

The road to sustainable tin leads to the Congo



By Alphonse Muambi, independent Dutch journalist and author of Congolese descent.

Dutch prince on his way to no-go area

Today is Monday, 1 February 2013. I hear a cabin crew member just behind me telling his colleagues with great enthusiasm:

'We have a member of the royal Dutch family on board: Prince Jaime de Bourbon-Parma.' They have no idea that Princess Irene's son is with an international delegation that is going to visit an area that is known as the rape capital of the world

I'm in this KLM Airbus A 330-200 with a small contingent of that delegation. Boukje Theeuwes from Philips and Bas van Abel from FairPhone are also flying with us from the Netherlands. We will meet the other five members in Kigali: Marion van Schaik from the Ministry of Foreign Affairs, the American Mike Loch from Motorola Solutions, and Elena Peresso, who works in Brussels for the European Commission's trade cabinet. Richard Robinson from the American development organization USAID is coming from Kinshasa and Kay Nimmo from England, where she works at ITRI, an organization that supports and monitors the tin industry. The prince, in his capacity as Special Envoy for Natural Resources at the Dutch Ministry of Foreign Affairs, heads up the delegation.

Our destination is the province of Kivu, which is known for its vast wealth of minerals, an El Dorado to which national and international adventurers come to make money. For more than 15 years this eastern area of the Congo has been the scene of violence and atrocities, robbery and murder. What are we as a delegation hoping to achieve in this region, which has been declared a no-go area by the Dutch government? I'm in seat number 43 J at the window. Boukje Theeuwes comes and sits in the empty seat next to me and relates the adventure that triggered this journey.



Prince de Bourbon with tin ready for export

The Dodd-Frank Act

It all started at the end of 2011 at 2, rue André Pascal in Paris. Theeuwes was there for a meeting of the OECD with companies, governments and civil society organizations, headed by none other than Prince Jaime de Bourbon. The OECD's due diligence framework was being debated. The OECD had issued a guideline on the action to be taken regarding minerals from conflict areas. Underlying this guideline was the Dodd-Frank Act, a law passed in the United States in 2010 obliging all listed companies in the U.S. to provide clarity about the origin of the minerals used in their products. Companies must explicitly prove whether the minerals used in their products are from the Democratic Republic of the Congo or the surrounding area and whether they have contributed to the funding of the rebels in the Congo. What has actually happened as a result of this is that companies have halted the trade in minerals with the Congo because it gives rise to all kinds of additional administrative requirements and expense, as well as potential damage to a company's reputation. Philips is one of the companies listed in the United States.

'At Philips we have around ten thousand direct suppliers,' says Theeuwes, who now lives in America. 'Most of them do use some of these metals, and this means you're supposed to ask every supplier to prove whether their products contain minerals from the Congo

An impossible task, particularly as these suppliers don't buy minerals directly from the mines. There are seven or more links in the supply chain between the mine and the end product. But I did make a start on it. Some suppliers were surprised that I was asking this question. Others simply said that their products didn't contain anything from the Congo. And there were yet others that didn't even know which continent the Congo was in.' Theeuwes' boss was pleased with the results of her successful investigation.

During the meeting in Paris it became evident how difficult it was for companies to really prove in America that they had no connection with the funding of the conflict in the Congo. 'In the break I went up to Jaime de Bourbon. I asked him how he would regard the idea of starting up a pilot project in the Congo to get minerals directly from there,' explains Theeuwes. After the break the prince put the idea to the meeting. And the response was positive. Companies liked the idea. The question for Theeuwes was how she could persuade her boss, who had just been told that his products contained nothing from the Congo. And with this idea minerals would have to be sourced in the Congo after

all. But she managed it and the idea in Paris gave rise to a project: the Conflict-Free Tin Initiative (CFTI). And this is the project that we are going to visit along with the delegation.

Congolese minerals as a universal possession

Theeuwes' story sounds like a nice ideal. But who for? For the Congolese economy, the Dutch one or the American one after all? And can minerals really be extracted on a conflict-free basis from an area in which a new rebel movement emerges every day?

