



**ALL PARTY PARLIAMENTARY GROUP ON THE GREAT LAKES  
REGION AND GENOCIDE PREVENTION**

**Cursed by Riches:  
Who Benefits from Resource Exploitation  
in the Democratic Republic of the Congo?**

*NOVEMBER 2002*

*“The international community could..., with our help, sort out the blight that is the continuing conflict in the Democratic Republic of the Congo, where three million people have died through war or famine in the last decade.”*

Prime Minister Tony Blair, to the Labour Party Conference, October 2001

## **Background to the Research**

This research project evolved from the main findings of an earlier report by the All Party Parliamentary Group (APPG) on the Great Lakes and Genocide Prevention. In August 2001, members of the APPG took part in a fact-finding mission to the Democratic Republic of Congo (DRC). Their report expressed concern over the widespread humanitarian disaster and raised issues about the impact of the exploitation of DRC's resources.<sup>1</sup>

Since the publication of this report, there has been some progress on the issue of resource exploitation. The APPG has welcomed further investigations on illegal exploitation of natural resources by the UN Panel of Experts.<sup>2</sup>

In view of the publication of the final report of the UN Panel of Experts, the APPG decided to commission its own independent research to consider how the exploitation of natural resources is impacting on people's lives in the region, and its implications for a lasting peace in the region.<sup>3</sup> This report also seeks to make constructive recommendations to the UK government to act on the main findings of the report of the UN Panel of Experts.

## **Methodology**

Research into this report involved a review of existing reports and documentation from a range of international and national organisations, and individuals, with a track record in conducting research into this area. Meetings and conversations with aid agencies, the United Nations and government officials took place between July and September 2002.

A major part of the research was a four-week visit to the region in August 2002, in order to obtain first-hand accounts of the impact of resource exploitation on the population and the environment in the DRC. It should be emphasised that the visit took into account resource exploitation in the whole country, including western and eastern provinces. Unfortunately, due to security reasons, a planned visit to Ituri did not go ahead, although there were discussions with individuals and organisations based there.

The meetings in the DRC and the region were mainly on a one-to-one basis with individuals, organisations and companies who were able to give their own views and perspectives on the resource exploitation in the country: how it is affecting the lives of people, and what role it is playing in the peace process. Many of the meetings were conducted in confidentiality as most people wanted to remain anonymous due to the sensitivity of the subject matter. Evidence from credible first-hand accounts has been backed up by reports, and confirmed with international experts.

## **Acknowledgements**

The report has been commissioned and published by the APPG. The author of the report is Richard Burge, who is an independent consultant with over eight years experience in the Great Lakes region. Many people have contributed to this report, including the APPG Chair. The author would like to thank all those involved in the drafting of the report and assisting with the research, and all of the individuals and organisations interviewed in the DRC and the region.

The recommendations are the collective view of the APPG.

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<sup>1</sup> APPG (Aug 2002) 'Visit to the Democratic Republic of Congo, 2-6 August 2001'. The report made a series of recommendations that specifically referred to the exploitation of natural resources (see appendix 1).

<sup>2</sup> While the first Panel of Experts report identified major issues of concern, it was heavily criticised. An addendum to the report (S/2001/1072), published on 13 November 2001, concluded that there was a direct link between conflict, humanitarian catastrophe and the natural resource exploitation.

<sup>3</sup> See appendix 2 for terms of reference.

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## 1. EXECUTIVE SUMMARY

- 1.1 The conflict in the Democratic Republic of Congo (DRC) has had a devastating humanitarian impact on the local population, leaving over 2.5m dead since 1998 in the east of the country alone<sup>1</sup>. Congolese and foreign armed forces have exploited the DRC's natural resources. **We recommend that the relationship between resource exploitation and conflict is fully addressed both by the peace process and by the policies of influential governments such as the United Kingdom**
- 1.2 The recent peace accords and the withdrawal of foreign armies from the country are welcomed. However, the power vacuum caused by troop withdrawal is likely to worsen the immediate security situation, compounding the humanitarian catastrophe. It is the responsibility of the international community to offer security both to the Government of Rwanda and the people of eastern DRC. **We recommend the full and urgent implementation of the mandate UN observer mission (MONUC) to disarm negative forces, safeguard the population and monitor troop withdrawals.**
- 1.3 The international community must help end the culture of impunity in the region. Perpetrators of the Rwandan genocide remain inside the DRC and must be brought to justice. There is also a need to address the mass human rights violations that have taken place in the DRC since 1998, including cases of sexual violence, where rape has been used as a weapon of war.
- 1.4 Resource exploitation undermines long-term stability and development in the region. Political and military elites have used formal and informal networks, some of which have been involved for decades in widespread fraudulent and illegal exploitation. The violence and insecurity associated with illegal economic exploitation will continue to result in displacements and food shortages. These systems of exploitation should be completely dismantled to ensure the viability of the peace process. This would require sustained international pressure on all governments in the Great Lakes Region, in particular the DRC, Rwanda, Uganda and Zimbabwe.
- 1.5 The Zimbabwean regime has used its presence to negotiate favourable joint ventures with the DRC government and Congolese companies in order to exploit some of the richest resources. In eastern DRC, opportunistic Ugandan generals have adopted a system of decentralised control to set up Ugandan or Congolese-led companies. Politicians and senior officers linked to the Rwandan army have established a more centralised system. Acting with the rebel authorities, they have secured favourable terms for Rwandan-owned companies, or directly exploited the resources themselves, in some cases allegedly using Hutu prisoners as labour.<sup>2</sup> Warlords of the different militias, including the Mai-Mai, have engaged in resource exploitation for their own benefit. A significant number of Western companies are also involved, although there are very few UK companies working in the country.
- 1.6 There is considerable evidence of a continuation of criminality linked to exploitation, including fraud, smuggling, counterfeit money, extortion, and tax evasion. Many resources are flown directly out of the country without being taxed. It is alleged that criminal networks are used to transport and sell 'unofficial' quantities of minerals and other forms of wealth, in return for arms. There has been a proliferation of small arms, with the rise of ethnically-based militias and even private armies.

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<sup>1</sup> International Rescue Committee (May 2001), 'Mortality in eastern Democratic Republic of Congo'.

<sup>2</sup> See Box 2, reference 62 (p 21).

- 1.7 In the Zimbabwean zone of influence, the exploitation of diamond concessions in the areas around Mbuji Mayi has led to a series of human rights violations perpetrated by Congolese and Zimbabwean security forces. Abuses include forced evictions of Congolese farmers from their lands and the shooting dead of trespassers. In the Ugandan zone of influence (especially Ituri), the pursuit of minerals and timber by military leaders has resulted in people being displaced around mineral-rich sites. Humanitarian access to such locations has been extremely restricted. Violent conflict between the Hema and Lendu has escalated and the Ugandan army has failed to uphold safeguards for the civilian population.
- 1.8 In the Rwandan zone of influence (especially in the Kivus and Maniema), there has been widespread destruction of the socio-economic base. This has been compounded by the violent activities of various militia groups, such as the Interahamwe, Burundian rebels, and the Mai-Mai. The result has been food insecurity, widespread looting, irregular taxation, forced labour, continuous population displacements, and environmental destruction, especially in the national park areas. Human rights violations have occurred on a massive scale, including widespread sexual violence.
- 1.9 The UK government must be commended for trying to alleviate the suffering of the people in the DRC through humanitarian aid and support to the peace process. However, there is a need for an overarching regional policy. This would incorporate individual country programmes (Rwanda and Uganda) while at the same time putting the security and development needs of all the people of the Great Lakes at the heart of a regional strategy. **We urge the UK government to produce a Regional Strategy Paper on the Great Lakes Region which incorporates all existing country programmes. We also urge the government to support the idea of a Regional Conference.**
- 1.10 The UK government is in a position to influence the situation. The APPG welcomes the report of the UN Panel of Experts on Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of Congo. **We urge the UK government to make a statement in the House of Commons, and ensure that the main findings are acted upon in the UN Security Council and the European Union.**
- 1.11 The Department for International Development (DFID) country programmes in Uganda and Rwanda have had outstanding successes. We remain concerned, however, that Ugandan and Rwandan involvement in the DRC runs contrary to the principles of DFID agreements, in particular the Memorandum of Understanding signed with the Rwandan government. **We urge the UK government to commission evaluations on the implications of the involvement of Uganda and Rwanda in the DRC on the DFID country programmes,** particularly given the likelihood of these governments returning their troops to the DRC.
- 1.12 UK assistance to the DRC has been limited to humanitarian relief and support to the peace process. While very welcome, resource exploitation is impacting on the UK's aid programme. We therefore request greater support for sustainable livelihoods and the regulation of resource exploitation. (See p.6, recommendation 2.13.)

## **2. FULL LIST OF RECOMMENDATIONS**

### **Prevention of further conflict**

The APPG urges the governments of the Great Lakes Region to:

- 2.1 Fully recognise the serious security concerns for the people of Rwanda and the DRC as ‘negative forces’ remain in eastern DRC. We commend the Rwandan government if it continues to uphold its commitments to the Pretoria Agreement. We strongly urge the DRC government to comply with its obligations under the Pretoria Agreement to disarm and demobilise negative forces within eastern DRC. The Mai-Mai and ethnically-based militias in Ituri must be brought into the process of disarmament and demobilisation, with the assistance of MONUC.
- 2.2 Fully and permanently withdraw all foreign armies from the DRC (in particular Zimbabwe, Rwanda, Uganda and Burundi) and fulfil their obligations under the Lusaka (and subsequent) Agreements. These governments must also be compelled by the international community to dismantle the networks established to carry out illegal or illicit exploitation of natural resources in the DRC.<sup>3</sup>
- 2.3 Pressure their allies in eastern DRC to stop the recruitment of child soldiers and comply with past agreements on full demobilisation.

The APPG urges the United Nations to:

- 2.4 Ensure MONUC’s mandate is urgently implemented to its full capacity, which includes monitoring troop withdrawal and the current power vacuum, carrying out demobilisation and disarmament of all combatants, and protecting civilians under imminent threat of violence. MONUC and other international donors must assist the DRC government in funding, training and deploying a civilian police force in eastern DRC.
- 2.5 Support the establishment of a UN Commission of Experts to investigate and determine responsibility for grave violations of human rights and humanitarian law in the DRC, including sexual violence. A mechanism should be created to bring persons responsible for human rights violations to justice.<sup>4</sup>

### **Corporate responsibilities**

The APPG urges the UK government (Department for Trade and Industry) to:

- 2.6 Support proposals in the Lusaka Accords to ensure that all contracts, concessions and commercial agreements made since 1996 are reviewed and revised under a special monitoring body in close collaboration with the World Bank. Environmental impact assessments should be legally binding and conducted by independent evaluators.
- 2.7 Carry out a review of all UK companies and individuals named in the third report of the UN Panel of Experts. We recommend that the UK government contacts these companies to remind them of their corporate responsibilities in the DRC and the need to implement the Universal Declaration of Human Rights and the OECD Guidelines for Multinational Enterprises.

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<sup>3</sup> This entails a series of measures, some of which are also recommendations (complete troop withdrawal, full implementation of MONUC’s mandate, an independent monitoring mechanism on mining activities, a review of all contracts with companies, support for regulation of mining sectors, and regional economic development initiatives).

<sup>4</sup> This supports the recommendation made by Human Rights Watch in its report of June 2002, ‘*The War Within the War: Sexual Violence Against Women and Girls in Eastern Congo*’.

## **UK aid and foreign policy**

The APPG urges the UK government (Department for International Development and the Foreign and Commonwealth Office) to:

- 2.8 Make a statement in the House of Commons on how it plans to act upon the findings of the report of the UN Panel of Experts on Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo. The UK government should use its powers to ensure that the main findings are acted upon in the UN Security Council and the Council of Ministers of the European Union, and ensure that a set of agreements on reconstruction and sustainable development are drawn up to address the economic dimension of the regional peace process.
- 2.9 Produce a Regional Strategy Paper on the Great Lakes Region, which incorporates all existing country programmes. This should be jointly led by the Department for International Development and the Foreign and Commonwealth Office, in consultation with the Department for Trade and Industry and the Ministry of Defence.

The APPG urges the UK government (Department for International Development) to:

- 2.10 Produce a proposal around a Regional Conference on the Great Lakes Region to take place within the next six months, covering key issues including a regional security framework and a regional economic plan.
- 2.11 Commission an evaluation on the implications of Uganda's intervention in the DRC on DFID's country programme in Uganda. The findings of the defence spending review and the Porter Commission should be considered in the evaluation.
- 2.12 Commission, in light of the contradictions between the Memorandum of Understanding with the Rwandan government and the Rwandan government's activities in the DRC, an evaluation of the implications for its own aid programme of Rwanda's intervention in the DRC. The MoU should be strengthened in the area of conflict resolution to cover human rights and resource exploitation. The UK government should also support a defence spending review and encourage the Rwandan government to establish its own national commission on resource exploitation in the DRC (similar to that established by the Ugandan Government).
- 2.13 Expand its current bilateral and multilateral aid programme to the DRC to target alternative livelihood strategies, particularly for populations living in and around areas of natural resources (including the national parks), while continuing to support humanitarian relief and peace building.
- 2.14 Support the DRC government's compliance with the Kimberley Process for the certification of diamonds, and pressure other governments in the region to comply. We recommend the introduction of similar certification schemes for timber and other materials.
- 2.15 Ensure that the new African Partnership for Development (NEPAD) process addresses the connection between resource exploitation and conflict. The use and extraction of natural resources should be in the interests of promoting sustainable economic development.

### 3. CONTEXT OF THE CONFLICT

#### 3.1 The humanitarian catastrophe

The conflict in the DRC has been described as one of the worst humanitarian crises in the world. Over 2.5 million people have died in eastern DRC alone since the war began in 1998.<sup>5</sup> Of these deaths, 350,000 were the result of direct violence, and the remainder caused by malnutrition and preventable disease. An estimated eighteen million people have no access to services of any kind.<sup>6</sup> There are some 2,275,000 internally displaced persons (IDPs), most of whom are in the eastern provinces.<sup>7</sup> Of a population of 49 million, an estimated 20 million are regarded as “*vulnerable general population affected by adverse effects of the conflict and chronic insecurity*”.<sup>8</sup>

This report argues that a major cause of the ongoing human suffering in the DRC lies in the systems of resource exploitation established by political and military elites, including warlords of various militia groups. The presence of foreign armies in the DRC has been due increasingly to the desire to exploit natural resources and other forms of wealth, and less to security concerns.<sup>9</sup> The recent withdrawal of foreign troops from the country does not necessarily indicate that security concerns have been solved or that the economic attractions of staying in the DRC have expired. Foreign governments are likely to continue to support proxy forces in the country as long as the interlinked interests of resource exploitation and security remain.

Despite a ceasefire and the movement of foreign troops out of the country, the humanitarian crisis appears to have worsened. The United Nations states that numbers of IDPs have increased over the last six months. The situation is compounded further by the recent escalation in fighting in eastern DRC as foreign troops withdraw. Humanitarian access is severely limited in parts of the country, especially in the eastern region. National and international relief workers remain frustrated by constant obstacles put in their way by government, military and militia officials.

