



The Impact of Dodd-Frank and Conflict Minerals Reforms on Eastern Congo's Conflict

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Executive Summary

Market changes spurred by the 2010 Dodd-Frank law on conflict minerals¹ have helped significantly reduce the involvement of armed groups in eastern Democratic Republic of Congo (“Congo”) in the mines of three out of the four conflict minerals. The law, in addition to conflict minerals audit programs from the electronics industry and related reforms begun by African governments in the region but not yet fully implemented, has made it much less economically viable for armed groups and Congo’s army to mine tin, tantalum, and tungsten, known as the 3Ts. Minerals were previously major sources of revenue for armed groups, generating an estimated \$185 million per year for armed groups and the army.² However, artisanally mined gold continues to fund armed commanders. Further reforms are needed to address conflict gold and close loopholes on the other minerals.

Furthermore, initial military restructuring within Congo’s army has removed armed actors from many mines, and military operations undertaken by the Congolese army and the United Nations Force Intervention Brigade have significantly reduced the threats of powerful armed groups such as the M23 and the Allied Democratic Forces. Neutralizing these groups – two of the biggest contributors to Congo’s deadly conflict in recent years – is helping improve the situation in the areas where they operated with impunity.

Nevertheless, insecurity remains a serious challenge in several areas of eastern Congo. After 15 years of the deadly conflict minerals trade in the Kivu, the Dodd-Frank law initiated meaningful reforms in the way that international commercial actors engage with the minerals trade in eastern Congo, Rwanda, and the region, and is beginning to remove the gasoline that has helped fuel Congo’s deadly conflicts. While this has started a shift toward legal and peaceful forms of natural resource extraction for several minerals, the

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Congolese army and several other militias continue predatory abuses against civilian populations in the absence of the rule of law. The Kinshasa government's significant corruption and dysfunction remain major obstacles to human security in Congo. Without reforming the security sector, militarily engaging the Forces Démocratiques de Libération du Rwanda (FDLR) rebel group, introducing real anti-corruption reforms, and committing to free and fair elections, the security situation will remain unstable.

The Enough Project conducted five months of field research in eastern Congo, interviewing 220 people in 14 mines and towns, in addition to 32 interviews in the U.S. and Europe. The research revealed the following findings:

- **Armed groups and the Congolese army are no longer present at two-thirds (67 percent) of tin, tantalum, and tungsten mines surveyed** in eastern Congo's North Kivu, South Kivu, and Maniema provinces, according to a major international survey followed up by Enough Project field investigations.³ By contrast, in 2010, before the passage of Dodd-Frank, "In the Kivu provinces, almost every mining deposit [was] controlled by a military group,"⁴ according to the U.N. Group of Experts on the Democratic Republic of the Congo ("U.N. Group of Experts").
- **The Dodd-Frank law and electronics industry audits have created a two-tier market for tin, tantalum, and tungsten (3Ts) from Congo and the region. Minerals that do not go through conflict-free programs now sell for 30 to 60 percent less,⁵ thus reducing profits for armed groups trying to sell them.** As businesses begin to comply with Dodd-Frank, they are requiring suppliers to conduct conflict-free audits and trace the sources of their minerals much more carefully. This has shrunk markets for untraceable conflict minerals. Minerals that are not from verified conflict-free 3T mines sell for less than conflict-free minerals. It is thus no longer as profitable to sell untraceable 3Ts, and the volume of 3T production in eastern Congo is significantly lower. Armed groups and the army are no longer present at 67 percent of 3T mines surveyed.
- **Bisie, one of the world's largest tin mines which generated hundreds of millions of dollars for a number of armed groups and criminal units of the army,⁶ is now largely demilitarized.⁷** Furthermore, over 60 percent of the tantalum mines in Rubaya, previously major revenue sources for warlord Bosco "Terminator" Ntaganda,⁸ are conflict-free. He has surrendered to the International Criminal Court, and six other significant armed commanders have been killed or transferred.⁹
- **Urgent reforms are needed for conflict gold, as gold continues to finance armed groups and Congolese army commanders** due to high smuggling rates.¹⁰ The U.N. Group of Experts estimates that 98 percent of artisanal gold is smuggled out of Congo,¹¹ and various commanders continue to own mines, send in units to oversee mining, or tax the trade. *¹²
- **Electronics companies are expanding minerals sourcing from Congo, which is improving conditions for miners and communities near the mines. Twenty-one electronics and other companies now source from 16 conflict-free mines in**

Congo, in contrast to one conflict-free mine that was operating in 2011.¹³ These include two major projects in former conflict areas. Conflict-free industrial investment is also increasing, as \$115 million in clean gold was produced in South Kivu in 2013.¹⁴ Communities near conflict-free mining projects experience a greatly reduced presence of armed groups; hospitals and schools are starting to be built in those areas.¹⁵ The wages of miners have also increased, in some mines threefold, and an increased number of miners now receive helmets and safety equipment and experience safer working conditions.¹⁶ As an international investor who was unable to invest when armed commanders occupied most mines told Enough, “Dodd-Frank has made a huge impact, wildly beyond the architect’s dreams. It is no longer economic[al] for armed groups to mine [3Ts]. We never would have been looking at investing in mines in Congo if it weren’t for this law.”¹⁷

- **Strong anecdotal evidence based on interviews in multiple locations across eastern Congo suggests that most former 3T miners have been able to find other work and generate income. This appears to be occurring in three main sectors. Because of a lack of capital, however, donors and companies should create entrepreneurship funds for the ex-miners.** Economic conditions for 3T miners worsened during the Congolese government’s 2010 mining ban but have slowly improved in many but not all areas since then, according to a recent international study.¹⁸ Former 3T miners surveyed now work in three main areas: gold mining, farming, and small business such as fishing or motorcycle taxi driving. In farming and small business, they report that they face fewer attacks at gunpoint, in contrast to their past work in conflict mines. Ex-miners in motorcycle taxi driving reported that they can earn up to five times more money in their current work. Nevertheless, many former 3T miners now work in conflict-ridden gold mines, and many continue to live in poverty, as do the majority of people in Congo’s troubled east. These miners need livelihood and entrepreneurship support.
- **For the first time in Congo’s history, there is a validation process to evaluate mines as conflict-free or not, and 112 out of 155 mines surveyed have passed as clean.**¹⁹ Dodd-Frank has also spurred other international reforms by companies and governments working to comply with the law. These include a third-party conflict-free audit system, the Conflict-Free Smelter Program, and due diligence guidelines by the Organization for Economic Cooperation and Development (OECD) and United Nations. There is also a certification process to certify mines and exporters, which builds on the lessons of blood diamonds certification. The process, however, run by the International Conference on the Great Lakes Region (ICGLR), is not yet complete.
- **Over 40 percent of the world’s 3T and gold smelters, the choke point in mineral supply chains, have passed third-party conflict-free audits.**²⁰ This significantly shrinks markets for conflict minerals.
- **Intel is producing the world’s first fully conflict-free product that contains clean Congolese minerals,**²¹ and Apple has validated its tantalum supply chain as conflict-free.²² This is spurring other companies to accelerate their reform efforts.

- **Some army and rebel commanders continue to tax smugglers of 3Ts along supply routes.** However, the volume of the 3Ts trade is now significantly lower than pre-Dodd-Frank levels, and the value of conflict 3Ts is 30 to 60 percent lower, indicating less revenue for armed groups. Armed actors also tax charcoal, cannabis, and agricultural products, but the revenues are much lower than those from minerals. For example, at last estimate the charcoal trade was estimated by the U.N. Group of Experts to be worth \$2 million annually to the FDLR in 2008, compared to an estimated \$185 million for minerals.²³

The new developments represent a significant change from the eastern Congo of the 2000s in which rebel and army commanders engaged in massive conflict minerals smuggling operations with near total impunity, and the violence in Congo's east had few parallels globally. The transformation to a peaceful, transparent economy, however, will not happen overnight. But if progress is to continue to cut armed actors' revenues and improve livelihoods, Dodd-Frank must remain law and be fully implemented. The Securities and Exchange Commission's conflict minerals rule must remain intact, and companies and governments must also address the major remaining hurdles. These include conflict gold, as well as the need to expand the conflict-free minerals trade and invest in ex-miners' livelihoods. However, special interest lobbyists such as the U.S. Chamber of Commerce and the National Association of Manufacturers are fighting the Dodd-Frank rules through a lawsuit. If the suit succeeds and the rules are significantly weakened, many of the positive developments would unravel. We offer the following recommendations to continue the reform agenda, reduce conflict financing, and help local communities:

1. **Sanction conflict gold smugglers.** The U.S. Office of Foreign Assets Control (OFAC) of the Department of the Treasury should finalize investigations on major gold traders in Uganda, Burundi, and Congo who continue to trade conflict gold in violation of U.S. and U.N. sanctions,²⁴ and the U.S. and U.N. should place targeted sanctions on the owners of the sanctioned companies. U.S. Special Envoy for the Great Lakes Region of Africa and the Democratic Republic of the Congo Russ Feingold should press the governments of Uganda, Burundi, and Congo to clamp down on these conflict gold traders. Congressional Appropriations committees should increase funding for OFAC investigations and enforcement, which remain under-resourced.
2. **Help bring gold into the formal economy.** If more gold is brought into the formal, conflict-free economy, armed actors will have fewer mines from which to profit. Feingold should urge President Joseph Kabila to formalize the artisanal gold trade. USAID and the U.N. peacekeeping mission MONUSCO should then support the Congolese government's leading a gold formalization process, including registration of miners, improved anti-corruption systems in Congo's mining agencies, and the opening up of gold concessions for responsible investment. Congress should provide funding for conflict-free gold projects.

3. **Create a miners' entrepreneurship fund to support livelihoods and empower small businesses in eastern Congo.** Feingold, the U.S. Executive Director of the World Bank, and Congress should urge the World Bank to devise a new entrepreneurship fund to empower former and current miners in eastern Congo to expand their small businesses and cooperatives and generate income. The fund should be inclusive of women and provide microfinance loans and financial training. Additionally, electronics, jewelry, and metals companies should contribute to the USAID Public-Private Alliance for Responsible Mineral Trade (PPA) for alternative livelihoods in eastern Congo.²⁵
4. **Expand conflict-free mining projects.** Electronics and jewelry companies should expand projects to source conflict-free minerals, particularly gold, from eastern Congo and the region. Firms can start by engaging suppliers and/or the PPA. The more conflict-free mining projects there are the fewer mines armed groups will have from which to source.
5. **Finalize certification.** Feingold and U.N. Special Envoy Mary Robinson should urge Angolan President Eduardo dos Santos to add finalization of the ICGLR minerals certification process and harmonization of regional minerals taxes to the regional heads of state dialogue. If certification is finalized, responsible investment will increase.
6. **Increase and improve civilian mine policing.** U.N. Special Representative Martin Kobler and Feingold should urge Congo to hire, vet, and deploy more mining police to boost mine demilitarization and increase training for the police. MONUSCO should patrol key trading routes. Feingold should press Congo to order the remaining army units out of mines.