A Dutch politician once said to me: "You mustn't think it's all yours just because you happen to have been born there on top of those mountains of minerals in the Congo." Are Congolese minerals a universal possession? Do they perhaps belong to Philips?

Theeuwes says that they do not buy minerals. 'We create the market demand for conflict-free minerals from the Congo. Companies further down the supply chain, including a solder supplier of ours, place the orders.' The CFTI project is nothing more than a system of transparency from the mine to an end user such as Philips. The bags of tin are given a label from the Kalimbi mine. These minerals then go to the village of Nyabibwe. There the label is checked for authenticity and contents. The tin then goes to the exporter in Bukavu, who sends it and all the authenticity documents to the smelter in Malaysia. From there the tin goes to companies, one of which is in the Dutch town of Naarden. Both civil society organizations and government bodies are involved in this entire process in the Congo.

Minerals worth millions of dollars from Congo to unknown destinations

After a short night's sleep in the famous Mille Collines Hotel in Kigali, which was featured in the movie Hotel Rwanda, we fly with the complete delegation over the green hills to Kamembe, a border town in Rwanda. A reception committee from Pact is waiting to meet us. Pact is a development organization that has received 1 million euros for three years from the Netherlands to coordinate the CFTI project in the Congo.

Ten minutes' drive from the airport is the Rusisi II, a quiet river that determines the rhythm of life here. People busy themselves with small things, they sell fruit and cigarettes, they braid each other's hair and tout for customers for their taxi

The river also forms a border. A border between two green mountains, two countries and two peoples that speak the same language and share the same culture. Across a little bridge less than ten meters long, countless tons of minerals with a value of millions of dollars leave the Congo for unknown destinations in China, Europe and America. Is the Conflict-Free Tin Initiative that we are here for likely to bring to a halt this chronic financial hemorrhaging?



CFTI delegation with representatives from industry, government and civil society

The marathon of contacts and meetings starts in Kivu. We won't have time to recover from the lack of sleep and turmoil of the long flight. First we meet the members of all the local social organizations that Pact coordinates. We are then introduced to Mr. Mulikuza Mudukwe Albert. He is the directeur de cabinet of the provincial Minister of Mines. The minister himself has left for Burundi on urgent business. The director welcomes us warmly in Nyabibwe's unusual geological museum, where a wide variety of minerals from South Kivu are exhibited. We visit the governor, who is the head of the province. However, he is not the head of the land where the Kalimbi mine lies. This is the chef coutumier, the traditional owner.

This means that the land does not belong to the state, but to families. This is an important distinction, since it means that the village also has to have some real say in the project. Otherwise conflicts will arise between the traditional chef and the government bodies, which could create problems for the project. I wonder if multinationals like Philips are aware of this. Do they know that traditional structures like this chef coutumier constitute an independent state within a state?

When we visited him he welcomed us on the land of "our ancestors"

All the people we talk to from early in the morning until late at night, from the driver to the cleaner, from the tea-lady to the governor, tell us only positive, rosy stories. Alphonse, for instance, wants to place his ten years' experience as a driver at his visitors' service at all times.

He always makes sure that his vehicle is in excellent condition. 'Because if I don't do my work well the project will come to an end and I won't have any more work,' he emphasizes. His hope is that the CFTI project that we are here for will be a success. Victor too is betting everything to make the project succeed.

'I'm always ready to serve you at any time,' he says during the presentation round at Pact. He is from the service de nettoyage de l'intérieur et de l'extérieur'. We would simply call someone who does this job a cleaner

Celestin Lumumba has a similar attitude. He works as manager of a department of Pact and is the contact for the village of Nyabibwe, where the Kalimbi mine is located. So he is an important link between the reality and the ideal, between the traditional state and the government of the Congo. He also fights corruption, combats human rights abuses and is responsible for the effective traceability of the minerals. He concludes his presentation round with 'Welcome to our home'.

