

Culprits or scapegoats?

Revisiting the role of Belgian mineral traders in eastern DRC

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Broederlijk Delen 
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Editorial

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Caption photo Front Page: The yard of a buying house (comptoir) in Goma . (IPIS 2008)

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Executive summary

Ever since the eruption of the second Congo war in August 1998, the mining sector in eastern DRC has been under the scrutiny of UN Sanctions Committees, academics, NGOs, and local and international media, who have been worried and disturbed by the links between natural resource exploitation and armed conflict in the region. Both state and non-state armed actors are deriving benefit from the local mining business by levying taxes on mineral exports, by selling minerals for their own profit, and by trading mining rights for financial and military support.

The present report aims to clarify the position and responsibility of Belgian mineral traders in the area. Our purpose is not only to shed more light on the activities of Trademet and Traxys, the two companies featuring in the latest UN report, but also to discuss the activities of two other companies that have received less attention so far, namely Services and Trading International (STI) and Société pour le Développement et l'Expansion d'Entreprises (SDE).

In the first part of our report, we offer a description of the context in which the mineral trade takes place. We discuss the current state of affairs in the global trade in tin and tantalum, present an outline of the mineral trade in the Kivu region and give a brief description of the local security situation. In the second part of our report, we concentrate on the involvement of Belgian traders in the mineral business of eastern DRC. Our main intention is to provide the reader with a profile of each of these traders. As far as possible, we also present some information on the Congolese suppliers of the Belgian traders.

This paper aims to feed the ongoing debate on the accountability of commercial stakeholders in eastern DRC and on possible solutions to break the link between the mineral trade and the financing of armed actors. IPIS agrees with most observers that a total embargo on mineral exports from eastern DRC would not only be impracticable, but also detrimental to the livelihoods of the local population and hence the security situation in the region. However, this does not imply that commercial stakeholders are not to be held accountable if their activities have, directly or indirectly, financed rebel movements. IPIS also believes that governments of countries where international mineral traders are established can play an advisory and sensitizing role vis-à-vis these companies with regard to their liabilities under international and national criminal law when they operate in a conflict zone such as eastern DRC. This would also enhance such governments' credibility as peace-brokers in the region and adjust the persistent perception among many local stakeholders that foreign business interests are more valuable than peace.

Our research findings show that Traxys and Trademet in 2007/2008 were by far the most important foreign buyers of cassiterite and coltan in Goma and Bukavu. One would suspect that, given their economic prominence and long-standing presence in the region, they would not only have a privileged knowledge of the local commodity chain, but also considerable leverage to influence it in a positive manner. The traders concerned reacted defensively to accusations laid out in the December 2008 report of the UN Panel of Experts. The Panel asserted that, through certain suppliers (*comptoirs*), they knowingly purchased minerals from mines controlled by non-state armed groups such as the FDLR. During our investigation we have unfortunately not been in a position to confirm or deny such claims through documented evidence. Nevertheless, we deplore that 13 years after the start of the first Congo war, such naming and shaming exercises still seem to be necessary to prompt a more transparent and constructive engagement on behalf of commercial stakeholders in the region.

Looking forward, however, there are indications that the traders under scrutiny are willing to contribute in a more pro-active manner to a sustainable solution to the issue of conflict related minerals. This creates a window of opportunity for all stakeholders to become involved in a concerted effort to enhance transparency and accountability in the mineral sector of the eastern DRC.

In our view, a crucial first step forward is to create a transparent, publicly accessible and regularly updated database with reliable information on the local commodity chain. IPIS is currently laying the groundwork of such a database through a pilot project in the Kivus. To further protect the legitimate trade, which, we repeat, is vital for the socio-economic fabric and security of the region, a credible traceability system should be devised. While there seems to be a preparedness among certain local stakeholders to step up due diligence efforts, even if it involves a third party verification mechanism, one should realize that in the long term such efforts can only be successful if they are supported by the Congolese government, MONUC, multi- and bilateral donors, and the DRC's neighbors. The crux of the matter is the huge challenge the Congolese authorities face as far as controlling the eastern part of the country is concerned. To achieve this, security sector reform and regional political cooperation of course are key. In the case of the mineral sector, donors should support a strong deployment of mandated state agencies such as the CEEC, SAESSCAM, OFIDA and the Mines Administration.

Contents

1. Introduction	5
2. Context	7
2.1. The global tin trade	7
2.2 The global tantalum trade	7
2.3 The mineral trade in the Kivu region	8
2.4 The security situation in the Kivu region	8
3. Case studies on Belgian mineral traders	11
3.1 Traxys S.A.	12
3.2 Société pour le Développement et l'Expansion d'Entreprises (SDE)	14
3.3 Trademet S.A.	14
3.4 Services and Trading International (STI)	18
4. Conclusions	19
Annex Letter FEC-UN	20

1. Introduction

Ever since the eruption of the second Congo war in August 1998, the mining sector in eastern DRC has been under scrutiny of UN Sanctions Committees, academics, NGOs, and local and international media, who are worried and disturbed by the links between natural resource exploitation and armed conflict in the region. It is argued that both state and non-state armed actors are deriving benefit from the local mining business by levying taxes on mineral exports, by selling minerals for their own profit, and by trading mining rights for financial and military support¹.

In a recent UN report, serious allegations are made against Belgian companies involved in the trading of cassiterite and coltan. First, it is asserted that, for several years, the Belgian company Trademet worked with and pre-financed Munsad, a Goma-based comptoir run by Damien Munyarugerero, who is said to be close to Laurent Nkunda's CNDP². Second, it is contended that, in 2007, the Belgian company Traxys was one of the two only importers of cassiterite and coltan from Olive, Muyeye, WMC and MDM, 4 Bukavu-based comptoirs suspected of pre-financing *négociants* (=middlemen) who are working closely together with the FDLR³.

The UN Panel of Experts recommends that, on the one hand, member states work together with local and international NGOs to draw a map of mineral-rich zones and armed groups in eastern DRC in order to do away with the uncertainty about the connection between the mineral trade and the war economy, while, on the other hand, it also urges member states to take appropriate measures to ensure that exporters and consumers of Congolese mineral products under their jurisdiction conduct due diligence on their suppliers⁴.

As an NGO specialized in research on the exploitation of natural resources and the financing of conflicts in Central Africa, IPIS wants to support the efforts of the UN to make the mineral business in eastern DRC more transparent. Two of our researchers, who are specialized in the use of maps to analyze and discuss war motives in conflict areas, are currently in the Kivu region to collect new data on militarised mining. In addition to this, the present report aims to help the UN to get a better idea of the position of Belgian mineral traders in the area. The purpose of the report is not only to shed more light on the activities of *Trademet* and *Traxys*, the two companies featuring in the latest UN report (cfr. *supra*), but also to clarify the role of two other companies that have received no attention so far, namely *Services and Trading International (STI)* and *Société pour le Développement et l'Expansion d'Entreprises*.

The extensive field experience in the region of our team, and our local network of contacts and informants allowed us to gather a considerable amount of information during a relatively short visit to Goma in October 2008. In the field, we mainly conducted interviews with business actors and officials from various relevant governmental agencies. Because of the sensitivity of the issue and a considerable deal of negative press in the past, commercial stakeholders generally met us with caution. Repeated contacts, however, in many cases created a more 'comfortable' environment in which the exchange of information became smoother. Government agents in DRC in general showed an immediate willingness to contribute to our research, providing us, among other things, with statistics of the minerals trade in Goma and Bukavu. This left us with the hopeful impression that there is a fair amount of good will locally to sanitize the mining sector. It should be noted that we made an effort to supplement the information gathered during our fieldwork with data collected from the Belgian National Bank, the Belgian State Monitor and the Luxemburg trade register (*register de commerce et des sociétés*).

In the first part of our report, we offer a description of the context in which the mineral trade takes place. We discuss the current state of affairs in the global trade in tin and tantalum, present an outline of the mineral trade in the Kivu region and give a brief description of the local security situa-



Barrels filled with minerals carrying the addresses of international mineral traders (IPIS 2008)

¹ Between 2001 and 2003, a UN Panel of Experts published several reports on the Congolese war economy (see: Interim Report, 16 January 2001 (S/2001/49); Report, 12 April 2001 (S/2001/357); Addendum Report, 13 November 2001 (S/2001/1072); Interim Report, 22 May 2002 (S/2002/565); Report, 16 October 2002 (S/2002/1146); Addendum, 20 June 2003 (S/2002/1146/Add. I); Report, 23 October 2003 (S/2003/1027). Among the academics who have been studying the war economy in eastern DRC one finds Koen Vlassenroot, Timothy Raeymaekers, Michael Nest, Stephen Jackson, Luca Jourdan and Sara Geenen. NGOs specialized in research on this issue include Global Witness, Southern Africa Resource Watch, Pole Institute and International Peace Information Service (IPIS). Finally, media coverage of the problem has been provided by the BBC, Channel Four, The Guardian, Mail & Guardian, Le Potentiel etc.

² S/2008/773: § 59-60. Annex 11 of the report shows an export certificate according to which, in June 2008, a charge of coltan with a gross weight of 4.132 kg and an estimated total value of 34.000 USD was sent by Munsad to Trademet.

³ S/2008/773: § 78; § 88.

⁴ S/2008/773: recommendation 13, page 56

tion. In the second part of our report, we concentrate on the involvement of Belgian traders in the mineral business of eastern DRC. Our main intention is to provide the reader with a profile of each of these traders. As far as possible, we also present some information on the Congolese suppliers of the Belgian traders.

Our research findings show that Traxys and Trademet in 2007/2008 were by far the most important foreign buyers of cassiterite and coltan in Goma and Bukavu. One would suspect that, given their economic prominence and long-standing presence in the region, they would not only have a privileged knowledge of the local commodity chain, but also considerable leverage to influence it in a positive manner. The traders concerned reacted defensively on accusations laid out in the most recent report of the UN Panel of Experts. The Panel asserted that, through certain suppliers (comptoirs), they knowingly purchased minerals from mines controlled by non-state armed groups such as the FDLR. During our investigation we have unfortunately not been in a position to confirm or deny such claims through documented evidence. Nevertheless, we deplore that 13 years after the start of the first Congo war, such naming and shaming exercises still seem to be necessary to prompt a more transparent and constructive engagement on behalf of commercial stakeholders in the region.