The Impact of Dodd-Frank and Conflict Minerals Reforms on Eastern Congo's Conflict

Key Findings

1. **It is much less economically viable for armed groups and Congo's army to mine three of the four conflict minerals.**

Section 1502 of the Dodd-Frank law²⁶ and the related reforms were a response to eastern Congo's economy that has been dominated by conflict minerals for roughly the past 15 years. U.N. expert panels, Congolese civil society, and international nongovernmental organizations (NGOs) documented that minerals funded armed rebels, the Congolese army, and smugglers in Rwanda and Uganda throughout the 2000s.²⁷ The Congolese Senate estimated that \$1.2 billion in minerals were smuggled out of the country per year,²⁸ and the Enough Project together with the Grassroots Reconciliation Group estimated that armed actors earned \$185 million from minerals in 2008 alone.²⁹ As smelters and corporations turned a blind eye to the origin of the minerals, various armed commanders ran mining activities and collaborated with traders across the region. A

leading Congolese geologist explained to Enough, “Before Dodd-Frank came to disrupt the conflict-minerals supply chain, Goma and Bukavu had won fame as being hubs for the undercover mineral businesses of [Congolese army] commanders.”³⁰ In 2008 the U.N. Group of Experts found,

“The exploitation of mineral deposits... plays an important role in the financing of illegal armed groups... [The rebel group] FDLR-FOCA [Forces Combattantes Abacunguzi] reportedly earns substantial revenue from its control and taxation of mineral deposits in North and South Kivu... Both FDLR-FOCA and [the rebel group Congrès National pour la Défense du Peuple,] CNDP indirectly profit from natural resources via roadblocks and forced or voluntary contributions from companies, comptoir owners and others involved in their trade.”³¹

As the head of a Congolese mining cooperative told Enough, “Artisanal mines constituted a virtual private hunting ground for armed groups [in 2008].”³² In one example, the U.N. Group of Experts found in 2010 that a sector of Congo’s army “was created for the explicit purpose of benefiting from the mineral trade [deployed] follow[ing] the outlines of one of the Province’s main cassiterite [tin] and gold zones.”³³ Senior army officers involved in the trade included Gen. Gabriel Amisi Kumba, Gen. Vainqueur Mayala Kyama, Col. Samy Matumo, and then-Col. Etienne Bindu.³⁴ As one Congolese army officer told Enough, “Col. Bindu ran up to five publicly known [minerals] *comptoirs*... in Goma in 2007 and 2008,”³⁵ and as a Congolese human rights group added, “It is common knowledge... that Col. Bindu... ran several mining businesses in Goma. That was before the conflict minerals landscape was shaken up by the US Dodd-Frank legislation.”³⁶

CAUSE AND EFFECT:

HOW A FINANCIAL LAW HAS CHANGED SUPPLY CHAINS IN CONGO

Dodd-Frank is a securities law that created reporting obligations for companies publicly listed in the United States. Because the New York Stock Exchange and other U.S. capital markets are still an important destination for corporations worldwide, particularly for large, multinational companies that produce the final products that use minerals, the legislation has had a significant impact on the global supply chains of three of the four conflict minerals. Here is how that has occurred:

1. Companies that use minerals in their products (end-users), many of whom have powerful brands, do not want those brands to be associated with sexual violence, warlordism, and the horrific abuses of the war in Congo.
2. Dodd-Frank requires the end-user companies to find out where their 3T and gold minerals are from and then disclose whether or not the minerals funded armed groups.
3. Most end-user companies did not know their sources of minerals before Dodd-Frank, so the law has forced them to look deeper.

4. A handful of companies such as Intel, HP, Apple, and around a dozen others, led industry efforts before the passage of the law. They set up industry-wide auditing systems to better weed out conflict minerals from their supply chains. These companies have valuable brands, are in the highly competitive consumer tech industry, and are sensitive to consumer perception. However, Dodd-Frank has been necessary to bring in the over 1,000 companies with weaker leadership and which are not as sensitive to consumer pressure.
5. As the Dodd-Frank reporting deadlines have approached, companies and governments have set up systems, or sped up pre-existing systems, to clean up supply chains and comply with the law. These include the Conflict-Free Smelter Program (CFSP), the OECD Due Diligence Guidelines, the ICGLR Regional Certification Mechanism, the mine validation system in Congo, and others. Smelters are the industrial plants that transform mineral ores into metal. Smelters typically know the sources of their minerals, and the CFSP uses independent auditors to determine which smelters have mechanisms to ensure that they are sourcing conflict-free minerals. The CFSP audit program was set up in 2009 but only had one smelter pass as conflict-free. Today, with Dodd-Frank reporting underway, that number has jumped to 87 smelters (out of roughly 200).
6. In order to be Dodd-Frank compliant, tech companies required that if smelters wanted to pass the CFSP audits, those that source from Congo or a neighboring country must do so through a credible conflict-free system. The audit program accredited the International Tin Research Institute Tin Supply Chain Initiative (iTSCi) “bag and tag” system and the ICGLR certification system as two such programs. The deadline for sourcing minerals outside of those two systems was April 1, 2011, in anticipation of expected Dodd-Frank reporting requirements on March 31, 2012. The Better Sourcing Program was added to this list in 2013.
7. This has created a strong market incentive to use these two programs, and both have expanded significantly. It has also shrunk the market for non-traceable minerals – i.e. minerals from the Great Lakes that do not go through a conflict-free program. The difference in the price is between 30 and 60 percent.
8. By creating a two-tier market, the incentives at the 3T mines in Congo have changed. Before 2011, armed groups could be involved in the mines and still sell to the electronics supply chain. For example, in 2009 tantalum mined in the Kivus and Katanga sold at \$132/kg,³⁷ whether it was conflict-free or not, and electronics companies, smelters, and other end-users bought it without question. Now, if they are still involved and outside companies discover this through improved reporting and/or audits, their buyers are unable to sell to western electronics company supply chains, instead only able to sell to Chinese buyers at an approximately 30 to 60 percent discount.

9. This has slowly led the governments of Congo, to order their mines to be demilitarized and verified to be conflict-free through a new mine validation system. In Congo, 112 mines have passed validation.
10. It has also led armed groups and their associated minerals traders to largely abstain from selling the 3T minerals, although smuggling continues to occur even at the lower prices and production. Several U.N. Group of Experts reports cite that the smuggling may be going through Rwanda. Better independent monitoring, through the ICGLR certification system and other avenues, is needed to help address these issues.

Dodd-Frank and the related reforms have helped significantly change this situation in the 3T mines, reducing the involvement of armed actors. As the U.N. Group of Experts reported in 2011, “Since the signing into law of the Dodd Frank act [in July 2010], a higher proportion than before of tin, tungsten and tantalum mined in the DRC is not funding conflict.”³⁸ As outlined above, it has helped create a two-tier market for the minerals, with a higher price for credibly conflict-free minerals, and a lower price for untraceable conflict minerals. Today, conflict-free tantalum sells for \$40 to 45 per kilogram (kg), in contrast with the price of untraceable coltan, which sells for \$25 to 35 per kg.³⁹ Profit margins for armed groups were shrinking for other 3T minerals. As a commander of one local armed group told Enough, “A kilo of [tin] has become \$1.5 and there’s no market. How many kilos would you then need to feed all of these men?”⁴⁰

As a result of this pressure, combined with military operations against armed groups, 67 percent of the 3T mines surveyed have become demilitarized over the past four years. The defeat of M23 has led to even greater demilitarization of mines, allowing 17 of 28 mines in Rubaya (Masisi, North Kivu) to be validated as conflict-free in February 2014 (61 percent of mines in Rubaya).

In particular, major 3T mines, including Masisi (Rubaya), Walikale (Walikale town, Mubi, Ndjingala-Bisie, Itebero), Kalehe (Kalimbi/Nyabibwe), Idjwi (Kamole, Lemera), Uvira (Lemera), and most of 3T mines in Maniema province have been demilitarized.⁴¹ The main exception is Shabunda in South Kivu province, where the racketeering of Mai-Mai group Raïa Mutomboki continues.⁴² Taxation by the military also occurs along some trading routes.⁴³

Congolese authorities have also felt the effects of mounting pressure on those involved in the conflict minerals trade. President Kabila’s September 2010 mining ban,⁴⁴ although terrible for local communities, acknowledged the link between the illicit trade in minerals, the trafficking of weapons by armed “mafia” groups, and insecurity.⁴⁵ In addition, the Congolese government passed a law in 2012 that requires all mining and minerals trading companies to conduct due diligence in accordance with international standards, and it suspended Chinese minerals companies later that year for not obeying the law.⁴⁶ Increasing scrutiny on conflict minerals inside and outside Congo coincided with Congo’s military restructuring that has resulted in the removals from the Kivus or suspensions of

several senior Congolese army commanders. Multiple joint Congolese-U.N. military operations against armed groups have also resulted in the demobilization of many armed rebel actors and the deaths of several rebel leaders. These army commanders and many of the armed groups have been involved in the illicit exploitation of minerals.

- Former commander of Congo's army ground forces Gen. Amisi was suspended in November 2012 for allegedly selling weapons to armed rebels. Amisi owned several mines directly or through his networks in Obaye, Omate, Lubutu, and Kasese, according to the U.N. Group of Experts.⁴⁷
- Former commander of the eighth military region, Gen. Mayala, who allowed Congolese army units to take over Bisie mine in 2008, was transferred to western Congo.⁴⁸
- Then-Col. Bindu, who ran undercover minerals trading businesses in Goma, has been placed on reserve along with other ex-CNDP senior officers since March 2013. Many of the ex-CNDP officers were also removed because the government was concerned they might support M23.
- Gen. Bosco Ntaganda, known as the "kingpin of the minerals smuggling ring,"⁴⁹ surrendered in 2013 and now is facing trial at the International Criminal Court.
- Approximately 8,000 combatants are being demobilized and investigated in camps in western and southern Congo. Many are believed to be combatants from rebel groups that have been involved in the conflict minerals trade, including Alliance des Patriotes pour un Congo Libre et Souverain (APCLS), Mai-Mai Yakutumba, Nyatura, and Mai-Mai Sheka.⁵⁰ Raïa Mukombozi leader Maheshe Kahasha has surrendered,⁵¹ and Paul Sadala, the leader of the Mai-Mai Morgan group, has also been killed.

Army officers who remain in the Kivus have largely stayed away from 3T mines, although several are still involved in the gold trade. International regulations have lowered the value of untraceable minerals and had other spillover effects. As Col. Sammy Matumo, the former commander of the army unit that had controlled Bisie mine, told Enough: "Given the international scrutiny and [minerals] seminars we have been subjected to, one could easily be indicted by The Hague [International Criminal Court] if he doesn't shy away from mining businesses."⁵² As Congolese mining ministry official Joseph Ikoli warned, "the stakes are high today, and local minerals traders must comply with both Dodd-Frank requirements and OECD Due Diligence."⁵³ This was echoed by South Kivu's largest tin exporter, Edouard Kitambala, who told Enough that "there's been a dramatic decrease in armed groups' involvement [in the 3Ts] because of Dodd-Frank awareness raising and cut in [3Ts] market."⁵⁴

BISIE MINE:

FROM WARLORDISM TO CONFLICT-FREE DEVELOPMENT NEGOTIATIONS

Bisie, a notorious tin mine once featured on the front page of the *New York Times* because of its vast size and site as a haven for warlords, has been almost completely demilitarized.⁵⁵

Located in Walikale, North Kivu, Bisie is one of the largest tin mines in the world, having produced nearly five percent of the world's tin in 2007 to 2008, or 10-13,000 tons annually.⁵⁶ Generating up to \$80 million per year, Bisie was also a battleground for armed actors seeking to profit from extortion, taxation, and appropriation.⁵⁷ Predictably, the wealth did not trickle down to local communities, as Walikale remains one of the poorest areas of eastern Congo. As a local community leader told Enough, "The advanced dilapidation of its roads turned the area into a sanctuary for local and foreign armed groups."⁵⁸ Soon after tin was discovered in 2002, Bisie fell into the hands of a rebel group that was backed by Rwanda at the time, the Rassemblement Congolais pour la Démocratie (RCD, also known as the Congolese Rally for Democracy). It then was taken over by the non-integrated 85th brigade of Congo's army, which co-existed with one of the strongest battalions of FDLR rebel group, and then Maï-Maï Sheka, a militia formed with the support of Congolese army commanders to secure their "investments."⁵⁹ Sheka and commanders of the eighth military region collaborated with their later enemy, the FDLR rebels, to trade in minerals, according to the U.N. Group of Experts.⁶⁰ The warlords engaged in serious human rights abuses against local civilians. Maï-Maï Sheka and the FDLR allegedly attacked 13 villages in Walikale from July 30 to August 2, 2010, in which 387 rapes were reported.⁶¹ After the attack, Maï-Maï Sheka took advantage of a security vacuum in 2011⁶² and established Bisie as its headquarters by mid-November.⁶³

Since then, military restructuring and the conflict minerals reforms have led Bisie to be demilitarized. According to local mining authorities, human rights organizations, and minerals transporters, there are currently no armed groups in Bisie mines, and the army has withdrawn.⁶⁴ As rebel commander near Bisie told Enough, "Money flows and loans to miners have been cut, and mining no longer means anything [for them] today... No more flights at Kilambo [airstrip], no more minerals businesses."⁶⁵ However, some army and intelligence officers still reportedly levy \$1 taxes on miners on the footpath to the mine.⁶⁶ This is but a fraction of what they used to make at Bisie.

