

1 Summary

“We are their meat, their animals. We have nothing to say.”

MINER FROM SHABUNDA (SOUTH KIVU), 28 JULY 2008

The militarisation of mining in eastern Democratic Republic of Congo (DRC) is prolonging the armed conflict which has been tearing the country apart for more than 12 years.

In many parts of the provinces of North and South Kivu, armed groups and the Congolese national army control the trade in cassiterite (tin ore), gold, columbite-tantalite (coltan), wolframite (a source of tungsten) and other minerals. The unregulated nature of the mining sector in

eastern DRC, combined with the breakdown of law and order and the devastation caused by the war, has meant that these groups have had unrestricted access to these minerals and have been able to establish lucrative trading networks. The profits they make through this plunder enable some of the most violent armed groups to survive.

In their broader struggle to seize economic, political and military power, all the main warring parties¹ have carried out the most horrific human rights abuses, including widespread killings of unarmed civilians, rape, torture and looting, recruitment of child soldiers to fight in their ranks, and forced displacement of hundreds of thousands of people. The lure of eastern Congo’s mineral riches is one of the factors spurring them on.

By the time these minerals reach their ultimate destinations – the international markets in Europe, Asia, North America and elsewhere – their origin, and the suffering caused by this trade, has long been forgotten.

The illicit exploitation of natural resources is not a new phenomenon in eastern DRC. It has characterised the conflict since it first erupted in 1996 and has been well documented by non-governmental organisations (NGOs), the United Nations Panel of Experts and Group of Experts, journalists and others. Twelve years on, the patterns remain the same, and despite abundant evidence of these activities, no effective action has been taken to stop this murderous trade. On the contrary, the warring parties have consolidated their economic bases and have become ever more entrenched.



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Miners scour for cassiterite with their bare hands, Bisie mine, North Kivu, April 2008.

¹The term “warring parties” is used throughout this report to denote the range of armed groups operating in eastern DRC, as well as the Congolese army.

Overview of findings

This report documents the militarisation of mining in the conflict-affected areas of eastern DRC. Its findings and conclusions, summarised below, are based primarily on Global Witness field research in North and South Kivu in 2008, and in Rwanda and Burundi in 2009.

- All the main warring parties are heavily involved in the mineral trade in North and South Kivu. This practice is not limited to rebel groups. Soldiers from the Congolese national army, and their commanders, are also deeply involved in mining in both provinces.
- In the course of plundering these minerals, rebel groups and the Congolese army have used forced labour (often in extremely harsh and dangerous conditions), carried out systematic extortion and imposed illegal “taxes” on the civilian population. They have also used violence and intimidation against civilians who attempt to resist working for them or handing over the minerals they produce.
- The most detailed information obtained by Global Witness relates to the *Forces démocratiques pour la libération*

du Rwanda (FDLR), the predominantly Rwandan Hutu armed group, some of whose leaders are alleged to have participated in the 1994 genocide in Rwanda, and the *Forces armées de la République démocratique du Congo* (FARDC), the Congolese national army. The involvement of these two groups in the mineral trade is extensive and well-organised.

FDLR

- The FDLR has a stranglehold on the mineral trade in large parts of South Kivu. In some areas, their economic activities have become so successful that they appear to have become an end in themselves. Local residents describe them as the “big businessmen”.
- The FDLR sometimes trade openly, selling minerals in markets and towns; on other occasions, they use Congolese civilians as intermediaries.
- The FDLR systematically extort minerals and money from miners, charging a flat fee of 30% on mining proceeds in some areas and “taxing” minerals at roadblocks.



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Cassiterite miner, Bisie, North Kivu, April 2008. Working conditions are dangerous and there are frequent accidents when mineshafts collapse.

FARDC

- The most blatant example of FARDC involvement in mining is Bisie, the largest cassiterite mine in the region, which accounts for around 80% of cassiterite exports from North Kivu. From 2006 to March 2009, Bisie mine was entirely under the control of an army brigade. In 2007 and the first part of 2008, the FARDC based at Bisie were collecting at least US \$120,000 a month by taking a commission of US \$0.15 on every kilogramme of cassiterite.
- In some mines, a system has been set up in which particular days of the week are allocated for civilian miners to work for individual soldiers or their commanders. Soldiers also demand 10% of minerals, as well as cash, at numerous military checkpoints along the roads.
- Senior officers in the provincial command of the 8th and 10th military regions of the FARDC have been profiting from this trade.
- Individual commanders or military units "own" particular mineshafts. In Mukungwe, in South Kivu, a mineshaft has been nicknamed "10th military region".

FARDC/FDLR collaboration

- The FARDC and the FDLR – supposedly battlefield enemies – often act in collaboration, carving up

territory and mining areas through mutual agreement and sometimes sharing the spoils. The FDLR use roads controlled by the FARDC, and vice versa, without difficulty. Minerals produced by the FDLR are sent out through local airports controlled by the FARDC in South Kivu.

Other armed groups

- The *Congrès national pour la défense du peuple* (CNDP), and various other armed groups such as the *mai-mai*, have also profited from the mineral trade, particularly through their own systems of "taxation".

