

**CASE STUDY #1**

ASSOCIATION OF WOMEN IN MINING IN AFRICA JEWELRY PROJECT

AUTHOR(S): Mzamose Gondwe,* Herizo *Harimalala* Tsiverisoa,* Salma Kundi**

ORGANIZATION(S): *Association of Women in Mining in Africa, **Tanzania Women in Mining Association

INTRODUCTION

African gemstones and metals contribute to a growing multibillion jewelry industry with global sales estimated at US\$279 billion in 2018 and expected to rise over 70 percent to US\$480.5 billion by 2025 (O’Connell 2020). The jewelry retail industry ranges from high-end luxury products, such as earrings, watches, and necklaces made of precious stones like diamond, ruby, and gold to fashion jewelry made of non-precious metals, stones, and other materials. Industrialization of Africa’s mineral wealth to capture a share of the burgeoning jewelry market can therefore be a driving force in catalyzing a range of regional development frameworks. These include the Africa Mining Vision (AU 2009), Agenda 2063 (AUC 2015), the African Continental Free Trade Agreement (AfCFTA 2018) and SDG8 to “Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.” However, these continent-wide goals cannot be fully realized unless there are responsible jewelry supply chains that provide economic opportunities and decent work for women. The Association of Women in Mining in Africa (AWIMA) Jewelry Project is working to create regional jewelry value chains that economically empower women and give them a fairer share of the multi-billion-dollar global jewelry industry.

Association of Women in Mining in Africa

AWIMA is a network of African women in mining, oil, and gas national associations. It was created in August 2014 in Nairobi, Kenya during the African Women Business Linkages Forum organized by the African Union Commission and the United Nations Development Programme (AUC 2014). This network of over 30 national associations from all regions of Africa advocates for the participation, representation, leadership, and inclusive empowerment of women in the region's extractives sector. Given the large numbers of women engaged in the artisanal mining of metals and minerals found in jewelry—estimated to be between 30-50 percent of the global ASM workforce (UNECA 2002; Delve, 2020)—and that women are the main target market for jewelry, AWIMA has embarked on a jewelry project (Box 3). The first phase of which (March-September 2020) was to undertake an online survey open to all African women in the jewelry value chain to fill key data gaps.

Data gaps in the gemstone value chain

Across the Africa region, the majority of colored gemstones are mined artisanally and move through opaque value chains controlled by a limited number of companies with widespread informality and limited government oversight (Shortell and Irwin 2017). The colored gemstone sector varies significantly from other commodities—deposits are often small in very remote locations; estimating the potential and reserve require technical expertise; the variation in size and quality make standardized pricing difficult; and they can be low volume but high value. This combination results in thousands of small producers connected through a network of traders and dealers with producers mining in very hazardous conditions, receiving a fraction of the market value, and undervalued informal exports to Asian and Western markets where value is added (Chichester et al. 2018; Lawson and Lahiri-Dutt 2019).

BOX 3. The AWIMA Jewelry Project

The AWIMA Jewelry Project will establish an online jewelry hub and manufacture jewelry. The hub will connect producers, traders, and jewelers through a virtual marketplace for knowledge exchange, networking, and trade. AWIMA Jewelry products—brooches and earrings will be manufactured from responsibly sourced African gemstones and metals, mined and produced by African women, and sold domestically and internationally. The AWIMA Jewelry brand aims to celebrate the courage and resilience of African women in mining, showcase the diversity and splendor of African gemstones, highlight excellence in design skills, and demonstrate formidable craftwomanship with proceeds supporting economic and social justice for women in mining.

There are three phases of the AWIMA Jewelry Project:

1. An online survey open to all African women in the jewelry value chain. The survey will provide important data on the number, position, and challenges of women in the jewelry.
2. A jewelry design competition informed by phase one to engage African jewelers and select AWIMA Jewelry designs.
3. Production, marketing and sale of AWIMA Jewelry through responsible, regional, women owned jewelry value chains.

There is a lack of reliable and up-to-date economic, social, and technical country data on the artisanal colored gemstone value chain needed to answer fundamental questions:

- **Accurate data on gemstone quantities and quality.** How much is mined and where? How much is exported of rough stones, cut stones, and finished jewelry? What are the destination countries? What are the trading routes?¹
- **Accessible and up-to-date geological and gemological maps.** These are needed to estimate the reserve and gemstone potential.
- **Databases on gemological characteristics of African gemstones and their location of origin.** This is crucial as the origin of gemstones is one of the main criteria that influences the price and can allow tracking of gemstones in the global market.
- **Gemstone revenue.** How much do miners sell the stones for? How is the price determined? What are the margins for traders? How much tax does the government receive or is lost? What is the value of domestic jewelry industries?
- **Beneficiation.** What is the level of investment in and availability of equipment? Where are locations of value adding centers and market hubs? How many gemstone cutters and faceters are there and what is their level of skill and qualification? What are the existing training programs and the outcomes of trainees?
- **Market.** What are the market profiles of end consumers—both domestic and international?
- **Finance.** How are artisanal mines and businesses along the value chain financed? What is the level of financial literacy and business management of stakeholders in the gemstone value chain?
- **Women's participation.** What roles do women occupy in the jewelry value chain? What are the barriers to entry and success for women in the jewelry value chain?