Yves Bawa, the manager of all the managers

Yves Bawa is the regional manager of the project at Pact. He is the manager of all the managers in the Great Lakes area of the Congo, Rwanda and Burundi. He tells us that one day he had to cry when he was visiting Nyabibwe and mothers came up to him with an entreaty. "When will those people of yours finally come here to buy our minerals so that we can at least send our children to school?" they asked him. Since then the words "at least" have become the power behind his motivation. Pact is a large, dynamic organization that has coordinated this trip down to the smallest detail.



After visiting the governor the Prince de Bourbon gives an interview to local media

Karibu

The provincial Minister of Internal Affairs greets us with the word Karibu, which means welcome in Swahili, so as better to express his enthusiasm. The directeur de cabinet talks about the successes that the 3-month-old project has had. 'In 3 months we have exported around 115 tons, with a value of 1.7 million dollars. What can that yield in a year? In two years? In three years?' he wonders, to show how important and profitable this project is for the province. He talks about une réussite totale, a total success.

Who is that total success for? Is what is profitable for the director also profitable for the ordinary resident of the village where the minerals come from? For the civil servant in the province who cannot even pay his rent with a year's salary? And for the policeman who sometimes doesn't get his salary for months on end? Fidel Bafilemba of Enough Project is clear about this:

'The question shouldn't be how much money the project yields for the province, but how much it yields for the man or woman in the village of Nyabibwe. The questions that need to be asked are: How many children have gone to school? How many roads have been built?'



Mineworkers at work in Nyabibwe

What has the economy contributed to the development of the village? This should be the measure of the level of success. Is he right? Should multinationals like Philips and Motorola Solutions that are in this project think of the villagers of Nyabibwe or of the benefits to South Kivu? In any event, Mr. Bafilemba's questions must be put not only to members of our delegation, but certainly also to the Congolese government. What are they doing to boost the local economy? What are they doing to attract investors? What are they doing to stop the war? How seriously is the Congolese government taking this project, knowing that it will make for transparency and that transparency is the great enemy of corruption? It is with good reason that the delegation has repeatedly pressed the Congolese side to take the project very seriously.

Would this project also have happened without the Dodd-Frank Act?

While we are waiting for dinner to be served in the Orchids Safari Club Hotel with a view of the blue Lake Kivu I talk to several delegation members. I wonder what has prompted all this motivation to come all the way to the Congo from the U.S. and from Europe. Would this project also have happened without the Dodd-Frank Act? For Bas van Abel it is important to change things from within the system. He has set up FairPhone, whose aim is to put a fair phone on the market.

For Richard Robinson of USAID the U.S. has not only passed the Dodd-Frank Act but also supports projects such as these in order to contribute to the economy of the Congo. His compatriot Loch adds:

'We were ahead of the Dodd-Frank Act. In 2007 we at Motorola Solutions started thinking about how we could get minerals into our products in a responsible and sustainable way. The Dodd-Frank Act hadn't yet come into existence at that time

In 2011 we started Solutions for Hope I in the province of Katanga.' At the request of Prince Jaime de Bourbon Loch and his Motorola Solutions joined the CFTI project.

The prince's strength is his ability to persuade not only companies like Motorola Solutions to support this project, but also European and international organizations such as the EU. Elena Peresso who learnt of CFTI from a presentation given by Jaime de Bourbon in Brussels earlier this year came to observe work on the ground in the context of preparations for an EU initiative on responsible minerals sourcing. A public consultation was launched a few weeks after the visit to Congo.

"It is important to make sure that a possible future EU initiative sustains promising activities such as CFTI."

The governor also responded to the remark made by Prince Jaime de Bourbon, who wanted to see the political support of the Congolese state. 'If the Congolese government was not giving political support to this project, our embassy would not have granted you all a visa,' explained the governor.