#### **THE HUMAN FACE OF THE CONFLICT<sup>11</sup>**

*A farmer and his family are evicted from their land by Zimbabwean and Congolese soldiers, near to Mbuji Mayi, as the land contains diamonds; land that they have worked for over 40 years.*

*Faced with starvation, a family is forced to work in the mines at Manono which are controlled by rebel and Rwandan troops; this includes boys and girls as young as ten years old, who have no opportunity to go to school.*

*A young girl of 14 years old enters into prostitution in a mining area in Masisi, where there is an opportunity to make some dollars from the resident soldiers guarding the mining areas.*

<sup>5</sup> International Rescue Committee (May 2001), ‘Mortality in eastern Democratic Republic of Congo’.

<sup>6</sup> Christian Aid, Oxfam, Save the Children (Aug 2001), ‘No End in Sight: the human tragedy of the conflict in the Democratic Republic of Congo’.

<sup>7</sup> The main locations are in North Kivu (760,000), South Kivu (435,000), Maniema (160,000), Katanga (415,000) and Orientale (250,000). Source: report by Human Rights Watch (June 2002), ‘The War Within the War: Sexual Violence Against Women and Girls in Eastern Congo’.

<sup>8</sup> OCHA Regional Support Office (July 2002): Democratic Republic of Congo.

<sup>9</sup> See previous APPG report (2001), ‘Visit to Democratic Republic of Congo, 2<sup>nd</sup> – 6<sup>th</sup> August 2001’.

<sup>10</sup> See previous APPG report (2001), ‘Visit to Democratic Republic of Congo, 2<sup>nd</sup> – 6<sup>th</sup> August 2001’.

<sup>11</sup> All of these cases have taken place this year, and were recorded during a field visit in August 2002.



*A woman who has been gang-raped has suffered such severe genital mutilation that she has to be flown out of the country as the international medical team lacks the means to provide proper surgery.*

*A woman witnesses her 20-year-old daughter having her genital labia cut off by the Interahamwe for resisting rape, and then asking her assailants, "Please kill me".<sup>12</sup>*

*Women walking out of the forest around Shabunda claim to have been kept as sex slaves by the Mai-Mai, having endured months of sexual violence and forced labour.*

*A former coltan miner tells about regular night raids by the Rwandan army and its allies on villages in Masisi, where the people are obliged to give up any money or valuable possessions, and in some cases are required to supply the local military commander with a specified quantity of coltan.*

*Aid workers report on attacks in Ituri, which is occupied the Ugandan army supposedly to protect the civilian population. Firstly, in Bunia, there are attacks by the Hema on the Lendu, in which up to 400 people are killed. This is followed by revenge attacks, including one on a hospital in Nyankunde where Hema patients are slaughtered in their beds.*

*Men and boys found to have trespassed in the diamond mines around Mbuji Mayi are shot at on a regular basis by Congolese security forces, including the army.*

*A man in Bunyakiri (Masisi) has his throat slashed after telling a Western journalist that foreign soldiers had come into a mining area to disperse the population in order to exploit coltan.*

*All of the elephants, and most of the gorillas, in Kahuzi-Biega national park are slaughtered for meat or for the sale of ivory or hides to interested foreign parties.*

### **3.2 Background to the conflict**

The humanitarian crisis is the result of a complex conflict. The war in the DRC has involved six foreign armies from neighbouring countries, together with a range of foreign and domestic rebel and militia forces. Its roots are embedded in the history of the Great Lakes Region, although much of the current conflict stems from the violence and mass displacements unleashed by the Rwandan genocide of 1994. Over two million people, mainly Hutus, became refugees in the neighbouring countries of Tanzania and the DRC (then Zaire). Refugees in the DRC numbered some 1.2m and included many of those responsible for the genocide. They were mostly located near the towns of Goma and Bukavu, and it was here that the seeds of the current conflict were sown – with the international community partly to blame. The refugee camps were situated too close to the Rwandan border, rather than 50km away as recommended under international law. This encouraged incursions back into Rwanda by the Interahamwe militia, whose presence inside the camps went largely unchallenged for at least the first nine months.<sup>13</sup>

The presence of the Interahamwe in the Kivus region of the DRC has not been the only source of conflict for the wider Great Lakes Region. Operating in the same area, but further south, the *Forces de défense pour la démocratie* (FDD) have battled against the regime in Burundi. In the northwest, the presence of another rebel force was seen as a direct threat to the Ugandan government in Kampala.

In September 1996, a rebellion broke out in the Kivus, led by Laurent Kabila and his *Alliance des forces démocratiques pour la libération du Congo-Zaire* (AFDL), and heavily backed by

<sup>12</sup> Taken from a report by Human Rights Watch (June 2002), 'The War Within the War: Sexual Violence Against Women and Girls in Eastern Congo'.

<sup>13</sup> For a full account of the problems of the refugee camps, see 'The International Response to Conflict and Genocide: Lessons from the Rwanda Experience' by the Joint Evaluation of Emergency Assistance to Rwanda, March 1996.

the Rwandan and Ugandan armies. All of these parties wanted to overthrow the Mobutu regime in Kinshasa and neutralise the threat of the various foreign militias. However, while the rebellion was successful, with Kabila acceding to power in May 1997, the problems of regional security continued.

Relations between the new regime in Kinshasa and its former allies of Rwanda and Uganda deteriorated as the latter accused the Kabila government of failing to deal with the militias and even of arming them, thus threatening the security of both Rwanda and Uganda. In August 1998 a new conflict broke out, with the Rwandan and Ugandan governments providing support to the *Rassemblement congolais pour la démocratie* (RCD) in an attempt to overthrow the government in Kinshasa. Loosely allied to the RCD was the *Mouvement pour la libération du Congo* (MLC) of Pierre Bemba, based in the province of Equateur. In response to this threat, the Kabila government called upon the support of fellow SADC (Southern African Development Community) governments, claiming that DRC sovereignty had been violated. As a result, the governments of Zimbabwe, Angola, Namibia and Chad sent in troops to prevent the overthrow of the government. Burundi also became involved on the side of Rwanda and Uganda, for similar reasons.

Despite an attempt at a peace agreement at Lusaka in July 1999, fighting continued. This was compounded by clashes between the Rwandan and Ugandan troops and between different factions of the RCD, especially in Kisangani.<sup>14</sup> Moreover, in eastern DRC, a Congolese militia, the Mai-Mai, emerged to fight against the RCD and its Rwandan and Ugandan allies. On occasions, it joined forces with the Interahamwe and the FDD, whose presence have continued despite four years of war.

Since the signing of the Lusaka Accords, the different parties to the conflict have agreed to disengage from fighting. Most recently, separate accords have been signed in Sun City (between the DRC government, the MLC and the Ugandan government) in April 2002, in Pretoria (between the DRC and Rwandan governments) in July 2002, and in Luanda (between the DRC and Ugandan governments) in September 2002. These are encouraging signs. The peace agreements focus on the security of national borders, the sovereignty of nation states and the neutralising of 'negative' forces (especially the Interahamwe and the FDD).

However, one of the major weaknesses in the peace accords, which commit countries to withdrawing their troops, is that they focus on security and political issues without addressing the economic issues and the problem of illegal exploitation of resources. Many observers believe that economic factors have become a major reason for the perpetuation of the conflict, despite security being initially the key reason for intervention in the country. As long as the economic causes of conflict remain outside the remit of the peace negotiations, then long-term peace and stability in the region will remain a chimera.

### 3.3 Security issues

*"We cannot turn our backs on conflicts and violation of human rights within other countries if we still want to be secure."* (Tony Blair, April 1999)<sup>15</sup>

*"The leaders in Rwanda and Uganda, and in the West, talk about the need for the security of their borders, but what about the security of the Congolese people?"* (Human rights official, Bukavu, August 2002)

Security was the main reason put forward by the governments of Rwanda, Uganda and Burundi for their presence in eastern DRC. Protection of a sovereign state was the main

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<sup>14</sup> Kisangani is the main diamond centre in eastern DRC.

<sup>15</sup> Taken from his speech, entitled 'Doctrine of the International Community', in Chicago.

reason put forward by the Zimbabwean government for the presence of its army. The argument of the Angolan government focused on both the sovereignty issue and the presence of its own UNITA rebel opponents. The recent withdrawal of most of these armies is encouraging, although it does not necessarily indicate that the security concerns of their governments have been allayed.

### **Foreign armies**

During the course of the four-year conflict, external security motivations gave way to more overt economic and commercial considerations. The presence of foreign troops coincided closely with areas of mineral resources. An earlier APPG report documented the coincidence of troop deployment and natural resources.<sup>16</sup> Despite troop withdrawal, it is likely that the location of armed forces, whether Congolese or foreign, will continue to be determined as much by economic as by security factors. This report documents cases where foreign troops, together with national or rebel security forces, have carried out operations which appear to be concerned with resource exploitation rather than the provision of security. It has been in the interests of certain politicians, business people and military officers to use their soldiers in this way. For example, in the provinces of Katanga and Kasai Oriental, it is alleged that the Zimbabwean army was engaged more for commercial than security reasons – to exploit resources such as timber, copper, cobalt and diamonds.<sup>17</sup>

None of the foreign armies have safeguarded the security of Congolese citizens. For example, despite claims that the Ugandan army remains in Bunia for the protection of the local population, its presence has actually had the opposite effect, in fostering an escalation of the conflict between the Hema and Lendu populations.<sup>18</sup>

All sides in the conflict in eastern DRC hold some responsibility for committing acts of violence on civilian populations. People interviewed in villages and towns in the Kivus and Maniema province described how their security has been violated by all sides, including the opposing Congolese factions. Foreign and rebel forces continue to operate inside the DRC, particularly in these provinces. Their activities threaten the security of the whole region, and not only the Congolese people. There are regular reports of fighting between the rebel authorities, with their foreign allies, and with different militias.<sup>19</sup> These reports confirm first-hand accounts by Congolese citizens of attacks on their land. The groups responsible are associated with the Interahamwe, the FDD, the Mai-Mai, and the Hema or Lendu militias in the northeast. Attempts to establish civil defence forces by the RCD and the Ugandan army have possibly accentuated the problem of long-term security, by pitting one group against another and encouraging further flows of small arms into the region.

### **The Interahamwe**

The Interahamwe has continued to threaten the security of the people of eastern DRC as well as Rwanda and the region. Recently, civil society organisations in eastern DRC have reported attacks upon individuals and property by groups who they themselves call Interahamwe.<sup>20</sup> The numbers of Interahamwe fighters continue to be disputed. One report suggests that

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<sup>16</sup> See APPG report, Visit to the DRC, 2-6 August 2002. While this table is now dated, it does demonstrate how natural resources have played a significant role in the positioning of foreign armies in their zones of occupation.

<sup>17</sup> Dietrich, Christian (June 2002), 'Hard Currency: the Criminalised Diamond Economy of the DRC and its Neighbours'; CENADEP (August 2002), 'Atelier sur le pillage des ressources naturelles de la RD Congo'; Global Witness (Feb 2002), 'Branching Out: Zimbabwe's Resource Colonialism in DRC'.

<sup>18</sup> Interviews with humanitarian organisations in Goma/London, August/Sept 2002. See also final report of UN Panel of Experts (S/2002/1146) on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo (15 Oct 2002).

<sup>19</sup> See reports by International Crisis Group (Dec 2001), 'Disarmament in the Congo: Jump-Starting DDRRR to Prevent Further War', and reports by OCHA (July 2002), Human Rights Watch (2002), 'The War Within the War, and Héritiers de la Justice bulletins (2002).

<sup>20</sup> Reports obtained from three civil society organisations in Bukavu and two civil society organisations in Goma, August 2002.

members of the Interahamwe have formed the basis of the *Armée de Liberation du Rwanda* (AliR). It is alleged that this force, numbering between 24,000 and 32,000, has been supported by the DRC government.<sup>21</sup> A lower figure of between 8,000 and 12,000 Interahamwe has been provided by MONUC.<sup>22</sup> Whatever the number, it is crucial that those members of the Interahamwe who have been accused of genocide in Rwanda in 1994 are brought to justice.

### **The Mai-Mai**

The presence of the Mai-Mai poses a serious threat to everyday life in eastern DRC. In places such as Kindu and Mwenga, displaced people talk about their villages being attacked by the Mai-Mai. It runs contrary to the opinion of a few members of civil society and international observers in the DRC, who talk about the Mai-Mai as ‘freedom fighters’. The name Mai-Mai appears to be a catch-all phrase for a range of disparate groups, some of which have a political agenda, while others are engaged in pure banditry. While they need to be brought into the peace processes at the national and local levels, the presence of the Mai-Mai can be seen as a reaction to the activities of the RCD and foreign armies in eastern DRC, especially in South Kivu and Maniema. It is unlikely, however, that a complete withdrawal of foreign troops will lead to a reintegration of men and boys who may have taken part in the rape and pillage of their own people, and have acquired arms which provide them with a livelihood.

### **Security vs commercial gain**

While these groups undoubtedly threaten the security of Congolese people at the local level, the security arguments put forward by the Rwandan and Ugandan governments are questionable. In particular, the Rwandan army’s activities on the ground have not appeared to be consistent with their posited security concerns. Evidence suggests that, in the Kivus, the Rwandan Patriotic Army (RPA) and RCD have ignored information as to the locations of the Interahamwe. On various occasions, local sources have given evidence of collusion between the RPA/RCD and Interahamwe over the extraction and trading of minerals in eastern DRC.<sup>23</sup>

All of the discussions held indicated that the presence of the Rwandan and Ugandan armies had not brought about a secure environment for the Congolese population. Despite occupying large parts of the country for over four years, and despite their own level of sophistication compared to the militias for whom they were searching, the security situation in eastern DRC has deteriorated. There have been numerous examples of the RPA and RCD being located in areas where the Interahamwe did not exist, or were at least 50km away.

### **3.4 Troop withdrawal and demobilisation**

*“How do you observe what is going on when you have so few people?”*  
(Human rights worker, Bukavu, August 2002)

Since September 2002, there has been a dramatic withdrawal of foreign armies from the country. The armies of Rwanda, Uganda and Zimbabwe have reduced their numbers significantly. It is reported that the Zimbabwean army has withdrawn from the Equateur region and various locations in Katanga province. In eastern DRC, the Ugandan army has

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<sup>21</sup> International Crisis Group (Dec 2001), ‘Disarmament in the Congo: Jump-Starting DDRRR to Prevent Further War’. The report also details the locations of the AliR, with the main concentrations being 3,000-4,000 in N Kivu (Masisi/Shabunda/Walikale), 6,000-8,000 in the south of South Kivu (near to Kalemie), and 10,000-12,000 in Katanga, Kasai and Equateur.

<sup>22</sup> Discussion with MONUC officials in August 2002.

<sup>23</sup> Discussions held in strict confidentiality with villagers, civil society, and several international staff personnel in Masisi, Goma and Bukavu, in August 2002.

<sup>24</sup> Confirmed in recent Integrated Regional Information Network (IRIN) reports (September and October 2002).

withdrawn all but two of its battalions, while the Rwandan army also claims to have pulled out its troops, although there are signs that some troops have moved back in around Uvira.<sup>25</sup>

The withdrawal of foreign troops from the country, however, presents a dilemma. On the one hand, foreign armies have clearly been used by individuals motivated as much by economic as by security issues, and therefore their departure provides an opportunity for peace. On the other hand, a serious power vacuum has opened up in large parts of eastern DRC, which continues to threaten the security of the local population. The weakness of the rebel authorities to combat threats from the militias demonstrates that they were clearly dependent upon their foreign allies for political, military and economic support.