The publication of this IPIS report coincides with the decision of Traxys to stop the purchase of minerals originating from North Kivu, South Kivu and Maniema. In a letter addressed to the UN Panel of Experts, dated 24 April 2009, the company's management explained that the discontinuance of Traxys' activities in eastern DRC was due to three factors: Traxys' inability to convince the Panel of Experts that it did not buy minerals from areas occupied by illegal armed groups, the suggestion of the UN Panel of Experts that stopping the acquisition of minerals coming from those areas was the only acceptable solution to the problem, and, finally, the company's repeated but unsuccessful attempts to collaborate with the UN Panel of Experts in working out a protocol for the purchase of raw materials from eastern DRC that would be satisfactory to the United Nations. Although the authors of the letter regretted that their position in the local mineral market would probably be taken by *'entities or individuals of smaller size who are unlikely to share the principles of the international community in terms of ethics or the quality of counterpart diligence that Traxys has demonstrated in the past'*, they nevertheless emphasized Traxys' continued willingness to contribute to the development of a system of source verification on Congolese territory⁵.

Traxys' decision to stop its activities in eastern DRC gives food for thought. First, there can be no doubt that the news about Traxys' departure will be a blow to the Congolese buying houses that have been collaborating with the company, sometimes even for a period of several years. These comptoirs will have to look for new partnerships with other international trading companies, a search that is likely to be rather troublesome given the continued insecurity in the Kivus and the unfavourable international market conditions at the moment. Second, a number of well-informed observers of the mining sector in eastern DRC told IPIS that there is a risk that Traxys' announcement may have a domino effect. In other words, that it may push other traders to follow Traxys' example, for fear that they will incur reputational damage if they decide to remain active in a known war zone while one of their main competitors has already left. The same observers fear that, if such a 'domino scenario' materializes, several Congolese comptoirs will be forced to shut down their operations, which, in turn, will have a paralysing effect on artisanal mining activities throughout the region. We are rather sceptical about predictions of a general exodus of international mineral traders from eastern DRC – even after the publication of previous reports by the UN and NGOs monitoring the Congolese mineral business, companies such as Afrimex and Sogem (Traxys' predecessor) carried on with their activities in the same manner as before. However, we do believe that there should be more awareness among policy-makers and international companies on the effects of macro-level decisions on the micro-level livelihoods of people in the DRC. One can wonder, for instance, what will be the reaction of artisanal miners when they hear rumors about comptoirs planning to shut down their operations as a result of the withdrawal of a major international mineral trader.

Having said this, IPIS hopes that Traxys' announcement will serve as a wake-up call to all the stakeholders in the mineral business in eastern DRC. Finding a long-term and structural solution to the problem of natural resource exploitation in the war-torn Kivu region is urgent and should no longer be delayed if the international community is serious about allowing the Congolese to use their minerals as a source for development and to establish a stronger connection with the global economy than is hitherto the case. Given the large number of human rights abuses in the vicinity of certain mines and the fact that members of both state and non-state armed groups continue to illicitly enrich themselves through the mineral business, it is absolutely necessary to strengthen the authority of the state in eastern DRC, to enhance the performance of the state institutions supervising the mining sector, and, finally, to create a solid certification and mineral traceability system as well as a regularly updated database about militarized mining sites to make sure that 'clean' minerals can be separated from 'dirty' minerals in an objective manner.

Although it is beyond the scope of this report to present an overview of the gold business in the Kivus, it should be noted that gold is becoming more and more important and that it is likely to develop into a far more significant source of revenues for state and non-state actors than the trade in coltan and cassiterite. Equally noteworthy is the fact that a substantial part of the minerals exported by Bukavu-based comptoirs originate from a non-conflict zone in Northern Katanga.

⁵ Letter from Traxys to the UN Panel of Experts, 24 April 2009.

2. Context

2.1. The global tin trade

Cassiterite is one of the ores from which tin is made. Tin has various applications, including solders, stabilizers in PVC, coating of other metals to prevent corrosion, and production of circuit boards, dental fillings and fire retardants. As a result of new environmental regulations in Japan and Western Europe that obliged manufacturers to use tin instead of lead in solders on printed circuit boards, there was a significant price increase in the period before the eruption of the global financial crisis. In the first half of 2004, when consumers showed an exaggerated response to the threat of a supply shortfall, the world consumption of tin rose by 14%. At a certain point, tin became the best performing metal on the London Metal Exchange and, between August 2002 and May 2004, tin prices tripled, reaching a ten-year high of US\$9.600 per tonne metal in May 2004⁶. In May 2008, prices reached an absolute peak of US\$24.052 per tonne metal, due to a combination of increased demand worldwide and erratic supply situations in some countries. Remarkably, the higher tin prices gave rise to openings and expansions of tin mines and tin smelters in countries such as Australia, Bolivia, Canada and Thailand⁷. From May 2008 onwards, however, a steep decline of the tin price began and early 2009 decline still has not stopped.

According to the Trading for Peace report, which was published in 2006, the mines of Walikale produced some 10.600 tonnes of cassiterite and that the estimated cassiterite exports from the DRC amounted to some 16.870 tonnes⁸. The US Geological Service is more conservative and wrote that in 2008 the Democratic Republic of Congo produced 3.000t of tin. In that same year, the USGS ranking of the world's major tin producers looked as follows:

China	150.000t
Indonesia	100.000t
Peru	38.000t
Bolivia	16.000t
Brazil	12.000t
Vietnam	3.500t

2.2 The global tantalum trade

From coltan ore, two precious metals can be extracted: on the one hand, tantalum, and, on the other hand, columbium or niobium. Tantalum is used for the production of capacitors that are required for electronic goods such as personal computers and mobile phones⁹. Niobium is used in heat-resistant steel as well as in glass alloys in the construction industry. In spite of the fact that Australia is currently considered as the largest coltan producer in the world, it is important to bear in mind that 80% of the world's coltan reserves probably are situated in Africa, and, significantly, 80% of these reserves are thought to be found in the DRC. Due to the growth in the electronics sector after 2000, global consumption of coltan soared within a few months time¹⁰.

At the time of writing, it is expected that the global financial crisis and the ensuing economic slowdown will result in reduced tantalum material consumption, price and production¹¹. Nevertheless, some observers believe that the crisis may boost the demand for coltan from Congo. According to the Australian company Talison, which, on 26 November 2008, announced its decision to suspend tantalum production at the Wodgina mine, it is likely that the trend to reduce material costs in the electronic supply chain will encourage demand for tantalite from Central Africa, where it *'is available at relatively low prices because it is often mined illegally or without regard and commitment to health, safety, environment and labour conditions and frequently transported in contravention of international regulations'*.^{12'}

⁶ 'Under-mining peace. Tin: the explosive trade in cassiterite in eastern DRC', Global Witness, June 2005: 14.

⁷ US Geological Survey, mineral commodity summaries (tin): 173

⁸ 'Trading for Peace', Department for International Development, London October 2007: 17.

⁹ 'Under-mining peace. Tin: the explosive trade in cassiterite in eastern DRC', Global Witness, June 2005: 13.

¹⁰ 'Supporting the war economy in eastern DRC: European companies and the coltan trade', IPIS January 2002: 8.

¹¹ USGS Mineral Commodity Summary (tantalum) 2009: 165.

¹² 'Talison to suspend Wodgina tantalum operations', Talison Media Release, 26 November 2008. One of the companies that has shown an interest in the coltan reserves in eastern DRC is the Canadian junior Shamika Resources (see: www.shamikaresources.com/minerals.cfm).

The US Geological Survey reported that the ranking of the world's major tantalum producers looked as follows in the year 2008:

Australia	435t
Brazil	180t
Ethiopia	77t
Canada	45t
Rwanda	42t
Other ¹	36t

¹ This category includes Burundi, DR Congo, Nigeria, Uganda and Zimbabwe.

2.3 The mineral trade in the Kivu region

Most of the coltan and cassiterite originating from the hinterlands of North and South Kivu, North Katanga¹³ and Maniema transits through Goma and Bukavu before being exported to destinations outside the DRC. While the most important coltan mines are situated in the *territoires* of Kalehe, Mwenga, Shabunda and Masisi, the most important cassiterite mine can be found in the *territoire* of Walikale¹⁴.

The Kivu provinces have several border crossings with Uganda (Kasindi, Ishasha, Bunagana), Rwanda (Goma-Grande Barrière, Bukavu-Cyangugu) and Burundi (Uvira). It is a well-known fact that, ever since the Mobutu era, the Congolese state has lost large amounts of revenue from fraudulent export of primary commodities such as minerals¹⁵. This can be explained by a wide variety of factors, including the lack of tax harmonization among the different countries in the Great Lakes region¹⁶, the corrupt behaviour of public servants overseeing the local mineral trade¹⁷, the growth and expansion of transborder trading networks during the war¹⁸ and the ease with which goods such as gold can be secretly transported by individual carriers¹⁹.

As far as the official exports of minerals from the Kivu region are concerned, Goma constituted the most important exit point for cassiterite and wolframite in 2008, whereas Bukavu was the most important exit point for coltan.

Exports from Goma, from January to September 2008 (in tons) (Source: Division des Mines)

Cassiterite	Coltan	Wolframite
10.902,71	31,445	324,42

Exports from Bukavu for the year 2008 (in tons) (Source: Fédération des Entreprises du Congo, South Kivu)

Cassiterite	Coltan	Wolframite
5.663,32	421,73	167,6

2.4 The security situation in the Kivu region

The situation in the Kivu region never really calmed down after the recent wars in Congo (1996-1997 and 1998-2003). It deteriorated again in the run-up to the national and provincial elections in 2006. With the political balance shifting away from the *Rassemblement Congolais pour la Démocratie* (RCD-Goma), the former rebel movement propped up by Rwanda, members of the once marginalized Nande, Hunde and Nyanga groups started supporting Kabila and competing for positions and economic privileges. For their part, members of the Tutsi community, who had supported the RCD during the war, started sympathizing with Laurent Nkunda, who had been fighting in the military wing of the RCD and in whom they saw an ally in their struggle to protect their economic assets and to prevent their enemies from

¹³ One of the companies that is doing business in North Katanga is Kivu Resources, which was created in January 2007. It owns Mining and Processing Congo (MPC) in the DRC, Metal & Processing Association (MPA) in Rwanda and Central African Resources (CAR) which had an option to acquire 80% of the Congolese mining parastatal Sakima. Sakima/CAR holds mining permits in Maniema, North and South Kivu. MPC holds exploration permits in Kivu and in the region between Manono and Mitwaba in Katanga (see: www.kivuresources.com).

