

MOZAMBIQUE MEMBERSHIP TO THE KIMBERLEY PROCESS (KP) WILL BE DECIDED IN THE FORTHCOMING NOVEMBER

## Mozambique must guarantee the effective participation of civil society in Kimberley Process implementation



Mozambique may see its membership to the KP approved in November of this year, after receiving this week the second Mission that came to assess and certify the compliance of the minimum requirements. “We are here to assess Mozambique’s application to join the KP. The idea is to evaluate if Mozambique is prepared to become a

member of that Initiative. There were several issues evaluated, starting from the legal framework. In this chapter Mozambique was approved”, said Shamiso Mtisi, from the African Institute for Environmental Law (AIEL), one of the organizations representing civil society in the International Assessment and Review Mission of the Kimberley Process, that visited the

country last week.

The KP is a joint initiative of governments, the diamond industry and civil society that aims to stem the flow of rough diamonds mined in war/conflict environments into the international market. The implementation of the process is done through a certification scheme aimed at tracking the production, transportation

and trade of rough diamonds and the issuance of the KP Certificate (attesting to origin) by diamond producing countries. These certificates ensure that conflict diamonds are not introduced into the international market and that they are within Kimberley Process member countries.

The initiative came into force in 2003 and has 81 participating countries, of which seven are from SADC, namely Angola, South Africa, Botswana, Namibia, Lesotho, Zimbabwe and Tanzania. Mozambique formalized its intention to join the process in September 2014 and, two years later, in 2016, an International Assessment and Review Mission of the Kimberley Process was in the country, chaired by the Republic of South Africa and composed of representatives from the European Union, Angola, Botswana, Namibia, Zimbabwe and the World Diamond Council.

One of the mission outcomes was a report requesting clarifications and recommendations, such as the need to appoint an Executive Secretary, the operationalization of the Kimberley Process Unit; the appointment of members to the National Council of the Kimberley Process; training of technicians in diamond valuation; installation of a commercial warehouse.

The implementation of the recommendations left in 2016 was subject of assessment by the second International Evaluation and Review Mission of the Kimberley Process that worked in Maputo this week and Mozambique's membership to the initiative should be decided next month. "We also look at the institutional framework, the infrastructure and human resources. We also assessed the amount of diamonds that have been ascertained so far. We did the evaluation of the Maputo Airport cargo terminal to assess the level of control", added Shamiso Mtisi, who was speaking at the "Conference on the Role of Governance and International Standards in the Management of Natural Resources" organized by CDD in partnership with AIEL, with the support of the Ford Foundation.

Among the several actions that Mozambique has taken in the last years to be approved as a member of the Kimberley Process, the highlights are the visits to exchange technical experience with countries that are already members of this initiative, such as Russia, Angola, Botswana and South Africa; training of six technicians



Signing of a memorandum of understanding between AIEL and CDD

in diamond and gemstone identification at the International Gemology Institute in Antwerp, Belgium; training of five technicians in gold and other metals analysis, in Tanzania; training of four technicians in the Kimberley Process, diamond classification, Compliance and Due Diligence in Portugal. The launch of the Certificate of Origin for precious metals and gems and the Inviolable Packaging for sealing export shipments are also included.

Currently, Mozambique has 43 licenses for prospecting and research of diamonds and 79 applications in process, distributed among the provinces of Gaza, Manica, Cabo Delgado and Niassa. The respective holders are not investing in production due to the fact that Mozambique is not a member of the Kimberley Process. From the research work already done diamonds have been recovered which, for the same reason, cannot be exported.

Besides allowing the access of Mozambican diamonds to the international market, the Mozambique membership to the KP brings several advantages, such as the circulation in the national territory of diamonds of licit origin; export of diamond samples for laboratory tests and market research; stimulation of companies to develop diamond prospecting and research activities; creation of jobs; fight against smuggling of diamonds, precious metals and gems; attraction of investment; growth and diversification of

the country's economy.

For his part, Prof Adriano Nuvunga, Director of CDD, argued that the race for coal and heavy sands led Mozambique to neglect precious minerals. "In the last 20 years, Mozambique bet a lot on the megaprojects of the mining sector, especially coal and heavy sands (Nampula, Zambezia and Gaza). The state was neglecting the sub-sector of precious minerals such as gold, emeralds, and rubies that occur in many provinces. These precious minerals have been exploited by the formal and informal artisanal sector. Various sectors of government at different levels have an interest in the formal and informal sectors of precious mineral exploitation. The flourishing of legal and illegal mining in many provinces has been driven by people who are in the state and government at various levels and have mastery of the areas of occurrence and the business. Only recently has the state begun to pay attention to this subsector of precious minerals."