While the fighting between the different Congolese factions in eastern DRC needs to be addressed, the return of foreign troops would be a setback, as they are clearly part of the problem. This report argues that the foreign troops have been used for the exploitation of natural resources. There are reports of some Ugandan and Rwandan troops being relocated to other areas in the DRC. However, in the context of an escalation in local conflicts, it is extremely difficult to monitor and verify exactly any ongoing military activities in the mineral-rich areas.

**We urge the governments of the Great Lakes Region to fully and permanently withdraw all foreign armies from the DRC (in particular Zimbabwe, Rwanda, Uganda and Burundi) and fulfil their obligations under the Lusaka (and subsequent) Agreements. These governments must also be compelled by the international community to dismantle the networks established to carry out illegal or illicit exploitation of natural resources in the DRC.**

The sudden withdrawal of the Rwandan, Ugandan (and Burundian) armies from the DRC will need commensurate efforts to protect and uphold the rights of ethnic minority groups who may face violence. The war economy has increased the level of ethnic tension. In eastern DRC, no ethnic group remains immune to the violence, especially the Banyamulenge population who are facing anti-Tutsi sentiments and the revenge of the Rwandan army for their desertion from the ranks of the RCD. Recent events in Kisangani, Kindu and Uvira do not bode well.<sup>26</sup> The continued presence of the ‘negative forces’ of the Interahamwe and the FDD remain a threat to the security of the whole population.

#### **Rwandan government view on troop withdrawal**

Rwandan President Paul Kagame spoke to a delegation of British MPs in Kigali on 13 October 2002. Talking about the Rwandan withdrawal from the DRC a few days earlier, he said: *“Just because we are out today, I’m not sure we won’t be going back tomorrow.”* When asked about the numbers of ex-FAR and Interahamwe troops, President Kagame said that numbers were not the issue, but rather what the troops represented: *“Even if there are only 1,000, they act as a smoke-screen for other activities in the DRC. Either way they constitute a grave threat to Rwandan security.”*

President Kagame estimates that 20-25,000 active ex-FAR and Interahamwe rebels remain in the DRC. Other estimates range from 5,000-30,000. President Kagame was clear that if the Kinshasa government and the international community were unable to deal with this problem, Rwandan troops would return to the DRC. In reference to a possible re-occupation by his government, he said: *“We will be doing it on another platform. We will have proved we were not in the Congo for human rights abuses or to exploit resources.”*

<sup>25</sup> Confirmed in recent Integrated Regional Information Network (IRIN) reports (September and October 2002).

<sup>26</sup> See OCHA (July 2002) report, p.17, and recent IRIN reports (Oct 2002).

**We fully recognise the serious security concerns for the people of Rwanda and the DRC as ‘negative forces’ remain in eastern DRC. We commend the Rwandan government if it continues to uphold its commitments to the Pretoria Agreement. We strongly urge the DRC government to comply with its obligations to disarm and demobilise ‘negative forces’ within eastern DRC. The Mai-Mai and ethnically-based militias in Ituri should also be brought into the process of disarmament and demobilisation, with the assistance of MONUC.**

### **Ituri region**

The escalation of the conflict in Ituri, which has been occupied by the Ugandan army, is extremely worrying. Since June 1999, an estimated 50,000 people have been killed and up to 500,000 displaced. The local leadership of the *Rassemblement congolais pour la démocratie-Mouvement de libération* (RCD-ML) has fragmented along ethnic lines dominated by the two main groups, the Hema and the Lendu. This has seen the emergence of another group called the *Union des Patriotes Congolais* (UPC), which took control of Bunia (the main city in Ituri) in August 2002. These splits have led to a series of mass killings, most recently in Bunia and Nyankunde, and targeted rapes.<sup>27</sup>

### **Disarmament and demobilisation**

An important part of the peace process is the disarmament of armed groups. This process is known as Disarmament, Demobilisation, Reintegration, Resettlement and Rehabilitation (DDRRR). However, there has been little progress. In May 2002, due to insecurity, MONUC was prevented from establishing DDRRR teams in parts of eastern DRC (Masisi, Walikale and Shabunda).<sup>28</sup> There are serious concerns that DDRRR will only be successful if the economic motivation for foreign armies and the various militias is addressed.

It is vital that the UN has the means to effectively monitor troop withdrawal and demobilisation, to ensure that security improves. A recent UN Security Council mission recommended that a UN force should be deployed along the DRC international borders, both to guarantee security of neighbours’ borders and to ensure foreign troop withdrawal. MONUC could be more effective if its capacity and positioning was changed. Therefore,

**We recommend that MONUC’s mandate is urgently implemented to its full capacity, which includes monitoring troop withdrawal and the current power vacuum, carrying out demobilisation and disarmament of all combatants, and protecting civilians under imminent threat of violence. MONUC and other international donors must assist the DRC government in funding, training and deploying a civilian police force in eastern DRC.**

There are also reports of an increase in the recruitment of child soldiers by the RCD, the Mai-Mai and the local defence forces. This is deeply worrying, as there had been some progress towards the demobilisation of child soldiers in the last two years.

**We urge the DRC, Rwandan, and Ugandan governments to pressure their allies in eastern DRC to stop the recruitment of child soldiers and to comply with past agreements on full demobilisation.**

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<sup>27</sup> Information on Ituri obtained from discussions with human rights organisations and humanitarian agencies, in Goma and London, between August and October 2002.

<sup>28</sup> OCHA report (July 2002).

Further support should be given to local peace-building efforts that are inclusive in nature. Civil society can play a positive role (as in the case of DFID-supported peace and reconciliation projects). However, at the same time, civil society must recognise that its own use of ethnically exclusive language is not always conducive to promoting peace and reconciliation.<sup>29</sup>

While a number of observers are happy to talk about the withdrawal of the Rwandan army, there is not the same concern about the impact that such a withdrawal may have. In Rwanda, there will be a need to step up measures to ensure that any withdrawal is fully supported with its own DDRRR programme. As there are ex-FAR, and even allegedly Interahamwe, elements in the Rwandan army, their reintegration into Rwandan society will present huge challenges for a society that has already suffered greatly, but which has also seen significant progress over the past eight years. This was certainly the view of members of survivors' and human rights organisations in Kigali.

*“How can we ensure that the demobilisation of the ex-FAR (and even the Interahamwe) will not lead to increased harassment, theft and even killing in our communities in Rwanda?”* (Leader of a widows' organisation, Kigali, August 2002)

Even with the withdrawal of all foreign troops, the conflict will leave behind a legacy of war crimes. Congolese civilians have suffered (and continue to suffer) persecution by armed forces, both foreign and national, which have enjoyed impunity. Women and children in particular have been victims. While recognising the weaknesses of the International Criminal Tribunal for Rwanda, an attempt must be made to break the cycle of impunity in the region.

**We support the establishment of a UN Commission of Experts to investigate and determine responsibility for grave violations of human rights and humanitarian law in the DRC, including sexual violence. A mechanism should be created to bring persons responsible for human rights violations to justice.**

#### 4. CONTEXT OF EXPLOITATION

##### 4.1 Historical perspectives

*“Today, it is like the Congo Free State of old – an opportunity for foreigners to come in and take whatever they want.”* (Congolese policy analyst, Goma, August 2002)

While the DRC is richly endowed with natural wealth, little of it has been used to develop the country. The majority of Congolese have suffered a long history of exploitation. Understanding the current context requires some knowledge of this history. In the times of King Leopold II of Belgium (1885-1908), a Congo Free State was established to facilitate a most brutal exploitation of the country's natural resources. It is claimed that up to ten million people died as a result, amounting to what has been referred to as a 'genocide' against the peoples of the Congo.<sup>30</sup> While the most savage aspects of human rights violations ended when the Belgian government became the colonial power in 1908, the country's resources were exploited largely for the benefit of a tiny elite.

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<sup>29</sup> This was seen in conversations with a few individuals in Kinshasa and Bukavu. See also Africa Rights (2000), 'The Cycle of Conflict: Which Way out in the Kivus?'

<sup>30</sup> Hothschild, Adam (1998), King Leopold's Ghost.

When independence came in 1960, the hope for change under Patrice Lumumba was short-lived. The military leader Mobutu Sese Seko seized power and held onto it for some 35 years, until 1997.<sup>31</sup> In these years, Mobutu and his ruling elite ran a kleptocratic state (renamed Zaire), exploiting natural resources purely to line their own pockets. Corruption was rampant, with a high level of smuggling of minerals and goods. Moreover, any attempts by the Mobutu regime to initiate public policy were doomed by inappropriate policy choices (such as pursuing import substitution at the expense of developing agricultural production) and a severe lack of investment in key economic sectors (most notably agriculture and mining). In effect, the ruling elite raped the state of its wealth. Mobutu himself amassed a fortune estimated at US\$5-US\$8 billion, much of it deposited in Swiss banks.<sup>32</sup> The international community largely ignored Mobutu's kleptocracy, as the Cold War powers competed for influence over key countries in Africa and encouraged foreign companies to benefit from their resources.

The lack of state funding in the public sector meant that government employees received small salaries, or no salaries at all. Corruption filtered down to every level. Individual soldiers, border officials, judges, even teachers and doctors, were forced to exact private charges from the local population. During the 1980s and 1990s, a parallel economy developed as Zairians were forced to rely on their own resourcefulness to meet their basic needs.

While members of the ruling elite were the main beneficiaries of this economic anarchy, others (including foreign business people) sought opportunities to take advantage of a system of corruption and the lack of governance. In the exploitation of the most lucrative resources, informal networks overlapped with criminal syndicates. In the case of the diamond sector, for example, while the official production of the parastatal *La Société Minière de Bakwanga* (MIBA) declined from 18 million carats in 1960 to 6.5 million carats in the 1990s, informal production increased fourteen-fold, much of it used for the personal enrichment of President Mobutu and his cohorts.<sup>33</sup>

All economic sectors were affected by this system of corruption. From the 1970s, for example, it is reported that some 60 per cent of Zaire's coffee crop was smuggled out of the country, bypassing the state marketing boards.<sup>34</sup> In some ways, the exploitation of today is a continuation of the old pattern of corruption and personal enrichment at the expense of the majority of the people. Unsurprisingly, precious metals and minerals remain the biggest attractions. In 1997, diamond exports were worth US\$715 million, although the lack of certification of the origin of diamonds means that the real figure may be much higher.<sup>35</sup> Recently, it was estimated that US\$400 million per annum is lost due to fraud in diamond sales.<sup>36</sup>

## 4.2 Current perspectives

Since the outbreak of the conflict, those in control of the foreign armies on both sides have utilised existing formal and informal networks to control the local economy. Given the history outlined above, many of these networks are inevitably involved in fraudulent and illegal exploitation. In many cases, the Congolese government or rebel authorities, together with new and old Congolese business people, have benefited from or helped to facilitate new

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<sup>31</sup> With the actual or tacit support of the CIA and Belgian secret service.

<sup>32</sup> Clark, John (1998), 'Zaire: the bankruptcy of the extractive state', in Villalon and Huxtable, 'The African state at a critical juncture'.

<sup>33</sup> Dietrich, Christian (2002), 'Hard Currency: the Criminalised Diamond Economy of the Democratic Republic of Congo and its Neighbours'.

<sup>34</sup> MacGaffey, Janet (1991), 'The real economy of Zaire: the contribution of smuggling and other unofficial activities to national wealth'.

<sup>35</sup> Democratic Republic of Congo: Diamond Mining and Conflict, unattributed.

<sup>36</sup> CENADEP/PAC/11.11.11 rapport final (August 2002), 'Atelier sur le pillage des ressources naturelles de la RDCongo'.



systems of exploitation. Moreover, foreign businesses have also played a key role in the large-scale mining of minerals, and in financing and transportation.

The new trend in the current stage of exploitation is the dominant role played by foreign armies, militias and even private armies. Evidence clearly shows that foreign armies, in league with various Congolese forces, have waged war in order to exploit natural resources in the country. Politicians, business people and military officers have used armed forces as a key tool in their pursuit of profits.

Commanders of the main foreign armies and their political and business associates have established a system of military commercialism in their zones of influence. Troop withdrawal, in itself, will not dismantle these systems. In western DRC, the system could be described as straightforward military commercialism by the Zimbabwean regime. It negotiated favourable joint ventures with the DRC government and with Congolese companies to exploit some of the richest resources. In Ugandan-controlled areas, it appeared to be more linked with the individual opportunism of Ugandan generals, who adopted a system of decentralised control to set up Congolese-led companies. In the case of the Rwandan army, it was a more centralised system, acting in concert with the RCD authorities, which either provided favourable terms for Rwandan-owned companies or directly exploited the resources themselves.

Warlords of the different militias (including the Mai-Mai) have also been involved, albeit to a lesser extent, sometimes colluding with foreign armies but more frequently establishing their own external contacts and means of exportation. It has been reported that other neighbouring countries have also benefited from the smuggling of natural resources.<sup>37</sup> In all cases, it appears that this exploitation is being conducted with the approval, either directly or indirectly, of State authorities at the highest level.

With each system, there has been a failure to invest in domestic industry and social capital and to ensure that there are safeguards for the environment. There is also considerable evidence of a continuation of criminality linked to exploitation, including fraud, smuggling, counterfeit money, extortion and tax evasion. There is clear evidence that criminal networks are being used to transport and sell 'unofficial' quantities of minerals and other forms of wealth. In turn, these networks have sold arms to the armies and militias which have controlled and exploited the resources.<sup>38</sup>

Some individuals talk about the existence of a 'mafia economy'.<sup>39</sup> There is a myriad of private networks, based on links with the political and military elites, involving airline companies, trading agents, mining companies, and gun-runners. Recent reports named two individuals, Victor Bout and Sanjivan Ruprah, who have allegedly been involved in supplying arms for diamonds in Kisangani and Bunia.<sup>40</sup> The war economy has encouraged a proliferation of small arms in the region, allowing foreign and local armed forces to take or maintain control over mineral-rich areas.

While the foreign armies have been withdrawing their soldiers from the DRC, it is doubtful that this will result in a complete dismantling of the different systems of military commercialism. Individuals and companies have vested interests in continuing their involvement in resource exploitation. The links between military commercial systems, criminal networks and legitimate business is of great concern. They may no longer require

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<sup>37</sup> See final report of UN Panel of Experts (S/2002/1146); Dietrich, Christian (2002), 'Hard Currency'.

<sup>38</sup> See final report of UN Panel of Experts (S/2002/1146).

<sup>39</sup> Interviews with individuals in Goma and Kinshasa, August 2002. The final report of the UN Panel of Experts (S/2002/1146) refers to organised or transnational criminal groups.

