

Poverty in the Midst of Wealth

The Democratic Republic of Congo

The eruption of Mount Nyiragongo has made the situation dramatically worse for the people of eastern Democratic Republic of Congo. But this is only the latest crises on top of years of conflict and suffering. The ongoing war in the DRC has cost the lives of up to 2.5 million people in less than four years. One of the driving forces behind the war is the exploitation of natural resources. After two comprehensive UN reports on the subject, there is now an urgent need for action. This should include immediate and longer term regulatory measures to control the plunder of natural resources, and high level political engagement to support peace. The peace process must address economic interests, and include a concerted effort towards disarmament, including a binding arms embargo. Meanwhile, there remains a huge gap in resources for humanitarian assistance, with new funds needed following the volcanic eruption.

Executive summary

The conflict in the Democratic Republic of Congo (DRC) has been described as one of the worst humanitarian crises in the world. It is Africa's most widespread war, directly involving six other countries. Up to 2.5 million people have died since the current war began in 1998, many of them as a result of malnutrition and preventable disease.¹ There are still over two million people displaced, at least half of whom have no access to assistance.² The country's already-crumbing infrastructure has been unable to cope. According to a recent FAO report, up to 65 per cent of the population (35 million people) are under-nourished.³ The eruption of Mount Nyiragongo has made the situation even worse increasing the suffering of the people of eastern Democratic Republic of Congo.

Oxfam GB is one of the few humanitarian agencies managing programmes in both eastern and western DRC, providing it with an up-to-date overview of humanitarian need. Oxfam's primary concern is the humanitarian impact of the war, which has caused the largest number of conflict-related deaths anywhere in Africa in the last four years.⁴

While different actors have justified their involvement in the war on the basis of security, it is clear that one of the driving forces behind the conflict is a desire by the warring parties to have access to, and control over, the DRC's vast natural resources. This wealth is not being used to reduce poverty, either in the DRC or in other countries involved in the war. In fact, wealth from natural resources is sustaining the war and bad governance. Such military activity has been described as 'military commercialism'.⁵ Natural resource exploitation has become a key factor in determining military deployment, perpetuating the cycle of violence. Against a backdrop of deteriorating governance, this is very worrying.

In August 2001, Oxfam released a report with other UK agencies entitled 'No End in Sight: the Human Tragedy of the Conflict in the DRC'. Oxfam GB now focuses in this new report on the causes of the human tragedy. In the past 12 months, two high-profile reports by a UN Panel of Experts have elaborated on economic gain as a major driving force behind the war. However, the UN Security Council seems unwilling to take forward the recommendations of the UN Panel, and has postponed decisive action once again by extending the Panel's mandate for a third six-month period.

Oxfam believes that there is no reason for further delay in the response to the UN Panel's recommendations since the human suffering in the DRC can and must be stopped, and calls for concerted action as follows.

- 1 Funding levels from donors should match the actual requirements identified in the UN Consolidated Appeal for 2002 (\$194 million), and be commensurate with the level of need. Substantial extra funding will now be needed to respond to the new suffering following the volcanic eruption. Action is also needed to strengthen the UN's co-ordination of the humanitarian response, and by all parties to enable better access, especially in the east.
- 2 Key Western governments (especially the UK and the US), together with the EU, should provide a formal response to the findings and recommendations in the UN Panel report, and its Addendum of November 2001. Building on

these, they should identify their plans for immediate and longer term action. This should include a response to recommendations on measures to address illicit or unethical natural resource exploitation.

- 3 Natural resource exploitation should be explicitly addressed as part of the peace process, if necessary through an Addendum to the Lusaka Accord.
- 4 High-level, co-ordinated political engagement by key governments (especially the UK, US, France, and Belgium), together with the EU, is needed to work towards sustainable peace in the region and a complete withdrawal of foreign forces from the DRC. This engagement should involve intense shuttle diplomacy by a well-respected international person under the auspices of the UN, and should complement the process of the Inter-Congolese Dialogue (ICD).
- 5 The ICD process must be supported by the international community, and the OAU/Africa Union specifically, to ensure the start of a new political legitimacy in the DRC. In parallel to the ICD process, a Great Lakes regional peace initiative should be launched to focus on the external components of the war. Sustainable peace can only be achieved if both internal and external factors are addressed. Beyond the ICD process all actors will need to initiate widespread and inclusive dialogue amongst all levels of the Congolese population.
- 6 Greatly expanded support should be given to the disarmament and demobilisation process. This will require member states to support the United Nations Organisation Mission in the DRC (MONUC) in its work and expand its mandate so that it includes both a co-ordination function and a stronger role in monitoring arms flows to all parties. Disarmament should be conducted in tandem with a guaranteed timetable for troop withdrawal and intense efforts in the peace process. Demobilisation depends for its success on the creation of viable employment opportunities for ex-combatants.
- 7 A UN arms embargo should be imposed on all countries directly involved in the conflict, and on those acting as staging posts for arms supplies. The EU should strengthen its voluntary 1993 arms embargo to one which is legally binding on member states, and widen its scope, as with the UN embargo.
- 8 Donors should critically evaluate their aid agreements with countries involved in the war and use the Consultative Group (CG) and PRSP development processes to raise concerns about governance and natural resource exploitation. They should report their findings, and proposals for change, to the UN Security Council, as recommended by the UN Panel.
- 9 In follow-up to the UN Panel's Addendum Report, the UN Security Council should immediately establish, resource, and mandate a monitoring body on trade in commodities originating from the DRC or from neighbouring countries involved in the war and/or providing transit for unethical trade. This body should regularly report to the UN Security Council on its progress, and inform the Security Council on further actions required, such as sanctions.

