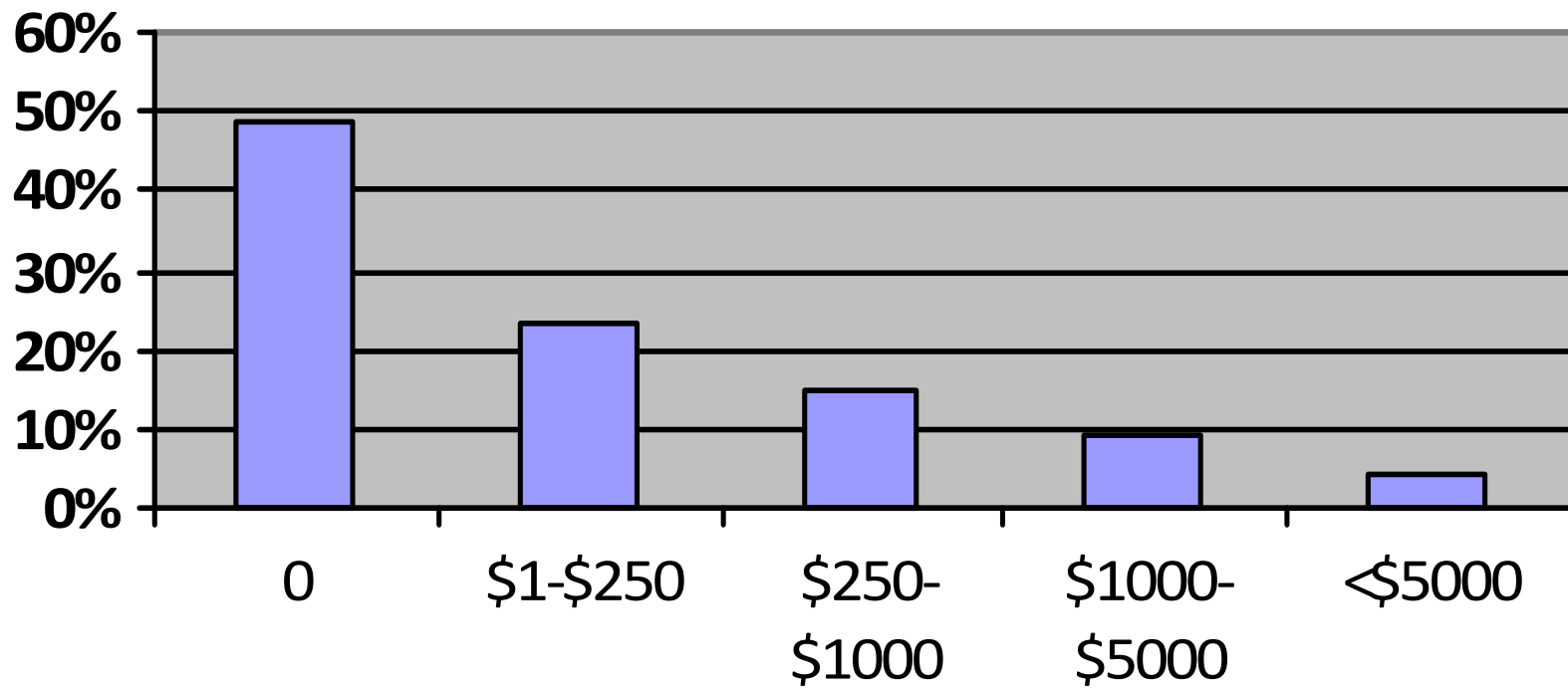






**USAID**  
FROM THE AMERICAN PEOPLE

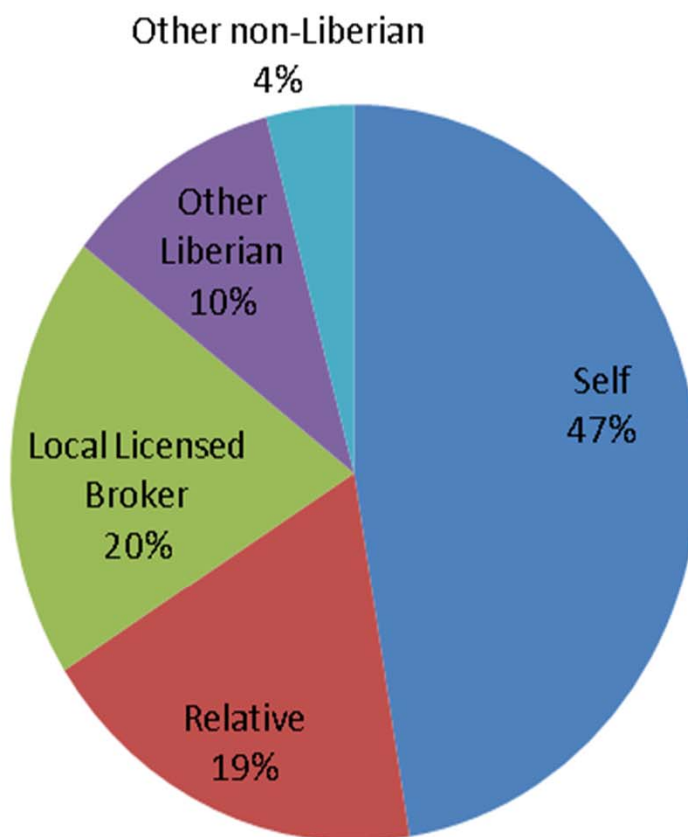
## Total Revenues By Claim





**USAID**  
FROM THE AMERICAN PEOPLE

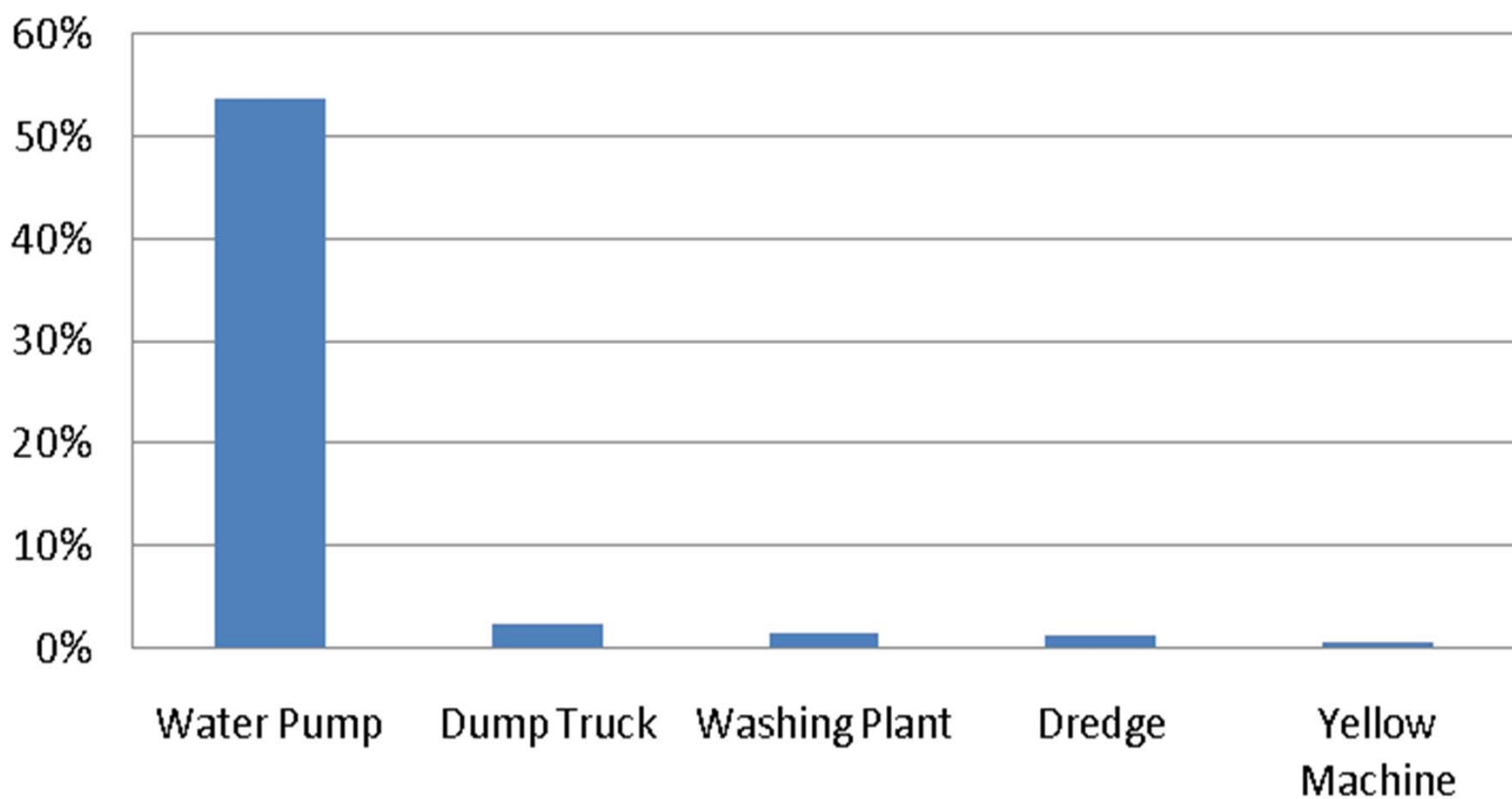
## Source of Financing





**USAID**  
FROM THE AMERICAN PEOPLE

## Equipment



## Miners' Complaints and Worries

Which are important reasons to you for not digging more pits on your claim?

	Very Important	Somewhat Important	Not a problem
Hard to find diamond boys (labor)	76.2%	8.9%	14.5%
Hard to find financial support	81.3%	6.9%	10.6%
Not enough diamonds on claim	19.1%	37.0%	43.3%
Busy pursuing other opportunities	11.0%	30.4%	58.1%