¹⁴ See the interactive IPIS maps at www.ipisresearch.be/maps/Oost-Congo/web/index.html.

¹⁵ 'The real economy of Zaire: the contribution of smuggling & other unofficial activities to national wealth', Janet MacGaffey (1991): 17-18.

¹⁶ Sources in the Congolese mineral business told IPIS that, instead of using an export tax system, Rwanda charges an annual tax of 10% on company profits. Consequently, people in the DRC do not feel encouraged to export their goods in an official manner (they prefer to smuggle them to Rwanda).

¹⁷ See 'Rules for sale. Formal and informal cross-border trade in Eastern DRC', Pole Institute, May 2007. In this report, it is estimated that the accumulated taxes and levies along the road from Walikale to Goma amount to 10 to 15% of the export value of the minerals.

¹⁸ See 'The power of protection: governance and transborder trade on the Congo-Ugandan frontier', Timothy Raeymaekers 2007, unpublished PhD Thesis, University of Ghent.

¹⁹ According to a report on the economy in eastern DRC commissioned by DFID, USAID and COMESA, a very significant proportion – at least 50% – of exports from the DRC is not recorded by government officials in the way they should be – partly because traders and officials under-declare exports in order to avoid paying taxes and charges, partly because of bureaucratic weaknesses and poor governance among government organizations (source: 'Trading for peace: achieving security and poverty reduction through trade in natural resources in the Great Lakes region', Hilary Sunman & Nick Bates, October 2007: 4).

taking revenge on them for the atrocities committed by the RCD and its allies during the war²⁰.

During the election period, the renegade general Nkunda showed political ambitions and presented himself as the political protector of all minorities in the region, although, in reality, his *Congrès National pour la Défense du Peuple* (CNDP) only defended the interests of the Tutsi community. Nkunda said his troops would only integrate into the national army on the express condition that the FDLR rebels, a politico-military movement composed of former soldiers of the *Forces Armées Rwandaises* (ex-FAR), ex-Interahamwe militiamen and Hutu civilians who fled their country in the wake of the invasion of Rwanda by the Rwandan Patriotic Front in 1994²¹, would be eradicated. Another condition sine qua non for the military integration was that the 45.000 Congolese Tutsi living in refugee camps in Rwanda had to be able to return to the Kivus and retake their lands. Nkunda suspected all non-Tutsi of being associated with the FDLR rebels, whom he accused of preparing another genocide against the Tutsi²².

On 24 November 2006, three days before the announcement of Kabila's election victory, a Tutsi businessman close to Nkunda was shot dead at a checkpoint near Sake, a small town some 30 km from Goma. Nkunda took revenge by seizing Sake, a move that convinced MONUC to use attack helicopters and infantry against Nkunda's troops. The Sake incident gave rise to a series of violent confrontations between the FARDC and Nkunda's army, while it also forced over 100.000 people to flee between November 2006 and January 2007²³.

On 31 December 2006 and 4 January 2007, secret talks were held between Laurent Nkunda and John Numbi, Kabila's air force chief-of-staff, about Nkunda's amnesty and the modalities of integrating Nkunda's troops into the Congolese national army. After the two parties had concluded a ceasefire agreement, Nkunda gave his go-ahead for the integration of the 81st and 83rd brigades into the FARDC's 110th, 106th and 1st North Kivu reserve brigades²⁴.

However, the agreement between Nkunda and the Kinshasa government was not well received by several groups of actors: first by local communities in the Kivus, who had fallen victim to atrocities committed by Nkunda's troops in the past; then by members of the Bashi business and civil society lobby from South Kivu, who were displeased at the preferential treatment given to Tutsi soldiers, by Goma-based Tutsi businessmen, who accused Nkunda of only taking care of his personal interests, and, finally, by ordinary citizens in the rest of the DRC, who did not understand why a well-known ally of Rwanda was given the opportunity to strengthen his position in North Kivu²⁵, to bring more Rwandan soldiers into the country and to move the Kivus back into Kigali's sphere of influence²⁶.

The factor that eventually led to the collapse of the mixage process was the use of excessive violence by the aforementioned mixed brigades during attacks on villages controlled by the FDLR between mid-April and mid-May 2007. In a reaction against these abuses, the *Patriotes Résistants du Congo* (PARECO), a newly created anti-Tutsi militia composed of a Hutu faction and several Mai Mai groups, teamed up with the FDLR to fight against Nkunda's troops, who, on their turn, retaliated by burning several villages around Ngungu and Katoyi and forcing tens of thousands civilians to run for their lives. Things went from bad to worse after Nkunda used a national television interview on 5 May 2007 to announce the end of the mixage process, denouncing the lack of logistical support during the operations against the FDLR as well as Kinshasa's refusal to legalize the CNDP, withdraw the arrest warrant against him and negotiate on the return of refugees from Rwanda²⁷.

In spite of the conclusion of the Nairobi and Goma agreements of November 2007 and January 2008 and the establishment of the so-called Amani programme, intended to create the right conditions for the restoration of peace and security and for the reconstruction of the provinces of North and South Kivu²⁸, there was renewed tension in North Kivu from the middle of 2008 onwards²⁹. In September and October 2008, Nkunda's CNDP went into the offensive against the FARDC and the militias supported by the latter, such as the FDLR³⁰. The CNDP started marching on Goma in late October, but instead of attacking the city, it declared a ceasefire and asked the Congolese government to engage in political negotiations. In spite of attempts by the UN and other external parties to reach a negotiated solution for the problem, the talks arrived at an impasse by mid-December³¹.

In January 2009, a dramatic change occurred in the security situation in North Kivu. On January 20 the Rwandan army deployed into Congo's territory but, this time, together with the FARDC, the Congolese army. The two countries agreed to launch this joint military operation, called Umoja Wetu, in early December 2008. Preparations were kept secret. Top

²⁰ 'Congo: bringing the peace to North Kivu', International Crisis Group, Africa Report nr. 133, 31 October 2007: 1; 7.

²¹ 'Mapping conflict motives: eastern DRC', Steven Spittaels & Filip Hilgert, International Peace Information Service, 4 March 2008: 8.

²² 'Congo: bringing the peace to North Kivu', International Crisis Group, Africa Report nr. 133, 31 October 2007: 7.

²³ Ibidem: 8.

²⁴ Ibidem: 8-9.

²⁵ 'Trouble in Eastern DRC: the Nkunda factor', Stephanie Wolters, Situation Report, Institute for Security Studies, 3 September 2007.

²⁶ 'Congo: bringing the peace to North Kivu', International Crisis Group, Africa Report nr. 133, 31 October 2007: 9.

²⁷ Ibidem: 11.

²⁸ 'Kabila répond à Nkunda', La Prospérité, 19 September 2008; 'Création par le chef d'état d'un programme Amani de sécurisation, pacification, stabilisation et reconstruction du Kivu', ACP, 4 February 2008.

²⁹ 'Assessing security sector reform and its impact on the Kivu provinces', ISS situation report, 26 November 2008, Hans Hoebeke & Henri Boshoff & Koen Vlassenroot: 7.

³⁰ 'Guerre au Nord-Kivu: Laurent Nkunda attaque de nouveau les FARDC près de Manono', Le Potentiel, 6 September 2008.

³¹ 'Congo's dangerous crossroads', Enough Project, 30 January 2009.

politicians in Kinshasa were not informed and the UN-force MONUC was barred from taking part in the operation. The claimed purpose was to eliminate the Rwandan Hutu rebel force FDLR in North Kivu. But Umoja Wetu announced its first victory after only two days when, on 22 January, renegade general Laurent Nkunda was arrested, shortly after he had crossed the border with Rwanda. This arrest was part of a deal between the presidents Kabila of Congo and Kagame of Rwanda: while Rwanda promised to help Congo with the elimination of the CNDP leader, Congo pledged to assist Rwanda in ousting the FDLR from North Kivu³². Following many weeks of fighting, the Rwandan troops withdrew from Congolese territory at the end of February. Despite the fact that thousands of FDLR rebels continued to roam around in the area, Rwanda's Foreign Minister said that the majority of the FDLR combatants had been dislodged from North Kivu³³.

On 23 March 2009, the Congolese government signed a peace deal with the CNDP, an agreement that was supposed to lead to the latter's transformation into a political party. The accord further stipulated that former CNDP soldiers would be integrated into the Congolese national army or in a new police force³⁴.

It must be noted that the international community closely followed the evolutions in the Kivus. Following contacts between a delegation from the Kivu civil society and Obama's campaigning team in August 2008, the newly elected American president encouraged Congo and Rwanda to reach an understanding and to end the instability in Eastern Congo³⁵. Furthermore, the former US Assistant Secretary Herman Cohen and the French president Sarkozy both proposed to solve the issue of resource exploitation in eastern DRC by creating an economic common market encompassing Congo, Rwanda, Burundi, Kenya, Tanzania and Uganda, a proposal that was almost unanimously rejected by the Congolese media because it was believed to create the risk of confirming the dominance of Rwanda-backed economic operators in the Kivus³⁶.

³² 'Civilians at risk from further fighting after Nkunda's arrest', IRIN, 26 January 2009.

³³ 'War against rebels not over despite troop withdrawal', IRIN, 2 March 2009.

³⁴ 'DRC: Kivus move closer to peace, but risks remain', IRIN, 26 March 2009.

³⁵ 'Congo-Rwanda: le premier succès diplomatique de Barack Obama', Colette Braeckman, 6 March 2009, <http://blogs.lesoir.be/colette-braeckman>

³⁶ 'Can Africa trade its way to peace?', Herman J. Cohen, Op-Ed New York Times, December 16 2008; 'Herman Cohen piège Obama et la RDC', Le Potentiel, December 29 2008; 'Présentation des vœux du Corps Diplomatique. Discours du président Nicolas Sarkozy', 16 January 2009; 'Sarkozy veut dépêcher la RDC', Le Potentiel, 20 January 2009.

3. Case studies on Belgian mineral traders

Judging by statistics from the *Division Provinciale des Mines* (Provincial Mining Division) in Goma, Belgian companies were the biggest buyers of cassiterite and wolframite in 2007 and during the first three quarters of 2008. Moreover, they also ranked second in the list of foreign coltan buyers, leaving the first position to companies from Hong Kong³⁷.

