Conflict minerals

The illegal and brutal exploitation of mines in the eastern Democratic Republic of Congo (DRC) funds armed groups who terrorise the region. The international community has launched several initiatives against "conflict minerals". Most aim to encourage responsible conduct by industries that buy the minerals, through certification systems for smelters. The multitude of fragmented initiatives poses a challenge for coordination. Implementation, difficult in a context of chronic bad governance, could endanger the subsistence economy on which Kivu residents survive.

Minerals fuelling the war in Congo

Eastern Congo has an abundance of minerals considered strategic for the electronic components industry (such as coltan, cassiterite, wolframite, and gold) used in mobile phones or computers. For example, the Kivu region contains between 60 and 80% of the world’s coltan reserves. This resource-rich area has been devastated by war for almost two decades.

The link between the war and the illegal exploitation of the region’s mining resources is well established. First demonstrated in 2002 by the UN Panel of experts on the illegal exploitation of the DRC’s natural resources, this link has been the subject of many reports by international organisations and civil society. All note that mineral trafficking funds numerous armed groups who control the region’s mines and shipping routes. Illegal mining entails abuse of the civilian population (forced labour, including child labour, rape and extortion), as well as considerable environmental damage. By buying Congolese minerals of unknown origin, European and Asian companies support the armed groups and therefore become indirectly complicit in the abuse.

Attempted solutions

Many initiatives have emerged to end this phenomenon. Failings in governance prevent the Congolese state from reasserting control over the mines in the short to medium run. Doing so would be especially difficult because the regular army – the FARDC – takes over illegal mining for its own benefit in areas where it regains control.

Initiatives stem from both private and public organisations at national and international level. Most try to involve the Congolese state. All aim to break the links between the region’s wealth and the conflict that ravages it.

Embargos and sanctions

Since 2003, a series of UN Security Council resolutions has established an arms embargo on the DRC, accompanied by a sanctions regime. These sanctions target individuals or entities that support illegal armed groups in eastern DRC through illicit trade in natural resources. The sanctions are not applied effectively because of insufficient commitment by governments, both Western and African. An embargo imposed by President Joseph Kabila on 9 September 2010 and lifted on 10 March 2011, suspended mining operations and the export of Congolese ores. Observers consider this embargo as an attempt by Congo to respond to the US Dodd-Frank Act.

Provisions introducing obligations for companies

Widely covered in the media, the Dodd-Frank Act of 21 July 2010 includes, among others, measures that aim to make Congo’s mining industry legal and transparent. The law obliges US companies to declare the origin of coltan, cassiterite, wolframite and gold used in their products. When minerals originate in the DRC or neighbouring countries (through which Congolese production is transported), a detailed report is required, backed by an external audit. This report should detail the measures taken to identify the source and supply chain, to ensure that the product does not originate from the conflict zone.

Unlike multilateral measures by the OECD and the International Conference on the Great Lakes Region (ICGLR), the US law imposes legal obligations on businesses.
Based on the results of an inquiry by a UN Panel of experts, in 2006 the OECD revised its Guidelines for multinational enterprises (2000) to provide advice to companies investing in poorly governed areas such as the DRC. But it was not until 2010 that an instrument specifically targeting conflict minerals was launched. The OECD due diligence guidance for responsible supply chains of minerals from conflict-affected and high-risk areas offers detailed recommendations to help companies respect human rights and avoid funding conflicts through their supply practices.

At regional level, the 2010 ICGLR Protocol against illegal exploitation of natural resources laid the foundations of a regional certification system. Existing initiatives are expected to harmonise their instruments with this future system.

Certification and traceability systems
The most advanced initiatives include, from industry itself:

The International Tin Research Institute's DRC Tin Supply Chain Initiative proposes a self-regulation mechanism. It envisages implementation in three phases, starting in 2009, of a comprehensive scheme covering traceability, certification and ethics.

The Global e-sustainability initiative, which brings together key telecommunications companies, supported the International Tin Research Institute's initiative and embarked on a certification mechanism for smelters in 2010. This is a voluntary, externally audited programme which would certify smelters as "conflict free". The first list of smelters to have obtained this certificate is expected in May 2011.

Pilot projects and initiatives on the ground
Externally funded pilot projects are being gradually implemented in the DRC and Rwanda, exploring practical ways for the mining sector to comply with increasingly strict international norms. The main challenges concern the security of transport routes between mines and points of sale, the demilitarisation of mines, labelling and identification of minerals, and the organisation of miners into cooperatives.

**EP position**
The EP welcomed the adoption in the US of the Dodd-Frank Act and urged, in resolutions on 8 October 2010 and 15 December 2010, the EU to follow the US example with similar provisions to ensure the traceability of minerals imported into the EU.

**Further reading**