Because the army and armed groups have largely pulled out, the mine is now under negotiation between international investors and local community groups for a much larger-scale development of the mine and the surrounding area with infrastructure, such as roads. The publicly-listed Canadian mining company Alphamin is currently negotiating with the Congolese government, local

communities, and mining cooperatives on how the development should proceed. The investors must now follow the conflict-free reporting and due diligence requirements under Dodd-Frank and Congolese law.⁶⁷ Alphamin conducted large-scale drilling at Bisie in 2013,⁶⁸ the first of its kind in the Kivus. In February 2014 it began deep drilling, with positive results thus far.⁶⁹ According to sources close to the project, the company is committing to spend four percent of its operational expenditures on social infrastructure, as proposed by the local community.⁷⁰ The company is currently employing geologists to identify suitable areas where artisanal miners could work, which it says it will then get the Congolese Mining Ministry to designate as special artisanal mining zones, and it has applied to the USAID Public-Private Alliance for support for miners' livelihood projects. That is a critical step, as an industrially-developed mine with heavy machinery will not be able to accommodate the approximately 3,000 miners that worked at Bisie with shovels and pick-axes at its peak.⁷¹

However, the history of the area complicates the negotiations. Community groups perceive that the company that Alphamin purchased in 2012, Mining Processing Congo, or MPC, has failed to deliver on its commitments to artisanal miners and the surrounding community, and Alphamin uses the same local MPC negotiators who are mistrusted by several community groups. Meanwhile, the company says that it is ready to come to an agreement, and \$100,000 is available immediately to be spent on projects, but that community leaders need to decide on the projects they want to see funded. Coming to a successful conclusion will likely require a transparent community decision-making scheme, possible third-party mediation, and a viable program to support artisanal miners with livelihood and/or entrepreneurship projects.

The pullout from 67 percent of major 3T mines surveyed has meant relatively greater security from armed actors in mining sites and their respective vicinities in the Kivus and Maniema. However, insecurity remains a challenge in several other areas of eastern Congo.

Other factors surrounding the pullout include military restructuring and different military operations. Faced with ongoing military campaigns, armed groups are increasingly unable to hold territory or mines as they once did. For example, the FDLR, army commanders, and Mai-Mai Sheka once exploited Bisie mine, and the FDLR had a tight grip on 3T mines in Shabunda, Mwenga, and Walungu (all South Kivu). However, the FDLR lost control over many mines because of the Congolese army operations and the loss of allied armed groups in 2011 and 2012. In Shabunda, the FDLR has almost been completely cleared by the Raia Mutomboki. "In Walikale they lost "13 out of 15 *groupements* [administrative entities]"⁷² they controlled and mined minerals in," Walikale Deputy Administrator Didonné Tshishiku told Enough. As one FDLR commander reported to Enough, "Of course, mining has been part of our economic activities. But to mine, you need first to consolidate areas you control."⁷³ He went on to say that the FDLR was unable to control mines any

longer. Furthermore, the FDLR force remains roughly one quarter of its size of five years ago.

Some armed groups and army commanders, however, continue to tax minerals trade routes and profit from some smuggling activities. Furthermore, some army commanders have resorted to using intermediaries such as brothers and friends in the mines. For example, the local army commander in Walikale denied involvement in mining during an Enough interview. However, interviews with civil society groups, mining cooperatives, and local human rights activists in Bisie and Omate in Walikale confirmed that some army commanders at times are now reaching agreements with friends or family members to rent mining pits or to take royalties (roughly 20 to 25 percent of the share, according to local interviewees) from mining pits where they cede control. However, local sources report that it has been hard for the two parties to agree on a monthly royalty. Intermediaries are most commonly members of mining cooperatives who are knowledgeable about mining and who can keep secrets.⁷⁴

Several Congolese army officers and armed groups are also involved today in taxation along trade routes. This marks a significant change from earlier years, when armed actors were directly involved in direct 3T mining. Illegal taxation still is a source of income to the Congolese army and armed groups.⁷⁵ This should be addressed with more robust measures such as an increased presence of mining police and joint patrols with the U.N. peacekeeping missions on key minerals trading routes. In the gold sector, however, the involvement of the army and armed groups remains overt.

RUBAYA MINES:

FROM BANKROLLING “THE TERMINATOR” TO CONFLICT-FREE MINING

The tantalum mines at Rubaya, North Kivu were once an important source of income for the infamous M23 rebel leader Bosco “Terminator” Ntaganda and his followers.⁷⁶ Today, 60 percent of Rubaya’s 28 tantalum mines have been validated as conflict-free; tagging has begun at 11 mines, and the minerals are beginning to flow to Motorola Solutions and eight other tech companies in a conflict-free supply chain. Nyatura, the armed group that had most recently been taxing the Rubaya mines, left the mining area following M23’s defeat. Many Nyatura fighters are currently being demobilized. In November 2013, a delegation of electronics companies and NGOs, including Enough, visited Rubaya and advocated with the local government so that conflict-free mining could take place there. Then in December, a coalition made up of the Congolese government, U.N. representatives, and NGOs validated 17 mines in Rubaya as conflict-free. The new validations in North Kivu are noteworthy, as they were stalled by M23-related insecurity from April 2012 to November 2013. The validation also followed the resolution of a long-standing ownership dispute between the Congolese mining company MHI and Cooperative Minière Artisanaux De Masisi (COOPERAMA) mining cooperative.⁷⁷

The Solutions for Hope 2 project was then launched in March 2014 at Rubaya. It is the first conflict-free supply chain in North Kivu. The main companies involved in the project include Motorola Solutions, AVX, and MHI. The project and the others like it prove that that companies can comply with the Dodd-Frank legislation and source clean minerals from Congo. Solutions for Hope 2 is an important step toward the expansion of a responsible minerals trade in eastern Congo, as North Kivu has joined South Kivu and Maniema provinces in implementing conflict-free minerals traceability. As the head of an implementing partner stated, following the launch of the project, “This is a huge progress towards a full implementation of a responsible minerals’ trade and formalization of the artisanal mining sector in the North Kivu province.”⁷⁸ Nearly three months after its launch, no illegal taxation or armed groups involvement has been reported, and local media have popularized the project, calling it a “coltan [tantalum] boom” with many miners migrating to the area. A dozen mining police are charged with providing security to 11 mines, spanning an estimated population of about 5,000 miners.⁷⁹ The majority of the police are deployed at Bibatama mines, but they must be expanded to other areas such as Gakombe and Nyange. There are no reports of major abuses by the mining police.⁸⁰ Negative impacts reported by local civil society include high rates of prostitution and sewage water spoiling local drinking water.

While much less lucrative compared to minerals, natural resources continue to generate income for armed groups and elements of the Congolese army. For example, Mai-Mai Morgan, Allied Democratic Forces (ADF), and FDLR have been notorious for poaching elephants and okapis,⁸¹ selling timber,⁸² as well as agriculture and charcoal production⁸³ respectively. Other products include cannabis and palm oil. Looting and theft – especially of livestock – is another frequent source of income.⁸⁴ It is of course much lower compared to “US\$80 million a year from extortion, taxation, and appropriation”⁸⁵ they gained before, “\$2 million a year annually generated from cannabis trade involving FDLR and FARDC” according to the U.N. Panel of Experts 2011 report and a portion of “over \$2 million annually from taxes on around half of the charcoal production in the Virunga Park worth in revenues.”⁸⁶

2. Strong anecdotal evidence based on interviews in multiple locations across eastern Congo suggests that former 3T miners have been able to find other work and generate income. This appears to be occurring in three main sectors. More programs are still needed, however, to boost their livelihoods.

Artisanal miners have always been at the bottom of the economic chain in eastern Congo’s war economy, as armed actors took the majority of profits, and miners earned between \$1 to \$5 per day.⁸⁷ As Dodd-Frank has slowly started to transform the conflict economy, it has impacted miners in several ways. First, the anecdotal evidence from Enough’s field research suggests that most former 3T miners in eastern Congo are

working and have found other avenues to generate income. The majority of those surveyed, including women, have gone into three main areas of work: gold mining, farming, and small business, with gold mining being the most prevalent currently. The conditions they face in their new work are varied. In farming and taxi driving, they face relatively fewer threats from armed groups.

In gold mining, the working conditions are similar to what they faced in the 3T mines previously – continued threats by armed groups and the army. The gold trade has seen only marginal improvement, and the working conditions at gold mines remain poor, including up to 40 percent child miners in some mines.⁸⁸ These conditions must be improved through livelihood programs and conflict-free mining. Miners were hurt by the Congolese government mining ban in September 2010, which contributed to smuggling rings run by Bosco Ntaganda and others,⁸⁹ but they have seen conditions reportedly improve slowly since that time.⁹⁰

The U.N. Group of Experts says, “Many artisanal miners who once dug for tin, tungsten or tantalum ores are reported to have switched to gold.”⁹¹ Enough’s field research confirmed this. The number of gold miners in Misisi in South Kivu, for example, increased to more than 5,000 compared to roughly 2,000 before 2011, and a similar trend was evident at Oso.⁹² In Misisi, the site of ongoing clashes between Mai-Mai Yakutumba and the Congolese army,⁹³ the majority of gold miners work for roughly \$1.5 a day, unable to afford transport fares to visit their families. Local mining authorities still fail to provide technical support and equipment to gold miners, and boots and helmets are often nonexistent, making for dangerous conditions.⁹⁴ Overall, the pervasive involvement of armed actors in gold mines, including forced labor, forced purchase, mining, and taxation, greatly affects gold miners’ living and working conditions. Though conditions might vary slightly from one area to another, in places like Shabunda (South Kivu) and Mangurujipa (North Kivu), many miners still mine at gunpoint, and extortion and intimidation at checkpoints are common. In addition to poor working and living conditions, miners are subject to targeted killings in Misisi (South Kivu) and Oso (Maniema).⁹⁵

Other miners surveyed are engaged in agricultural activities,⁹⁶ and socio-economic conditions in the areas visited recently have gradually improved since 2010. Agriculture is a critical economic activity in mining areas, and miners in all areas visited by Enough confirmed that they regularly engage in farming due to seasonal shifts in mining activity. In Bisie, for example, some 500 to 600 miners have transitioned to farming. According to porters interviewed by the Enough Project, “Bisie has become the Walikale bread basket since disruption in mining activities started.”⁹⁷ Confirming this, civil society groups explained that “debt-bound miners who couldn’t go back to their villages stayed in Bisie and started farming. Potatoes, beans and vegetables they produce are making up for seasonal and expensive food produced across Walikale.”⁹⁸

However, farming does not yield as much profit as minerals, and many interviewees complained that they are unable to put aside savings or make investments. Improving

income is possible, however, if aid programs loaned or gave basic equipment and agricultural inputs to provide better yields and incomes. The crippled road infrastructure is another big challenge. The Congolese government, NGOs, and donors must improve the road infrastructure and improve alternative livelihoods by providing seeds, tools, and financial training to miners. Local and international actors must work in partnership to minimize health and safety risks, end abuses in artisanal mining, and counter unsustainable mining practices.