	Q1-3 2008 ²	rank	%	2007	rank	%
Cassiterite						
Belgium	5,985.47	1	54.9 ³	7,660.6	1	75.3
Rwanda	972	2	8.9	1,068.8	2	10.5
India	856	3	7.9	82	7	0.80
Hong Kong	833.9	4	7.6	186.9	6	1.83
Thailand	769.9	5	7	189.9	5	1.87
Russia	700.59	6	6.4	22.9	11	0.22
Canada	463.79	7	4.2			
Austria	144	8	1.3	68	8	0.67
Malaysia	132.06	9	1.2	308.4	4	3.03
United Kingdom	45	10	0.4	520.5	3	5.1
China				40	9	0.39
Holland				24.2	10	0.24
Wolframite						
Belgium	258.42	1	79.7	418.2	1	58.2
Hong Kong	66	2	20.3	89.3	3	12.42
Holland				95.5	2	13.28
Austria				74.7	4	10.4
UAE				21	5	2.92
Russia				20	6	2.78
Coltan						
Hong Kong	18.41	1	58.6	60.8	1	81.9
Belgium	13.035	2	41.4			
S. Africa				13.4	2	18.1

² Source: Statistiques des exportations à partir de Goma en 2007 par comptoir ou société et pays de destination avec adresse des acheteurs. Province du Nord-Kivu. Division Provinciale des Mines et Géologie, Goma. Idem du 1er janvier au 30 septembre 2008.

³ According to our calculations, total cassiterite exports add up to 11.503,71 tonnes from Q1 until the end of Q3 2008, of which the Belgian buyers took 6586,47 tonnes or 57,25%.

Two Belgian traders are dominant in Goma and Bukavu. These are Traxys Belgium and Trademet. They are or were partly supplied by two other Belgian traders: Traxys by SDE and Trademet by STI.

In the following sections, we will not only provide the reader with general background information about the Belgian traders but we will also discuss their collaboration with a number of Congolese comptoirs in Goma and Bukavu. These are buying houses that operate at the interface between the local and the international mineral business. What makes these comptoirs interesting to investigate is that they act as intermediaries between, on the one hand, Congolese négociants who enter the mines to do business with the diggers, and, on the other hand, international traders who sell the minerals to processing plants in different parts of the world. Thanks to their intermediate position between the local level and the international level, the comptoirs have the advantage of being well informed about the latest developments on the global commodity market as well as about the political and economic situation in North and South Kivu. Previous IPIS research has shown that there have been cases of comptoirs that were directly or indirectly controlled by armed groups hoping to establish a direct link with the global economy. Therefore, it is of vital importance to gather information about who runs the comptoirs and where they buy their minerals. The reader will notice that we will not discuss all the comptoirs the Belgian traders have been collaborating with, but that we will focus on those players who have been willing to talk to us during our field trip to the DRC.

³⁷ Although we do not have similar statistics for the years before 2007, the Division Provinciale des Mines told us that, in 2006 and 2007, Belgian companies were also the first exporters of cassiterite and wolframite. Nevertheless, in 2007, there was a diversification of the foreign buyers in North Kivu.

3.1 Traxys S.A.

Traxys is the first company on which IPIS has gathered information in the context of this research project³⁸. According to the information presented on its website, Traxys was created in 2003, following the merger of Sogem and Considar. While Sogem was previously owned by Umicore, serving as a marketing, distribution and trading group involved in base metals and concentrates and focusing on Europe, Africa and Asia, Considar used to be a division of Arcelor, serving the steel industry through the sourcing of ferro-alloys and other specialty metals and focusing primarily on the North American market. In 2006, two private equity firms, Pegasus Capital Advisors and Kelso & Company, sponsored a buy-out whereby both Arcelor and Umicore sold a majority stake in Traxys to the management of Traxys. After this operation, the names of Sogem and Considar were formally replaced with that of Traxys³⁹.

Traxys' main activities in cassiterite and tantalite in the DRC are situated in Goma and Bukavu. The following table, which is based on data from the *Division des Mines*, gives an overview of the available data on Traxys' mineral purchases in the two provincial capitals in the past two years:

Goma 2007

Comptoirs	Substance	Exported quantity (tonnes)
WMC	Cassiterite	162.5
Metachem	Cassiterite	(split with Trademet and a company from Thailand) 286.7
	Scoria	10 (none to Traxys)
Hua Ying	Cassiterite	(split with Trademet) 89.3
	Scoria	
Gemico	Cassiterite	40
JMT	Cassiterite	(split with companies from China, India & Thailand) 343 (255 to Traxys)
	Scoria	97 (none to Traxys)

Goma 2008

Comptoirs	Substance	Exported quantity (tonnes)
Hua Ying	Cassiterite	1,148.9
Gemico	Cassiterite	39.8
Kivu Metal	Coltan	5.035
WMC	Cassiterite	162

Bukavu 2007

Comptoir	Substance	Exported quantity (tonnes)
WMC	Cassiterite	1,131.3
Groupe Olive	Cassiterite	270
MDM	Cassiterite	232.2

Gemico

Gemico Sprl was created by Aaron Shabani Asumani and Donald R. Bernard in January 2006. While Asumani is a businessman from the Maniema province who was among the founders of Jean-Pierre Bemba's *Mouvement de Libération du Congo*⁴⁰, Bernard is a retired commander of the US Navy Submarine Service, a professor of international law and an attorney. He combines the chairmanship of Gemico with the chairmanship of the American company Glacial Energy LLC, while living and working both in Montana and the DRC⁴¹.

In 2006, Gemico signed leasing contracts with the Congolese mining parastatal *Société Aurifère du Kivu Maniema*

³⁸ Traxys Belgium is a Société Anonyme with the Belgian registration BE 0479.799.315.

³⁹ Source: <http://www.traxys.com/Gui/Content.aspx?Page=OurHistory>

⁴⁰ 'Tin: Local inhabitants shun Gemico', Africa Mining Intelligence nr. 157, 6 June 2007.

⁴¹ Information from the Gemico website (www.gemico.cd) and from a website on which a book co-authored by Bernard is being advertised (<http://www.trafford.com/07-3098>).

(SAKIMA) to develop 6 mining concessions in exchange for a monthly rent of US\$7.500 for each concession⁴², though it was not very clear what status SAKIMA had at that moment⁴³. In the Maniema province, near the town of Punia, these agreements gave rise to a conflict with local artisanal miners, who were forbidden to mine and to trade cassiterite by the local authorities. According to the miners, the authorities took the decision at the instigation of Gemico⁴⁴. In order to calm things down, Gemico announced investments worth US\$ 2,5 million in the fields of agriculture, road construction and healthcare in May 2007⁴⁵.

During a telephone interview with IPIS, Asumani said that his involvement in the MLC had been very limited, as he had already left the movement two months after joining it. With regard to his collaboration with the American businessman Bernard, he explained that the two of them had met in the US a long time ago and that they had developed a strong business relationship ever since. According to his own account, Asumani was the one who convinced Bernard to become active in the mineral business in Eastern DRC. As far as Gemico's dispute with the artisanal miners in Maniema is concerned, Asumani stated that the latter had been working in the SAKIMA concession illegally. He maintained that Gemico's efforts to remove them from the concession in a peaceful manner had been complicated by what he described as the rabble-rousing of comptoirs run by Rwandan and Ugandan businessmen. Apparently, these businessmen had stirred up the diggers against Gemico, because they did not like the idea that they would no longer be able to buy minerals coming from that particular concession. Notwithstanding the dispute with the diggers, Gemico still decided to offer some of them a permanent contract. The company maintained that, due to the global financial crisis, it was recently forced to send 500 of its 1000 employees on technical unemployment and that it was hoping to take them back on board once the economic climate starts to improve. Asumani said he was glad that his company operated in a non conflict zone in Maniema and he showed satisfaction with the security work carried out by the FARDC and the Congolese national police force⁴⁶.

MDM

MDM is the second comptoir Traxys has collaborated with. MDM is an acronym for Mudekereza-Defays-Minerais. The company is run by the Congolese entrepreneur Namegabe Mudekereza and the Belgian businessman Michel Defays. In addition to being active in the mineral business, Mudekereza also exports agricultural products and manages a number of quinine plantations in the regions of Kalehe, Walungu and Kabare⁴⁷.

Having been accused of buying minerals from FDLR-controlled mines⁴⁸ in the latest UN report, Namegabe Mudekereza wrote a letter to the Secretary-General of the United Nations on 24 December 2008, signing in his capacity as the president of the provincial council of the *Fédération des Entreprises du Congo* (FEC) in South Kivu (see annex). In the letter, he stated that the members of the FEC division under his direction had already held several meetings to discuss the issue of artisanal mining. According to Mudekereza, they had tried to increase the transparency concerning the origin of the minerals, as requested by Dinesh Mahtani, a member of the UN Group of Experts, during a meeting on 31 July 2008. Given these efforts, he found it hard to understand why the Bukavu-based comptoirs were still being criticized in the UN report. In order to show that he was still prepared to make a positive contribution to the debate about the resource problem in eastern DRC, he finished his letter with an enumeration of a number of proposals, put forward by members of the FEC division in South Kivu⁴⁹.

WMC

The World Mining Company (WMC), the third comptoir that used to supply cassiterite to Traxys, has been accused in the latest UN report of pre-financing négociants who are working together with the FDLR⁵⁰. The company is managed by Edouard Kitambala⁵¹ and is one of the main buyers of cassiterite in the town of Numbi, situated in the *territoire* Kalehe in South Kivu. What makes the latter acquisitions problematic, according to the UN Panel of Experts, is the fact that most of the minerals coming into Numbi originate from FDLR- and PARECO-controlled mines in the area⁵². In addition to buying cassiterite in the controversial town of Numbi, WMC is also purchasing cassiterite in the town of Lemera, where FDLR soldiers operating in the Itombwe region are allegedly selling their cassiterite, gold and coltan⁵³.

Apparently communication within different UN bodies is not always effective. In December 2008, the same month that

⁴² 'Rapport de la commission de revisitation des contrats miniers de la RDC', Vol. 1: 171.

⁴³ According to Nicholas Garrett, the company was wound up in 2002 (source: 'Walikale. Artisanal cassiterite mining and trade', Nicholas Garrett, CASM, 30 April 2008: 14.

⁴⁴ 'Tin: Local inhabitants shun Gemico', Africa Mining Intelligence nr. 157, 6 June 2007.

⁴⁵ Ibidem

⁴⁶ Telephone interview with Asumani, 5 May 2009.

⁴⁷ 'Supporting the war economy in the DRC: European companies and the coltan trade', Jeroen Cuvelier & Tim Raeymaekers (2002): 13.