**USAID**  
FROM THE AMERICAN PEOPLE

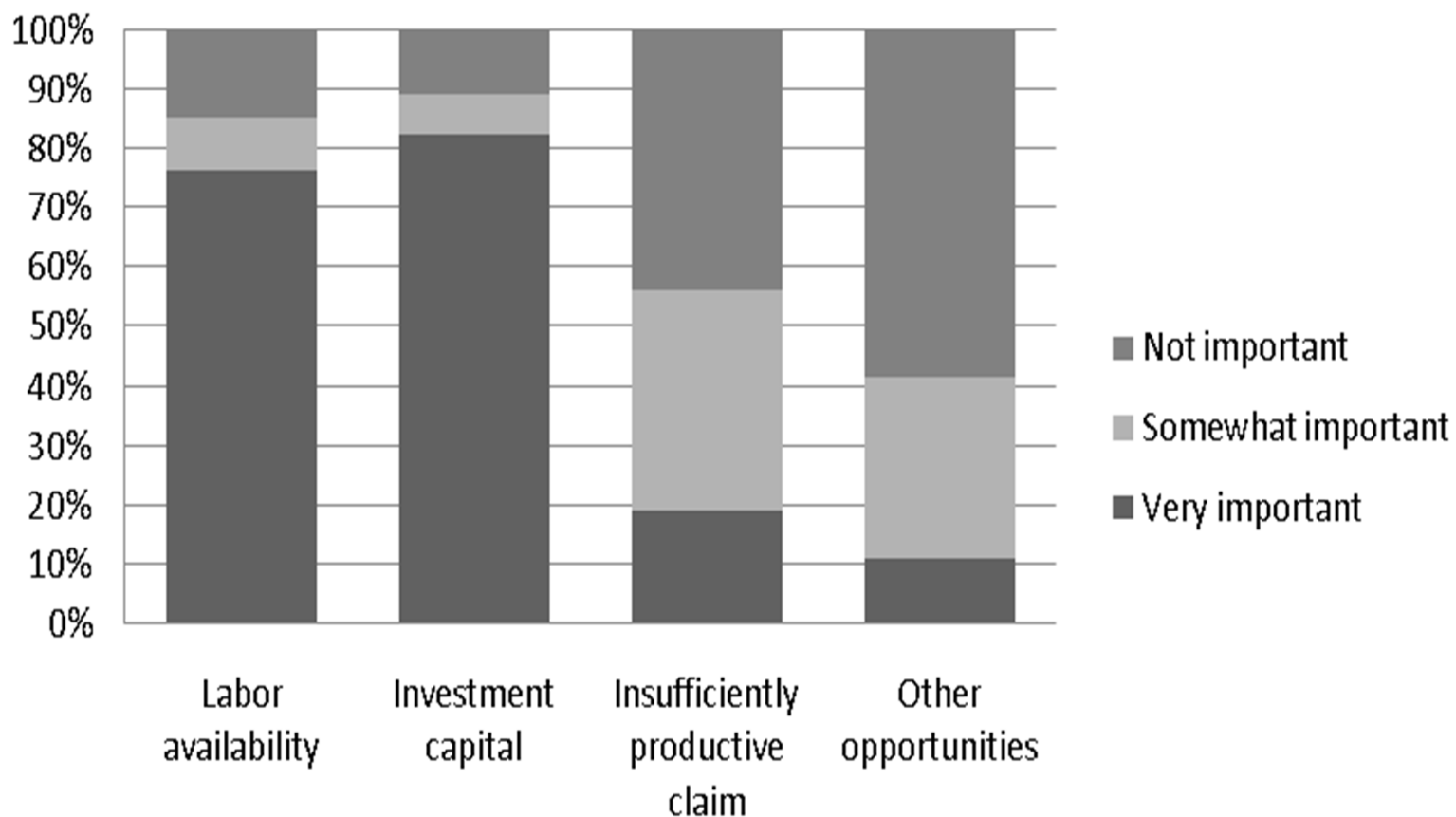
## Miners' Complaints and Worries

- Conflicts and Security:
  - 17.0% of mining households report having had a conflict over their mining claim
    - Over 50% of disputes occurred within the past 2 years
    - Majority of conflicts are related to the boundaries of claims
  - Who resolved the disputes?
    - The conflicting parties = 18.9%      Police or courts = 1.8%
    - Mining chairman = 22.0%      Other = 11.0%
    - Mining agent = 25.6%      It was not resolved = 7.9%
  - Are you worried about future conflicts over your claims?
    - Yes, very worried = 39.7%
    - Yes, a little worried = 20.3%
    - No, not worried at all = 39.7%