<sup>40</sup> IPIS (2002), 'Network War: An Introduction to Congo's Privatised Conflict Economy', final report of UN Panel of Experts (S/2002/1146).

the presence of troops to sustain them. It is highly probable that ethnically-based militias will continue to be used, especially in eastern DRC, by military and political elites to continue exploiting the country. This is most clearly seen in the case of Ituri, where senior officers of the Ugandan army are believed to have armed Hema militias who act as their proxies.<sup>41</sup>

The troop withdrawal may therefore see a new stage in the systems of exploitation unless there is a real commitment on the part of the foreign regimes to curtail their economic opportunism. This will require substantial pressure from the international community on all regimes that have engaged in military commercialism. There is a need for rigorous and continued monitoring of the withdrawal of troops, and also of those political, economic and security systems that are left in place. Recent stories about the possible Iraqi procurement of uranium from the Shinkolobwe mine in Katanga province provide an interesting angle, in that they demonstrate the importance of having an international body to closely monitor illegal activities in *all* major mines in the DRC.

The systems of military commercialism have also allowed for a range of foreign companies (many with close military and political links) to operate in the country through unfair and sometimes fraudulent agreements. Therefore, it is vital that there is a fundamental review of all major commercial contracts and agreements.

**We urge the UK government to support proposals in the Lusaka Accords to ensure that all contracts, concessions and commercial agreements made since 1996 are reviewed and revised under a special monitoring body in close collaboration with the World Bank. Environmental impact assessments should be legally binding and conducted by independent evaluators.**

The historical legacy of an anarchic, informal and sometimes criminal economy will take years, if not decades, to overcome. The systems that have been established by the foreign armies may exist for some time, despite the withdrawal of their troops. A closer examination of each of the main systems of exploitation is required.

### **4.3 The Zimbabwean connection**

The DRC government is heavily indebted to its allies for their intervention. This is particularly the case with the Zimbabwean regime, whose army has negotiated favourable terms to exploit timber, cobalt, copper, and diamonds. The structure of the Zimbabwean Defence Force's holdings in the DRC is based around OSLEG (Operation Sovereign Legitimacy), which is effectively the commercial arm of the Zimbabwean army.<sup>42</sup> OSLEG has entered into a number of joint ventures with Congolese companies in order to exploit resources in the DRC. One such joint venture is known as COSLEG Ltd. In its partnership agreement, it states that OSLEG has

*“the resources to protect and defend, support logistically, and assist generally in the development of commercial ventures to explore, research, exploit and market the mineral, timber, and other resources held by the state of the Democratic Republic of Congo”.*<sup>43</sup>

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<sup>41</sup> Final report of UN Panel of Experts report (S/2002/1146); IPIS (2002) 'Network War: An Introduction to Congo's Privatised Conflict Economy'.

<sup>42</sup> According to Global Witness (Feb 2002), its directors are listed as Lt Gen Vitalis Zvinvashe; Job Whabara, the Permanent Secretary of the Ministry of Defence; Onesimo Moyo, the Director of Minerals Marketing Corporation of Zimbabwe; and Isiah Ruzengwe, the General Manager of the Zimbabwe Mining Development Corporation. OSLEG is represented in the DRC by Zvinvashe's brother, Col Francis Zvinvashe, retired Maj-Gen Dauramanzi and Brigadier John Moyo.

<sup>43</sup> Global Witness (Feb 2002), p.10.

There have been other ventures. In the case of timber a Congolese logging company, the *Société congolaise d'exploitation du bois* (SOCEBO), was established to facilitate logging by the Zimbabwean military in Katanga. This company has close links with OSLEG. In terms of cobalt and copper, an agreement was made to appoint Billy Rautenbach, a Zimbabwean businessman and a supporter of Zanu-PF, as the head of Gecamines, which is the DRC's state-owned cobalt mining company. However, as with many business ventures, this proved to be much less profitable for the Zimbabweans than anticipated.<sup>44</sup>

Possibly one of the most interesting deals has concerned diamond concessions. In Mbuji Mayi, the effects of the concession granted to a company called Sengamines have raised a number of concerns. Sengamines is partly owned by senior members of the Zimbabwean government.<sup>45</sup> In 1999, the company was handed control of two of the richest diamond concessions by MIBA. It is understood that the deal was brokered between the Zimbabwean government and the government of Laurent Kabila in order to secure Zimbabwean military support.<sup>46</sup> The contract clearly shows the significant involvement in the venture of OSLEG, which holds 49 per cent of the total shares of Sengamines. The person signing on behalf of OSLEG was General Vitalis Musungwa Zvinavashe, commander of the Zimbabwean forces in the DRC. OSLEG has now nominated a company called Oryx Natural Resources to hold its 49 per cent share and to act on its behalf.<sup>47</sup>

While the Zimbabwean government claims that this is a legitimate deal, there are serious concerns firstly that the Sengamines operation is having a negative impact on the local population and, secondly, that the profits it is making have contributed to the Zimbabwean war effort in the DRC. It is unclear what kind of taxes Sengamines is paying for the exportation of diamonds, or whether all of the diamonds are being exported legally.<sup>48</sup> In Mbuji Mayi there is indignation over the activities of the company, which is reported to be shipping out sacks of soil, supposedly containing diamonds, from the local airport.<sup>49</sup>

At the same time, the Government of the DRC has continued to be a willing partner in this exploitation, with little evidence that it has the ability to challenge the activities of the Zimbabwean regime and its associates. Furthermore, there are accusations that the DRC government is failing to deal with internal corruption, fraud and smuggling within some of the major mining industries. An investigation into MIBA indicates that there is a criminal cartel at the heart of the company.<sup>50</sup>

The current government in Kinshasa claims that it is attempting to deal with corruption. The government appears committed to the Kimberley Process, which it is hoped will lead to the certification of diamonds and will prevent the transaction of illicit and conflict diamonds (including those from the eastern provinces). A new Mining Code has also been drawn up with the assistance of the World Bank. This will aim to grant exploration and mining rights to legitimate companies, which can show that they have sufficient financial resources. It should also lead to greater transparency and investment in the industry. While these are all

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<sup>44</sup> See Global Witness (Feb 2002), Michael Nest (2002), 'Ambitions, Profits and Loss: Zimbabwean Economic Involvement in the DRC', in *African Affairs* (2001) 100, pp. 469-490. Final report of UN Panel of Experts (S/2002/1146).

<sup>45</sup> Sengamines was formed by the COSLEG umbrella company consisting of OSLEG, Comiex (Générale de commerce d'import/export au Congo) and Oryx Zimcon. The latter is a joint venture between the Zimbabwean Defence Forces (ZDF) and Oryx Natural Resources. The DRC government is the major stakeholder in Comiex. Amnesty International report (2002).

<sup>46</sup> Final report of UN Panel of Experts (S/2002/1146), Amnesty International (2002), 'Making a Killing: the diamond trade in government-controlled DRC'.

<sup>47</sup> The breakdown of shareholders is: Oryx 49%, Comiex 33.8%, MIBA 16%, and three individuals at 1.2%. Source: 'La Minière de Senga Senga Sengamines: Procès Verbal de l'Assemblée Générale Extraordinaire', Kinshasa, 04 Novembre, 2000. Obtained in Nairobi, in August 2002.

<sup>48</sup> Final report of UN Panel of Experts (S/2002/1146) refers to diamond smuggling and illegal exchange transactions.

<sup>49</sup> Although this was not seen by the author, at least four witnesses mentioned this particular aspect. It was also alleged that the local Congolese authorities are displeased with this, and have declared that they will not handle transportation of the sacks.

<sup>50</sup> Overseas Security Services Ltd (OSS), Operations Report, mid-November 2001 to mid-February 2002. The report claims that there had been a criminal cartel working within MIBA, siphoning off high-value carats, until OSS began its operations at the request of financial backers of MIBA. See also Dietrich, Christian (2002) 'Hard Currency', and UN Panel of Experts report (2002).

positive signs, the DRC government needs to be encouraged to implement the policies and to honour its commitments.

#### 4.4 The Ugandan connection

It has been widely reported that certain members of the Ugandan army have been benefiting from the resources in the northwestern area of the DRC. Individuals such as Commander Major-General James Kazini and Salim Saleh are alleged to have exploited resources from the Congo, and to have made considerable personal profits.<sup>51</sup> A number of companies, both Ugandan and Congolese, have been set up to facilitate this exploitation. Moreover, there are reports of ongoing fighting between different rebel factions around the locations of natural resources, such as the Bafwasende gold mine, where troops loyal to Pierre Bemba have made recent advances. Roger Lumbala's UPC (or RCD-National) is said to be fighting the RCD-ML over resource-rich areas around Watsa, Dugu and Mahagi, as well as targeting customs posts on the Congo-Uganda border, as these can provide a source of revenue to fund the war effort. The intensification of the ethnic conflict between the Hema and Lendu in Ituri can be linked to the interests of certain parties in gaining access to economic resources.<sup>53</sup>

Reports have shown that Ugandan export figures of certain minerals, such as diamonds, which are found in the area under Ugandan influence, have exceeded the country's own domestic production figures (see table 1).<sup>54</sup> Some of these minerals are not even found domestically in Uganda. The Ugandan government has argued that this is the result of legitimate business activities which use Uganda as a transit country, and that the rebel forces have *de facto* legitimacy to produce and trade.

**Table 1**  
*Ugandan Mineral Export and Domestic Production (1994 – 2000)*

Year	Gold exports (tons)	Gold production (tons)	Coltan exports (tons)	Coltan production (tons)	Niobium exports (US\$)	Diamond exports (US\$)
1994	0.22	0.0016	-	0.435	-	-
1995	3.09	0.0015	-	1.824	-	-
1996	5.07	0.0030	-	-	-	-
1997	6.82	0.0064	2.57	-	\$13,000	\$198,302
1998	5.03	0.0082	18.57	-	\$580,000	\$1,440,000
1999	11.45	0.0047	69.50	-	\$782,000	\$1,813,500
2000	10.83	0.0044	-	-	-	\$1,263,385
2001						\$2,539,000

*Sources:* Coltan and gold figures from Ugandan Ministry of Energy and Mineral Development; niobium figures from WTO aggregated data; diamond figures from the Diamond High Council (all figures appeared in the UN Panel of Inquiry Report April 2001, except for 2001 diamond figures which appeared in Dietrich, Christian (2002)). It should be noted that there is no production of niobium or diamonds in Uganda, therefore these are re-exports of minerals that are extracted elsewhere.

The Ugandan government set up its own Commission of Inquiry after the publication of the accusations made in the first and second interim UN Panel reports. This commission, headed by Justice David Porter, has gathered evidence to show that General Kazini has played a major role in the transportation of Ugandan goods into the DRC without government authority. It was also claimed by the UN Panel and other reports that General Kazini had brokered deals for a company called Victoria Diamonds to carry out business in gold, diamonds and coffee.<sup>55</sup> Lebanese businessmen have facilitated diamond sales in Europe.

<sup>51</sup> Final report of UN Panel of Experts report (S/2002/1146).

<sup>52</sup> BBC World Service, February 2002.

<sup>53</sup> According to local human rights organisations: reports obtained in October 2002.

<sup>54</sup> The Ugandan government has disputed these figures, which were originally shown in the first report of the UN Panel of Experts.

<sup>55</sup> IPIS report (2002), 'Network War: An Introduction to Congo's Privatised Conflict Economy'; final report of UN Panel of Experts (S/2002/1146); The Monitor, Kampala, May 21 2002.

A further development in the area under Ugandan influence is oil exploration. This year, a company called Heritage Oil Corporation of Canada negotiated an agreement with the DRC government to operate in a concession area of 3.1 million hectares in Ituri and Butembo provinces. These areas are under a constantly changing authority. Today part of the area is controlled by the *Union des Patriotes Congolais* (UPC) while others are controlled by the *Rassemblement pour la démocratie-Kisangani-Mouvement pour la libération* (RCD-K-ML). Both groups are backed by the Ugandan regime. It is understood that the contract was signed with the Congolese government in Kinshasa following the recent peace accord at Sun City.<sup>56</sup>

The company says that it will respect the areas of the national park, which is designated as a World Heritage site. However, exploration for oil in the region could raise the stakes between competing military forces. It was recently reported that the RCD and RPA had moved some of their troops into Ituri, as Ugandan troops departed. According to sources in Goma, there is real concern that this may lead to further conflict in an already volatile region.

#### 4.5 The Rwandan connection

The Rwandan army, in alliance with the *Rassemblement Congolais pour le Développement* (RCD-Goma), has established economic control over much of its region of influence. This control, which includes the financial system, is built on the old systems of 'business' in the Kivus and Maniema province. However, a new breed of Congolese business person has emerged which has undoubtedly upset some business associates of former regimes.<sup>57</sup>

In 1998, when the RCD took power, it took over all of the DRC's mining concessions and stocks. The former state mining company SOMICO, which had been granted the major concessions by Laurent Kabila's government, claims it is owed reparations of some US\$750 million by the RCD and RPA, consisting of stolen stocks, loss of earnings, and capital equipment.<sup>58</sup> While the overall figure can be disputed, the main concern is whether the mining industry has been used for social and economic development and not to benefit military and political elites.

#### **Box 1: Brief history of mining companies in the Kivus**

Formed in 1976 from a number of Belgian mining companies, a company called SOMINKI was given ownership of most of the large mining concessions in eastern DRC. Gold mining represented about 80 per cent of its activities, with the remainder being the mining of cassiterite and coltan. SOMINKI was responsible for schools and hospitals at the major mining locations. During the 1980s economic crisis, SOMINKI had to hand over many of its industrial mines to individual artisan practices. However, the company retained effective control of these sites.

Between 1995 and 1997, SOMINKI was effectively closed down, and Banro took over the concessions. However, its legitimacy was questioned by Kabila Sr, who gave the concessions to SOMICO instead. This was short-lived as the RCD took power in August 1998 and encouraged a system of liberalisation, while also requisitioning all stocks of coltan and cassiterite. At one stage, there were some 19 companies engaged in coltan mining, most of which were owned or managed by Rwandans. In November 2000, the RCD established a company called SOMIGL which had a monopoly on all exports. This lasted some six months until, in April 2001, a process of liberalisation was once again encouraged. Only a few of the original companies (or *comptoirs*) have remained. These include Rwanda Metals and Grands Lacs Metals.

<sup>56</sup> Interviews with two sources in Goma.

<sup>57</sup> As expressed in meetings with business people in Goma and Bukavu, August 2002.

<sup>58</sup> The Congo Mining Company, SOMICO, documents obtained in Nairobi, in August 2002.

In the context of mining activities, three strategies of exploitation have been employed in the region. Firstly, the more official mining sites have been managed by companies (called *comptoirs*), which tend to be mainly Rwandan-owned, although some are Congolese with close links to the RCD and/or the RPA. One of the latest developments is the establishment of Congo Holding Development Company, which has the purpose of '*Purchasing, Marketing, Securing Concessions and Mining for Gold, Columbo-tantalite, Cassiterite, Diamonds, Cobalt, Wolframite and other Metals, Minerals, Precious and Semi Precious Stones.*'<sup>59</sup> Most of the companies are owned by Rwandan businessmen who have received favourable conditions of entry into the mining areas from the RCD authorities. A reliable source with direct knowledge of the contracts system confirmed that some Rwandan companies have not been obliged to pay the fees charged for a company to operate, whereas Congolese companies have been put off by what are already extortionate fees.<sup>60</sup>

Secondly, various sources reported that the Rwandan army itself took responsibility for some of the mining activities and used either Congolese labour, sometimes forced, or Hutu prisoners from gaols inside Rwanda (see box 2). Thirdly, there are unofficial artisan sites that have experienced sporadic attacks by the militias and the RCD and RPA. Some of these sites were controlled by the Interahamwe or Mai-Mai, such as around the gold-rich areas of Kamituga and Mwenga. There were also reports, especially in and around the Kahuzi-Biega National Park, and Kalehe, that the Interahamwe and Mai-Mai were selling the coltan they had mined to Congolese intermediaries, who in turn sold it to the RPA and/or to Rwandan-owned companies.