⁴⁸ S/2008/773: §84; §85.

⁴⁹ Letter from Namegabe Mudekereza to the Secretary-General of the United Nations, 24 December 2008.

⁵⁰ S/2008/773: §78.

⁵¹ S/2008/773: §80.

⁵² S/2008/773: §81.

⁵³ S/2008/773: §85.

the UN Group of Experts accused his company of buying minerals originating from FDLR-controlled mines⁵⁴, Edouard Kitambala was paid an amount of \$42.000 for real estate services by MONUC. On the website of the UN procurement division, which gives an overview of the purchase order awards for field missions in 2008, the payment to Kitambala is listed under the reference number 9KIN-200133.

Without elaborating on the details of the contract, Kitambala confirmed that he had concluded an agreement with MONUC for the letting of a building. He preferred not to comment on the UN report published in December 2008 and told IPIS that everything he had to say on the matter was discussed in the letter by Namegabe Mudekereza, the president of the FEC division of South Kivu (cfr. supra).

3.2 Société pour le Développement et l'Expansion d'Entreprises (SDE)

The second company of which we examined the activities, is the *Société pour le Développement et l'Expansion d'Entreprises* (SDE). IPIS was told by SDE's manager, Mr. Edwin Raes, that SDE delivers all the cassiterite it buys in Goma to Traxys. SDE is part of the Elwyn Blattner Group Int. (GBE), a conglomerate of 20 companies in the DRC. Its administrators are James and Elwyn Blattner⁵⁵, two American-Italian businessmen with addresses in Kinshasa⁵⁶. Apart from serving as a Brussels-based logistic centre that supplies the other GBE-companies with spare parts, chemicals and other necessities, SDE also markets the minerals from the Goma-based comptoir Sodexmines, which has Lebanese management⁵⁷. The close collaboration between SDE and Sodexmines can be explained by the fact that GBE – to which SDE belongs – has a 50% stake in Sodexmines⁵⁸.

With regard to the subject of this paper, it is interesting to note that Sodexmines, which buys minerals in North Kivu and Maniema and has its own concessions in Katanga (Malemba Nkulu), is the most important cassiterite comptoir in Goma. While, in 2007, it bought 2.974 tons of cassiterite, in 2008, it purchased 2.731 tons of the same mineral.

When asked for a reaction to Traxys' decision to put a stop to its activities in Eastern DRC, Raes said that it would be difficult for him and his Congolese partners to continue on their own. He was worried that, due to the global financial and economic crisis, Sodexmines would have a hard time finding new buyers for its minerals. On a more general note, he regretted that the withdrawal of companies such as Traxys was likely to have a negative effect on the ongoing efforts of the Congolese authorities and the international community to make the mineral business more transparent. In his view, some of the Chinese and South African companies that were about to become active on the local mineral market were far less concerned about human rights and transparency issues than companies such as Traxys and SDE. Finally, Raes informed IPIS that his company had obtained a licence for the exploration of a concession in Northern Katanga, with the idea of selling Katangese cassiterite in the near future⁵⁹.

3.3 Trademet S.A.

Trademet, the third Belgian company examined by IPIS, was established in 1989, has its registered address in Grez-Doiceau (about 30 kilometres from Brussels) and employs only two people⁶⁰. Since 1991, the company has been a member of the Minor Metals Trade Association (MMTA), an organization founded in 1973 and claiming to be the world's largest association concerned with minor metals⁶¹. According to the information on the MMTA website, Trademet mainly trades in tantalite and cassiterite, though it also deals in noble alloys and minor metals. From a geographical point of view, the company operates worldwide, but it has specific interests in Africa, the Far East and Europe⁶².

Freddy Muylaert, the founder of Trademet, told IPIS that he first cooperated with the Braine L'Alleud-based mineral trader Sudamin before he moved on to develop his own business, which started its activities in Burundi. During the early years of its existence, Trademet chiefly occupied itself with the wholesale trade in non-ferrous scrap as well as with the distribution of non-ferrous metals in Europe, including lead, calcium, antimony, arsenic, selenium, bismuth,

⁵⁴ See S/2008/773: 79; 82; 85; 86.

⁵⁵ According to FinnWatch, the Blattner's other Congo-based businesses include construction, road building, telecommunications, aviation, trucking, port services and agriculture. They have been operating in Congo for the past 46 years and appear to have bought some of their best assets after the Mobutu regime seized them from their Belgian owners in the beginning of the 1970s ('Connecting components, dividing communities: tin production for consumer electronics in the DR Congo and Indonesia', FinnWatch, December 2007: 37-38).

⁵⁶ Elwyn Blattner is the son of James Blattner. Source: SDE Annual Report 2007. SDE's registration number as a Belgian 'société anonyme' is BE 0407.142.949. It has a capital of €247.894.

⁵⁷ Sodexmines is directed by Mr. Basem El Ali. According to FinnWatch, he is a Lebanese businessman with a British passport. He is said to have entered the North Kivu mineral market from Kinshasa in 2005 (source: 'Connecting components, dividing communities: tin production for consumer electronics in the DR Congo and Indonesia', FinnWatch, December 2007: 36).

⁵⁸ Interview with Edwin Raes (SDE) in Brussels, 7 January 2009, and with Basem El Ali (Sodexmines) in Goma, 24 April 2009.

⁵⁹ Telephone interview with Edwin Raes, 5 May 2009.

⁶⁰ Trademet's Belgian registration is BE 0433.369.076.

⁶¹ Information from the MMTA website: www.mmta.co.uk/about/history

⁶² Information from the MMTA website: www.mmta.co.uk/members/memberDetails

tellurium and alloys⁶³. In the DRC, Trademet's initial focus was on coltan. It was not until 7 or 8 years ago that it switched its attention to cassiterite. Most of Trademet's minerals are shipped to customers in Malaysia, Thailand and China. Muy-laert's British correspondent is Michael Winterton, with whom he has a long-standing working relationship⁶⁴.

The following table gives an overview of the comptoirs Trademet has been collaborating with in 2007 and in the first three quarters of 2008⁶⁵:

2007

Comptoirs	Type of mineral	Exported quantity (tonnes)
Amur	Cassiterite	2,500.5
	Wolframite	418.2
	Scoria	20
Munsad	Cassiterite	315
	Scoria	25
Clepad	Cassiterite	539.1
Avisam Trading	Cassiterite	278.5
La Comète	Cassiterite	48.3

2008 (Quarters 1-2-3)

Amur	Cassiterite	1,774.2
	Wolframite	219.12
Clepad	Cassiterite	932.1
MIM	Cassiterite	64.47
Munsad	Cassiterite	212
	Coltan	8
Hill Side	Cassiterite	110.9
	Wolframite	15.3

Munsad

The first Congolese *comptoir* selling minerals to Trademet is Munsad. While, on 19 May 1999, it was registered in the trade register of the *tribunal de grande instance* in Goma, on 18 December 2004, it was enrolled at the national level⁶⁶. Damien Munyarugerero, the businessman in charge of Munsad, was involved in various economic activities before entering the mineral business. Apart from selling fresh meat along the Masisi-Goma-Kinshasa axis and being involved in air transport through the company Kivu Air Transport sprl, he traded in petrol products, lubricants and second-hand clothing through the company Azimut sprl⁶⁷.

In 2008, Munsad in Goma exported 3 shipments of coltan (totalling 13 tons) and 234 tons of cassiterite. According to the Munsad management, the cassiterite came from Kindu, Punia and Kalima in the Maniema Province, from Manono in Katanga and to a lesser extent from Walikale. It was supplied from Maniema by two (groups of) *négociants*: 'Les Katentula' for Maniema and Mbusa-Makalikali for Manono and Walikale. For each of them, Munsad pays US\$500 a year for a middleman card (*carte de négociant*). The coltan originates from Bibatama in Masisi, where Munsad buys its coltan from Muneza Nkundiye and Karemera Kabatsi. Once again, Munsad paid for their *Cartes de Négociant*. The coltan export licence was issued on 23 June 2008.

According to Munyarugerero, Munsad was instrumental in the creation of COOPERAMMA (*Coopérative des Exploitants Artisanaux Miniers de Masisi*), a cooperative society of artisanal miners recognized by the authorities of North Kivu⁶⁸.

⁶³ Up until today, Trademet's trade in non-ferrous metal continues (personal communication with Freddy Muylaert, 7 April 2009).

⁶⁴ Interview with Freddy Muylaert in Grez-Doiceau, 14 November 2008

⁶⁵ As we have already pointed out earlier in this report, STI bought 25 tons of cassiterite from the Hill Side comptoir in 2007. Since this cargo was subsequently delivered to Trademet, it should be considered as part of Trademet's cassiterite purchases for that year. (Interview with Freddy Muylaert in Grez-Doiceau, 14 November 2008).

⁶⁶ Munsad's Register of Commerce number is NRC 2209. Its immatriculation dates from 19 May 1999. On 16 April 2004 Munsad was granted official recognition by the Transitional government but the national identification 5-93-N42673R dates from 18 December 2004.

⁶⁷ Interview with Damien Munyarugerero on 22 April 2009 in Goma.

⁶⁸ N° Agrément N01/053/CAB-GV-NK/08

This cooperative signed an agreement on 3 September 2005 with Bazinga Kabano and Hitimana Gabyura Pierre to exploit the Bibatama D3-concession. Munyarugerero says that his négociants Muneza and Karemera are members of COOPERAMMA too. He denies having been supplied with minerals by Bayose Senkoko and Mboni Habarugira, two people given permission by the CNDP to exploit part of an adjacent concession at Bibatama, according to the UN Panel of Experts. Furthermore, Munyarugerero strongly denies having friendly links with the CNDP or its leader Laurent Nkunda. "How", asked Munyarugerero when meeting with one of the authors of this report, "can I be friends with those who have destroyed my milk- and cheese-factory?"⁶⁹

One source maintained that the information about Munsad's alleged links with the CNDP in the latest UN report came from one of the parties involved in a series of land disputes in Masisi. A first element that should be subjected to further investigation is the fact that the concession exploited by Munsad's cooperative society COOPERAMMA is adjacent to a concession that has been the object of litigation between, on the one hand, Edouard Mwangachuchu, and, on the other hand, Mboni Habarugira and Bayose Senkoko (cfr. supra)⁷⁰.