The third most frequent alternative livelihood option for ex-3T miners observed by Enough is to be a motorcycle taxi driver, which provides better income than mining. Motorcycles have become the best transportation mode in isolated areas in eastern Congo, and motorcycles are used for transporting people, minerals, and goods around mining areas. During Enough's research, nine of 10 "moto-taxis" used by our research team were driven by ex-miners. Motorcycle taxi driving seems the most lucrative for ex-miners who – if they own the motorbike – can earn \$10 to \$25 per day. Those surveyed who rent the motorbikes earn, an average of \$5 a day. Both rates surpass the daily \$1.5 that a gold miner gets for crunching rocks for the Kimbi Gold Cooperative in Misisi. The \$10 to 25 is a relatively steady salary because of the regular flow of people and goods from and to the mines. One driver told Enough, "No matter the situation, as a motorbiker I can't get less than \$10 a day. Plus, the motorbike owner allows me to keep one day's profit per week to myself."⁹⁹ Many miners with whom Enough spoke said that the purchase of a motorbike taxi is a top investment priority. One driver said, "If I was lucky enough to afford my own motorbike, I would never go back to mining gold again. With one motorbike, I know I can afford a second one and provide for my family's basic needs."¹⁰⁰

The fourth option for ex-miners is to open small businesses, such as shops selling basic necessities such as sugar, salt, petrol, candles, and second-hand clothes. Miners who do so, however, face a severe lack of startup capital. In the absence of local saving banks, donors should support entrepreneurs and small businesses with microfinance programs, including micro-loans, financial training, and small business development.¹⁰¹ In Kamole (Idjwi), Rubaya (Masisi), and Mubi (Walikale), interviewees said they could survive without mining, albeit making less money. "If you ever mined in [the] Kivus, you don't need anyone to teach how inhumane artisanal mining is. We're glad about [conflict minerals] awareness raising campaigns and traceability schemes, but concrete support should go with them," a manager of a mining cooperative on Idjwi Island told Enough.¹⁰² Those in mining sites Enough visited also described the need for substantial support in terms of capacity building for mining cooperatives, micro-credit loans and diversification of livelihoods.

Several livelihood programs supported by USAID, the British government's Department for International Development (DFID), Catholic Relief Services, CARE, and others have had some impact. Thus far, the programs have distributed seeds and tools in Walungu, Kalehe, and Mwenga, and established peace communities in several areas. Donors have worked

with communities to create 46 group village savings and loan microfinance associations and provided training in managing finances which are reportedly helping create accountability and inclusiveness. These and new projects should go directly to support miners' livelihoods. Longtime livelihood and community driven projects in eastern Congo such as "*Tuungane*" (Swahili for "to unite"), "*Tujenge*" (Swahili for "to build"), "*Tufaidike*" (Swahili for "benefitting all"), etc. should include targeting miners specifically.¹⁰³

Technical challenges related to artisanal mining have also driven miners from 3T mines. Without better equipment and know-how to manage underground galleries, collapsing and flooding tunnels are serious obstacles to increasing production. Congo's national mining legislation requires the Small Scale Mining Department of Technical and Social Assistance (SAESSCAM) to provide artisanal miners with necessary technical and safety equipment, help organize mining cooperatives and put in place saving schemes. COOPERAMA miners, however, tell the Enough Project that "since 2006 SEASSCAM has failed to deliver on its primary mission across the Kivus while racketeering miners."¹⁰⁴ Our own observations and miners' first-hand accounts at mines such as Bisie (North Kivu), Kamole and Lemera (Idjwi Island, South Kivu province), and Lemera (Uvira territory, South Kivu province) indicate that SEASSCAM is more of a "predatory" service than an "organizer"¹⁰⁵ of the artisanal mining sector.

3. Dodd-Frank has sped up reforms to clean up minerals supply chains

One of Dodd-Frank's main effects has been to spur reforms by regional governments, international organizations, and electronics, gold, and other industries. As the U.N. Group of Experts said in 2011, "The [Dodd-Frank] Act has had a huge impact on awareness and implementation of... due diligence guidelines both in the United States and globally."¹⁰⁶ This heightened awareness has dramatically sped up initiatives such as the Conflict-Free Smelter program and the OECD due diligence guidelines. Moreover, it has sparked new reforms, such as the Congolese government traceability mechanism, the PPA, the London Bullion Market Association (LBMA) Responsible Gold Audits that are mandatory for its refiners, among others. These have started to have effects on suppliers. *¹⁰⁷

The law has also helped secure commitments by mining operators in the Kivus, who pledged, among other groundbreaking commitments, to stop sourcing from armed groups.¹⁰⁸ The signing of these commitments led to further validation of mines, a critical step towards cleaning the artisanal mining sector in eastern Congo and securing the confidence of end-users. Other notable achievements include the adoption of due diligence policies by Congolese mining exporters,¹⁰⁹ the publishing of a traceability manual by the government of Congo, the construction of four minerals trading centers in Isangi, Itebero, Rubaya, and Mugogo, the training and deployment of 170 civilian mining police to mines across North and South Kivu, the suspension of Chinese mining exporters for non-compliance with due diligence requirements, the launching of ICGLR minerals certificates in Bukavu in February 2014, and the validation of 67 mines in North Kivu, South Kivu, and Maniema provinces.¹¹⁰

The cornerstone of the regional reforms is the ICGLR certification process, as it incorporates lessons from the blood diamonds certification process. It has moved forward on two of its four steps and has certified two mines already, but the system requires more senior-level attention from the regional heads of state and Special Envoys Feingold and Robinson to complete the process.¹¹¹ Furthermore, the Analytical Fingerprint (AFP) developed by the German government, should be incorporated into the ICGLR. A forensic tool to independently check the origin of minerals, AFP can scientifically prove (or disprove) the origin of minerals, unlike the bag-and-tag system. As one Congolese mining expert put it, “The only effective mechanism to shut down minerals smuggling and ensure cleanliness of the chain of custody is the Analytical Fingerprint, given the special geology composition of every mineral.”¹¹² AFP is critical to the conflict-free work, and stakeholders must make its implementation as part of the ICGLR process a priority.¹¹³

4. Conflict-free mining is expanding in eastern Congo

As mines in Congo have steadily demilitarized, the space has opened for electronics and other companies to source and invest in a conflict-free manner in the region. In the 2000s, tech companies had little knowledge of the source of their minerals, as supply chains were opaque. With increased supply chain transparency today, 21 electronics and other companies are now sourcing from closed-pipe conflict-free supply chains that include 16 mines in eastern Congo. Sales of conflict-free minerals are also more profitable for Congolese miners.¹¹⁴ The following initiatives are notable:

- Solutions for Hope tantalum mines in northern Katanga (2011), begun by Motorola Solutions, now includes 14 companies.¹¹⁵ Miners in Solutions for Hope sponsored in Katanga, for example, have seen the price of coltan triple since 2011.¹¹⁶
- Conflict-Free Tin Initiative in South Kivu (2012), begun by Philips and the Netherlands, has 12 participating companies, and the mine received an ICGLR certificate in 2014.¹¹⁷
- Kemet’s Partnership for Social and Economic Sustainability in northern Katanga (2012).
- Maniema iTSCi due diligence/traceability program for conflict-free minerals trade (2012).
- Solutions for Hope 2 tantalum mines in North Kivu (2014), begun by Motorola Solutions, AVX, and MHI, now includes 12 companies.

There is new possible potential for further expansion. In Kamole/Lemera, there are tagging system discussions underway at the South Kivu mines ministry to allow resumption of tantalum and tin mining in Idjwi. In Shabunda, the surrender of Raïa Mukombozi leader Maheshe Kahasha and 40 of his men on April 18¹¹⁸ will open up the main road to Shabunda. Furthermore, 95 companies are starting to implement the OECD due diligence guidance in the Great Lakes region, raising awareness, sharing information,

and discerning best practices and methodologies.¹¹⁹ This is a welcome development, although it is still too early to make an authoritative judgment on their performance. Of these companies, four are based in North Kivu, including Huaying Trading Company, CMM, AMR Mugote, and MHI. In May 2012, Congo suspended the first two firms for their non-compliance with due diligence requirements. The firms re-entered the market eight months later after pledging to conduct due diligence. Furthermore, the ICGLR certified the Rutongo tin mine in Rwanda in November 2013.

5. Challenges: Gold and Government Corruption

Despite progress on the 3Ts, gold is still financing armed actors and business and political elites. The U.N. Group of Experts estimates that 98 percent of artisanal gold (roughly 10-12 tons, worth between \$380 and \$500 million) was smuggled out of Congo in 2013.¹²⁰ The army continues to be involved in the illicit gold exploitation, with senior officers reaping the majority of profits. Local whistle blowers in Misisi, South Kivu informed Enough that army commanders own mining pits and send in their units to either mine for them or oversee mining operations. “There are people at the mines who relay information in real time to army commanders about productive pits. When the [latter] are discovered, they’re all of a sudden taken over by units sent [in] by the commanders,”¹²¹ the whistle blowers told Enough. The UN Group of Experts echoed these findings.¹²² Armed groups such as the ADF, FDLR-FOCA, FDLR-RUD [Ralliement pour l’Unité et la Démocratie], Front de Résistance Populaire de l’Ituri (FRPI), Mai-Mai Sheka, Mai-Mai Simba, Mai-Mai Yakutumba, Raïa Mutomboki, Union des Patriotes Congolais pour la Paix (UPCP), and Union pour la Réhabilitation de la Démocratie du Congo (URDC) are or have been also involved in the gold trade, and commit gross violations of human rights in the process, including rape.¹²³ The smuggling of gold is also fueled by the sector’s mismanagement and poor enforcement of the Congolese mining legislation. The gold trade must be thoroughly reformed, both through expanded responsible development and formalization of the artisanal sector.¹²⁴

Corruption among state agents facilitates smuggling, as authorities often charge unofficial fees. For example, staff members of Congolese state agencies who supervise the processing of minerals reportedly charge \$20 to \$50 per load plus an unofficial fee of \$2,500 per shipment at the Congolese border of the Ruzizi border-crossing to Rwanda.¹²⁵ This complaint was echoed by other minerals exporters and civil society. These fees are said to benefit over a dozen state agencies present at the border.¹²⁶ These practices violate a 2011 Presidential Decree that limits the number of state agencies at border crossings to four in an attempt to curtail the misuse of public resources.¹²⁷

There are also challenges with the government agency SAESSCAM, established to help make small scale mining safer and implement minerals traceability.¹²⁸ In interviews at Kalimbi, Rubaya, Mubi, and Misisi, SAESSCAM agents consistently complained that they were underpaid or not paid at all. Many SEASSCAM agents have engaged in illicit activities, including trading tags, possibly leaking dirty minerals, and underestimating mine

production.¹²⁹ In Rubaya, miners often understated the volume of minerals productions and shipments to state agents in 2013. A local civil society actor told the Enough Project, “SAESSCAM and the Ministry of Mines would record 900 kg of coltan as 40 kg for a little bit of money.”¹³⁰ Enough later verified this assertion with mine security staff and miners. According to the Congolese Minerals Export Authority in Goma, “Unrecorded production and shipments are huge and constitute most of the smuggling into Rwanda.”¹³¹ This corruption poses serious risks to the iTSCI bag and tag/due diligence system, as the government agents susceptible to corruption are charged with implementing the system. International Tin Research Institute (ITRI) and Pact should buttress the system, and local whistleblowing groups must be closely and transparently involved in monitoring the system.

Methodology

From October 2013 to April 2014, Enough visited 14 locations, including the provincial capitals of Goma and Bukavu as well as mining areas and a Disarmament, Demobilization and Reintegration (DDR) transit camp in North Kivu (Bweremana and Rubaya in Masisi, as well as Walikale town, Mubi, Njingala and Itebero in Walikale), South Kivu (Idjwi, Nyababwe in Kalehe, Lemera in Uvira, and Baraka as well as Misisi in Fizi), as well as Maniema (Oso in Lubutu). Overall, the Enough Project field team conducted 220 interviews, including 70 in Goma, six in Bweremana, 24 in Rubaya, 28 in Walikale, six in Oso, 22 in Bukavu, 14 in Nyababwe, 26 in Idjwi, 15 in Misisi, and nine in Lemera.

The study used a sampling approach. Enough researchers focused on mining, mining-adjacent, and commercial areas in order to evaluate the direct impact of Dodd-Frank and related initiatives in these communities. Within these selected interview areas, the Enough research team collected testimonies from a broad sampling of informants. Men and women of different ages, occupations, and social positions were interviewed. Interviewees included the Congolese mining divisions, SAESSCAM, CEEC, mining cooperatives (COOPERAMA, Comimpa, Cocabi, Comider, Combeca, Comiki), porters, minerals dealers/*negociants* (Anemneki), miners, exporters (African Smelting Group, Amr-Mugote, MHI, WMC, Olive Group, Huaying, CMM, FEC), customs officers, whistle blowers investors (MPC, Banro, CASA, River Resources), combatants and ex-combatants of Maï-Maï Simba, Raia Mutomboki, Maï-Maï Kifuafua, Nyatura, Mouvement Populaire d’Autodéfense (MPA), Shetani, Force de Défense d’Intérêts du Peuple Congolais (FDIPC), APCLS, FDLR, intelligence service Agence Nationale de Renseignements (ANR), immigration services (Direction Générale de Migration, DGM), FARDC commanders, mining police, U.N. Joint Mission Analysis Center (JMAC), International Organization for Migration (IOM), and the German Federal Institute for Geosciences and Natural Resources (BGR).