Improving the availability of these data, disaggregated by gender, would not only help develop a deep understanding of how women engage in the sector, their barriers and enablers, but is also crucial in developing a responsible, transparent jewelry value chain that addresses the relevant targets and indicators of SDG8. For example, data on the level and type of investment needed for beneficiation equipment and training programs can support increased levels of economic productivity through technological upgrading, helping as per target 8.2. While gemstone sorting, cutting, and jewelry production can help achieve full and productive employment and decent work as per target 8.5 due to the fact that it can be a cottage industry suitable for women and persons with disabilities that enables them to work in productive and safe environments. Another example is target 8.9 to devise and promote policies for sustainable tourism through links to jewelry. Tanzania is well known for its tanzanite and wilderness adventures. Understanding market segments and creating tailored tourism campaigns that feature responsibly produced local jewelry value chains can support SDG 8.9—sustainable tourism.

Initial survey results—Tanzania

Paramount in efforts to understand African women in the jewelry value chain is involving women in mining associations in data collection efforts as well as in the design, implementation, and monitoring of program interventions from the outset. Indeed, an initial online survey conducted in March 2020 with the Tanzania Women Miners Association (TAWOMA) as part of Phase 1 of the AWIMA Jewelry Project provided rich insights on the number and role of women engaged at different levels of the supply chain. The survey found that among the TAWOMA membership there were 50 gold mines and 10 gemstone mines (extracting almandite, citrines, garnet, and tourmalines) owned by women, 40+ traders and buyers, 50 working in the fashion industry, and up to ten members working as lapidaries cutting and polishing gemstones.

In addition to this discrete data, the open-ended questions allowed for further details on the type of support needed to be captured in the survey:

“Our women are present in every point of the supply chain. The information our women need to help them have a more successful business are the following: geological survey data; knowledge on gemstones and metals; technical skills in mining, mineral processing, gemstone value addition jewelry making/ metalsmithing and business skills”

(SALMA KUNDI, GENERAL SECRETARY, TAWOMA)

The time is now

The AWIMA Jewelry Project and its quest to fill key data gaps to understand African women in the jewelry value chain come at a critical time. Growing global interest from consumers, jewelers (for example Chicago Responsible Jewelry Conference and Ethical Metalsmiths), and international organizations such as the OECD and Responsibly Jewelry

Council in responsible jewelry supply chains is creating the opportunity to change along the supply chain. However, among these stakeholders, governments are lagging behind. Oftentimes, governments are quick to enact bans on rough stone exports but fail to fully take on the responsibility of supporting collection of reliable and accurate data that can inform meaningful national and regional gemstone sector strategies. Many countries (for example Ethiopia, Madagascar, and Malawi) have sophisticated gemology labs, workshops, qualified gemologists, and lapidarists but political incentives to support these structures are lacking. Armed with the data needed to demonstrate their investment-potential and a better understanding of African women in the jewelry value chain, initiatives such as the AWIMA Jewelry Project can enable a transparent and responsible jewelry industry that creates safe, decent and economic opportunities for women.

END NOTES

1 National data on gemstones are available through some organizations such as the United States Geological Survey (USGS) and Geological Institute of Thailand (GIT) as well as through paid for services and reports or through enquiries with mineral trade departments in exporting countries like Hong Kong, India, Sri Lanka, Switzerland, Thailand, and USA with export transactions reported annually. However, most African countries of origin lack credible data due to smuggling. To get data, one would have to look at different destination country databases to try and estimate export data which is further compounded by not all countries having national data or making them publicly available.

REFERENCES

AfCFTA (African Continental Free Trade Agreement). 2018. *Agreement establishing the African Continental Free Trade Area*. <https://www.tralac.org/documents/resources/cfta/1963-agreement-establishing-the-afcfta-consolidated-text-signed-21-march-2018/file.html>

AU (African Union). 2009. *Africa Mining Vision*. African Union. http://www.africaminingvision.org/amv_resources/AMV/Africa_Mining_Vision_English.pdf

AUC (African Union Commission). 2014. African Women Business Linkages Forum, 18-20 August 2014, Nairobi, Kenya. Draft Work Program. https://au.int/sites/default/files/newsevents/programmes/14606-pg-latest_draft_work_prog_nairobi_rev_17_august_2014.pdf

AUC (African Union Commission). 2015. *Agenda 2063: The Africa We Want* (Popular version). African Union Commission. https://au.int/Agenda2063/popular_version

Chichester, O., Davis Pluess, J., and Momaya, H. 2018. "Women in the Jewelry Supply Chain." White Paper. BSR, San Francisco. <https://www.bsr.org/en/our-insights/report-view/women-jewelry-supply-chain-landscape-review-barriers-economic-empowerment>

Delve. 2020. Delve. <https://delvedata-base.org/>

Lawson, L. and Lahiri-Dutt, K. 2020. "Women sapphire traders in Madagascar: Challenges and opportunities for empowerment." *The Extractive Industries and Society* 7(2): 405-411 <https://doi.org/10.1016/j.exis.2019.07.009>.

O'Connell, L. 2020. *Global Jewelry Market—Statistics & Facts*. Statista. <https://www.statista.com/topics/5163/jewelry-market-worldwide/>

Shortell, P., and Irwin E. 2017. *Governing the Gemstone Sector: Lessons from Global Experience*. <https://resource-governance.org/analysis-tools/publications/governing-gemstone-sector-lessons-global-experience>

UNECA (United Nations Economic Commission for Africa). 2002. *Compendium on best practices in small-scale mining in Africa*. Addis Ababa: United Nations Economic Commission for Africa. <http://repository.uneca.org/handle/10855/5447>