Smuggling

- Provincial government officials struggle to control mineral exports across the DRC's eastern borders. Official declarations and state revenues from exports of cassiterite and coltan have increased since 2007, but almost all the gold in North and South Kivu is still smuggled out. A Congolese government official told Global Witness that at least 90% of gold exports were undeclared.

Rwanda and Burundi as transit countries

- The majority of the minerals produced in North and South Kivu leave the DRC through Rwanda or Burundi. The governments of these countries have effectively provided the warring parties in eastern



Metals extracted from coltan, cassiterite and wolframite are all used in the manufacture of electronic goods.



Tungsten derived from wolframite is used in the manufacture of light bulbs.



Tin extracted from cassiterite is used in the manufacture of cans.

DRC with access to export routes and international markets. They have failed to acknowledge the fact that these minerals are fuelling the conflict in eastern DRC and have not held to account companies in their country which engage in this trade.

The *comptoirs*

- Several of the main *comptoirs* – trading houses based in Goma and Bukavu – buy, sell and export minerals produced by or benefiting the warring parties. They include Groupe Olive, Muyeye, MDM, Panju and others.
- The fact that these *comptoirs* are officially licensed and registered with the Congolese government acts as a cover for laundering minerals which are fuelling the conflict.

Foreign companies

- These *comptoirs*' customers include European and Asian companies, such as the Thailand Smelting and Refining Corporation (THAISARCO), the world's fifth-largest tin-producing company, owned by British metals giant Amalgamated Metal Corporation (AMC); British company Afrimex; and several Belgian companies such as Trademet and Traxys. These companies sell the minerals on to a range of processing and manufacturing companies, including firms in the electronics industry.
- Economic actors are turning a blind eye to the impact of their trade. They continue to plead ignorance as to the origin of their supplies and hide behind a multitude of other excuses for failing to implement practices which would exclude from their supply chain minerals which are fuelling the armed conflict.
- Foreign companies use the “legal” status of their suppliers as justification for continuing to trade with



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AMC's offices in central London. AMC's subsidiary, THAISARCO, is among the companies importing minerals from *comptoirs* whose suppliers have links with armed groups.

them, without verifying the exact origin of the minerals or the identity of intermediaries. In reality, some of these “legal” suppliers are among the main facilitators of the illicit trade with armed groups and army units.

- Some companies have claimed that the well-being of the Congolese population in mining areas is dependent on these companies' continued involvement in the trade. Such arguments ignore the serious human rights abuses perpetrated against artisanal miners and other civilians by the warring parties who exploit these minerals and with whom these companies are prepared to continue trading.
- Correspondence between some of these companies and Global Witness has revealed that despite paying lip-service to “ethical” principles, trading companies have no effective monitoring system in place to check their supply chain or assess the human rights impact of their trade.
- Correspondence from some of the major electronics companies has shown a greater recognition of the need for due diligence but also a lack of a sense of urgency and limited commitment to applying checks throughout the entire supply chain.

Foreign governments

- International dialogue and peace talks have not tackled the economic dimension of the conflict. Global Witness believes that political agreements which do not address the exploitation of natural resources as one of the main drivers of the conflict are unlikely to lead to lasting peace.
- Home governments have failed to show moral leadership in holding to account companies based in their countries that engage in trade which benefits the warring parties and leads to human rights abuses. They have fallen back on voluntary codes of conduct and other non-binding guidelines, resisting calls for stronger action to control the corporate sector.
- Most donor governments have chosen to concentrate on technical solutions instead of addressing the fundamental causes of the conflict. Not only has this allowed the warring parties, and the companies which do business with them, to continue benefiting from the mineral trade with impunity, but it has further delayed the implementation of measures which would deprive the warring parties of one of their principal sources of finance.
- The inadequacy of the international response to the economic dimension of the conflict is obstructing development efforts. The conflict in eastern DRC continues to cause deaths, displacement, trauma and destruction of livelihoods on a massive scale – all of which impede development. Donor governments continue to pour vast sums of money into the DRC, but this assistance is undermined by their failure to address one of the fundamental aspects of the conflict: the warring parties' access to natural resources.

The findings presented in this report are based on Global Witness interviews with a wide range of eye-witnesses and other sources in North and South Kivuⁱⁱ in July and August 2008, including miners, individual traders and trading companies, mining companies, government and military officials, members of armed groups, journalists, members of Congolese NGOs, UN staff and foreign diplomats. Global Witness has protected the identity of many interviewees in this report for their own security. Global Witness carried out further research in Rwanda and Burundi in March 2009. Additional information was obtained through correspondence with companies and other sources in late 2008 and early 2009.

Action to break the links between the mineral trade and armed conflict

This report sets out detailed recommendations for governments, individuals, organisations and companies inside and outside the DRC who have the power to break the links between the mineral trade and the conflict. Foremost among these recommendations are:

- measures to cut off warring parties' access to mining sites in the DRC, as well as international trade routes and external networks;
- ending the impunity protecting those engaged in illicit mineral exploitation and trade, through actions by the governments of DRC, neighbouring countries and countries where companies are registered;
- thorough due diligence by all companies trading in minerals which may originate from eastern DRC and stronger corresponding action by their governments to hold accountable those who continue to trade in ways which fuel the conflict.

ⁱⁱ Global Witness did not research the mineral trade in the area known as *le Grand Nord* (in the northern part of North Kivu) or in the neighbouring province of Maniema.