**Box 2: Use of prison labour by the Rwandan army<sup>62</sup>**

It was widely reported in the Kivus and Maniema that, occasionally, the Rwandan army used Hutu prisoners from the gaols inside Rwanda to facilitate their mining activities in eastern DRC. It is alleged that in some cases Hutu prisoners were offered up to Rwf 1,000 for working in the Congolese mines. Eyewitness accounts tell of the use of prison labour in various locations in mining areas in Masisi (Mumba, Ngunga and Humule), Shabunda and Punia.<sup>63</sup> The following example is typical. In the territory of Bunyakiri (South Kivu), some villages were completely destroyed in 1999 and 2000 to enable coltan production, and Hutu prisoners have been brought over periodically. Two eyewitnesses told of some 150 Hutu prisoners (wearing military uniforms) being brought into the area on 8 June 2002 to work the land around place called Mubuku for gold and coltan deposits. It was at this location that the Hutu prisoners were reported to have harassed the local population, while the RPA and RCD did nothing to intervene.<sup>64</sup>

Local sources reported that the Rwandan army has flown out minerals directly from the DRC to Rwanda (Kigali or Kanembe). Indeed, airports and aerodromes were taken over by the armed forces of the RPA and RCD and in some cases by militias, such as the Mai-Mai at Nzovu (see box 3). According to local business people, until recently flights of troops and equipment were arriving from Rwanda, while minerals and other loot departed on the return journey in the same plane.

<sup>59</sup> Congo Holding Development Company: Memorandum of Agreement. Obtained in Goma, August 2002.

<sup>60</sup> Similar allegations were made in confidential interviews in Goma and Bukavu, August 2002.

<sup>61</sup> Interviews held in Goma and Bukavu, August 2002.

<sup>62</sup> Confidential interviews held with business people, aid workers, teachers and clergy in Goma and Masisi, 17-22 August, and in Bukavu, 23-26 August, provided substantial oral testimony, and eye-witness accounts, that there was a policy of bringing in Hutu prisoners by the Rwandan army during the past couple of years. Interviewees confirmed that they had witnessed the arrival (and departure) of Hutu prisoners, and on a few occasions had spoken to such people working in the mines. Further confirmation was provided by at least five international observers during the same period, and by reports received from local human rights organisations and in the final UN Panel of Experts report (S/2002/1146).

<sup>63</sup> Interviews with local people in Bukavu and Goma, and by international sources, August 2002.

<sup>64</sup> Interviews with local sources, Bukavu, August 2002.

<b>Box 3:</b>	<b>Aerodromes used by military for transport of resources<sup>65</sup></b>
<b>Mwenga</b>	Mwenga, Kabukungu, Kakongale/Lugushwa, Nyamibungu/Kitutu, Kazuza/Kitutu
<b>Shabunda</b>	Nyabukungu, Chamombe/Rulungu, Kachungu, Lulingu, Nzovu/Kigulube (the latter is occupied by the Mai-Mai)
<b>Maniema</b>	Kama/Pangi, Kampere/Pangi, Namoya/Salamabila, Kasongo, Kikungwa/Kalima, Kalombe Nyama/Punia, Nyabasenge, Kasese, Lubutu
<b>Walikale</b>	Kinunda, Mubi
<b>Fizi</b>	Kilembwe, Minembwe

This method of transportation has avoided any payment of taxes or customs duties in the DRC. The potential amount of unpaid taxes is staggering, though it is impossible to calculate as it goes unrecorded. This may go some way to explaining how the Rwandan army operation in the DRC has been financed.<sup>66</sup> Within the Rwandan government, it is understood that its Congo desk has controlled much of the revenue coming from mineral exploitation and that this has been used to finance the activities of the RPA in eastern DRC.<sup>67</sup>

As in the case of Uganda, there have been noticeable increases in production and export figures for certain minerals that are not found in large quantities in Rwanda. The argument for this is that it is official and legitimate business between Rwandan and Congolese companies, and that the RCD has the legitimacy to do business and trade with whom it chooses.<sup>68</sup> However, the figures (table 2) show that the production of gold, cassiterite, coltan and diamonds has accelerated rapidly since 1996. This leads to questions about the use of minerals for sustainable development. Even if the resource exploitation is regarded as legitimate, little of the revenue appears to be going back into the development of the people of the region. Moreover, these figures represent only a proportion of the overall export volumes of minerals. One estimate is that only one third of the total amount of coltan exported is recorded by the RCD authorities.<sup>69</sup>

Year	Gold production (kg)	Cassiterite production (tons)	Coltan production (tons)	Diamond exports (US\$)
1995	1	247	54	-
1996	1	330	97	-
1997	10	327	224	\$720,425
1998	17	330	224	\$16,606
1999	10	309	122	\$439,347
2000	10	437	83	\$1,888,036
2001				\$1,245,000

*Sources:* Coltan, cassiterite and gold figures from Rwandan Official Statistics; diamond figures from the Diamond High Council (all figures appeared in the UN Panel of Inquiry Report April 2001, except for 2001 diamond figures, which appeared in Dietrich, Christian (2002)).

<sup>65</sup> Based on information supplied by local business people familiar to the locations, as reported in August 2002.

<sup>66</sup> The official Rwandan defence budget is US\$63m while the annual cost for maintaining its 25,000-odd troops in the DRC is estimated to be about \$56.1 million. Jackson, Stephen (forthcoming), *Fortunes of War*, ODI Political Economy of War Project, ODI, London.

<sup>67</sup> Interviews with (and reports obtained from) international observers, in August 2002. Confirmed in final report of UN Panel of Experts report (S/2002/1146).

<sup>68</sup> In response to the allegations about illegal resource exploitation, Maître Ruberwa of the RCD told the APPG in October 2002: "It is industrial in the west, but artisanal and legal in the east."

<sup>69</sup> Research document obtained from Bukavu, September 2002. Not attributable until published later this year.

#### 4.6 The role of foreign companies

This report does not focus on the illegal activities of foreign companies in the DRC, but rather seeks to highlight the ways in which they are involved economically in the DRC and the responsibilities and obligations which they carry out as a result of this involvement.

The DRC's links with the global economy are based primarily on the export of natural resources. In many instances, multinational companies which have decided to operate in the country have forged relationships with those who lack legitimacy and accountability to the population and who systematically engage in human rights abuses. These may be governments or armed groups, all of whom have battled for control of resource-rich areas. It is often these business relationships that provide them with some form of legitimacy. In the absence of a transparent and effective international regulation system, many foreign commercial operations have been able to conduct business with a near total disregard for human rights, long-term development or ecological sustainability in the DRC.<sup>70</sup>

Since the late 1990s, numerous foreign companies have signed contracts with the different civilian and military authorities. With a lack of strong local, national and international regulatory bodies in the DRC, certain foreign companies have paid little or no regard to the rights and concerns of local communities. Northern governments have a vital role to play in ensuring that they are not furthering conflict by allowing illegal or unethical exploitation of natural resources through companies which operate from their jurisdictions. They should put pressure on companies to ensure that those involved in their business operations on the ground do not exacerbate or cause conflict. A commitment should be made that their operations will be managed in full respect of international human rights and humanitarian standards.

The UN Panel of Experts has provided detailed information of the involvement of a range of African, European and North American businesses in illegal or illicit exploitation. These include companies working in mining, transportation and logistics, and companies providing financial capital. As a result of the first UN report, a number of American and European NGOs carried out further research into the activities of these companies and the chains of exploitation. Belgian NGOs launched their own campaign to stop coltan exploitation in the eastern DRC, called 'No Blood on My Mobile'. The International Peace and Information Service in Brussels has also looked into the activities of Belgian, Dutch and other European companies involved in the coltan trade in eastern DRC.<sup>71</sup>

There have been some reactions to the issue of illegal exploitation by foreign businesses, particularly those involved with coltan. Partly due to lobbying by Congresswoman Cynthia McKinney in 2001, the US government agreed to ban the importation of all coltan from the DRC. In Europe, also in 2001, the airlines Sabena and Swiss Air announced a ban on their aircraft being used to ship Colombo tantalite (or coltan).

This report argues that foreign investment, and the involvement of foreign companies, is essential for the development of the economy of the DRC and the region. A number of companies have been reluctant to invest in the country due to the political instability and the systems of corruption and criminal networks. Based in the UK, Fauna & Flora International has been working with the mobile phone industry, through the UN Global e-Sustainability Initiative, to address issues of corporate responsibility and the management of the coltan supply chain. This 'investment in peace' initiative is investigating the possibility of regulated coltan mining supporting livelihoods rather than contributing to exploitation.<sup>72</sup>

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<sup>70</sup> See UN Panel of Experts report (2002).

<sup>71</sup> IPIS (Jan 2002), Supporting the War Economy in the DRC: Euro Companies, and IPIS (July 2002, draft), Coltan and Congo: the implication of the private sector.

<sup>72</sup> Fauna & Flora International (Jan 2002), 'Coltan Mining in the Democratic Republic of Congo: the implications and opportunities for the telecommunications industry'.



In the diamond sector too there are moves to improve the regulatory system, with negotiations taking place with the DRC government to become party to the Kimberley Process. Some of the major diamond mining companies are playing an active role in this process, which is welcomed. Discussions are also taking place on the definition of 'conflict timber', with significant progress being made at the recent World Summit on Sustainable Development in Johannesburg. However, as commendable as all these efforts are, they are not enough. An international framework is essential to address the issue of war economies. Without it, those involved in illicit and unscrupulous business activities in the DRC and elsewhere will continue to exploit resources, causing further conflict, which will continue to prevent the economic and political development of the DRC and the Great Lakes Region.

The involvement of UK business in the DRC appears to be limited to a handful of companies. A recent UN Panel of Experts report on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo named twelve business enterprises, which were considered to be in violation of the OECD Guidelines for Multinational Enterprises. These were Afrimex, A Knight International Ltd, A & M Minerals and Metals Ltd, Alex Stewart (Assayers) Ltd, Amalgamated Metal Corporation Plc, Anglo American Plc, Arctic Investment, Barclays Bank, DAS Air, De Beers, Euromet, and Mineral Afrika Limited

It should be stressed that it was not within the confines of our research to investigate into the activities of the companies mentioned in the UN Panel of Experts report. Neither is it alleged in this report that any of these companies are involved in illegal practices. However, it is recognised that further investigation is required to verify the level of their involvement in business activities in the DRC. If they are involved, then the UK government should review their corporate practices and responsibilities.

Finally, there has been some investigation into financial flows and transportation networks, which have used the UK as a conduit or even as a base. According to one recent report, the UK is one of the main transport bases for the movement of minerals into Europe, together with Holland and Belgium.<sup>73</sup> Furthermore, there is evidence that financial transactions are also being channelled through the UK.<sup>74</sup>

In recent years, there has been a plethora of initiatives in response to unethical business activities in conflict areas which are relevant to the situation in the DRC. The majority of these initiatives are voluntary and have no effective enforcement or monitoring mechanisms. Yet some have great potential, such as the OECD Guidelines for Multinational Companies and the work of the UN Sub-Commission on the Promotion and Protection of Human Rights, which recently drafted the Fundamental Human Rights Principles for Business Enterprises. However, they need political will to be made effective. Governments and multinational companies need to take active steps to ensure full respect for international human rights and humanitarian standards by those involved in business operations in Africa. This can only be done through a clear international framework.

**We urge the UK government to carry out a review of all of the UK companies and individuals named in the report of the UN Panel of Experts. We recommend that the UK government contacts these companies to remind them of their corporate responsibilities in the DRC and the need to implement the Universal Declaration of Human Rights and the OECD Guidelines for Multinational Enterprises.**

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<sup>73</sup> IPIS report (July 2002), Coltan and Congo: the implication of the private sector.

<sup>74</sup> Final report of UN Panel of Experts (S/2002/1146).

## **5. IMPACT OF THE EXPLOITATION**

### **5.1 General overview**

The population of the DRC has suffered decades of exploitation and neglect by the state and foreign actors, and as a consequence has developed a range of alternative livelihood strategies. Since the outbreak of the second war in 1998, however, the opportunities for people to make a living have been severely restricted. In some parts of the country, especially in the eastern provinces, different livelihood strategies have all but disappeared. Having experienced the loss of jobs, local businesses, petty trading, livestock and crops, people have resorted to their last remaining asset, their labour. A desperate situation has developed whereby young and old men, especially in areas of ongoing insecurity, are relying increasingly on what work they can get in the mines or as porters and soldiers for the armies and militias. Some women and girls are forced into prostitution in order to earn a little cash.<sup>75</sup>

While the current system of exploitation is allowed to continue, people's livelihood strategies will remain bleak. The violence and insecurity that is associated with these systems will continue to result in displacements and food shortages, which in turn will lead to calls for more humanitarian aid. While relief aid is needed, it is also vital that development opportunities are sought and supported. People have the right to such opportunities wherever they may live. International and national NGOs should be encouraged to work with rural and urban communities to identify ways in which alternative livelihoods can be made viable, such as micro-credit, agricultural development, small-scale marketing, and manufacturing. Despite the devastation caused by the conflict and the exploitation, development initiatives have continued in even the most affected regions.

It is recognised that the exploitation of mineral resources has provided employment and money for some. Despite the harsh working conditions and low rewards, miners who have been interviewed have said there is some benefit. However, overall, when taking into account the impact on services, families and other livelihood opportunities, the net benefit has been negative. The following are examples of the disastrous effect the current systems of exploitation have had on the local population. In most cases, the options for people to build their lives have been very limited.

### **5.2 The impact of diamond mining (Mbuji Mayi)**

Despite sitting on one of the richest deposits of diamonds in the world, the city of Mbuji Mayi remains very poor. For the majority of the estimated two million people living in and around the city, life is simply a matter of survival. It is astonishing to see thousands of people searching for water, every morning and evening. There is a lack of medicines and medical equipment as witnessed in two of the main hospitals, Saint Jean Baptiste and Tud 1 Kolela. Likewise, the education sector has suffered from a lack of investment: only an estimated 13 per cent of girls attend school.