**USAID**  
FROM THE AMERICAN PEOPLE

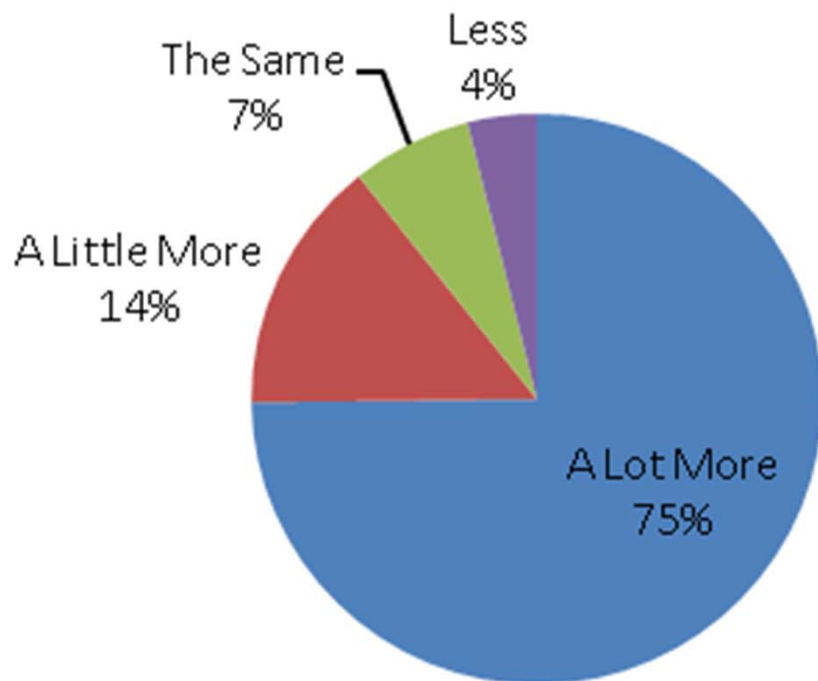
## Constraints on Mining Activity





**USAID**  
FROM THE AMERICAN PEOPLE

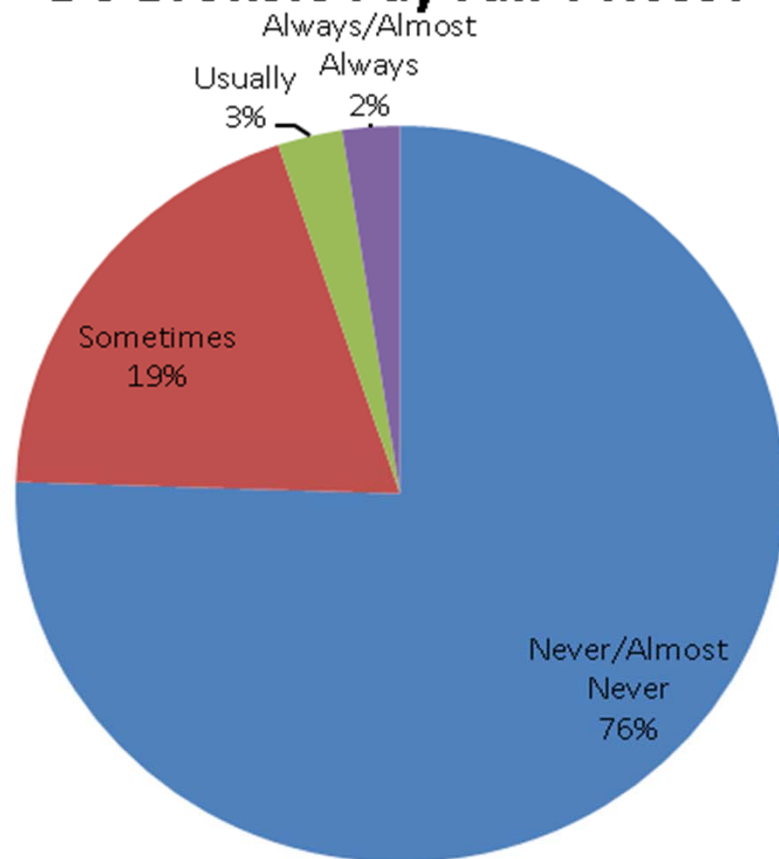
## Are Brokers Better Informed Than Miners About Prices?