Senator Mwangachuchu⁷¹, who was born and raised in Masisi, left North Kivu in 1995, after having fallen victim to anti-Tutsi violence encouraged by the Mobutu regime. Together with his wife and his six children, he was granted political asylum in the US in 1996. Two years later, during a return visit to his home region, he noticed that his cattle farm had been destroyed, but that it was still possible to capitalize on the land, which appeared to be rich in coltan. Teaming up with Robert Sussman, a former Baltimore-based physician whom he had met in a hotel in Goma in 1998, he started trading minerals through his company MHI (Mwangachuchu Hizi International)⁷².

In 2001, Mwangachuchu started an argument with Bayose Senkoko over the Mataba Hill, a very small but mineral-rich piece of land in Masisi. Three years earlier, on 29 May 1998, Senkoko had bought a plot at Mataba Hill measuring 5 by 12 metres from Sebuho Basharira for \$200. On 5 May 2001, Senkoko sold a piece of this land, measuring 6 by 8 metres, to Mbonigaba Buhoro. However, around the same time, the mining department of the RCD-Goma rebel movement delivered a coltan mining permit to Mwangachuchu, allowing him to exploit an area of 5 square kilometres called Bisunzu-Bibatama, which included the Mataba Hill. When Mwangachuchu paid 40.000\$ to Basharira to compensate him for the loss of Mataba Hill, the latter was taken to court by Senkoko and Buhoro, who accused him of having sold the same land twice: first to them and then to Mwangachuchu's company MHI. As the court ruled in favour of Senkoko and Buhoro, Sebuho was forced to pay them damages, while Mwangachuchu's MHI was ordered to stop mining at Mataba Hill. Yet, even after the Supreme Court rejected an appeal against this decision launched by Sebuho, Mwangachuchu continued his mining operations⁷³.

The second element that should be taken into account when one assesses Munyarugerero's alleged connections to the CNDP, is that, just like Mwangachuchu, he is trying hard to win back land he lost during the eruptions of anti-Tutsi violence in 1995, a pursuit that has made him a lot of enemies.

Munyarugerero insists that, before the riots of 1995, his father owned substantial pieces of land in the territory of Masisi, which he used for large-scale cattle breeding. He also maintains that his father's entire stock was destroyed 'as a result of the armed conflicts in the region'⁷⁴. While IPIS was unable to verify Munyarugerero's claims about the pre-1995 period, it did obtain a number of documents about his landownership in the period after 2004.

According to these documents, Munyarugerero bought three concessions in Masisi in 2004 and 2005: Rushengo (+/- 250 hectare) for an amount of 75.000\$, Kaniro (+/- 105 hectare) for an amount of 31.500\$ and Shungwe (+/- 180 hectare) for an amount of 54.000\$, which together make up the Ferme Agropastorale de Kabati⁷⁵. The person selling the three concessions to Munyarugerero was Pierre Pay-Pay wa Syakassighe, a prominent and well-known politician from North Kivu⁷⁶. Pay-Pay's political career started in the 1980s, when he twice led the department of national economy, industry and external trade and once the '*département de portefeuille*'. When Laurent-Désiré Kabila seized power in May 1997, he went into exile in Belgium. In April 2003, he was appointed as the high representative of the political opposition in the follow-up committee dealing with the Global and Inclusive Agreement on transition in the DRC, and

⁶⁹ Letter from Damien Munyarugerero to the Secretary-General of the United Nations, 21 December 2008; Interview with Damien Munyarugerero on 22 April 2009 in Goma.

⁷⁰ S/2008/773: §59.

⁷¹ In a report published on 4 March 2008, IPIS pointed out that Mwangachuchu's stakes in the mining business in Eastern DRC were twofold: on the one hand, he was one of the most important operators of the Numbi mine, which constituted a significant source of revenues for various belligerents, and, on the other hand, his company MHI (Mwangachuchu Hizi International) was the only one with an exploitation permit for the D2 site of the Mumba/ Bibatama mine, known to harbour deposits of cassiterite, coltan and wolframite and controlled by soldiers of the CNDP (source: '*Mapping conflict motives: Eastern DRC*', Steven Spittaels & Filip Hilgert, 4 March 2008: 25; 33).

⁷² '*The dirt in the new machine*', New York Times, 12 August 2001; Interview with Mwangachuchu, L'Observateur, 21 February 2008.

⁷³ '*Digging deeper: how the DR Congo's mining policy is failing the country*', Dominic Johnson & Aloys Tegera, December 2005: 43-44.

⁷⁴ Letter from Damien Munyarugerero to the Secretary-General of the United Nations, 21 December 2008.

⁷⁵ In the deed, which was signed on 5 January 2005, it was stipulated, amongst other things, that the assignor was obliged to evict the peasants settled in the concessions within a period of 6 months, while he was also bound to reimburse the price of whatever part of the concession that would turn out to be legally owned by a third party.

⁷⁶ On 2 November 1984, he was appointed as the chairman of the company *Gécamines commerciale*, and, between 12 April 1985 and 30 March 1991, he served as the governor of the national bank, the *Banque du Zaïre*. As a member of the political party UDI, he became the minister of finance in the Kengo-wa-Dongo government between 6 July 1994 and 26 February 1996.

in July 2003, he became a member of parliament as a representative of the unarmed political opposition. Having created, at the end of 2005, a political platform called Codeco (*Coalition des démocrates congolais*), he ran as a candidate in the presidential elections of 2006⁷⁷.

In order to understand the animosity about Munyarugerero's land acquisitions, one has to take into account that Masisi has been faced with local struggles for land for a very long time. Due to its location at the fertile highlands of North Kivu, the territory is potentially one of the richest and most productive parts of Central Africa. Apart from the fact that it offers the possibility of harvesting three times a year, the region also harbours vast water, food and energy supplies and it presents the right conditions for cattle ranching. During the years of Mobutu's patrimonial rule, a new class of 'rural capitalists' came into existence, which had disastrous consequences for large parts of the rural population in Masisi, who lost their parcels. From 1993 onwards, Masisi has witnessed eruptions of ethnic violence as well as an upsurge of militia activities, leading to massive displacement and the interruption of agricultural activities⁷⁸.

Finally, it is important to mention that Munyarugerero has business interests in Rwanda as well. Apart from owning a buying house for minerals and a refinery in Kigali, he also has a cassiterite mine in the Kayunza district and coltan mines in the districts of Gakenke and Muhanga.

Amur

Trademet's second supplier is the Goma-based comptoir Amur, which was created in 2004 and officially registered in 2006⁷⁹. Trademet helped Amur to start its activities two or three years ago by selling it second-hand equipment originating from Asia⁸⁰. Amur's memorandum of association, which was drawn up on 3 February 2006, mentions the names of two founding members: Antoine Ruteru Muhindagiga and Amani Bahali. IPIS has been able to establish that Muhindagiga hails from the isle of Idjwi in Lake Kivu, where he is said to be involved in the exploitation of one of the local mines⁸¹. As far as Amani Bahali is concerned, IPIS was told that he is the 12-year old son of a man named Bahali Mirindi. Bahali Mirindi is the younger brother of Janvier Kamwanya Bora Uzima, a former officer of the Forces Armées Zairoises, the national army under the Mobutu regime (see box).

BOX: THE EVENTFUL CAREER OF BORA UZIMA

Janvier Kamwanya Bora Uzima, who is a Havu from Idjwi, was born in Bukavu on 15 December 1958⁸². He was an officer in Mobutu's Division Spéciale Présidentielle and was trained in intelligence work. According to a report by the Congolese NGO Observatoire Gouvernance-Transparence, published in September 2003, Bora Uzima Kamwanya supplied military intelligence to Anselme Masasu Nindaga, the special advisor in charge of security issues with Kabila's rebel movement AFDL. After Kabila's take-over, Kamwanya was granted the position of *major-commandant*. In 1999-2000 he got into trouble because of his supposed links with the RCD-leaders Joseph Mudumbi and Bizima Karaha. On 16 January 2001, when president Laurent-Désiré Kabila was assassinated, Bora Uzima was suspected of having co-masterminded the murder. In an interview with IPIS, he defended himself saying that he left Congo in December 2000, asking for asylum in Congo Brazzaville but moving on to Nigeria to do business there. On 20 January 2001 however, four days after the assassination, while travelling from Nigeria to Kenya, he was arrested on board of a Cameroun Airlines airplane during a stop in Kinshasa, for his alleged involvement in the assassination of Kabila⁸³. He escaped in the night between 27 and 28 February 2001. Subsequently, he went to Bukavu, where he started recruiting troops among former members of Mudundu 40 and Kabila's child soldiers⁸⁴. Having joined the military structure of RCD-Goma, he was put forward as a candidate for the position of commander of one of the newly created military regions in August 2003. After he had moved to Kisangani, he got into trouble with the RCD-faction led by Azarias Ruberwa. According to Bora Uzima, the real reason behind this disagreement was that Ruberwa's faction was disturbed by the fact that he was "cleaning up the mess the RCD had left behind in Kisangani". At the end of August 2003, Bora Uzima launched an armed rebellion in Kisangani, before fleeing to Goma. In November 2003, he was accused of being in charge of a rebel camp in Mumoshosho (close to Bukavu), in cooperation with governor Ciribanya⁸⁵. Bora Uzima denies these accusations and maintains that he received orders from both general Nyabolwa and general Mbusa Mabe, when they were commanding the 10th Military Region in Bukavu.

⁷⁷ 'Biographies des acteurs de la transition', Jean Omasombo & Erik Kennes (2006): 218.

⁷⁸ 'Household land use strategies in a protracted crisis context: land tenure, conflict and food security in eastern DRC', Koen Vlassenroot: 1-19.

⁷⁹ Interview with Amur, 26 April 2009

⁸⁰ Interview with Freddy Muylaert in Grez-Doiceau on 14 November 2008.

⁸¹ See: 'Activités minières dans l'île d'Idjwi et Territoire de Walikale', a paper written in December 2007 by Edson Niyonsaba Sebígunda, a student from the University of Bukavu.

⁸² Interview with Bora Uzima in Goma on 21 April 2009. See also: 'Biographies des acteurs de la transition', Jean Omasombo & Erik Kennes 2006: 37.

⁸³ 'DRC: deadly conspiracies?', Amnesty International 2001: 6.

⁸⁴ 'Le Rwanda plante le décor d'une nouvelle guerre d'agression à l'est de la RDC', Observatoire Gouvernance-Transparence, September 2003: 28.

⁸⁵ 'Biographies des acteurs de la transition', Jean Omasombo & Erik Kennes 2006: 37.

