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EURAC and Fatal Transactions call for the EU to step up engagement on conflict minerals

In July 2010 the US Congress passed the Dodd Frank Act, containing amendments on 'conflict minerals' from the Great Lakes region. The legislation came over a decade after the UN Security Council first expressed its concerns over the links between mineral exploitation and conflict in the Democratic Republic of Congo (DRC). In the intervening period dozens of reports by the UN Group of Experts and others have documented the role of natural resources in the conflict in eastern Democratic Republic of Congo (DRC).

Various armed groups including the national army (FARDC) continue to control the exploitation and trade of minerals – namely cassiterite, wolframite, coltan and gold - in parts of the Kivus, Maniema, Katanga and Province Orientale with the complicity of the neighboring countries and many economic actors around the world. This dynamic, which extends beyond the DRC's borders, complicates efforts towards peace-building and security sector reform in the east of the country.

The EU response must be both strong and carefully developed. European companies cannot continue to indiscriminately import minerals whose extraction and trade contribute to or benefit from conflict, instability and insecurity.

At the same time however, artisanal mining currently provides a livelihood for millions of Congolese and - if efforts to formalize the sector are successful - offers an important opportunity for the economic development of the region. The goal of EU policy must not be an embargo on Congolese minerals, but to create incentives for trade that is legal, formalized and under the control of civilian authorities.

EURAC and Fatal Transactions members have been following issues relating to artisanal mining in eastern DRC for many years, in partnership with Congolese civil society organizations.

EURAC and Fatal Transactions believe that the EU institutions and member states must step up their efforts to increase transparency and good governance in the artisanal mining sector in eastern DRC. Action is needed at numerous levels in terms of: encouraging EU companies trading in certain minerals to undertake adequate due diligence; support to certification and mapping efforts on the ground in eastern DRC; the reinforcement of Congolese state capacities to administer the mining sector; and support programs aimed at increasing socio-economic benefits from mining at community level.

EURAC and Fatal Transactions urge the European Union and the member states to take the following steps:

- As required by the UN Security Council in resolution 1952, The EU should adopt legislation obliging EU companies trading in or using cassiterite, wolframite, coltan and gold or their derivatives to report on the due diligence measures they have undertaken to trace the mine of origin and to ensure that the minerals do not benefit armed groups, including the Congolese army.

Such legislation could be brought forward under the Ordinary Legislative Procedure and should be in the vein of Section 1502 of the Dodd/Frank Act and be consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-affected and High-risk Areas. Recent EU measures on illegal logging (regulation 995/2010) offers a useful precedent for an EU regulation promoting due diligence by European companies. The EU should involve key stakeholders from the DRC in the legislative process, with the specific aim of mitigating any negative economic effects on local communities.

- The EU should adopt the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-affected and High-risk Areas as the reporting standard under EU legislation. The EU should continue to support the OECD in its current efforts to disseminate the Guidance among actors in the conflict minerals supply chains and to assist with the implementation of the Guidance at all levels.
- The EU should offer support to certification efforts that are being developed within the DRC and the wider region. A certification system is an important complement to legislative initiatives, as it can facilitate companies' due diligence efforts and create a distinguishable legal trade circuit. However, the success of any certification system will depend on the willingness and ability to implement it pervasively and consistently on the ground.

Most notably the International Conference on the Great Lakes Region (ICGLR) is developing a region-wide initiative to certify and track exports and imports of certain minerals, which could help to reduce smuggling. The EU and its Member States should make a strong political and financial commitment to ensure sufficient local capacity for implementation of the ICGLR system. The EU and other donors must encourage participation in and harmonization of the existing initiatives, so as to arrive at a coherent and holistic approach. The ICGLR should be encouraged to promote its certification scheme outside the region to ensure it is accepted as a means to satisfy due diligence reporting requirements under non-regional legislation.

The iTCSi scheme and the EICC/GESI conflict-free smelter program are important industry-run initiatives, while BGR/GIZ are implementing a certification scheme in a bilateral arrangement between Germany and the DRC. These initiatives should be urged to adopt and implement the OECD Guidance and harmonize under the ICGLR certification scheme. Downstream companies should be encouraged to support the industry initiatives financially.

- The EU should urge MONUSCO to make headway with setting up *Centres de Negoce*s for the supervised trading of minerals.

- European donors should support Congolese efforts to formalise the artisanal mining sector, fully implement its own laws on the mining sector, and to reinforce capacities to govern the mining sector effectively on the ground. This includes training, but also increasing the quantity of mining officials deployed and ensuring adequate and regular salaries. The EU should push for the World Bank's important PROMINES programme - long delayed due to a broader political stand-off between the Bank and the Congolese government - to be implemented as soon as possible.
- The EU – along with other actors - should support a third party mechanism for the regular mapping of mining sites in eastern DRC and the assessment of due diligence efforts. The longer term goal should be for this mechanism to be led by the Congolese institutions, and these institutions should play an active role from the start.
- European governments need to persuade Kinshasa to prioritize the removal of armed elements from the mines in the east. The demilitarization of mining areas such as Bisie and Omate would be a significant step forward.
- Increased EU engagement on the issue of conflict minerals should not reduce the focus on other root causes of the conflict in DRC, such as the political situation in neighboring countries, the demobilization of combatants, dealing with refugee and land issues, reforming the security sector and addressing impunity. The EU should appoint a new Special Representative for the Great Lakes Region, part of whose mandate should be to co-ordinate the European response to the conflict minerals issue.

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is the European Network of Active NGOs in Central Africa. EurAC is made up of 49 member-organisations from 13 European countries.



is an international campaign for awareness raising on the crucial relation between trade in natural resources from African countries and continuation and escalation of armed conflicts and human rights violations. Fatal Transactions is carried out by a dozen European NGOs and research institutes from Belgium, Germany, the Netherlands and Poland.