**USAID**  
FROM THE AMERICAN PEOPLE

## Do Brokers Pay Fair Prices?







**USAID**  
FROM THE AMERICAN PEOPLE

## Baseline Survey Results

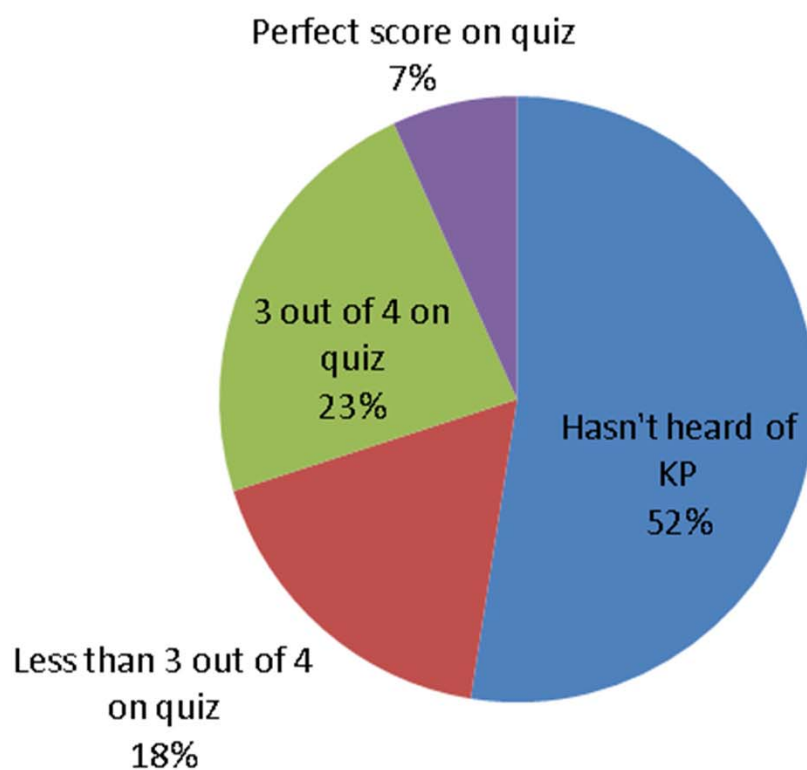
- Policy Awareness and Perceptions:
  - 48% of survey respondents had heard of the KPCS
  - Mini Quiz administered to those who had heard of KPCS:

What steps are part of the KPCS?	Yes	No
Getting a mining license for any claim that you are mining	81.8%	8.2%
Asking the mining agent for the correct price of each diamond you find	56.2%	30.8%
Registering all diamonds you find with the Regional Diamond Office	83.7%	6.8%
Giving a voucher to the broker when the diamond is sold	65.5%	17.9%