A qualitative, semi-structured approach to individual interviews and focus group discussions was utilized in order to collect data from a broad spectrum of informants. A list of questions was used as starting points but the research team allowed the

conversation to develop organically. Several focus group discussions were also held with miners and minerals porters. Interviews were conducted in the informant's preferred language. Enough conducted interviews in French, English, Kiswahili, Kinyarwanda, Kibembe, Kirega and Mashi. When necessary, one member of the Enough research team conducted simultaneous translation from the primary language into English. All interviews were documented with field notes. In addition, the research relied upon a range of documents, including official production statistics and reports by the Congolese mining authorities, the International Peace Information Service, and the United Nations Group of Experts on the DRC. Furthermore, Enough conducted 32 interviews with mining experts, companies in the mining and electronics industry, government officials, and academics in Washington, DC, New York, and Paris over the period.

Endnotes

¹ The full name of the law is the Dodd-Frank Wall Street Reform and Consumer Protection Act, and the conflict minerals reporting requirements are included in Section 1502 of the Act. It was signed into law on July 21, 2010.

² Enough Project and Grassroots Reconciliation Group, "A Comprehensive Approach to Congo's Conflict Minerals," (April 2009), available at <http://www.enoughproject.org/publications/comprehensive-approach-conflict-minerals-strategy-paper>.

³ See interactive map developed by International Peace Information Service (IPIS), available at <http://www.ipisresearch.be/mapping/webmapping/drcongo/>. Enough counts 103 of 154 total mines in North Kivu, South Kivu, and Maniema provinces that do not have armed groups. IPIS, which surveyed two additional provinces, Orientale and Katanga, gathered data from nine teams, composed of civil society actors and Congolese mining authorities. For the full report see Steven Spittaels and Filip Hilgert, "Mapping Conflict Minerals: Eastern DRC (2013-2014)," (Antwerp: International Peace Information Service, 2013), available at http://www.ipisresearch.be/publications_detail.php?id=428.

⁴ U.N. Security Council, "Interim report of the Group of Experts on the DRC," S/2010/252, para. 77, May 24, 2010, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2010/252.

⁵ The Enough Project conducted interviews with miners at Gakombe and Rubaya mines in October 2013 and also verified prices at the Cooperative Minière Artisanaux De Masisi (COOPERAMA) trading center in Goma on April 18, 2014, finding that conflict-free tantalum sells for between \$40 and \$45 per kg and untraceable tantalum sells for between \$25 and \$35 per kg. Further interviews with MHI and COOPERAMA in May 2014 indicate that the price before the conflict-free project in Rubaya was \$30 per kg, while the current price for conflict-free tantalum is \$45 per kg. The range is thus between 13 and 80 percent, with the average price difference indicating that conflict-free tantalum is approximately 42 percent more valuable in this market than untraceable tantalum. The trend with coltan applies to cassiterite, an ore used to make tin. Cassiterite from Kalimbi Conflict-Free Tin Initiative sells for \$5 to \$7 per kg. Meanwhile, stakeholders in Walikale cited that tin sold at \$1.5 per kg. This information comes from Enough Project interviews of buyers (WMC minerals trading business) and miners conducted in December 2013. The Enough Project also interviewed an armed commander of Raia Mutomboki militia, in Itebero, November 2013.

⁶ These include Mai-Mai Nduma Défence du Congo (NDC), or Mai-Mai Sheka, Mai-Mai Kifuafula, the Forces Démocratiques de Libération du Rwanda (FDLR), the 85th Brigade of the Congolese army, a unit of the Congolese army led by Col. Muhindo, also known as Mundos, the Rassemblement Congolais pour la Démocratie (RCD), and the 1st Brigade of the former Congrès National pour la Défense du Peuple (CNDP). See, for example, Sarah Zingg Wimmer and Filip Hilgert, "Bisie. A one-year snapshot of the DRC's principal cassiterite mine," (Antwerp: IPIS, November 2011), available at http://www.ipisresearch.be/publications_detail.php?id=345.

⁷ According to local activists, the army and the Congolese intelligence agency have set up three checkpoints along the only foot path that leads to Bisie mines and levy taxes along this route. Those wishing to access Bisie are reportedly charged 1,000 CDF, or \$1. Transporters of minerals are said to pay 200 CDF, or \$0.2, to exit Bisie with their loads of tin. In addition, merchants are required to pay the same amount for delivering goods to Bisie. The Enough Project has not received reports of any serious misconduct by the mining police. Enough Project interview with Centre de Recherche et d'Etudes sur l'Environnement, la Démocratie et les Droits de l'Homme (CREDDHO), Walikale, November 2013.

⁸ In a 2011 report, the U.N. Group of Experts said, "At Rubaya, Ntaganda gains large revenues from taxation levied by 'parallel' mine police." U.N. Security Council, "Final report of the Group of Experts on the DRC submitted in accordance with paragraph 5 of Security Council resolution 1952 (2010)," S/2011/738, December 2, 2011, para. 599, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2011/738.

⁹ These commanders include Gen. Vainqueur Mayala Kyama (transferred to western Congo in March 2013), Gen. Gabriel Amisi Kumba (suspended in November 2012), Col. Etienne Bindu (placed on reserve in March 2013), Maheshe Kahasha (surrendered in April 2014), Paul Sadala (killed in April 2014), and Muchomba Bahani (arrested in February 2014). The immediate reasons for the surrender of Ntaganda and the M23 commanders were militarily related. Ntaganda feared for his life and fled to the U.S. embassy in Kigali, Rwanda in April 2013. The Congolese army and the U.N. Intervention Brigade militarily defeated the rest of the M23 rebellion in November 2013.

¹⁰ The Enough Project plans to significantly expand its research and advocacy on conflict gold to address this problem.

¹¹ U.N. Security Council, "Final report of the Group of Experts on the Democratic Republic of the Congo," S/2014/42, p. 3, January 23, 2014, available at <http://www.un.org/sc/committees/1533/egroup.shtml>.

¹² [*References to a gold dealer and refiner on pages 2 and 16 have been deleted due to factual inaccuracies.]

¹³ These include seven mines at the Solutions for Hope 2 project in Rubaya (North Kivu), three mines at the Solutions for Hope project in northern Katanga, one mine at the Kemet project in Katanga, and one mine at the Conflict-free Tin Initiative in South Kivu. The projects are fully traceable, and they use the iTSCi process. The companies involved include Motorola Solutions, AVX, Apple, Intel, Blackberry, HP, Nokia, Fairphone, Motorola Mobility (Google), Flextronics, Foxconn, Global Advanced Metals, Kemet, AIM Metals & Alloys, Alpha, Malaysia Smelting Corporation (MSC), Philips, Tata Steel, Traxys, Mining Minerals Resources (MMR), F&X, as well as the Congolese mining cooperative Coopérative Des Artisanaux Miniers du Congo (CDMC). For more information, see www.resolve.org.

¹⁴ To arrive at the figure of \$115 million in clean gold being produced in South Kivu in 2013, Enough used an average gold price of \$1,390 per ounce and multiplied this price by the 82,591 ounces of gold produced by Banro's Twangiza mine in 2013 (worth an estimated \$114,801,490). See Banro Corporation, "Banro Announces Year End 2013 Financial Results," Press release, March 31, 2014, available at <http://news.banro.com/press-releases/banro-announces-year-end-2013-financial-results-nyse-mkt-baa-201403310936511001>. Furthermore, 39,690 ounces of gold, worth an estimated \$55,169,100, were produced at the Kibali mine in Orientale province in 2013. See Seeking Alpha, "Randgold: The Gold Miner To Watch In 2014," February 19, 2014, available at <http://seekingalpha.com/article/2029941-randgold-the-gold-miner-to-watch-in-2014>.

¹⁵ This has occurred at the Solutions for Hope mines through the work of VinMart, and plans for technical training school and health clinic are underway at Solutions for Hope 2. Furthermore, Banro has built three schools and rehabilitated two others. Banro reports that commodity prices close to the 340 kilometers of roads that the company built near its mines have decreased 30 to 50 percent for people living along 80 km of the road. Interview with Banro company representative, April 2014. For more information, see <http://solutions-network.org/site-solutionsforhope/files/2012/07/MMR-PRESENTATION.pdf>.

¹⁶ At the Solutions for Hope mines, the tantalum price for miners went from \$13 per kg in 2010 to \$40 per kg in 2013. The price for miners at the Conflict-Free Tin Initiative went from \$1 per kg of tin in 2011 to \$4 to \$5 per kg of tin, which is significantly above the mining ban levels, but still could be higher if there was not a local monopoly on tin buying by the exporter WMC. Enough observations and interviews with miners at Rubaya and Kalimbi mines;

Eindhovens Dagblad, Alternatief voor delven tin DR Congo succes, May 4, 2013. See also Ken Matthyssen and Andrés Zaragoza Montejano, “Conflict Minerals’ initiatives in DR Congo: Perceptions of local mining communities,” (Antwerp: IPIS, November 2013), available at http://www.ipisresearch.be/publications_detail.php?id=426, pp. 17-21, 32.

¹⁷ Interview with international investor in Congo’s minerals sector, via phone from Washington, September 13, 2013.

¹⁸ As IPIS highlights, “Over the last year... several areas have witnessed a progressive increase in mineral trade and production. Consequently the socio-economic situation has been gradually improving in these areas.” For example, the minerals prices that miners have been receiving have been steadily rising since 2010. However, IPIS notes that socioeconomic conditions are still poor in many areas and must be improved. See Ken Matthyssen and Andrés Zaragoza Montejano, “Conflict Minerals’ initiatives in DR Congo: Perceptions of local mining communities,” p. 36.

¹⁹ This includes mines in northern Katanga, which is why the number is higher than the IPIS figure. Joseph Ikoli Yombo Y’Apeke (Directeur de Cabine Adjoint du Ministère des Mines), “Exposé Présent a la session d’alignement de l’alliance public-privé pour le commerce responsable des minerais (PPA), May 29, 2014. The validation teams are made up of representatives of the U.N., Congolese government, NGOs, and local civil society. A recent U.N. Group of Experts report notes, “Congolese mining authorities, MONUSCO, and the German Institute for Geosciences and Natural Resources (BGR) have validated 41 tin mines and three gold mines in Maniema, and validated six tin mines and one tungsten mine in South Kivu.” See U.N. Security Council, “Final report of the Group of Experts submitted in accordance with paragraph 5 of Security Council resolution 2078 (2012),” S/2014/42, Annex 79, January 23, 2014, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2014/42.

²⁰ As of May 20, 2014, 85 smelters had passed the conflict-free audits of the Conflict-Free Smelter program. There are approximately 200 smelters of the 3Ts and gold worldwide. For more information, see www.conflictreesmelter.org.

²¹ Intel’s Chromebooks feature DRC conflict-free Intel processors. Intel defines “DRC conflict free,” by the U.S. Securities and Exchange Commission regulations as products not containing tin, tantalum, tungsten, and gold “that directly or indirectly finance or benefit armed groups in the DRC or adjoining countries.” Intel also notes it uses the term “conflict-free” more broadly, “to refer to suppliers, supply chains, smelters, and refiners whose sources of conflict minerals do not finance conflict in the DRC or adjoining countries.” See both descriptions at <http://www.intel.com/content/www/us/en/laptops/shop-chromebooks.html>.

²² Apple, “Supplier Responsibility 2014 Progress Report,” p. 4, available at https://www.apple.com/supplier-responsibility/pdf/Apple_SR_2014_Progress_Report.pdf.