As part of the "Conference on the Role of Governance and International Standards in Natural Resource Management" and the visit of the second International KP Assessment and Review Mission, CDD and AIEL signed a memorandum of understanding in light of which the two civil society organizations will now work together on matters of governance, transparency and accountability in the extractive industry.

## “The uncontrolled exploitation and trafficking of diamonds foments the emergence of rebel groups that end up disputing power with legitimate governments,” Shamiso Mtisi, AIEL

During his intervention at the “Conference on the Role of Governance and International Standards in the Management of Natural Resources”, Shamiso Mtisi defended that Zimbabwe considers important the membership of Mozambique to the KP to guarantee its effective implementation. This is because there is occurrence of diamonds in the border zone between the two countries. “Diamonds are bought on the Zimbabwean side of the border and introduced into Mozambique, through Manica province, and from here they go to Tanzania and from there to Kenya. Having Mozambique as a member of the KP will make it possible to combat diamond trafficking



in the region, and thus prevent conflicts. The uncontrolled exploitation and trafficking of diamonds foments the emergence of rebel groups that end up disputing power with legitimate governments. And the subsequent conflicts cause serious human rights violations. Like any other, the KP also has its weaknesses, especially in controlling human rights violations. “There are conflicts that occur due to diamond exploitation in the communities, in addition to serious problems such as destruction of the environment, deplorable working conditions, violence played by state and non-state agents. Within the KP we are working to redefine the conflicts arising from diamond exploration.”

## “We think it is unfair to put civil society and companies on the same level in the Kimberley Process,” Farai Maguwu, Zimbabwe CNRG

“In the KP, civil society and businessman are considered observers. We think it is unfair to put them on the same level. The interests of businessman are different from those defended by civil society. Civil society promotes the rights of communities and human rights,” argued Farai Maguwu, Executive Director of the Zimbabwe Centre for Natural Resource Governance (CNRG), who was speaking about the role of civil society organizations at the Conference on the Role of Governance and International Standards in Natural Resource Management. Farai Maguwu noted that mining can be extremely violent for communities, as in many cases families are removed from their home areas without compensation. The removal is of-



ten done violently, involving defense and security forces. “Civil society has a duty to monitor and denounce the violations of rights in diamond mining areas. If the diamonds that occur in Mozambique are of alluvial origin - transported by rivers - they become easy to exploit. Because of the high levels of poverty, many people will flock to these areas to exploit the diamonds. And powerful people will come along to prohibit the exploitation by the communities. They will use everything in their power to prohibit exploitation by communities, and then the risk of human rights violations is greater. But if the diamonds are underground, it becomes difficult for communities to exploit them. And here the risk of human rights violation is reduced.”

## “We need a regional approach to ensure that our resources are translated into inclusive development,” Joyce Nyamukunda, PWYP of Zimbabwe

“The quality of governance is a determining factor in extractive industry based development. Transparency and accountability, are not an end in themselves, but a means to development outcomes, in the context of mining. Transparency builds trust between government and citizens, increases foreign direct investment, increases participation, and leads citizens to hold their rulers accountable. We need a regional approach by civil society or-



ganizations to promote good governance of mineral resources in the region. We need a regional approach to ensure that our mineral resources are translated into inclusive and sustainable development. The importance of transparency and accountability is not just about knowing what is happening or having information, the importance is to have sustainable development.”

## “Implementation of international natural resource management standards should reflect a commitment to act and do things right,” Américo Maluana, CDD Researcher

“Mozambique has large experience in implementing multisectoral natural resource governance platforms, due to the fact that has been an implementer of the Extractive Industry Transparency Initiative (EITI) for more than 10 years. Therefore, the conditions are created for the KP to be implemented in a more effective way and with an effective participation of the civil society. Both the EITI and the KP are clear examples of the importance of international standards in improving natural resource governance, through transparency and accountability, and in



conflict prevention. However, it is important that the Government does not implement these initiatives in isolation just for reputational gain for Mozambique and to be open to the international minerals market. The implementation of international standards of natural resource management must reflect a commitment to act and do things right. This implies implementing substantive reforms that address the problems that impede the transformation of natural resource wealth into development.”



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