**USAID**  
FROM THE AMERICAN PEOPLE

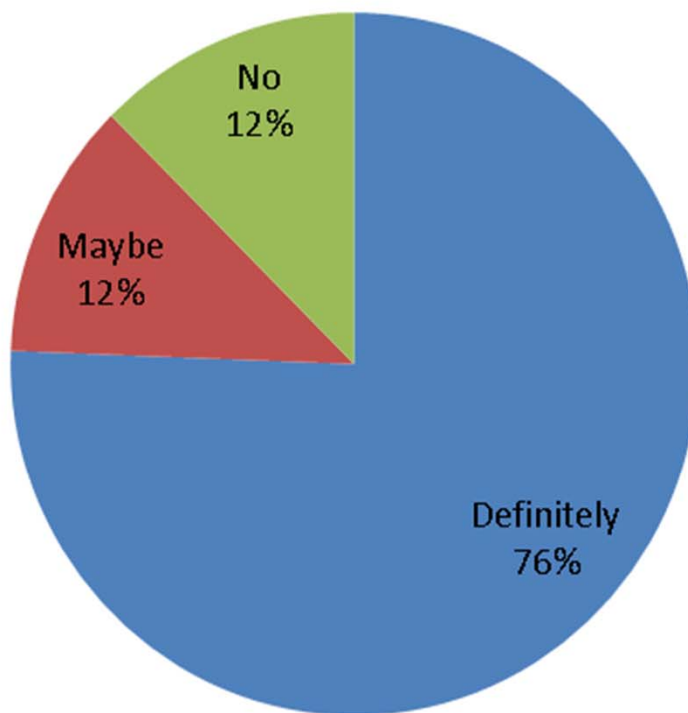
## Awareness of Kimberley Process





**USAID**  
FROM THE AMERICAN PEOPLE

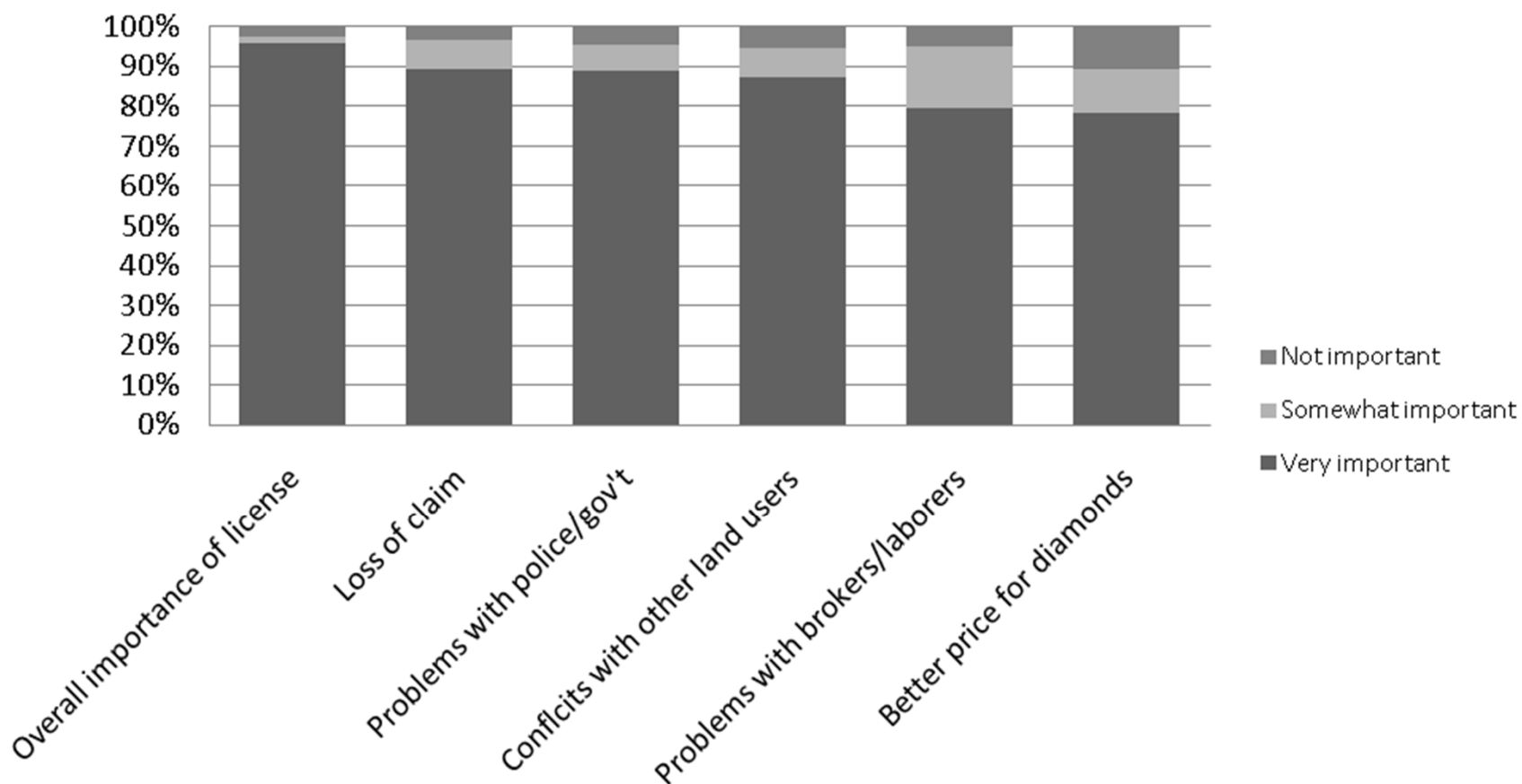
## Interest in Cooperative-Based Microfinance





**USAID**  
FROM THE AMERICAN PEOPLE

## Reasons for Obtaining License





**USAID**  
FROM THE AMERICAN PEOPLE

Thank You