



USAID's Zahabu Safi (Clean Gold) Project

USAID's Zahabu Safi (Clean Gold) Project is an economic development initiative implemented in partnership with the United States Agency for International Development (USAID) in the Democratic Republic of the Congo (DRC). The goal of the project is to establish a conflict-free artisanal and small-scale mining (ASM) gold supply chain originating from eastern DRC. Launched in 2018, the five-year program builds on recent successes achieved by donor-funded initiatives to export responsibly-produced gold to jewelry buyers in North America and Europe.

The program is being implemented by Global Communities in collaboration with Levin Sources, Better Chain and RCS Global Upstream Ltd.

This project contributes to the broader US government goal of reducing instability in the DRC – which has more than 1,100 minerals worth nearly \$24 trillion – by providing commercial opportunities to artisanal miners by linking them to responsible gold buyers in international markets, or by strengthening local partnerships between artisanal mining cooperatives and established institutional investors/anchor institutions within the DRC.

Global Communities, along with selected leading experts in the DRC artisanal mining sector, are providing overall strategic guidance and are using proven tools to improve the governance and business operations of ASM gold cooperatives. The three primary objectives of the program are to:

1. increase demand for and co-investment in responsibly-sourced ASM gold from eastern DRC;
2. increase exports responsibly-sourced ASM gold from eastern DRC; and
3. improve the commercial-viability of ASM gold cooperatives.

Buyer Engagement: Supply Chain Linkages

We increase the reputation, visibility and availability of responsibly-sourced artisanal gold from eastern DRC through facilitated engagements with gold refiners, jewelers, retailers and other downstream supply chain actors interested in purchasing responsibly-sourced gold from the DRC. This is based on targeted and ongoing market research produced by the Project on critical supply chain segments and specific target sales geographies.

Export Facilitation: Due Diligence and Traceability

We strengthen the capacity of ASM cooperatives, traders and exporters to participate in/conduct due diligence that adheres to international and regional standards, and thus increase the availability of traceable, conflict-free ASM gold – specifically following the DRC's Initiative de Traçabilité de l'Or d'Exploitation Artisanale (ITO), International Conference of the Great Lakes Region (ICGLR) and Organisation for Economic Cooperation and Development (OECD) requirements for responsible sourcing of gold from Conflict-Affected and High Risk Areas (CAHRAs).



Supplier Development: Exporter and Cooperative Strengthening

We apply Global Communities' tested, participatory model for cooperative development, featuring a five-pronged approach to working with cooperatives to improve their governance and business practices, resulting in an increase in cooperative incomes and member equity.

Finance and Investment Facilitation: Commercial and Community

We work with local and multinational banks, and other companies interested in making catalytic and strategic investments in ASM communities. We are also seeking to leverage up to US\$4M in investment in the ASM supply chains supported by the project, through investments made via our Responsible Gold Innovation Facility (RGIF).

Key Messages

Who are we?

We are a **multi-million dollar, multi-geography, multi-year, multi-faceted** partnership designed to establish a responsibly-sourced artisanal gold supply chain that originates from eastern DRC which benefits all stakeholders along the chain.

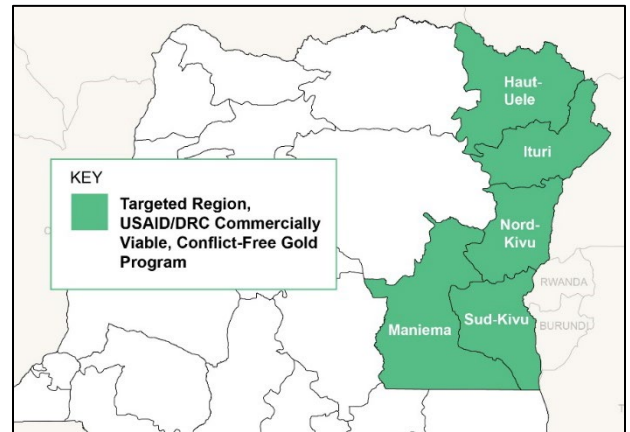
Our project is an **umbrella for bringing together learning and best practices, existing expertise, and new ideas**. We are reaching out to other entities who are already working in the ASM gold sector in Eastern DRC in order to **collaborate**.

How do we work?

We are **partnering with the Government of DRC** in program delivery, particularly as it relates to the implementation of the national traceability system, ITOA. In addition, we are:

- Taking a **market-led, whole of supply chain approach** by engaging private companies across the entire **ASM gold market system**.
- **Guided by ongoing market research and analysis as well as monitoring, evaluation and**

learning from implementation and adaptive management based on that learning. This means



that our activities are fully embedded in the realities of various markets and market segments.

- **Testing a variety of business models and solutions** to facilitate trade and investment in responsible sourcing of artisanal gold.
- Establishing a **US\$1M Responsible Gold Innovation Facility (RGIF)** in seed funding from our program budget which is being used to “crowd in” additional private sector investments into project-supported supply chains to unlock barriers to trade, as well as social investments in ASM communities.

What does success look like?

We want to scale supply chain models that work so that they have impact in sourcing communities. In addition, by the end of the project we hope to:

- **Increase the volume of responsibly-sourced artisanal gold** from eastern DRC.
- Find the sweet spot that both **meets the demands of the responsible downstream market and benefits upstream actors and communities** involved in responsible gold supply chains.
- **Demonstrate multiple models for responsible, licit ASM gold exports from DRC** that promote continued engagement and growth in this sector.

For more information about the program, please contact:

Nikki Duncan, Technical Director and Chief of Party USAID's Zahabu Safi (Clean Gold) Project
NDuncan@globalcommunities.org