



# 2015 Minerals Yearbook

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**CENTRAL AFRICAN REPUBLIC [ADVANCE RELEASE]**

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# THE MINERAL INDUSTRY OF THE CENTRAL AFRICAN REPUBLIC

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The Central African Republic remained in a state of civil unrest throughout 2015. As a result, United Nations Security Council (UNSC) sanctions on arms, assets, and travel remained in effect as of yearend. Additionally, the country remained on temporary suspension from the Extractive Industries Transparency Initiative. In July, the Kimberley Process Certification Scheme (KPCS) announced an administrative decision approving a plan that would allow for the resumption of trade in rough diamond in areas deemed to be compliant with KPCS standards. By yearend, the framework had not been fully completed and the legal trade of rough diamond had not resumed (Kimberley Process Certification Scheme, 2015a, b; Extractive Industries Transparency Initiative, 2016; What's in Blue, 2016).

The UNSC estimated that despite the suspension from the KPCS, diamonds continued to make their way into the international market. A United Nations Group of Experts estimated that 140,000 carats of diamond had been smuggled out of the country in 2014. A UNSC report found that illegal traders from Chad, the Democratic Republic of the Congo [Congo (Kinshasa)], and Sudan had come into the Central African Republic to purchase diamonds. Additionally, diamond and gold produced in the Central African Republic were traded illegally in hubs in Congo (Kinshasa) and Sudan, as well as through smuggling networks through Cameroon. Diamond trade domestically was legal, but buying houses were to keep all diamonds stored and labeled as to where they had been mined. Between July 2014 and June 2015, about 4,800 carats of diamond had sold domestically. In 2014, the KPCS reported that the Central African Republic stored 31,933 carats of mined diamond; however, more recent estimates reported by the credit insurance company Coface SA indicated that inventoried diamond was as much as 70,000 carats (Flynn, 2014; Kimberley Process Certification Scheme, 2014; United Nations Security Council, 2015, p. 28, 29, 46, 48; Coface SA, 2016).

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 had halted all exploration and development in the country, except at AXMIN Inc. of Canada's Passendro gold project. AXMIN was in the process of securing financing for continued development of the Passendro gold project. AXMIN 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 development of the project. AXMIN had been granted an

extension on commencement of development and preproduction work that expired in January 2015. As the political situation remained unstable, the company had been working with the Government to extend the exemption but, by yearend, they were still in negotiations. Additionally, the company continued to negotiate extensions for exploration licenses for the Bamabari 1 and Bamabari 2 concession areas (AXMIN Inc., 2014, p. 1–3; 2016, p. 4).

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

Commodity	2011	2012	2013	2014	2015 <sup>c</sup>
Diamond <sup>3</sup>	323,575 <sup>4</sup>	365,917 <sup>4</sup>	151,853 <sup>4,5</sup>	31,933 <sup>4,5</sup>	36,000
Gold, mine output, Au content <sup>6</sup>	53	55	60 <sup>e</sup>	60 <sup>e</sup>	60

<sup>c</sup>Estimated; estimated data are rounded to no more than three significant digits.

<sup>1</sup>Table includes data available through August 31, 2016.

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

<sup>3</sup>Production was 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 under a temporary suspension from the Kimberley Process Certification Scheme and had not traded in rough diamond since 2013. In 2013, 118,946 carats were exported before May 23, and 32,906 carats were being stored while the suspension was in effect. In 2014, production is only for carats stored, as those illegally traded were not measured.

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