But the prince wants more than just a visa. In his opinion both positive and negative experiences within the project must be shared by all parties. I see the negative experiences among the mineworkers. They work in bare feet and with bare hands, without any protection. There is very little air in the mine. One mineworker tells us that he sometimes coughs up blood. Another talks about the presence of poison in the raw material. He even goes

home to show me some of it. 'We encounter hazardous materials such as arsenic and pyrite.'

Fraud

Fraud also occurs according to insiders. Cases have been reported of the labels being stolen for the purpose of labeling illegal tin and so getting it onto the international market. And sometimes these labels are sold to Rwanda. Officials who carry out the inspection work within the entire CFTI process are paid very little. This means they may be susceptible to corruption. Military personnel and police who are supposed to protect the mineworkers are also not well paid. This dramatic picture is topped off by a larger problem: the Congo's chronic political instability. National and international peace treaties do not bring about peace.



The Prince de Bourbon talking to mineworkers in the Nyabibwe mine

Proof of good conduct

Does this delegation have to solve all these problems? Are all national and multinational companies keen to have a system that is transparent? Is it possible that some parties could be involved in sabotage?

And what about the companies that are not covered by the Dodd-Frank Act, such as Chinese firms?

And what does this system yield other than providing proof of good conduct for the electronics firms listed in the United States?

Is a transparent system such as this in their interests? Plenty of questions to think about. Nevertheless I think the CFTI is a great project. Great because the minerals are sourced directly from the Congo and not via neighboring countries. It is a project that does not trumpet democracy or any other kind of exotic ideology,

but does something for the economy. And my view is that a democracy that is not economy-based is doomed to failure.

I also think that both the Congolese government and the multinationals that are involved in this project should form a substantial lobby in international politics. Major countries, with their various geostrategic agendas, have different interests in the Congo and the region. Unless they change their policy regarding the Congo in a positive way, this project will not have a long life. It is also important that the people working at the bottom end of the system - mineworkers and officials - are well paid and have protective equipment.

You can have an excellent transparent system and talk about conflict-free tin, but if people are working in poor conditions is that morally responsible?

One thing is certain. No one on this earth is born an adult. And neither was this project. By having the involvement and will of both the Congo and the investors repeatedly put to the test I believe that this project has a good chance of success.



Boy working tin that has just been mined

About Alphonse Muambi

Alphonse Muambi is a Dutchman of Congolese descent. He is the author of the book *Democratie kun je niet eten* (You Can't Eat Democracy) and has written many critical articles, such as "Vergeet de stembus in Afrika" (Forget the ballot box in Africa), which has given rise to worldwide debate. He is well known as a sharp, critical and independent analyst. As a lobbyist he endeavors to persuade politicians and media in Europe to focus political and economic attention on the Congo and Africa. Muambi has been an international election observer in the Congo (2006 and 2011). Alphonse Muambi also supports educational projects in the Congo. His website is: www.alphonsemuambi.nl

About the Conflict Free Tin Initiative

The Eastern provinces of the Democratic Republic of Congo (DRC) are abundant with valuable metal ores and mineral resources. The trade in metals and minerals in Eastern Congo can also contribute to the provision of revenue for armed groups involved in the Congolese War.

In recent years, companies have shied away from purchasing minerals from the Kivus, creating a de facto embargo of minerals from the region and social unrest resulting from many miners losing their livelihoods.

A tightly controlled supply chain including confirmed buyers of conflict free minerals from the region is needed to avoid this embargo and support economic development.

The Conflict Free Tin Initiative (CFTI) provides the end user demand that has been missing for so long.

The CFTI supply chain is a conflict-free design, piloting new tracking and tracing procedures to ensure the conflict-free status of the supply chain.

Following the conflict-free testing phase of the pilot, the initiative will address other mine-site sustainability issues.

CFTI participants: AIM Metals & Alloys, Alpha, Blackberry, Fairphone, HP, ITRI, Malaysia Smelting Corporation Berhad (MSC), Motorola Solutions, Nokia, The Netherlands Ministry of Foreign Affairs, PACT, Royal Philips Electronics, Tata Steel, Traxys.

For more information see <http://solutions-network.org/site-cfti/>