²³ In December 2008, the U.N. Group of Experts noted, “if the FDLR tax around half of the charcoal production, they could generate over \$2 million annually in revenues from charcoal.” U.N. Security Council, “Final report of the Group of Experts on the DRC submitted in accordance with paragraph 18(d) of Security Council resolution 1807 (2008),” S/2008/773, para.113b, December 12, 2008, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2008/773.

In its 2011 report, the U.N. Group of Experts said it “estimates the value of the cannabis trade [by both FDLR and FARDC] in markets such as Goma and Butembo to be more than \$2 million a year annually.” U.N. Security Council, “Final report of the Group of Experts on the DRC submitted in accordance with paragraph 5 of Security Council resolution 1952 (2010),” S/2011/738, December 2, 2011, para. 93, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2011/738.

²⁴ Successive U.N. Group of Experts reports from 2007 to 2013 have repeatedly highlighted four main traders as purchasing gold directly and indirectly from armed groups in eastern Congo and not conducting due diligence: Rajendra “Raju” Kumar (Uganda), Mutoka Ruganyira (Burundi), Evariste Shamamba (Congo). Some reports, including the 2013 report, have also highlighted Kunal Lodhia “Chuni.” Several of these individuals owned companies which were placed under UN and US sanctions in 2007, including Machanga, Uganda Commercial Impex. U.N. Security Council, “Final report of the Group of Experts on the Democratic Republic of the Congo,” S/2014/42; “Final report of the Group of Experts on the Democratic Republic of the Congo,” S/2014/42, Annex 79, January 23, 2014, available at <http://www.un.org/sc/committees/1533/egroup.shtml>.

²⁵ The \$4 million partnership was announced in December 2013 by USAID Administrator Raj Shah and is different from the Public-Private Alliance on Responsible Minerals Trade. See USAID, “US Government and Banro announce Partnership for Responsible Minerals Trade in the Democratic Republic of Congo,” Press release, December 13, 2013, available at <http://www.usaid.gov/news-information/press-releases/dec-17-2013-us-government-and-banro-corporation-partnership-responsible-minerals-trade>.

²⁶ The law was passed in July 2010 following a two-year lead-up period in which four different pieces of conflict minerals legislation were introduced in the U.S. Congress. Significant input was taken by its principal authors, Senators Brownback, Durbin, and Feingold, and Rep. McDermott in the House. The law requires, among other steps, that companies report on the steps they took to exercise due diligence on their sources and chains of custody of the minerals and to report annually on whether any of their minerals funded armed groups in Congo. The full text is available at <https://www.sec.gov/about/laws/wallstreetreform-cpa.pdf>.

²⁷ U.N. Security Council, “Final report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo,” S/2002/1146, paras. 22-131, October 16, 2002, available at <http://www.un.org/Docs/journal/asp/ws.asp?m=S/2002/1146>; U.N. Security Council, “Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo,” S/2001/357, April 12, 2001, available at http://www.un.org/en/ga/search/view_doc.asp?symbol=S/2001/357; Amnesty International, “‘Our brothers who help kill us’: Economic exploitation and human rights abuses in the east,” (April 2003), available at <http://www.amnesty.org/en/library/info/AFR62/010/2003>; Global Witness, “Same Old Story – A Background Study on Natural Resources in the DRC,” (June 2004), p. 21.

²⁸ This was a 2009 study. See BBC, “Congo gold still funding rebels,” November 17, 2009, available at <http://news.bbc.co.uk/2/hi/africa/8362524.stm>.

²⁹ Enough Project and Grassroots Reconciliation Group, “A Comprehensive Approach to Congo’s Conflict Minerals,” (April 2009), Appendix 2 on p. 17, available at <http://www.enoughproject.org/files/Comprehensive-Approach.pdf>.

³⁰ Enough interview on March 19, 2014 with a geologist for SAKIMA, a state mining company.

³¹ U.N. Security Council, “Final report of the Group of Experts on the DRC submitted in accordance with paragraph 18(d) of Security Council resolution 1807 (2008),” S/2008/773, paras. 37-65, December 12, 2008, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2008/773.

³² Enough interview with Charles Salamba, head of Kimbi valley gold mining cooperative, or COMIKI, in Misisi (Fizi territory, South Kivu province), February 1, 2014.

³³ This was the 51st Sector of the Congolese government’s Amani Leo operation. U.N. Security Council, “Final report of the Group of Experts on the DRC, submitted in accordance with paragraph 6 of Security Council resolution 1896 (2009),” S/2010/596, para. 226, November 29, 2010, available at <http://www.un.org/sc/committees/1533/egroup.shtml>.

³⁴ Meeting with Congolese army officer, eastern Congo, March 19, 2014.

³⁵ Ibid.

³⁶ Statement made by Janvier Murairi, head of a human rights watchdog group that monitors mining practices, during a North Kivu meeting on October 5, 2013. Murairi’s statement is on file with the Enough Project.

³⁷ Patrick Stratton and David Henderson, “Tantalum Market Overview,” Minor Metals Trade Association, available at <http://www.mmta.co.uk/tantalum-market-overview> (last accessed June 2014).

³⁸ Letter from the UN Group of Experts to the U.S. Securities and Exchange Commission, October 21, 2011, available at <http://www.sec.gov/comments/s7-40-10/s74010-346.pdf>.

³⁹ Interviews with miners at Gakombe/Rubaya mines in October 2013 and prices at COOPERAMA trading center in Goma, April 18, 2014.

⁴⁰ Interview with armed commander of Raia Mutomboki militia, Itebero, November 2013.

⁴¹ Enough was unable to access mines in Shabunda because of logistical challenges.

⁴² Steven Spittaels and Filip Hilgert, “Mapping Conflict Minerals: Eastern DRC (2013-2014).”

⁴³ Ibid.

⁴⁴ The Enough Project has emphasized the need for policies in Congo that extend beyond the mining ban to improve the security sector, implement an independent minerals certification process, and pursue peaceful economic development. Enough also underscored the importance of continued responsible investment practices of large corporations to ensure clean, conflict-free supply chains. See Enough Project, “Congo's Ban on Mining an Incomplete Solution to Conflict Minerals, Says Enough Project,” Press release, September 16, 2010, available at <http://www.enoughproject.org/news/congos-ban-mining-incomplete-solution-conflict-minerals-says-enough-project>.

⁴⁵ See République Démocratique du Congo Ministère des Mines, « Arrête Ministériel n. 705 cab.min/mines/01/2010 du 20 septembre 2010 portant suspension des activités minières dans les provinces du Maniema, Nord-Kivu et Sud Kivu » Kinshasa, September 20, 2010, available at http://mines-rdc.cd/fr/documents/Arrete_Mines_705.pdf; République Démocratique du Congo Ministère des Mines, « Arrête Ministériel n. 706 cab.min/mines/01/2010 du 20 septembre 2010 portant mesures urgentes d'encadrement de la décision de suspension des activités minières dans les provinces du Maniema, Nord-Kivu et Sud-Kivu » Kinshasa, September 20, 2010, available at http://mines-rdc.cd/fr/documents/Arrete_Mines_706.pdf. Translation from French by the Enough Project.

⁴⁶ Global Witness, “Congo Government Enforces Law to Curb Conflict Mineral Trade,” Press release, May 21, 2012, available at <http://www.globalwitness.org/library/congo-government-enforces-law-curb-conflict-mineral-trade>.

⁴⁷ U.N. Security Council, “Final report of the Group of Experts on the DRC submitted in accordance with paragraph 5 of Security Council resolution 1952 (2010),” S/2011/738, paras. 453, 469, 471, 472, December 2, 2011, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2011/738.

⁴⁸ The Congolese government was unsatisfied with his performance during the M23 crisis. Global Witness, “‘Faced with a Gun, What Can You Do?’ War and the Militarisation of Mining in Eastern Congo,” (July 2009), available at http://www.globalwitness.org/sites/default/files/pdfs/report_en_final_0.pdf.

⁴⁹ Enough Project, “Congo: Key Minerals Smuggling Ring is in Good Health in Goma,” (Washington: October 2012), available at <http://enoughproject.org/reports/congo-key-minerals-smuggling-ring-good-health-goma>. In 2011 the U.N. Group of Experts reported that “Smuggling is a widespread problem. Minerals can pass unrecorded through official crossings, but most smugglers use illegal border crossings. The Group identified a number of such crossings, including a street controlled by General Bosco Ntaganda in Goma and a small Lake Kivu port north of Bukavu run by elements of the FARDC navy. Smugglers sometimes try to launder untagged material into the International Tin Research Institute Tin Supply Chain Initiative in Rwanda, threatening the credibility of the system.” The group adds in paragraph 485, “The minerals are usually brought in vehicles into the neutral zone, after which they are carried to the Rwandan side, where they are loaded onto another vehicle. During smuggling operations, Ntaganda’s troops cut off all access to the area.” See U.N. Security Council, “Final report of the Group of Experts on the DRC submitted in accordance with paragraph 5 of Security Council resolution 1952 (2010),” S/2011/738, December 2, 2011, p. 6, para. 485, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2011/738.

⁵⁰ Only certain elements of the Maï Maï Sheka are being demobilized. The group’s leader, who is not disarming, has handed over approximately 170 men, but it is unclear whether those individuals are true Maï Maï combatants and whether Sheka has rebuilt its ranks with new fighters. Enough has heard from sources that a “large number” of the men surrendered by the group were not true combatants.

⁵¹ Radio Okapi, “Sud-Kivu: reddition du chef Maï-Maï Maheshe Kahasha à Nzibira,” April 19, 2014, available at <http://radiookapi.net/actualite/2014/04/19/sud-kivu-reddition-du-chef-mai-mai-maheshe-kahasha-nzibira/>. Translation from French by the Enough Project.

⁵² Meeting with Col. Samy Mutumo at his Lubonja home, 30 minutes out of Misisi gold town in Fizi on February 1, 2014.

⁵³ Congo’s national mines minister’s deputy cabinet director, Joseph Ikoli, made this statement during a briefing with Enough and local civil society on February 26, 2014 in Goma.

⁵⁴ Interview with WMC director Edouard Kitambala in Bukavu, October 26, 2013.

⁵⁵ Lydia Polgreen, “Congo’s Riches, Looted by Renegade Troops,” *New York Times*, November 16, 2008, <http://www.nytimes.com/2008/11/16/world/africa/16congo.html?pagewanted=all&r=0>.

⁵⁶ Bisie's estimated production was roughly 70 percent of North Kivu's overall tin production in 2006-9, according to multiple sources. For a detailed assessment of Bisie's production before Dodd-Frank based on several research reports and interviews with Congolese mining authorities, see Enough Project and Grassroots Reconciliation, "A Comprehensive Strategy," Appendix 1, Note 1. Global tin production was 257,000 and 264,000 in 2008 and 2009, respectively. James Carlin, Jr., "2010 Minerals Yearbook: Tin." US Geological Survey, May 2012. Available at <http://minerals.usgs.gov/minerals/pubs/commodity/tin/myb1-2010-tin.pdf>. Thomas Yager, "Congo (Kinshasa)." In Ken Salazar and Marcia McNutt, ed., *Minerals Yearbook—Area Reports: International 2008—Africa and the Middle East*, vol. 3 (Washington: United States Government Printing Office, 2010); P. Payhonen, British Geological Survey (2010), *World Mineral Production 2004–2008*, p. 98. Sarah Zingg Wimmer and Filip Hilgert, "Bisie. A one-year snapshot of the DRC's principal cassiterite mine." U.N. Security Council, "Group of Experts Interim Report 2009" S/2009/603, para. 201, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2009/603.

⁵⁷ Lydia Polgreen, "Congo's Riches, Looted by Renegade Troops."

⁵⁸ Enough Project interview with Prince Kihangi, a community leader from Walikale, in October 2013.

⁵⁹ Maria Eriksson Baaz, Jason Stearns, and Judith Verweijen, "The national army and armed groups in the eastern Congo: Untangling the Gordian knot of insecurity" (London: Rift Valley Institute, 2013), p. 35; paras. 201-204, available at <http://riftvalley.net/publication/national-army-and-armed-groups-eastern-congo#.U5JxxCiorqw>.