The main economic activity is focused around the diamond concessions, which have been managed by the Congolese state company, MIBA. Around the concession area (the polygon) are numerous 'unofficial' or 'artisan' mining sites. Here men and boys, some as young as 14 or 15, search for diamonds. Finding an expensive diamond is said to be a very rare occurrence but this does not deter people from taking their chances. On the roadsides near the

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<sup>75</sup> In Mwenga, South Kivu, it was indicated that a Rwandan or RCD soldier would only have to pay about 50 (US) cents for a night with a woman.

mining sites are a number of negotiators who buy diamonds from the artisans and sell them to a diamond business in the city. A visit to one site, called Mbala, confirmed that a significant number of the miners were young boys working in teams of up to ten.<sup>77</sup>

### **The MIBA diamond concessions**

MIBA, the Congolese state mining company, has provided employment for an estimated 6,000 workers. It has built a hospital, schools and other facilities for its employees and their families. However, in recent years, MIBA has cut back its funding of education and health services. The company had also financed several development projects in the region, including a major water-drilling project, which was targeting five rural villages at a total cost of US\$640,000. Funding for the project was suddenly cut off in 1999. MIBA explained to a local NGO that it was ordered to divert the funds to the war effort.<sup>78</sup>

There are reports of human rights violations carried out in the MIBA concessions. Several human rights organisations have reported that miners and their families have been harassed, injured and even killed in areas in and around the MIBA polygon. MIBA security guards (known as *Blondo*) have carried out most of these violations, although it is alleged that the Congolese army and police force have also been involved on occasions.<sup>79</sup> Interviews with lawyers, journalists and development workers confirmed the allegations made in a recent Amnesty International report which documents a whole series of human rights violations in the MIBA concessions, including extrajudicial killings which according to witnesses has led to dozens of deaths each year.<sup>80</sup>

On several occasions, development workers and religious leaders expressed a deep concern about the impact of children going into mining areas to search for diamonds. This has brought about a further decline in school attendance, the harassment and killing of children who may have entered the 'official' mining concessions, and prostitution of young women around the mines. In one artisan mine, called Kabwa, it is reported that children as young as 12 years old are now working.<sup>81</sup>

### **The Sengamines diamond concessions**

The human impact of the diamond concessions managed by the partly Zimbabwean-owned company Sengamines has been equally devastating. In its exploitation of two of the most lucrative diamond concessions, local sources reported that armed soldiers have displaced people from their homes. It was alleged that the villages such as Senga Senga and Chibwe, were emptied by Zimbabwean troops who forcibly evicted the people living there, many of whom were artisan miners and their families. In March 2002, another source said that at one of these sites (Chibwe), the Zimbabwean soldiers were responsible for the deaths of two young men who were diamond mining.<sup>82</sup> The forced evictions have continued 2002 (see box 4).

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<sup>77</sup> The site, some 30 minutes from the centre of Mbuji Mayi, takes its name from the current governor.

<sup>78</sup> Conversation with an official of one of the local NGOs involved in the projects, 12 August 2002.

<sup>79</sup> Discussed with two local human rights organisations, and confirmed in reports by Amnesty International (2002), 'Making a Killing', and the Centre d'Etude et de Formation Populaires (Oct 2001), 'Rapport sur des Violations des Droits de l'Homme Liées à l'Exploitation du Diamant du Kasai Oriental'. Attempts were made to interview officials from MIBA during the visit, 11-13 August 2002, but they failed to turn up to a pre-arranged meeting.

<sup>80</sup> Interviews with village elder and human rights organisations. See also Amnesty International (2002), 'Making a Killing – the diamond trade in government-controlled DRC'.

<sup>81</sup> As reported by a local journalist, on 12 August 2002.

<sup>82</sup> As reported by local inhabitants, at Miabi, on 13 August 2002.

**Box 4: Mbuji Mayi – Zimbabwean army helps to evict Congolese farmers**

In the last year, there has been an expansion of the diamond concessions into new areas around Mbuji Mayi. In some cases, such as in Bene Kalonji, community leaders have resisted the efforts. However, in other areas, there are reports that people have been forcibly evicted from their lands. In an interview with several displaced farmers near the village of Miabi, in the territory of Boya, it was claimed that the armed forces of Zimbabwe and the DRC had been involved.

One farmer, with nine children of school age, had owned farmland in an area he called Puilayi since 1959, growing pineapples, avocados and manioc. About seven years ago, he found diamonds on his land and made an agreement with some artisan miners to exploit them. However, one morning in January 2002, some 14 or 15 Zimbabwean and Congolese soldiers arrived to evict, by force, his family, together with some 27 other farming households. Although no one was killed, they have been removed from their land with no compensation and no apparent recourse to justice (the farmers have written letters of protest to the authorities, but to no avail). Other displaced farmers claim that the soldiers were accompanied by a truck which transported sacks of gravel (possibly containing diamonds) from the land. The farmer had some 85 sacks on his land at the time. With his children no longer attending school, he is now living in Bena Mukendi, near to Miabi, relying upon the good will of his hosts.

### **5.3 The impact of timber exploitation, cobalt and copper mining (Katanga)**

The scope of the research did not allow for an in-depth look into these issues, but the impact on the environment and the livelihoods of people of recent logging concessions to companies with links to the Zimbabwean military is a further concern.<sup>83</sup> Although it is uncertain whether these logging concessions will be taken up, the issue remains that a foreign army has an economic agenda for its involvement in the DRC conflict, and that this may be fuelling the conflict. The role of the Zimbabwean regime in the company Gecamines, which is responsible for cobalt and copper mining, has already been mentioned.

The RCD and RPA have had a presence in northern Katanga, although it has recently been reported that the RPA has pulled out some of its troops from this region. At a mining site called Manono, it was reported by two separate sources that the mines were under the direct control of the Rwandan army, who were charging miners a fee of US\$4 per day for access to the sites. It was also reported that whole families, including children, were working in the mines in intolerable conditions.<sup>84</sup>

### **5.4 The impact of timber, gold and oil exploitation (Ituri/Bunia)**

A serious escalation in a longstanding conflict between the Hema and Lendu ethnic groups has led to the temporary withdrawal of several of the international NGOs based in Bunia. Other ethnic groups have also become involved as local leaderships attempt to control or maintain economic and political power in a mineral-rich area. The Ugandan army has failed to protect civilians in this conflict, and has even been complicit in the violence, lending its support to one group or another. The financial interests of certain individual officers of the Ugandan army should not be underestimated, as they have used certain groups to facilitate their exploitation of resources.

According to sources, areas of mineral exploitation, such as the mining zone around Lumbala (including Mongbwalu Mabanga), appear to be inaccessible to humanitarian agencies. In the past few years, it has been suggested that population displacements in Ituri have been the result of armed factions clearing the territory for gold exploitation.

<sup>83</sup> Global Witness (February 2002), 'Branching Out: Zimbabwe's Resource Colonialism in Democratic Republic of Congo'.

<sup>84</sup> It was also reported by one of the sources that the plane of Viktor Bout, one of the most notorious arms dealers in the region, was seen on at least one occasion at the airfield for Manono.

**Box 5: NGOs call for immediate action on the violence in Ituri**

In October 2002, two of the main international human rights organisations – Amnesty International and Human Rights Watch – issued statements calling on the UN to act upon the serious escalation in the conflict between the Hema and the Lendu, which is said to be reaching genocidal proportions. Amnesty International has called for the full implementation of a MONUC force and its mandate, as well as support for a properly resourced civilian police force to be employed.<sup>85</sup>

**5.5 The impact of coltan mining and exploitation of other resources (Kivus and Maniema)**

The suffering of the population in the Kivus and Maniema has partly resulted from the conflict over natural resources. With the rule of law subjugated, the different warring factions have completely destroyed the socio-economic system in the region. It has become a matter of survival for the majority. Prices of even the basic items have risen considerably over the last four years. Local people, especially women, described their own plight as one of “misery”. The impact of the exploitation appears to have become more brutal.

It is worth highlighting the ‘coltan boom’ as a phenomenon that has received widespread attention.<sup>86</sup> The main areas of exploitation are in the three territories of Masisi, Walikale and Kalehe.<sup>87</sup> In 2000, the world price of tantalum rocketed and coltan mining in the Kivus took on the appearance of a ‘gold rush’. Thousands of people left their homes and fields to go to the coltan sites in the desperate hope of making a fortune. At the height of the boom, 1kg of good-quality coltan would sell for US\$200, or more according to some estimates.<sup>88</sup> In terms of alternative livelihoods, it did offer some people the opportunity to get out of the ‘poverty trap’. However, interviews with people at Matanda, and in Goma, confirmed reports that only a minority benefited, as the boom was short-lived.<sup>89</sup>

In a matter of months, the price plummeted to a maximum of US\$20 or US\$10 per kilo as the world market demand for tantalum fell rapidly. Some observers have argued that the coltan story is an old story. However, coltan mining has left many people even more destitute than before as some abandoned, sold or lost their lands and livelihoods. Furthermore, while some of the major commercial operators have pulled out, coltan mining has very much continued. It remains very important in the context of the conflict in the Kivus, attracting armies and militia groups to actively control mining sites. This is unsurprising, given that the coltan reserves are likely to be strategically important in the future.<sup>90</sup>

It is not only coltan that has been exploited, but also other minerals such as cassiterite and diamonds, as well as livestock, crops, money, school and hospital equipment and labour. The example of Masisi in South Kivu demonstrates what happened across the whole region, *before* the withdrawal of the Rwandan army.

<sup>85</sup> Amnesty International points out that the current mandate of MONUC states that “acting under chapter VII of the Charter of the United Nations, the Security Council also decided that MONUC may take the necessary action, in areas of deployment of its infantry battalions and as it deems it within its capabilities, to protect United Nations and co-located JMC [Joint Military Committee] personnel, facilities, installations and equipment, ensure the security and freedom of movement of its personnel, and protect civilians under imminent threat of physical violence”. Amnesty International, press release, 17 October 2002.

<sup>86</sup> Coltan is the local name for tantalum.

<sup>87</sup> Reference: Jackson, Stephen (forthcoming), *Fortunes of War*, ODI Political Economy of War Project, ODI, London.

<sup>88</sup> The figures given varied greatly during the visit in August 2002, although most people claim that the maximum amount was above US\$100 per kilo.

<sup>89</sup> Société Civile Goma (April 2001), ‘Coltan: comptoirs, sites et implications de l’APR dans les territoires de Masisi, Walikale et Goma’; Pole Institute (2001), ‘The Coltan Phenomenon: How a rare mineral has changed the life of the population of war-torn North Kivu province in the East of the Democratic Republic of Congo’; IPIS (Jan 2002), ‘Supporting the War Economy in the DRC: European Companies and the Coltan Trade’.

<sup>90</sup> Fauna & Flora International (Jan 2002), ‘Coltan Mining in the Democratic Republic of Congo: the implications and opportunities for the telecommunications industry’; Roskill (2002), ‘The Economics of Tantalum’.

**Box 6: Masisi: a population terrorised by armed factions**

Exploitation in the past has been described as an anarchic system of mining, especially of cassiterite and coltan, coupled with small-scale smuggling and bribery. The difference today is that it appears to be “exploitation by force” of not only mineral resources but also livestock, crops and labour. Local people, all of whom wished to remain anonymous, reported that the main mining sites have been controlled by companies associated with the RPA and their RCD allies, or by the RPA itself. These include mines such as Mumba, Rugeshe and Koweit, which are located near to Rubaya in the Matanda area.<sup>91</sup>

The working conditions in the mines are said to be intolerable. Extraction is carried out in the cheapest way possible, and there is no investment in industrial mining. With many inexperienced workers, deaths occur quite regularly. One highlighted case was at Bibatama, in January 2002, where more than 30 people were buried alive.<sup>92</sup>

In some of the surrounding villages, it was alleged that the RPA/RCD had based itself in mining areas, such as Mumba, Humule, Bibatama and Ngunga. In these locations, soldiers have been accused of theft and of demanding a range of taxes and labour from the local villagers. In some places, there has been the use of forced labour. Villagers reported that they have received little, if anything, in the form of payment.

According to local sources, RPA commanders entered some villages to demand specific quantities of coltan or other minerals. It is alleged that this happened in the villages of Kahurizi, at the start of 2002, and in Kashovu, in early August, just before the withdrawal of troops. In Kashovu, people reported that soldiers (both RPA and RCD) demanded coltan and money from specific households. However, local people claimed that at the time of the occupation of these villages, the Interahamwe were more than 50km away. There have however been reports of attacks by the Mai-Mai and Interahamwe on other villages in the area over the last two years.

The impact of the continuing conflict on young people is one of the main worries of community leaders. In just one year, from September 2001, the number of students attending the Catholic schools in the area of Matanda declined from 9,871 to 8,760 (a fall of over 11 per cent). Increasing poverty has meant that families have not been able to afford to send their children to school, while working in the mines can be seen as an attraction to others.

It is not only the young who have been affected – men of all ages have left their land to seek riches in mining. This has had a disastrous affect on the ability of populations to feed themselves in Masisi. While it is recognised that mining has brought some benefits for the local population (such as building homes and purchasing goods), for the majority the working conditions, payment and security of employment in the mining areas are very poor.

The negative impact on the population has been seen across a range of areas:

**(a) Food insecurity**

In North and South Kivu, it is widely reported that food insecurity has increased as farmers and sometimes their families have left their lands and crops to work in the coltan mines. Such accounts were provided on visits to Masisi. However, food insecurity has also been exacerbated by population displacements caused by the ongoing conflict, as well as by poor harvests. During the four years of the conflict, some farmers have been forced to eat or sell their livestock, or have had them stolen. Also, there have been reports of armies and militias raiding villages at times of harvest in order to feed their troops, or at least demanding a percentage of the crop.

<sup>91</sup> Based on interviews with local inhabitants of Masisi, 19 and 21 August 2002, and confirmed in human rights reports received in Goma.

<sup>92</sup> BBC World Service report, 15 January 2002.

**(b) Looting and theft**

The population of the Kivus has experienced theft at the hands of all the armed factions. People talked about night raids by armed men. Besides minerals and food crops, people have reported that livestock, market produce, household items, money, equipment from schools and hospitals, and even people themselves have become “resources for exploitation”. This systematic pillaging has had devastating effects on rural livelihoods and rural development projects (see boxes 6 and 7). Moreover, at the outset of the war, hospitals, schools, factories and banks became primary targets for looting, especially in the areas in and around Uvira in the southern part of the Kivus. This looting has continued, with the educational and health facilities provided by the former mining company, SOMINKI, among the targets.

**Box 7: Loss of livestock in South Kivu**

One local development agency working in South Kivu, in the zones of Walungu, Kabira and Bunyakira (which have an estimated population of 180,000) reported that since 1999, their co-operatives had lost, due to theft or killing, the following: 6,555 cows, 17,984 goats, 6,213 sheep, 13,220 rabbits, 22,048 chickens. This only accounts for the livestock, and not for the crops, which have been stolen or destroyed by various militia groups, especially the Interahamwe, as well as by the RPA and RCD.

**(c) Local taxation**

The local population in the Kivus and Maniema have had to endure a variety of taxes imposed on them by the RCD authorities and the RPA. While there is no evidence that any of the revenue made from the official exportation of minerals is going back into the local economy, the people themselves are faced with an irregular system of taxation that differs vastly according to location. Taxes are imposed at roadblocks, on people and on livestock, and there is a ‘security tax’, which is sometimes imposed by either the RCD or the RPA.<sup>94</sup>

**(d) Employment and forced labour**

The example of Masisi demonstrates that some local people have found employment in the mines but the rewards are limited and it is not without risks.. It is said that miners receive little pay for the coltan they produce, and that prices have been fixed at the sites by the *négociants* who act as intermediaries to the trading companies. At some mining sites where there is direct military control, the population has been forced to work in the mines. It is even reported that child labour has been used.<sup>95</sup>

**(e) Population displacement**

It was also reported that the activities of RPA and RCD soldiers have led to the displacement of villages as the armies have moved into areas in order to ‘secure’ a mining site. Numerous cases were mentioned by local sources in North and South Kivu. There are also reports from Masisi, Walikale and Maniema that the Mai-Mai and the Interahamwe have forcibly moved people out of rural areas where they want to be involved in mining and exploiting other resources. For example, it was reported that the Mai-Mai took control of the gold and coltan area of Kampene (Maniema) in May 2002. As they have taken control of villages near to mining sites, the population has fled, which in turn has sometimes attracted the RPA and RCD to try to take the villages themselves. Displacement has led to population movement into other villages, towns and forests, which has increased malnutrition and food insecurity and exerted pressure on depleted health and education services.

