



# 2014 Minerals Yearbook

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## CENTRAL AFRICAN REPUBLIC

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# THE MINERAL INDUSTRY OF THE CENTRAL AFRICAN REPUBLIC

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In 2014, the Central African Republic remained on temporary suspension from the Kimberley Process Certification Scheme and the Extractive Industries Transparency Initiative, and it was not legally trading in rough diamond. The temporary suspensions, which were the result of the continued civil unrest in the country, remained in effect throughout 2014.

In December 2012, a coalition of rebel groups, known as Séléka, launched an offensive attack against the Government, seizing several towns, including the strategic diamond mining town of Bria. Séléka overtook the capital city of Bangui on March 24, 2013, and overthrew the Government. On December 5, 2013, the United Nations Security Council raised concerns regarding the continuing deterioration of the security situation in the country and reported that it would consider imposing targeted measures against the Central African Republic, including measures against the illegal exploitation of diamond by armed groups. By yearend, the crisis was estimated to have caused the internal displacement of about 500,000 people. Despite the suspension of trade in rough diamond, diamond produced in the Central African Republic was still making its way into the international market (Jackson, 2013; United Nations Security Council, 2013; Kimberley Process Certification Scheme, 2014b; BBC News, 2015; Extractive Industries Transparency Initiative, 2015; Kimberley Process Rough Diamond Statistics, 2015; United Nations High Commissioner for Refugees, 2015).

In recent years (before the onset of the crisis), diamond and gold were the only mineral commodities for which production data had been reported in the Central African Republic. All diamond and gold production in the country was mined by artisanal miners from alluvial deposits. In 2014, the Kimberley Process Certification Scheme reported that the Central African Republic inventoried 31,933 carats of mined diamond. Production numbers for both diamond and gold were likely underreported, as illegal mining of both commodities had taken place to help finance rebel groups' activities. It was estimated that 140,000 carats of diamond had been smuggled out of the country in 2014. For many years, information about clay, quartz, and sand and gravel, which were also produced in the country, had been inadequate to make reliable estimates of domestic output (Flynn, 2014; Kimberley Process Certification Scheme, 2014a).

Prospects for growth in the Central African Republic's mineral sector hinged on the development of the country's gold and uranium deposits, but the ongoing security situation continued to hinder the progress of mining projects under development. AXMIN Inc. of Canada, which was in the process of securing financing for the development of the Passendro gold project, had to suspend operations in December 2012, after an armed group occupied the company's mining camp at

Ndassima and seized company property. The company remained committed to the future of the project; however, the residual value was written down to zero on December 31, 2013. During this period with the project on hold, artisanal miners had been illegally mining for gold on the premises of the Ndassima camp, digging tunnels and pits throughout the concession area. AXMIN reported that the activities of these artisanal miners had created unstable areas throughout the concession. In late August 2014, at least 25 artisanal miners died at the camp after heavy rainfall triggered the collapse of one of the mining pits. This was the second such incident in as many years (AXMIN Inc., 2014a; 2014b, p. 1–3).

In addition to the Passendro gold project, AXMIN also held interest in the Bambari 1 and Bambari 2 exploration concession areas. The Bambari and Passendro projects are located about 400 kilometers east of Bangui. In late 2013, the Government granted the company a 1-year extension of the Bambari 1 and Bambari 2 exploration license and a 1-year extension of the Passendro gold project mining license. Under the terms of the extensions, AXMIN had until August 6, 2014, to meet all fiscal commitments for the Bambari 1 and Bambari 2 exploration concession in order to continue its exploration operations and until January 10, 2015, to go forward to the production stage with the Passendro project. At yearend, the company had been unable to renew extensions for any of these licenses. The company continued to maintain its commitment to these projects in anticipation of a resolution to the current conflict (AXMIN Inc., 2015, p. 4).

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TABLE 1  
CENTRAL AFRICAN REPUBLIC: PRODUCTION OF MINERAL COMMODITIES<sup>1,2</sup>

Commodity		2010	2011	2012	2013	2014
Diamond <sup>3,4</sup>	carats	301,557	323,575	365,917	151,853 <sup>r,5</sup>	31,933 <sup>5</sup>
Gold, mine output, Au content <sup>6</sup>	kilograms	59	53	55	60 <sup>e</sup>	60 <sup>e</sup>

<sup>e</sup>Estimated; data are rounded to no more than three significant digits. <sup>r</sup>Revised.

<sup>1</sup>Table includes data available through October 13, 2015.

<sup>2</sup>In addition to the commodities listed, the Central African Republic produced clay, quartz crystals, and sand and gravel, but information is inadequate to make reliable estimates of output.

<sup>3</sup>Production is approximately 70% to 80% gem-quality diamond.

<sup>4</sup>Reported by the Kimberley Process Certification Scheme.

<sup>5</sup>The Central African Republic was temporarily suspended from the Kimberley Process Certification Scheme and had not traded in rough diamond since 2013. In 2013, 118,946 carats was exported before May 23, and 32,906 carats was stored while the suspension was in effect. The 2014 production number is only for carats stored, as diamond that was illegally traded was not measured.

<sup>6</sup>Production was from artisanal mining.