⁶⁰ Reportedly, they supplied the rebels with military uniforms and other logistical support in an attempt to prevent the government's announced demilitarization of the mine. In late 2010, Sheka relied heavily on military support from Lt. Col. Evariste Sadiki Kanzeguhera of FDLR Montana Battalion. By mid-November of the same year, Sheka had under his control approximately 100-150 men and collaborated with 350-550 men from the FDLR. This coalition was mutually beneficial. Kanzeguhera soon headed the strongest FDLR unit and Sheka could expand his involvement in the minerals trade. From July 30 to August 2, 2010, elements of both groups reportedly attacked 13 villages in Walikale, raping at least 387 people. In early 2011, a Congolese military court indicted Sheka and seven others for their alleged role in the mass rape, amongst other charges. The U.N. Security Council later sanctioned Sheka with a travel ban and asset freeze. U.N. Security Council, "Final report of the Group of Experts on the DRC submitted in accordance with paragraph 5 of Security Council resolution 1952 (2010)," S/2011/738, para. 209, December 2, 2011, available at <http://www.un.org/sc/committees/1533/egroup.shtml>; U.N. Security Council, "Final report of the Group of Experts on the DRC, submitted in accordance with paragraph 6 of Security Council resolution 1896 (2009)," S/2010/596, para. 39, November 29, 2010, available at <http://www.un.org/sc/committees/1533/egroup.shtml>; U.N. Joint Human Rights Office (UNJHRO), "Final Report of the Fact-Finding Missions of the United Nations Joint Human Rights Office into the Mass Rapes and Other Human Rights Violations Committed by a Coalition of Armed Groups along the Kibua-Mpofi Axis in Walikale territory, North Kivu, from 30 July to 2 August 2010," July 2011, pp. 6, 13-14, available at <http://www.securitycouncilreport.org/atf/cf/%7B65BFCF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/UNJHROReport%2030%20July%202010%202%20Aug%202010.pdf>. U.N. Security Council, "Final report of the Group of Experts on the DRC submitted in accordance with paragraph 8 of Security Council Resolution 1857 (2008)," S/2009/603, paras. 220-222, November 23, 2009, available at <http://www.un.org/sc/committees/1533/egroup.shtml>.

⁶¹ According to the U.N. Group of Experts, Lt. Col. Sadiki deployed Captain Seraphin and his unit to assist Sheka in conducting looting and pillaging operations. U.N. Security Council, "Final report of the Group of Experts on the DRC, submitted in accordance with paragraph 6 of Security Council resolution 1896 (2009)," S/2010/596, November 29, 2010, para. 39, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2010/596. United Nations Organization Stabilization Mission in the Democratic Republic of Congo (MONUSCO) and United Nations Office of the High Commissioner of Human Rights (OHCHR), "Final Report of the Fact-Finding Missions of the United Nations Joint Human Rights Office into the Mass Rapes and Other Human Rights Violations Committed by a Coalition of Armed Groups along the Kibua-Mpofi Axis in Walikale Territory, North Kivu, from 30 July to 2 August 2010," July 2011, pp. 6, 13-14, available at http://www.ohchr.org/Documents/Countries/CD/BCNUDHRapportViolsMassifsKibuaMpofi_en.pdf. Laura Heaton,

“What Happened in Luvungi? On rape and truth in Congo,” *Foreign Policy*, March 4, 2013, available at http://www.foreignpolicy.com/articles/2013/03/04/what_happened_in_luvungi.

⁶² The military restructuring took place across North and South Kivu with the aim to eliminate parallel chains of commands and to get rid of ghost soldiers. The regimentation was planned for two months in May and June, but it continued until August. The brigades got reorganized and redeployed in smaller regiments. Redeployment started in August and was completed in October 2011.

⁶³ In mid-November 2011, the 1st Battalion was located at Bisie and led by Major Guwangu. The 2nd Battalion named Dragon was located at Moriba. The 3rd Battalion named Mazimbe was located at Omate and led by Maj Matete. The 4th battalion named Delta was located at Angoa (3-4 walking days north from Munzuli) and led by Lt. Col. Ndume. MONUSCO military section, November 2011. According to U.N. DRRR, the 3rd Battalion was located close to Omate and Sheka’s men made intrusions into the mine to tax miners a few times a week. Wimmer and Hilgert, “Bisie. A one-year snapshot of the DRC’s principal cassiterite mine,” pp. 10 and 11.

⁶⁴ Interviews with SAESSCAM representative, CREDDHO, local mining transport association, Mubi, November 2013.

⁶⁵ Interview with Mai Mai Kifuafua commander, Walikale, November 2013.

⁶⁶ According to local activists, the army and the Congolese intelligence agency have set up three checkpoints along the only foot path that leads to Bisie mines and levy a set of taxes. Everybody wishing to access Bisie is reportedly charged 1,000 CDF, or \$1. Transporters of minerals are said to pay 200 CDF, or \$0.2, to exit Bisie with their respective loads of tin. In addition, merchants are required to pay the same amount for delivering goods to Bisie. The Enough Project has not received reports of any reported serious misconduct by the mining police. CREDDHO, Enough Project interview, Walikale, DRC, November 2013. Kenn Matthysen and Andrés Zaragoza Montejano, “Conflict Minerals’ initiatives in DR Congo: Perceptions of local mining communities.”

⁶⁷ One of the reforms that Dodd-Frank has spurred is the passage of due diligence requirements for companies under Congolese law in March 2012. Sophia Pickles and Annie Dunnebacke, “SEC Delays Risk Undermining Efforts to Curb Congolese Conflict Minerals,” *Huffington Post*, April 19, 2012, available at http://www.huffingtonpost.com/sophia-pickles/sec-delays-risk-undermini_b_1438364.html.

⁶⁸ Alphamin Resources Corp., “Bisie Project Update, DRC,” April 2, 2013, available at <http://alphaminresources.com/bisie-project-update-drc/>; Alphamin Resources Corp., “Alphamin announces a \$12.0 Million Private Placement,” Press release, December 3, 2013, available at <http://online.wsj.com/article/PR-CO-20131203-907807.html?dsk=y>.

⁶⁹ Alphamin Resources Corp., “Alphamin Commences Deep Drilling on its 100% owned Bisie Tin Project, DRC,” February 25, 2014, available at <http://alphaminresources.com/alphamin-commences-deep-drilling-100-owned-bisie-tin-project-drc/>.

⁷⁰ Confidential interviews, February to April 2014.

⁷¹ Zingg Wimmer and Hilgert, “Bisie. A one-year snapshot,” p. 2.

⁷² Interview with Walikale Deputy Administrator Dieudonné Tshishiku, Nov.1, 2013. U.N. Security Council, “Final report of the Group of Experts submitted in accordance with paragraph 5 of Security Council resolution 2078 (2012),” S/2014/42, para. 43, January 23, 2014, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2014/42. A former NDC soldier and NDC cadres told the Group that Ntaberi’s main objective was to fight FDLR. NDC cadres told the Group that NDC took control of 13 of the 15 “groupements” in Walikale from FDLR and still needed to “liberate” from the FDLR the two “groupements” of Ikobo and Kisimba.

⁷³ Interview with FDLR commander, eastern Congo, October 2013.

⁷⁴ Interviews with civil society groups, mining cooperatives, and local human rights activists, Walikale, November 2013.

⁷⁵ Ken Matthysen and Andrés Zaragoza Montejano, “Conflict Minerals’ initiatives in DR Congo: Perceptions of local mining communities.”

⁷⁶ The UN Group of Experts in 2011 stated that “At Rubaya, Ntaganda gains large revenues from taxation levied by “parallel” mine police.” U.N. Security Council, “Final report of the Group of Experts on the DRC submitted in accordance with paragraph 5 of Security Council resolution 1952 (2010),” S/2011/738, p. 150, December 2, 2011,

available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2011/738. See also Fidel Bafilemba, “Congo’s ‘Terminator’ and the Mining Ban,” Enough Said blog, February 16, 2011, available at <http://www.enoughproject.org/blogs/congo-terminator-and-mining-ban>. Bafilemba states, “...miners from the Rubaya area of Masisi territory have told Enough that ex-CNDP officers have taken control of mines previously operated by civilians. Hundreds of miners from Rubaya and neighboring villages have been forced to work in the mines on behalf of the military units in a food-for-work arrangement. The minerals are smuggled in food shipments or transported by military vehicles to Goma, undergo a rough initial processing, and are then smuggled to Rwanda.”

⁷⁷ The agreement stipulates that the cooperative will sell minerals to the company. République Démocratique du Congo Province du Nord Kivu, « Protocole d’Accord de Collaboration [Mwangachuchu Hizi International (MHI) et La Coopérative des Exploitants Artisanaux Miniers de Masisi (COOPERAMA)] » art. 2, November 28, 2013, on file with the Enough Project. See also Fidel Bafilemba and Sasha Lezhnev, “Another Conflict-Free Mining Project Launches in Eastern Congo,” Enough Said blog, March 13, 2014, available at <http://www.enoughproject.org/blogs/another-conflict-free-mining-project-launches-eastern-congo>.

⁷⁸ Meeting with an implementing partner, March 2, 2014.

⁷⁹ Interview with mining department chief in Rubaya, October 22, 2013.

⁸⁰ Ibid.

⁸¹ U.N. Security Council, “Final report of the Group of Experts submitted in accordance with paragraph 5 of Security Council resolution 2078 (2012),” S/2014/42, paras. 65, 67, 117, 225-238, January 23, 2014, available at http://www.un.org/en/ga/search/view_doc.asp?symbol=S/2014/42.

⁸² Ibid., para. 88.

⁸³ U.N. Security Council, “Final report of the Group of Experts on the DRC submitted in accordance with paragraph 5 of Security Council resolution 1952 (2010),” S/2011/738, para. 93, December 2, 2011, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2011/738; U.N. Security Council, “Final report of the Group of Experts on the DRC submitted in accordance with paragraph 8 of Security Council Resolution 1857 (2008),” S/2009/603, para. 113, November 23, 2009, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2009/603.

⁸⁴ Ibid.

⁸⁵ Lydia Polgreen, “Congo’s Riches, Looted by Renegade Troops,” *New York Times*, November 15, 2008, available at <http://www.nytimes.com/2008/11/16/world/africa/16congo.html?ref=lydiapolgreen&r=0>.

⁸⁶ U.N. Security Council, “Final report of the Group of Experts on the DRC submitted in accordance with paragraph 5 of Security Council resolution 1952 (2010),” S/2011/738, December 2, 2011, para. 93, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2011/738; U.N. Security Council, “Final report of the Group of Experts on the DRC submitted in accordance with paragraph 8 of Security Council Resolution 1857 (2008),” S/2009/603, November 23, 2009, para. 113, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2009/603.

⁸⁷ Nicholas Garrett, “Artisanal Cassiterite Mining and Trade in North Kivu: Implications for Poverty Reduction and Security,” (Communities and Small Scale Mining Initiative, June 2008), available at http://www.rcsglobal.com/documents/CASM_WalikaleBooklet2.pdf, p. 16. See also Berke, C. et al., “Les ressources naturelles en République démocratique du Congo: Un potentiel de développement?” [Natural resources in the Democratic Republic of the Congo: a potential for development?] (KfW Entwicklungsbank and Bundesanstalt für Geowissenschaften und Rohstoffe: Frankfurt am Main, Apr. 2007), p. 28, as cited by Ruben de Koning, “Artisanal mining and postconflict reconstruction in the Democratic Republic of the Congo,” (Stockholm: Stockholm International Peace Research Institute, October 2009), available at <http://books.sipri.org/files/misc/SIPRIBP0910b.pdf>, p. 1.

⁸⁸ One study found that 42 percent of the workers in Congo’s copper belt are children younger than 18. Nicolas Tsurukawa, Siddharth Prakash, Andreas Manhart, “Social impacts of artisanal cobalt mining in Katanga, Democratic Republic of Congo,” (Freiburg, Germany: Öko-Institut e.V, November 2011), available at

<http://www.oeko.de/oekodoc/1294/2011-419-en.pdf>, p. 32, as cited in World Vision, “Child Miners Speak: Key Findings on Children and Artisanal Mining in Kambove DRC” (March 2013), available at [http://www.worldvision.org/resources.nsf/main/press-reports/\\$file/201303_Child-Miners-Speak_REPORT.pdf](http://www.worldvision.org/resources.nsf/main/press-reports/$file/201303_Child-Miners-Speak_REPORT.pdf), p. 10.