<sup>94</sup> Interviews with civil society representatives in Goma and Bukavu, August 2002. Confirmed in reports by the UN Panel of Experts (2002).

<sup>95</sup> Interviews with individuals in Bukavu, August 2002.

**Box 8: Mwenga: different ways of dispersing the population**

According to eyewitnesses, the Rwandan army has on a few occasions engaged in ‘false battles’ with the Interahamwe in various regions, including Masisi, Walikale, Fizi and Mwenga. Local people told of two cases which occurred in the area of Mwenga in August 2002. On 15 August 2002, at Kyanzovu, where there is gold and cassiterite, it was alleged that such a ‘battle’ took place when the RPA made out that it was entering the area to fight an Interahamwe group – which in reality was some of its own soldiers. This led to the evacuation of the village by its Congolese inhabitants. Another witness, from the village of Iribo (Irangi), said that there was a different kind of action by the RPA on 8 August 2002. Alerted to the presence of an Interahamwe militia near a gold site in the forest, the RPA arrived in force – not to attack the militia, but to use them to exploit the resources there. The local inhabitants, numbering some 200-300, were displaced to the forest, to Mwenga town or to Ilangi, while the RPA cordoned off the area. Barricades were set up on the roads to prevent the inhabitants from returning.

**(f) Destruction of health and education facilities**

The impact on the already poor education and health systems has been disastrous. The stories from Masisi (box 6) and Punia (box 9) are just a couple of examples. In most cases, it is the grinding poverty that has forced young people to leave school. However, it has also been reported that schools and clinics have been looted by the militias, as well as by the RPA and RCD. Moreover, those companies that took over from the state mining company SOMINKI had no obligation to provide any kind of social service for the local communities. With no state provision for education and health facilities during the Mobutu years, SOMINKI at least provided some public services for the population of the Kivus. However, since its demise after 1995, the new companies have not had to invest in the local population. Sources also reported that the facilities provided by SOMINKI have been left to deteriorate or have been looted.

**(g) Human rights violations**

One of the most striking aspects of the discussions with people in the Kivus was the level of violence associated with resource exploitation. The civilian population has been the focus of this violence, and is often caught in the middle, sometimes accused of collusion with one side or the other. The aggressors act with a high degree of impunity. There are some exceptional cases amongst the numerous stories of violence associated with the exploitation of resources in eastern DRC. Shabunda, in North Kivu, has been called “the forgotten Kosovo”<sup>96</sup> where stories of rape, by the Mai-Mai in particular, have been reported.<sup>97</sup> The intensity of the violence here could be due to the reported presence of rich deposits of gold and coltan in the surrounding areas. Sadly, it is not only Shabunda that appears to have been forgotten. Other mineral-rich areas appear to be suffering just as badly, such as the town of Punia and its surrounding areas (see box 9).

**Box 9: Punia and Lubutu: forgotten areas?<sup>98</sup>**

Punia and Lubutu lie in the north of Maniema province, in a mineral-rich area that contains coltan, cassiterite and diamonds. For the past four years, there has been a significant presence of RCD and RPA troops as well as some Mai-Mai groups. Security concerns have severely limited access to international aid agencies and MONUC. However, local sources provided a picture of what has occurred in the area. One individual said: “We live in a zone of exploitation...[not] of security”.

<sup>96</sup> From the ODI’s Humanitarian Practice Network Report, 3 April 2002.

<sup>97</sup> See reports by Héritiers de la Justice (Sept 2001), ‘Exploitation du Coltan et Ses Implications Dans la Continuation de la Guerre et les Souffrances Humaines qui en Découlent: Cas du Territoire de Shabunda’, and by Human Rights Watch (2002), ‘The War Within the War: Sexual Violence Against Women and Girls in Eastern Congo’.

<sup>98</sup> Four separate meetings were held between 24 and 26 August 2002, with a religious leader, a *commerçant*, and a businesswoman and a development worker, all of whom were residents of or had businesses in Punia.



The RPA and the RCD established battalions and platoons at various locations in the town of Punia and its surrounding areas, including Lubutu and Kasese. The army appeared to have secured control of most of the mining sites, such as Solia, Cambila, Kasese, Chamaka, and Balipi. Some of the mines were managed by Rwandan comptoirs employing local labour while others were managed directly by the RPA/RCD. It was alleged that the RCD authorities fixed a rigid system of prices in favour of the companies, and controlled the means of verifying the quality and quantity of minerals. Minerals were flown out of Punia to Rwanda on a regular basis.

As with other areas, it was alleged that Hutu prisoners have been used to work in the mines, with groups of them arriving in March 2001 and in early August 2002. It was also reported that there have been no Interahamwe attacks in Punia over the last two years (although the Mai-Mai have attacked villages). Local people believed that the Rwandan army was located in the area because of mineral resources and not because of military threats.

One woman who comes from Punia talked about several cases of rape and of women being used as sex slaves. The education and health systems have also suffered. In the past, the former mining company, SOMINKI, provided some support to the hospital and health centre at Punia. While the structures remain, there is a severe lack of medicines and staff (the two doctors have both left). Fortunately, one international agency, Merlin, has been able to provide some medical relief support to the hospital.

#### **(h) Sexual violence**

The most disturbing aspect of the violence is how it has affected the lives of women and girls. During confidential interviews in North and South Kivu, women and men related horrific stories of sex slavery, gang rape, genital mutilation and murder of women and girls living in or near to mining zones. It is evident that all sides in the conflict have been responsible for these gross human rights violations, and it is clear also that it is an impact of the military movements in or towards mineral-rich areas. In some instances, it appears that sexual violence is systematically used as a weapon of war. The despair and misery is incalculable. Recently, Human Rights Watch published a damning report on sexual violence in the Kivus.<sup>99</sup>

The impact of HIV/AIDS on the population of eastern DRC is one of the most disturbing features of the conflict. While the lack of health education, breakdown in family and community structures, non-availability of contraception, dislocation of communities, and general economic desperation are all factors contributing to the spread of the disease, the role of the armed factions leads to greater risks of infection. A significant number of soldiers in the different armed factions are believed to be HIV+. Even if there is a large-scale withdrawal of troops from the region, the challenge of HIV/AIDS will be immense. As one person from Punia commented,

*“If there is a peace, the war against AIDS will then take over.”*

#### **(i) Environmental impact**

DRC contains by far the largest extent of relatively undisturbed forest on the African continent. Its rich diversity of vegetation supports a greater plant and animal diversity than any other central African country and includes several large mammals that exist only in the DRC. This exceptional plant and animal diversity has been recognised by the international community through the establishment of five natural World Heritage Sites, more than in any other African country. However, these sites have been devastated during the years of conflict.

Until the mid-1990s, the national parks of Virunga and Kahuzi-Biega were relatively well protected, although there was still some deforestation and hunting of wildlife and theft of rare species of plants. However, the outbreak of the second war in 1998 accentuated the pressures

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<sup>99</sup> Human Rights Watch (2002) ‘The War Within the War’.

on the park authorities. Within two years, park officials in Kahuzi-Biega claimed to have control of only 5-10 per cent of the park area.<sup>100</sup> The discovery of coltan in the park resulted in encroachment by over 3,000 Congolese families, many regarding the wildlife as bushmeat. With no alternative livelihood strategies, the surrounding populations have been forced into the parks.

Moreover, the presence of Interahamwe militias in particular has led to the destruction of wildlife and the forests, as they have also sought out mineral deposits in the park areas, especially coltan. This has led to increased military activity in the zones as the RPA and RCD have entered to track down both the Interahamwe and the coltan. The impact on protected species has been catastrophic. It is estimated that all of the 3,700 elephants and most of the 8,000 eastern lowland gorillas in the Kahuzi-Biega National Park have been slaughtered. The Okapi Wildlife Reserve, northeast of Kisangani, is also said to have suffered a similar impact.

<b>Box 10:</b>	<b>Impact on the environment (in the National Park Authorities)</b>
Direct impacts:	Poaching wildlife Deforestation Resettlement of IDPs/refugees on land Destruction of natural resource base for local population
Indirect impacts:	Breakdown of economy Health deterioration Commercial exploitation Military/militias search for minerals (especially coltan) Declining tourism, loss of revenue, lack of protection Anarchic exploitation of resources

## 6. IMPACT ON UK POLICIES

The exploitation of resources in the DRC has had a devastating on the country's population and environment, and this has to be fully considered in the policy-making of donor governments. The UK government is a major player in the Great Lakes Region. There is a real opportunity for the UK government to consider the economic dimension of the conflict with the publication of the report of the UN Panel of Experts.

**We urge the UK government to make a statement in the House of Commons on how it plans to act upon the findings of the report of the UN Panel of Experts on Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of Congo. The UK government should use its powers to ensure that the main findings are acted upon in the UN Security Council and the Council of Ministers of the European Union, and ensure that a set of agreements on reconstruction and sustainable development are drawn up to address the economic dimension of the regional peace process.**

### 6.1 UK policy on Zimbabwe

It is unlikely that the UK Government will be able to exert any significant influence on the involvement of the Zimbabwean government in the DRC. However, it is recommended that the UK government steps up its pressure within the European Community, the United Nations

<sup>100</sup> Fauna & Flora International (Feb 2002), 'Coltan Mining in the Democratic Republic of Congo: the implications and opportunities for the telecommunications industry'.

and the World Bank to ensure that the Zimbabwean government phases out its military activities in the DRC, including military commercialism. In the meantime, pressure should also be placed on the DRC government to uphold the security of the people living in the zones occupied by the Zimbabwean army.

## **6.2 UK policy on the Great Lakes Region**

The UK government has shown a commitment to peace and development in the Great Lakes Region. Financial and diplomatic support has been provided to the regional and national peace processes of Lusaka (for the DRC) and of Arusha (for Burundi). Within the countries of the region, the Department for International Development (DFID) has also funded peace-building and conflict resolution initiatives through civil society organisations.

Nevertheless, UK government policy on the region focuses heavily on its country programmes in Rwanda and Uganda. This has an advantage in that the UK government is in a unique position to use its close relationship to positively influence the policies and practices of these governments and their armies in the DRC. However, there is a need for an overarching regional strategy. The success of the UK's aid programmes in Rwanda and Uganda will depend upon the achievement of a sustainable peace in the wider region. The political and economic causes of the conflict in the DRC (and the opportunities for regional economic development) need to be fully considered within these country programmes. The UK government has demonstrated its commitment to tackle the political causes of the conflict, but has not fully considered the economic causes. If these are not addressed at the same time, then the progress made in the Rwanda and Uganda country programmes could be seriously undermined in the long term, as the regional conflict would remain unresolved.

The role played by the Rwandan and Ugandan armies in the DRC, and its effect on the population and the environment, have to be given the highest attention. While recognising that the security of Rwanda and Uganda is a primary concern for both countries, the involvement of their armies in the DRC has clearly contributed to a humanitarian crisis of enormous proportions. The development of a regional policy by the UK government could incorporate individual country programmes while at the same time putting the security and development needs of all of the people across the region at the heart of a regional strategy. This would encourage a better understanding of the problems and opportunities for the use of the natural resources in the region as a whole. It could also help to revive the idea of a regional economic union, attracting direct investment and promoting trade amongst the different peoples.

**We urge the UK government to produce a Regional Strategy Paper on the Great Lakes Region, which incorporates all existing country programmes. This should be jointly led by the Department for International Development and the Foreign and Commonwealth Office, and in consultation with the Department for Trade and Industry and the Ministry of Defence.**

**We urge the UK government to produce a proposal around a Regional Conference on the Great Lakes to take place within the next six months, covering key issues for the region including a regional security framework and a regional economic plan.**

There are some regional initiatives that deserve closer attention and support, such as the tripartite agreement between the national park authorities of Rwanda, Uganda and the DRC. The recent dialogue meetings of the Catholic Church, where the Church signed a declaration for peace in the region, should also be commended. Both these initiatives have recognised the importance of resource exploitation for the sustainable development of the region.

### 6.3 UK assistance to Uganda

The UK government has a significant aid programme in Uganda, as encapsulated in its Country Strategy Paper (CSP). DFID is the largest bilateral donor in the country and has demonstrated substantial progress in its support to key areas of poverty reduction, debt relief, education and health (including HIV/AIDS). However, the 1999 CSP flagged up serious internal and external security concerns affecting the country, as well as the issue of military spending.<sup>101</sup> The role of Uganda in the DRC conflict has continued to be a concern. It is to be welcomed that DFID is carrying out a defence spending review. Allegations about the Ugandan army's role in resource exploitation and human rights violations, especially in the Ituri region, need to be fully appraised in measuring the success of the DFID country programme.

**We urge the UK government to commission an evaluation on the implications of Uganda's intervention in the DRC on DFID's country programme in Uganda. The findings of the defence spending review and the Porter Commission should be taken into consideration as part of the evaluation.**

### 6.4 UK assistance to Rwanda

A Rwanda-UK Memorandum of Understanding (MoU) was originally agreed for a three-year period from 1998/99 to 2000/01. The UK government's commitment was to provide support to key areas of Rwanda's National Development Vision 2020 as well as new, additional flexible assistance, including £10 million per annum for budgetary support. The Rwandan government committed itself to a number of areas on national unity and reconciliation, conflict resolution, good governance, poverty reduction, sustainable macro-economic stability, and human resource development. The concern of this report is whether the Rwandan government has upheld its commitments on conflict resolution and how this has impacted upon UK policy-making.

<p><b>Box 12: Government of Rwanda commitments on conflict resolution</b></p> <ul style="list-style-type: none"><li>• The Government of Rwanda recognises the linkages between conflict and poverty and will work with others towards the aim of peaceful resolution of disputes and the restoration of regional stability.</li><li>• The Government of Rwanda will work towards a negotiated settlement of the conflict in the Democratic Republic of Congo which will respect the sovereignty and territorial integrity of all countries in the region, protect the interests of people and which will take account of the legitimate security concerns of all these countries.</li><li>• In pursuance of national reconciliation policies, over 10,000 ex-FAR (former Rwandan army) soldiers were absorbed into the regular army in 1998. The demobilisation programme has been extended over four phases to cover the period up to the year 2002.</li></ul>
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*Source:* Understanding on the Development Partnership Between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Rwanda, September 1999.

While the MoU has established a number of commitments by the Rwandan government to regional conflict resolution, there are serious weaknesses. The MoU continues to fail to acknowledge any role that the Rwandan army, or individual officers, are alleged to have played in the exploitation of resources. More importantly, the commitment towards the security and human rights of the Congolese people in the zones of Rwandan influence is weak and ambiguous. During its occupation, the Rwandan army has clearly failed to protect the interests of the Congolese people in the provinces of the Kivus and Maniema.