According to his own account, Bora Uzima created a company called FAKAM in 1991 while he was in the army⁸⁶. FAKAM – an acronym derived from Famille Kamanyula (= the name of Bora Uzima's grandfather) - owned two cold-storage rooms in Kinshasa, where it worked together with the Orgaman-group, which is specialized in the food import business. In 1993, FAKAM opened the first modern petrol station in Goma. Since the company had a hard time obtaining a licence for the export of minerals from Congolese territory⁸⁷, Bora Uzima decided to export his minerals – mainly cassiterite originating from Walikale – under the licence of Amur, the company co-founded by the eldest son of his younger brother (cfr. supra).

Freddy Muylaert told IPIS that he had met with Bora Uzima and that the latter was clearly not hiding for the Congolese authorities, since he regularly travelled to Belgium where he had a permanent residence⁸⁸. Bora Uzima was demobilized as a Brigade General from the national army in May 2005 and pretends that due to his good relations with the national parliament, the senate and the presidency, he managed to make a positive contribution to the restoration of peace in eastern DRC⁸⁹. For his part, Amur's Muhindagiga refused to answer our questions concerning Bora Uzima⁹⁰.

3.4 Services and Trading International (STI)

The last Belgian company investigated by IPIS is *Services and Trading International* (STI), which supplied minerals from Kivu to Trademet. STI is based in the Belgian city of Antwerp (Berchem) and trades in coffee and minerals. According to its annual report of 2007, the company has two administrators: on the one hand, Patrick Serruys, who holds the position of executive administrator, and, on the other hand, the company Sicaz, which has been assigned the position of administrator.

IPIS has been able to establish that, in 2007, STI bought 25 tons of cassiterite from the small Hill Side comptoir in Goma. Apart from that particular transaction, however, there are no indications that STI has made additional acquisitions of minerals in the Kivu region. Its name does not feature in the statistics made available to IPIS by the Division des Mines in Goma. Furthermore, Mr. Serruys maintains that STI has suspended its minerals buying activities in Goma since 10 July 2008, due to renewed fighting in North Kivu and to a strike among the comptoirs in North Kivu⁹¹.

⁸⁶ FAKAM was created on 5 October 1992 and the statutes deposited with the Journal Officiel on 12 October 1992. Acte de dépôt 7 November 1992. Its registration number is 67103, its number with the commercial registry is NRC 28806 and its national identification number is K24.881E.

⁸⁷ Between July and December 2008, the Congolese authorities introduced a temporary limit on the granting of export licences for minerals such as coltan, cassiterite and wolframite.

⁸⁸ Interview with Freddy Muylaert in Grez Doiceau, 14 November 2008.

⁸⁹ Personal communication with Freddy Muylaert, 7 April 2009.

⁹⁰ Interview with Antoine Ruteru Muhindagiga, October 2008.

⁹¹ Interview with Patrick Serruys in Berchem, 10 December 2008. In July 2008, there was an argument between the private sector and Congolese authorities over tax issues. As a result several comptoirs stopped doing business until the end of August when an agreement was reached.

4. Conclusions

In this report we examined the activities of Belgian traders buying minerals in North and South Kivu. The companies Traxys and Trademet bought roughly 60% of all cassiterite and an even bigger volume of all wolframite exported from North and South Kivu in 2007 and 2008. Over the last years they have been privileged business partners of the main and most influential comptoirs, namely Sodexmines (through SDE), Amur and Munsad in Goma and MDM, WMC, Olive and Panju in Bukavu. This would lead one to suspect that the traders concerned not only have a privileged knowledge of the local commodity chain, but also considerable leverage to influence it in a positive manner.

However, in the latest report of the UN Panel of Experts published in December 2008, it was asserted that, through certain suppliers (comptoirs), they knowingly purchased minerals from mines controlled by non-state armed groups such as the FDLR. During our investigation we confronted the traders with these accusations and received a defensive reply. Unfortunately, in the course of our research we have not been able to gather documented evidence confirming or denying the Panel's allegations. Nevertheless, we regret that 13 years after the start of the first Congo war, such naming and shaming exercises still appear to be necessary to prompt a more transparent and constructive engagement on behalf of commercial stakeholders in the region.

Looking forward there are indications that the traders under scrutiny are willing to contribute in a more pro-active manner to a sustainable solution to the issue of conflict related minerals. This creates a window of opportunity for all stakeholders to become involved in a concerted effort to enhance transparency and accountability in the mineral sector of the eastern DRC.

In our view, a crucial first step forward is to create a transparent, publicly accessible and regularly updated database with reliable information on the local commodity chain. IPIS is currently laying the groundwork of such a database through a pilot project in the Kivus. To further protect the legitimate trade, which, we repeat, is vital for the socio-economic fabric and security of the region, a credible traceability system should be devised. While there seems to be a preparedness among certain local stakeholders to step up due diligence efforts, even if it involves a third party verification mechanism, one should realize that in the long term such efforts can only be successful if they are supported by the Congolese government, MONUC, multi- and bilateral donors, and the DRC's neighbors. The crux of the matter is the huge challenge the Congolese authorities face as far as controlling the eastern part of the country is concerned. To achieve this, security sector reform and regional political cooperation of course are key. In the case of the mineral sector, donors should support a strong deployment of mandated state agencies such as the CEEC, SAESSCAM, OFIDA and the Mines Administration.

Annex



H.D.M.

Bukavu, le 24 décembre 2008

Transmis copie pour information à :

- Son Excellence Monsieur le Président de la République Démocratique du Congo ;
(Avec l'expression de nos respectueux hommages)
- Honorable Président du Sénat ;
- Honorable Président de l'Assemblée Nationale ;
- Excellence Monsieur le Premier Ministre ;
- Excellence Monsieur le Ministre des Mines ;
- Monsieur le Directeur Général du CAM ;
- Monsieur le Directeur Général du CEEC ;
- Monsieur le Directeur Général du SAESCAM ;
- Monsieur l'Administrateur Délégué de la FEC.
(Tous) à KINSHASA
- MONUC RD Congo ;
- Excellence Monsieur le Gouverneur de la Province du Sud - Kivu ;
- Monsieur le président de la Société Civile ;
- Madame le Ministre Provincial de Mines du Sud - Kivu ;
- Monsieur le Chef de Division Provinciale des Mines.
(Tous) à BUKAVU

**A Son Excellence Monsieur le Secrétaire Général
de l'Organisation des Nations Unies
à NEW YORK / ETATS UNIS D'AMERIQUE**

N/Réf: MMB / MMB / F.342/2008

**Concerne: Réaction de la FEC / SUD - KIVU au rapport final du
Groupe d'Experts de l'ONU (Résolution 1807/2008
Exploitation des Ressources Naturelles de l'Est de la
R.D. CONGO (KIVU)**

Excellence Monsieur le Secrétaire Général,

"Rassemblés pour construire"

Kinshasa : 10, Avenue des Aviateurs-Commune de la Gombe/Kinshasa - République Démocratique du Congo
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Lubumbashi - Kisangani - Bukavu - Mbandaka - Matadi - Kananga - Mbuji Mayi - Kikwit - Goma - Kindu

IDENT. NAT. A 16217 C

Les opérateurs économiques membres de la Fédération des Entreprises du Congo opérant dans les secteurs miniers en province du Sud – Kivu se sont réunis à plusieurs occasions afin de faire l'état de lieu et d'échanger sur l'exploitation artisanale des minerais, la commercialisation et l'exportation de ceux – ci.

Dinesh Mahbani

En date du 31 juillet 2008, une autre réunion s'est tenue en présence de Monsieur DINO venu dans le cadre de l'exploitation des ressources naturelles à l'Est de la R.D. Congo.

Les recommandations de ce dernier à l'attention des détenteurs des comptoirs d'achat des produits miniers d'exploitation artisanale ont consisté à ce qu'à chaque opération d'achat à leur niveau que soit établie la traçabilité du produit.

La traçabilité consiste à indiquer : le lieu de production, le nom du vendeur, les quantités achetées, les voies d'acheminement (routing), le lieu de provenance.

Cette opération vise à dissocier les produits extraits par les personnes frappées d'incapacité juridique d'extraire les minerais de celles jouissant de cette capacité juridique.

Au bout de plusieurs échanges et compte tenu des recommandations de l'ONU la FEC / SUD – KIVU a conseillé à tous ses membres œuvrant dans le secteur de prendre toutes les dispositions utiles et de se conformer aux exigences faites par l'O.N.U ainsi qu'aux obligations à l'égard du Ministère des Mines.

Il est surprenant que malgré la conformité aux exigences, la détention des documents délivrés par l'autorité compétente et la légalité dans laquelle opèrent les comptoirs agréés, légalité par ailleurs consacrée par les textes légaux dont le Code Minier, toute l'activité et les acteurs soient considérés comme illégaux.

Certains comptoirs ont été opérationnels avant la période des guerres, donc 1996 reconnus par la réglementation et ont contribué à la vie de l'Etat en payant différents droits et taxes exigés.

Nous pouvons donc affirmer que les comptoirs ont existé avant les guerres et non le contraire.

Compte tenu du flou délibérément entretenu par certaines presses, les autorités de la province du Sud – Kivu entendent convoquer très prochainement une réunion qui regroupera toutes les forces vives de la région, les représentants du Gouvernement Central afin de débattre de l'activité minière.

Il ya quelques années l'O.N.U reconnaissait que le redéploiement économique de la région passe impérativement par la relance du secteur minier étant donné que le réseau routier tant au Maniema qu'au Sud – Kivu est inexistant, le démarrage du secteur agricole ne se fera que progressivement.

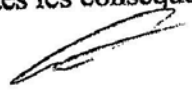
C'est avec étonnement que la Communauté des entreprises du Sud – Kivu apprend de la part des Experts de l'O.N.U que tous les sites sont contrôlés par les FDLR sur simples affirmations toujours non prouvées à notre humble avis, alors que 90% des sites miniers ne sont accessibles que par avion.

Tous ces aéroports sont contrôlés par les autorités congolaises contrairement à ce que soutient le rapport.

La localité de Numbi est sous contrôle FARDC et se trouve près de Goma et non de la Ville de Bukavu pour ses livraisons un exemple parmi tant d'autres.

Il est aussi surprenant de lire dans le rapport que les FDLR qui sévissent dans la région et contrôlèrent la plupart de mines alors que ces mêmes experts s'ils s'y étaient rendus y verraient des éléments des FARDC, des autorités affectées par les pouvoirs compétents et une multitude des creuseurs des milieux ruraux de toute la région.