⁸⁹ Sophia Pickles and Annie Dunnebacke, “SEC Delays Risk Undermining Efforts to Curb Congolese Conflict Minerals,” Huffington Post, April 19, 2012, available at http://www.huffingtonpost.com/sophia-pickles/sec-delays-risk-undermini_b_1438364.html.

⁹⁰ Ken Matthyssen and Andrés Zaragoza Montejano, “Conflict Minerals’ initiatives in DR Congo: Perceptions of local mining communities,” IPIS, p. 3,

⁹¹ U.N. Security Council, “Final report of the Group of Experts on the DRC submitted in accordance with paragraph 5 of Security Council resolution 1952 (2010)” S/2011/738, December 2, 2011, para. 369, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2011/738

⁹² Interviews with Mining Department Antenna Chief in Misisi, February 1, 2014 and interview in Oso, November 2013.

⁹³ Radio Okapi, « Sud-Kivu: affrontements entre FARDC et Maï-Maï Yakutumba à Misisi, » April 8, 2014, available at <http://radiookapi.net/actualite/2014/04/08/sud-kivu-affrontements-entre-fardc-mai-mai-yakutumba-misisi/>. Translation by Enough.

⁹⁴ Enough observations at gold mines in Oso and Misisi, November 2013.

⁹⁵ Interview with SAESCAM agents in their office in Misisi, February 1, 2014.

⁹⁶ Interviews with Désiré Bisimwa at New Delicia (October 26, 2013), U.N. Joint Mission Analysis Center in Bukavu (October 27, 2013), Pact in Bukavu (October 27, 2013). Enough Project interview, CREDDHO, Walikale Center, November 2013. For more on the impact of livelihoods, see Ken Matthyssen and Andrés Zaragoza Montejano, “Conflict Minerals’ initiatives in DR Congo: Perceptions of local mining communities.”

⁹⁷ Interview with Muhindo Balingene, president of Bisie porters in Njingala, November 2, 2013.

⁹⁸ Interviews with CREDDHO in Walikale and CS member in Njingala, November 1-2, 2013.

⁹⁹ Discussions with Shankoma as he drove Fidel from Misisi to Baraka, February 2, 2014

¹⁰⁰ Enough discussions en route from Misisi to Baraka, February 2, 2014.

¹⁰¹ Enough Project interview, CREDDHO, Walikale Center, November 2013 and interview with SEASCAM representative, Mubi, November 2013.

¹⁰² Yakabo’s statement during meeting with miners in Kamole, Idjwi Island, January 21, 2014.

¹⁰³ These are CARE-led *Tufaidike* programs (Swahili for “Benefitting All”) in Beni, Kalehe, Walungu and Mwenga, financed by USAID with \$19 million, and supported by International Alert, the U.N. Food and Agriculture Organization (FAO), and the International Rescue Committee-led *Tuungani* programs (Swahili for “to Unite”) in Maniema, North and South Kivu, and financed by the British government’s Department for International Development (DFID). Catholic Relief Services (CRS) just completed its USAID-funded livelihood (early recovery) project in Walikale and Maniema, where it attended to 120,000 households with cash voucher fairs.

¹⁰⁴ Interview with COOPERAMA members at Nyange mine in Rubaya, October 22, 2013.

¹⁰⁵ Interview with father Didier Defally in Bukavu, October 27, 2013.

¹⁰⁶ U.N. Security Council, “Final report of the Group of Experts on the DRC submitted in accordance with paragraph 5 of Security Council resolution 1952 (2010),” S/2011/738, para. 392, December 2, 2011, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2011/738.

¹⁰⁷ [*References to a gold dealer and refiner on pages 2 and 16 have been deleted due to factual inaccuracies.]

¹⁰⁸ République Démocratique du Congo, Ministère des Mines, Le Ministre, « Acte d’engagement solennel des Exploitants artisanaux, [Négociants, Gouverneurs des Provinces] des Provinces du Maniema, du Nord-Kivu, et du Sud-Kivu » March 2, 2011. African Smelting Group, “Acte d’Engagement,” February 12, 2012. AMR Mugote et Frères, « Principes Ethiques Basés sur le Devoir de Diligence Raisonnable » [undated]. Huaying Trading Company, [untitled], August 7, 2012. Congo Minerals & Metals, « La Politique Interne de l’Entité de Traitement Congo Minerals & Metals « C.M.M. » Relative à l’Application du Guide de Diligence de l’O.C.D.E. » October 15, 2012.

Commitment acts by Kivus' mining operators, and due diligence policies of African Smelting Group, AMR Mugote, Huaying Trading Company, CMM, all on file with the Enough Project and translated from French by the Enough Project.

¹⁰⁹ Due diligence policies of African Smelting Group, AMR Mugote, Huaying Trading Company, CMM.

¹¹⁰ The validation is done by a multi-stakeholder team composed of the Congolese mines ministry, local mining operators, international partners including the German Federal Institute of Geosciences and Natural Resources, or (BGR), the U.N. Joint Mission Analysis Center(JMAC), the International Organization for Migrations (IOM), USAID, Congolese companies, and civil society. They provide technical support and act as an independent monitor. The team assesses the presence of armed actors, including the Congolese army, the level of their involvement if any at and around the mines and along the trading route, human rights abuses such as forced labor or sexual exploitation, and the use of children. A mine can either be validated as “green” (conflict-free), “yellow” (risk mitigation approach), or “red” (conflict-mine). The certification is valid for six months.

¹¹¹ For a more detailed discussion, see John Prendergast and Sasha Lezhnev, “Feingold, Robinson, Kobler, and Dos Santos: International Keys to Peace in Congo,” (Washington: Enough Project, April 2014), available at <http://www.enoughproject.org/reports/feingold-robinson-kobler-and-dos-santos-international-keys-peace-congo>

¹¹² Interview with SAKIMA geologist and former head of North Kivu SAESSCAM, Thomas Chomba on March 19, 2014.

¹¹³ For more on certification, see Aaron Hall and Sasha Lezhnev, “Coming Clean: A Proposal for Getting Conflict Minerals Certification on Track,” (Washington: Enough Project, November 11, 2013), available at <http://www.enoughproject.org/reports/coming-clean-proposal-getting-conflict-minerals-certification-track-0>. Sasha Lezhnev and David Sullivan, “Certification: The Path to Conflict-Free Minerals from Congo” (Washington: Enough Project, 2011), available at <http://enoughproject.org/certification>. John Prendergast and Fidel Bafilemba, “Why a Certification Process for Conflict Minerals is Urgent: A View from North Kivu” (Washington: Enough Project, 2011), available at <http://enoughproject.org/publications/view-north-kivu>.

¹¹⁴ See note 17.

¹¹⁵ Solutions for Hope, “List of Participating Companies,” <http://solutions-network.org/site-sfhtantalum/participants/> (last accessed June 2014).

¹¹⁶ Enough’s observations and interviews with miners at Rubaya and Kalimbi mines.

¹¹⁷ Solutions for Hope, “List of Participating Companies.”

¹¹⁸ Radio Okapi, “Sud-Kivu: reddition du chef Mai-Mai Maheshe Kahasha à Nzibira,” April 21, 2014, available at <http://radiookapi.net/actualite/2014/04/19/sud-kivu-reddition-du-chef-mai-mai-maheshe-kahasha-nzibira/>.

Translation from French by the Enough Project.

¹¹⁹ Electronic Industry Citizenship Coalition and Global e-Sustainability Initiative, “Summary of In-Region Initiatives that Support Conflict-Free Minerals Sourcing Prepared for: The Ninth Conflict Minerals Supply Chain Workshop, 8-9 May 2013,” <http://www.resolv.org/site-scworkshops/files/2013/03/Summary-of-In-region-initiatives-11th-workshop-handout-FINAL.2.pdf>.

¹²⁰ U.N. Security Council, “Final report of the Group of Experts on the Democratic Republic of the Congo,” S/2014/42, para. 171, January 23, 2014, available at <http://www.un.org/sc/committees/1533/egroup.shtml>; Ruben de Koning and the Enough Team, “Striking Gold, How M23 and its Allies are Infiltrating Congo’s Gold Trade,” (Washington: Enough Project, 2013), available at <http://www.enoughproject.org/reports/striking-gold-how-m23-and-its-allies-are-infiltrating-congos-gold-trade>.

¹²¹ Interview with SAESCAM agents in their office in Misisi, February 1, 2014.

¹²² U.N. Security Council, “Final report of the Group of Experts on the Democratic Republic of the Congo,” S/2014/42, paras. 162-163, January 23, 2014, available at <http://www.un.org/sc/committees/1533/egroup.shtml>.

¹²³ U.N. Security Council, “Final report of the Group of Experts on the Democratic Republic of the Congo,” S/2014/42, paras. 65, 67, 88, 96, 113, 162-169, January 23, 2014, available at <http://www.un.org/sc/committees/1533/egroup.shtml>; Ruben de Koning and the Enough Team, “Striking Gold, How M23 and its Allies are Infiltrating Congo’s Gold Trade”; Steven Spittaels and Filip Hilgert, “Analysis of the interactive map of artisanal mining areas in Eastern DR Congo,” pp. 9, 10, 12, 13. For more information on each of

these armed groups, see Fidel Bafilemba and Timo Mueller, “The Networks of Eastern Congo’s Two Most Powerful Armed Actors” (Washington: Enough Project, 2013), available at http://enoughproject.org/files/CongoArmedActors_Table_August2013.pdf; Jason Stearns, Judith Verweijen, Maria Eriksson Baaz, “The national army and armed groups in the eastern Congo: Untangling the Gordian knot of insecurity,” (London and Nairobi: Rift Valley Institute, Usalama Project, 2013), available at <http://riftvalley.net/publication/national-army-and-armed-groups-eastern-congo#.U5JxxCiorqw>.

¹²⁴ Ruben de Koning and the Enough Team, “Striking Gold, How M23 and its Allies are Infiltrating Congo’s Gold Trade.”

¹²⁵ Interview with mining operator, Bukavu (October 26, 2013), with CEEC statistics senior staff in Goma (October 11, 2013) and with CEEC Director in Bukavu (October 25, 2013).

¹²⁶ Those state agencies include the Congolese Customs Office (DGDA); Congolese Office Goods Expiry Date Control (OCC); Mines Ministry Department General Directorate of Administrative, Judicial, property and participation revenues (DGRAD); General Directorate of North Kivu Province Revenues (DGRNK); Small Scale Mining Department of Technical and Social Assistance (SAESSCAM); National Intelligence Agency (ANR); General Directorate of Migrations (DGM); Military detection of Anti-Patriotic Activities (DEMIAP); Military Intelligence (T2); Military Police (PM); Mining Police; Border Police; Environment.

¹²⁷ Radio Okapi, « Le décret présidentiel instituant 4 services aux frontières n’est pas respecté dans certaines provinces, » January 11, 2011, available at <http://radiookapi.net/economie/2011/01/11/nord-kivu-le-decret-presidentiel-instituant-4-services-aux-frontieres-n%E2%80%99est-pas-respecte/>. Translation from French by the Enough Project.

¹²⁸ Mining equipment includes but not limited to dungarees, helmets, boots, torches, pickaxes, hammers, shovels, wheelbarrows, and VH radio sets.

¹²⁹ Interviews with Désiré Bisimwa at New Delicia (October 26, 2013), U.N. Joint Mission Analysis Center in Bukavu (October 27, 2013), Pact in Bukavu (October 27, 2013).

¹³⁰ Interviews with Save Act Mine (October 15, 2013) and with COOPERAMA security staff and miner in Rubaya, October 22, 2013.

¹³¹ Interviews with CEEC Statistics Senior staff in Goma (October 11, 2013), Save Act Mine in Goma (October 15, 2013), Deputy Mines Department Chief in Goma (October 16, 2013), SAESSCAM Senior Officers in Goma (October 15, 2013), CEEC Director in Bukavu (October 25, 2013), head of WMC in Bukavu (October 26, 2013), ITRI Consultant in Bukavu (October 26, 2013).