<sup>101</sup> The DFID Annual Plan and Performance Review on Uganda (Nov 2000) comments: "Uganda appears to have kept military spending below the level agreed with donors in 1999/2000, and to be committed to keeping spending below 2% of GDP into the medium term. But questions remain, particularly on the procurement front."

Reviews of the MoU have been commissioned by DFID but have largely failed to take account of the economic dimension of the conflict in the DRC and its impact on the population.<sup>102</sup> On conflict resolution, the first review report commented that the government of Rwanda continued to have a legitimate security interest in the DRC, although it also stated that *“it is difficult to square many aspects of Rwanda’s DRC involvement with the commitment under this Memorandum to resolve disputes peacefully and to respect the sovereignty and territorial integrity of other states”*.

The second review indicated that there had been an improvement in the commitments of the Rwandan government on conflict resolution, commenting that the military presence had been reduced, there were no repeated clashes with the Ugandan army, and that the Rwandan army had successfully contained a military incursion in the northwest. The report also stated that donors remain concerned over allegations of off-budget mining revenue and military expenditure in the DRC.

A revision of the MoU in February 2002 missed the opportunity to strengthen the commitments of the Rwandan government to the security of the people in the DRC and has not tackled the allegations of human rights abuses and illegal resource exploitation. Instead, the amendment to the UK government’s commitment was *“to move to the high case funding scenario described in the DFID Rwanda Country Strategy Paper, thereby increasing its level of project and flexible budget resources to respond to Rwanda’s development needs”*.<sup>103</sup> The only addition made to the Rwandan government’s commitment on conflict resolution was that it should work towards peace *“within the Lusaka Agreement framework”*.

The MoU would be strengthened if it were encapsulated within a wider regional strategy that took into account the impact of the conflict on Rwanda’s own development programme, and considered the implications of Rwanda’s military and economic involvement in the DRC on the prospects for a lasting regional peace. Despite the recent troop withdrawals, it is crucial that the MoU is revised accordingly in order to avoid a recurrence of human rights violations and illegal economic exploitation of natural resources in the DRC by the Rwandan army.

**In light of the contradictions in the Memorandum of Understanding with the Rwandan government, and the Rwandan government’s activities in the DRC, we urge the UK government to commission an evaluation on the implications of Rwanda’s intervention in the DRC on DFID’s aid programme. The MoU should be strengthened in the area of conflict resolution to cover human rights and resource exploitation. The UK government should also support a defence spending review and encourage the Rwandan government to establish its own national commission on resource exploitation in the DRC (similar to that established by the Ugandan government).**

## **6.5 UK assistance to the Democratic Republic of Congo**

The current UK assistance to the DRC is to be commended, although the APPG has continued to recommend a substantial increase in humanitarian aid and support to development work. Examples of projects supported by DFID include the demobilisation of child soldiers in North and South Kivu (Save the Children), health and nutrition assistance in Kisangani (MSF), the co-ordination of emergency humanitarian interventions (OCHA), human rights monitoring (OHCHR), establishing access to essential referral health services in Kindu (Merlin), and peace and reconciliation initiatives in North and South Kivu (CAFOD/Christian Aid).

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<sup>102</sup> The reports, by independent consultants, cover the periods April 1999 to September 2000, and October 2000 to September 2001.

<sup>103</sup> Understanding on the Development Partnership Between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Rwanda; 2001-2002 update.

These projects are crucial interventions. However, at the same time, they are the result of or are affected by the insecurity and suffering which has continued to take place partly as a result of army and militia actions focused on areas of natural resources. While it has been reported that the RCD has complied with pressure to agree to demobilise child soldiers, the alternative livelihood opportunities for young people remain so limited that young men in particular could return to fighting. The conflict that is taking place in various parts of eastern DRC, especially around areas of mineral resources, is leading to population displacements that increase the level of humanitarian need. The difficulties involved in reaching certain locations, such as Shabunda, Walikale and Punia in eastern DRC, have restricted the ability of international aid agencies to assist. This has also affected the UN's human rights monitoring programme (OHCHR). Finally, the need to support peace-building efforts in eastern DRC, which include all ethnic groups, is vital. At the same time, however, these efforts are being undermined by the continued violence in the countryside that has restricted the access of local organisations to schools, churches and meeting places in order to hold peace and reconciliation workshops.

The UK government's position has been only to provide assistance to humanitarian relief and peace-building and reconciliation initiatives until peace has been established in the DRC through the Lusaka accords. This position is weakened by the argument that resource exploitation is fuelling the conflict and leading to insecurity, especially in eastern DRC. It is recognised that there are other factors behind the conflict, but the UK government needs to acknowledge the fact that resource exploitation is having an impact on its own assistance to humanitarian aid in the DRC, and take action on the issue.

While challenging those governments engaged in resource exploitation, the UK government should identify opportunities to support alternative livelihood strategies, including those relevant to populations living around national park sites. Such support should recognise the value of responsible resource management of the environment. It is also encouraging to learn that DFID is looking to establish a civil society fund in the DRC. At the same time, the DRC government has to show measurable commitment to engage in the disarmament of the 'negative forces' in eastern DRC.

**We urge the UK government to expand its current bilateral and multilateral aid programme to the DRC to target alternative livelihood strategies, particularly for populations living in and around areas of natural resources (including the national parks), while continuing to support humanitarian relief and peace building.**

The problem concerning the destination of mineral resources is an area that is being tackled by the UN and by Western and African governments. As the DRC government has shown its willingness to comply with the Kimberley Process, the UK government should support the process through the European Union and press for other resources, such as timber, gold and coltan, to go through a similar process. At the same time, it is necessary for those governments that are engaged in resource exploitation to also comply with the certification processes.

**We urge the UK government to support the DRC government's compliance with the Kimberley Process for the certification of diamonds, and pressure other governments in the Region to comply. We recommend the introduction of similar certification schemes for timber and other materials.**

## **6.6 UK support to the New African Partnership for Development (NEPAD)**

The UK government should be commended for its strong support for NEPAD. This initiative was launched by a number of prominent Africa leaders in October 2001 and endorsed in June 2002. The Prime Minister has been a vocal advocate for the G8 action plan for Africa, which supported the NEPAD initiative. Not without criticisms, NEPAD does represent a major new initiative for the development of Africa.

One of the main assumptions behind NEPAD is that Africa needs to achieve an annual growth rate of about 7 per cent of its GDP in order to meet the International Development Goals (IDGs), particularly the goal of reducing by half the proportion of Africans living in poverty by 2015. There are a whole series of proposals which, if implemented, could assist Africa in achieving such a goal. If fully implemented, the Peace, Security and Governance Initiative could alter the way that conflict prevention and resolution has been carried out on the continent.

However, this initiative needs to be strengthened to address the economic causes of conflict. It is encouraging that African finance ministers recently agreed “*on the overall vision for Africa’s development as enshrined in NEPAD: to bring the continent into a new age of peace, security, stability, economic growth, and prosperity.....[and] setting the stage for growth through regional integration, by putting in place sound macro-economic policies, and attracting more foreign capital*”<sup>104</sup> While this is very commendable, the linkages between resource exploitation and conflict need to be addressed in order for it to be achieved.

On the environment, the strategy document states that “*African resources include rain forests, the virtually carbon dioxide-free atmosphere above the continent and the minimal presence of toxic effluents in the rivers and soils that interact with the Atlantic and Indian Oceans and the Mediterranean and Red Seas. The New Partnership for Africa’s Development will contain a strategy for nurturing these resources and using them for the development of the African continent, while at the same time preserving them for all humanity*”.<sup>105</sup>

On the issue of mining, the strategy has three objectives:

- (i) to improve the quality of mineral resource information,
- (ii) to create a regulatory framework conducive to the development of the mining sector, and
- (iii) to establish best practices that will ensure efficient extraction of natural resources and minerals of high quality.

In the context of the DRC, the government, the rebel authorities, and the occupying armies have failed to protect the environment or develop the mining sector. In fact, there has been de-investment in the mining sector with companies simply extracting minerals with no industrial or social investment.

**We urge the UK government to ensure that the NEPAD process addresses the connection between resource exploitation and conflict. The use and extraction of natural resources should be in the interests of promoting sustainable economic development.**

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<sup>104</sup> IRIN (21 Oct 2002), ‘Time for Action on NEPAD, finance ministers’.

<sup>105</sup> NEPAD strategy document, 2002.

## **Appendix 1**

### **Recommendations of the APPG report on their visit to the DRC, 2<sup>nd</sup> – 6<sup>th</sup> August 2001**

In this report, the MPs made four recommendations that specifically referred to the exploitation of natural resources:

- We urge the UK government to respond publicly to the findings of the UN's report of the Expert Panel on the illegal exploitation of natural resources and other forms of wealth in the Democratic Republic of Congo (S/2001/357), and the addendum report, when it is published.
- We recommend that British and European bilateral aid policies demonstrate balance and transparency. Aid should be linked to the cessation of illegal exploitation of natural resources and implementation of the Lusaka Accords.
- The All Party Parliamentary Group welcomes the UN initiative to introduce certification schemes detailing the country of origin for diamonds. We recommend similar certification schemes, where appropriate, to address the exploitation of other precious resources.
- An even-handed approach must be taken with all parties involved in the illegal exploitation of resources. Appropriate pressure must be brought to bear to end the suffering that has escalated around mineral-rich areas.

The MPs on the visit to the DRC were Ms Oona King, Mr Andrew Robathan, Mr David Lammy and Mr Eric Joyce.



## Appendix 2

### APPG Research Project on the Exploitation of Resources in the DRC

#### Terms of Reference

The *overall aim* of the research is to look at how the exploitation of natural resources in the DRC is having an impact on the lives of ordinary people, and how this exploitation is an obstacle to sustainable peace and stability in the region.

There were five specific *objectives*:

1. Present case studies illustrating the effect of this resource exploitation on the lives of ordinary people (such as farmers and small businessmen).
2. Investigate the involvement of British companies in the exploitation of natural resources.
3. Explore the significance and scale of foreign economic interests in disputed areas of the DRC, including evidence of the self-financing nature of the war.
4. Investigate the link between the humanitarian situation, the continued violence, and the exploitation of natural resources.
5. To analyse what is happening 'on the ground' and to interpret that into recommendations that will influence UK government policy.

## **Appendix 3**

### **Research considerations**

#### **Holistic Approach**

Although an emphasis is placed on mineral resources, this report also pays attention to the exploitation of other types of resources such as hospitals, factories, crops, livestock and labour. The report considers how urban and rural livelihoods have been affected by the different systems of exploitation.

#### **Legality and Illegality**

The research is less concerned with the issue of what is legal and what is illegal exploitation in the DRC, which has tended to dominate arguments over the report of the first Panel of Experts. Instead, the research has been more concerned with how the war economy has worsened the living conditions in the country, and the role, if any, that armies and militias have played in this. The report also looks at the relationship between the conflict, the humanitarian disaster and resource exploitation.

#### **Propaganda**

During the research, it was clear that there were very strong views on the issue of resource exploitation. Some individuals expounded views that presented a very one-sided view of the conflict, while others were prepared to fabricate stories that were clearly prejudicial and false. Propaganda has been used by civil society organisations, governments and rebel groups involved in the conflict. All sides have accused each other of human rights violations, supplying arms to rebels and militias, and pillage of resources. Since 2000, the governments of Rwanda and Uganda have turned on each other with accusations of breaking ceasefires and supporting different ethnic or political groups at the expense of another. Some western journalists and diplomats can also be accused of believing in or even propagating stories of one side of the conflict.

#### **Anonymity and Fear**

It was clear that during the visit, a number of people were afraid to talk about the subject of exploitation of resources. Therefore, it was agreed that most interviews would be confidential and the sources would remain anonymous. There have been cases reported where people were killed for providing information on the activities of foreign troops and companies in mining areas.

#### **Denial and Ignorance**

The denial about what is happening to the people of the Democratic Republic of Congo is extremely disturbing. This includes certain members of civil society, especially in Kinshasa and Kigali who deny the reality of what is happening on the ground. It is highly likely that this will be the reaction of several governments involved in the conflict whose armies are reported to have taken control of mining sites, transported goods back to their countries or have engaged in the theft from villages and schools and carried out human rights abuses. Western government officials have also tended to ignore or even deny reports on the illegal exploitation of resources, human rights abuses and even the extent of the humanitarian crisis. It is ironic that some of the information on human rights abuses and the humanitarian situation comes from the very same organisations that are being funded in their humanitarian work by the western governments.

## **Ethnic Hatred**

Some individuals in the DRC, including from international agencies, are prepared to speak openly about their fears and hatred of other ethnic groups, aimed specifically at the Tutsi population. It should be stressed that they are very much in the minority although the ferocity of their language was deeply worrying. It is also depressing to hear some individuals declare that there has never been any ethnic tension between non-Tutsi and non-Hutu ethnic groups in the region (despite the evidence of history suggesting otherwise). The increasing hatred between the Lendu and the Hema in the north-eastern regions is alarming, with evidence that the Ugandan army has not played a constructive role in reducing the tension.

## **Place names**

Care has been taken to use the correct spelling of names of villages and mining sites. However, it is clear that some locations have different spellings, and even different names are used. Some of the names are shown in 'official' documents which may not correspond with those used in the street and in the fields.

## DRC Affected Populations by Province Internally Displaced (July 2002)



The boundaries and names shown on this map do not imply official endorsement or acceptance by the United Nations

Prepared by OCHA Regional Support Office - CEA, Nairobi

## **Appendix 5**

### **List of Acronyms**

AFDL	Alliance des forces democratiques pour la liberation du Congo
AliR	Armee de Liberation du Rwanda
APPG	All Party Parliamentary Group (on the Great Lakes and Genocide Prevention)
CSP	Country Strategy Paper (DFID)
DDRRR	Disarmament, Demobilisation, Reintegration, Resettlement and Rehabilitation
DFID	Department for International Development
DRC	Democratic Republic of Congo
Ex-FAR	Former Government of Rwanda Army (up to 1994)
FAC	Forces Armees Congolaises
FCO	Foreign and Commonwealth Office
FDD	Forces de defense pour la democratie
IDPs	Internally Displaced Persons
IRIN	Integrated Regional Information Network (UN)
MIBA	La Societe Miniere de Bakwanga
MLC	Mouvement pour la liberation du Congo
MONUC	United Nations Observer Mission in the Congo
MoU	Memorandum of Understanding (DFID)
NEPAD	New African Partnership for Development
NGOs	Non-governmental organisations
OCHA	Office for the Coordination of Humanitarian Aid (UN)
OHCHR	Office of the High Commission for Human Rights (UN)
OSLEG	Operation Sovereign Legitimacy
RCD	Rassemblement Congolais pour la democratie
RCD-K-ML	Rassemblement Congolais pour la democratie-Kisangani-Mouvement pour la liberation

RPA	Rwandan Patriotic Army
SADC	Southern African Development Community
SOCEBO	Societe Congolaise d'exploitation du bois
UNITA	National Union for the Total Independence of Angola
UPC	Union des Patriotes Congolais
UPDF	Uganda People's Defence Force











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