S'il est vrai que les comptoirs peuvent tenter d'aller plus loin jusqu'à prendre des mesures draconiennes pour améliorer la connaissance des origines des minerais avec le concours des autorités comme le souligne GLOBAL WITNESS, à qui nous demandons d'avoir un bureau de contrôle ici à Bukavu, il est pertinemment vrai que l'arrêt des achats de matière, si cela arrive, mettra en péril, et avec toutes les conséquences que



cela peut comporter et qui n'ont fait l'objet d'aucune évaluation des Experts de l'O.N.U et des nombreux journalistes qui sillonnent dans la région, des centaines de milliers d'habitants de la province du Sud – Kivu qui vivent directement ou indirectement de cette activité, C'est le seul moyen de subsistance pour ces populations même si certaines personnes parmi elles font semblant de l'ignorer.

Nous pouvons vous informer que dans les milieux ruraux les billets de banque circulent à peine et sont même inexistantes dans certaines contrées.

Les transactions s'effectuent en troc.

Les minerais extraits de manière artisanale constituent le seul moyen de paiement de biens et services. Les achats des produits manufacturés ou pharmaceutiques s'effectuent avec les minerais.

Les services tels que les transports, les soins médicaux parfois les enseignements sont payés avec les produits miniers.

Au cours d'autres rencontres organisées à ce sujet et qui ont regroupé les délégués des diverses organisations non gouvernementales, des ONGD locales, du secteur privé, des confessions religieuses et autres de l'Observatoire Gouvernance et Paix, il a été démontré par les participants que l'arrêt de l'exportation des produits miniers d'exploitation artisanale peut à son tour engendrer plus d'insécurité surtout pendant cette période de forte crise économique accentuée par la chute brutale des cours des produits miniers couplée de la dévaluation de la monnaie nationale, le Franc Congolais.

Quoi de plus surprenant de ne voir que seuls les comptoirs basés à Bukavu soient cités et de nulle part ailleurs. En outre, quand le rapport soutient que 90% de l'activité minière est dans les mains des FDLR, population estimée par certains rapports à plus ou moins 10.000 personnes et la population de la province du Sud – Kivu est de 4.000.000 (quatre millions) d'habitants, cela va au delà de tout entendement. Car ce sera affirmer que ces 4.000.000 habitants vivent de 10% de l'activité de la province.

La FEC / SUD – KIVU réitère sa volonté de collaborer avec la Communauté Nationale et Internationale volonté exprimée lors du dernier atelier de réflexion organisé le 24 août 2007 à Bukavu sur l'exploitation des minerais au Sud – Kivu dont le thème : « L'IMPACT SUR LA SITUATION SOCIO – ECONOMIQUE ET LA RECHERCHE COMMUNE DES PISTES DES SOLUTIONS DURABLES ». Cette réflexion a associé tous les acteurs de la société civile, les autorités provinciales, les confessions religieuses, les chefs des services étatiques et paraétatiques ainsi que la MONUC.

Les conclusions de travaux et les pistes des solutions restent les mêmes à ce jour dont voici :

ANNEXE I


CONCLUSION DES TRAVAUX

Après avoir longuement échangé sur le sujet, les participants ont reconnu que l'exploitation minière artisanale :

- Lutte contre le chômage et la pauvreté et diminue l'insécurité, la délinquance ;
- Occasionne le paiement des taxes tant en faveur du Trésor public que des Entités Administratives Décentralisées ;
- Procure à la population les denrées de première nécessité lors de rapatriement des devises converties à l'importation des diverses marchandises sinon en espèces et stabilise le taux de change en monnaie nationale.

S'agissant de l'arrêt des achats et des exportations des minerais de production artisanale, les participants ont soutenu que la politique de la chaise vide ne paie pas. Donc cette initiative n'est pas bonne puisqu'elle encourage le fraude et enrichira les pays limitrophes qui déjà sont plébiscités grands producteurs de certaines substances minières (pierres précieuses et autres minerais) dont ils ne disposent même pas de grands gisements.

Par ailleurs, les participants ont conclu qu'en arrêtant officiellement l'exploitation minière artisanale, cette exploitation se poursuivra dans la



clandestinité et les sorties des produits s'effectueraient d'une manière ou d'une autre.

L'assemblée a voté massivement pour la résolution de ne pas arrêter les achats et les exportations de minerais à partir de l'Est de la RDC en général et au Sud-Kivu en particulier pour les raisons impérieuses évoquées ci-haut et a proposé les pistes de solution ci-après :

PISTES DE SOLUTION

1. Permettre aux investisseurs nationaux et internationaux PME congolais et les autochtones d'accéder aux carrés miniers par le biais du cadastre minier (CAMI) suivant la loi 007/2002 du 11 juillet portant Code Minier pour accéder aux titres de petites mines pour mieux encadrer les creuseurs artisans et faire une meilleure traçabilité d'origine des produits par démarcation entre mines appartenant aux opérateurs économiques miniers réguliers et celles des zones supposées être sous contrôle des bandes armées qui doivent être localisées et interdites par les autorités congolaises à tout le niveau par ses services habilités (SEASSCAM, MINES, CEEC...).
2. Que MONUC aide le RDC en mettant des unités dans chaque aéroport de sortie à l'intérieur pour la traçabilité des produits miniers dans les zones en conflit avec l'appui de l'Etat congolais pour arriver à fermer la sortie des produits douteux et commercialisés dans l'illégalité.
3. Que la Communauté Internationale qui a amené les réfugiés rwandais, devenus l'objet de l'insécurité et de chômage à l'Est de la RDC les recense rapidement, les regroupe dans des camps appropriés situés à une distance internationalement voulue de la frontière et ensuite négocier leur retour vers leur pays d'origine ou vers une autre terre d'asile. Cela va mettre fin à la crise et permettre aux opérateurs économiques de travailler dans une sécurité juridique et judiciaire (légalité) recommandée.
4. Que le gouvernement de la RD Congo puisse entreprendre des actions politiques et diplomatiques visant à obtenir le départ rapide

des réfugiés dans leur pays d'origine ou dans d'autres pays d'accueil pour sortir de cette situation qui a trop duré.

5. Impliquer tous les services intervenant dans le processus de Kimberley une meilleure certification des exportations en y associant exceptionnellement le CEEC et le SAESSCAM pour plus de traçabilité et des actions peuvent être envisagées à l'égard des pays limitrophes car en cas de persistance de la fraude ou pillage, un embargo peut être dressé contre les pays de la sous région concernés par l'insécurité.
6. Associer le Ministère de l'Environnement en province dans la certification des produits miniers pour la sauvegarde des aires protégées (patrimoine mondiale tels que les parcs) ; ce qui faciliterait aussi l'origine des produits.
7. Que l'obligation soit faite aux entreprises industrielles, aux petites mines, à tous les négociants, aux comptoirs et aux opérateurs qui exercent l'activité minière comme recommandé par le code minier de s'affilier à la FEC pour raison d'éthique que l'Etat ait un interlocuteur valable la FEC de façon que, quand il y a problème dans le secteur, la Chambre de Commerce puisse témoigner de la régularité de l'opération et auprès du banquier et cela rencontre le souhait du Ministre des Mines de voir chaque demande d'agrément d'un opérateur minier pour le comptoir, être accompagnée par un témoignage d'une association, coopérative ou fédération d'entreprises (FEC) de chaque province avant d'obtenir les autorisations d'exercer l'activité minière en RDC, surtout l'activité minière artisanale.
8. Les populations de l'Est du pays en général et du Kivu en particulier, plus meurtries par les guerres que quiconque, ne soient pas davantage paupérisées tout simplement parce que les étrangers sèment la terreur sur le sol de leurs ancêtres.
9. Que les opérateurs économiques du secteur minier continuent à déclarer officiellement et remplir les fiches d'identification de leurs fournisseurs et de provenance des produits exportés et payer les

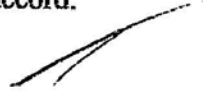
droits y relatifs dans les banques agréées pour le compte du trésor public.

10. Que l'Armée soit restructurée et brassée de manière qu'elle soit capable de défendre l'intégrité de la RDC surtout à cette époque où sa population est tuée, violée et dépouillée de tout ; population victime de la convoitise des richesses du pays par les puissances étrangères, par les pays voisins et par les bandes armées qui y vivent déjà.

Mais, en attendant les résolutions et la solution définitive, la FEC demande à ses membres réguliers et affiliés, de transmettre régulièrement les données demandées par les enquêteurs de l'ONU et se mettre en ordre vis-à-vis du Ministère des Mines pour une traçabilité de production en vue d'une vraie relance économique et la création d'emplois au Kivu à l'instar du Katanga qui est aussi une province minière, malgré la crise financière mondiale qui a fort touché le secteur minier jusqu'à la fermeture de certaines entreprises.

Nous prions la Communauté Internationale, l'ONU et le Gouvernement de déployer plus d'efforts pour une solution durable afin d'épargner les investisseurs nationaux et internationaux PME ou grandes entreprises pour investir dans le secteur et s'il s'avère difficile au lieu de laisser les opérateurs dans le suspens et comme rien qui peut remplacer la paix, les opérateurs économiques sont prêts à la fermeture si les pays de la région le décident ensemble (Burundi-Ouganda, Rwanda et la RDC) de faire un embargo dans ce secteur minier et toutes autres ressources naturelles exportables qui feraient l'objet d'enrichissement ou soutien aux bandes armées pour un temps déterminé de 3 à 12 mois.

La FEC réitère sa volonté d'accompagner le Gouvernement dans sa politique de consolider la paix et le développement socio-économique et de respecter les normes internationales en matière d'éthique pour un commerce légal en RDC, comme cela a été recommandé lors de la conférence sur la paix (Amani) à Goma en janvier 2008 et où la FEC a fait sa déclaration et en est signataire de l'accord.

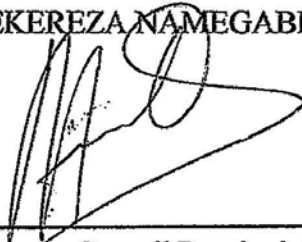


Nous vous remercions du regard attentif que vous accorderez au présent dossier.

Veuillez agréer, Excellence Monsieur le Secrétaire Général, l'expression de nos respectueux hommages.

POUR LA FEC /SUD – KIVU

MUDEKEREZA NAMEGABE

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end, positioned over a horizontal line.

Président du Conseil Provincial
FEC / SUD-KIVU