- 10 Donor governments should investigate companies identified in the UN reports and elsewhere of conducting alleged illegal or unethical trade, and take appropriate action.
- 11 There should be a benefit to the DRC, among other places, if governments do indeed reach agreement on a global scheme to effectively certify 'conflict-free' diamonds. The Kimberly process must deliver this finally during the first half of 2002.
- 12 In the longer term, a new protocol is required, under the auspices of the UN, which governs the production, trade, and consumption of natural resources from conflict areas. This protocol should subsequently form the basis of international law. In the meantime, companies and governments should adhere to OECD guidelines on multinational companies.

The human cost of war

The war in the DRC is motivated by a combination of security and economic concerns. Clearly, security considerations must be taken into account. However, exploitation of natural resources has increasingly become the driving force behind the war. The current extraction of natural resources is uncontrolled, unaccountable, and commonly defined as illegal. This unethical business has led to the suffering of millions of Congolese people.

Extractive industries bring virtually no positive impact for the vast majority of Congolese people. Indeed, since the time of King Leopold, the Congolese people have seen their natural resources being used to enrich others. The profits are not invested back into the communities from where they come, but rather are effectively 'looted' by individuals, the majority of them non-Congolese.

Some claim that this uncontrolled exploitation provides material benefits for local people through employment. However, an extremely small percentage of Congolese people receive any financial compensation for working in this industry. Even for those who do, there is usually a high personal risk involved, including hazards to health and life.⁶ Humanitarian agencies have observed a drop in livelihood security (especially food security) as poor farmers seek short-term cash income from the mining industry and abandon cultivation. Yet there is often no food to buy anyway – indeed, insecurity discourages cultivation. In addition, the education system in eastern Congo is suffering from a further drop in pupil attendance, as children leave school due to poverty and in search of mining activities. UNICEF estimates that there are currently between 3 and 3.5 million children aged between 6 and 11 who are not receiving any formal education.⁷

Further, it is widely reported that the substantial tax revenue on minerals is financing the war rather than the development of services for local people. In rebel-held areas, budgets for social services and infrastructure repairs are almost completely lacking. In the health sector, for instance, doctors in six of the major health zones in Ituri have not been paid a salary for over six years.

Meanwhile, appalling humanitarian need persists. Behind the figures lies a human tragedy. The war is likely to have cost over

two million lives in the last three years; over two million people are still displaced. A recent Food and Agriculture Organisation (FAO) report shows how the proportion of undernourished people has grown from 35 per cent in 1990-92 to 64 per cent in 1997-99, making the DRC the world's poorest country in this respect.⁸ In 2001, the Office for the Coordination of Humanitarian Affairs (OCHA) identified 16 million people as having the most critical food needs.⁹ People in parts of the country which used to provide food for export, such as areas of the Kivus and Ituri, are now wracked by hunger. Severe malnutrition rates as high as 25 per cent have been recorded in some of these areas. Poor diets, difficult living conditions, and the collapse of routine vaccination programmes have weakened people, especially children, to such an extent that measles, whooping cough, and bubonic plague have re-emerged as major threats. There are 2000 doctors for a population of 50 million people, and a maternal mortality rate which is one of the worst in the world. Sixty-five per cent of the population has no access to safe water, and 40 per cent of primary school-age children have no access to education. In addition, there are approximately 400,000 internally displaced children.¹⁰ One in five children die before they are five years old.¹¹

Despite these indicators, the UN Consolidated Appeal (CAP) in 2001 received only 60 per cent of requirements; key sectors of health and education were grossly under-resourced. The appeal for 2002 (totalling US\$194m for humanitarian and recovery assistance) is US\$71m higher than that for 2001. There has been heightened concern for DRC within the international community, but the challenge to donors to match rhetoric with reality is greater than ever. While there have been some notable increases in assistance from some donors, these remain modest and are in no way commensurate with the level of need in a country the size of Western Europe. An unacceptably wide gap persists between the level of need and the response of the international community.

Action is also needed to improve co-ordination of humanitarian response and to improve access. While access has improved somewhat in the west (and contributing therefore to the larger CAP), access remains a serious constraint in the east due to insecurity and poor infrastructure.

Recommendation

A crisis on this scale warrants a much stronger and better co-ordinated response among agencies, donors, and international leaders than has so far been the case.

- **Donor funding levels should match the actual requirements identified in the UN Consolidated Appeal for 2002 (\$194m), and be commensurate with the level of need.** Action is also needed to strengthen the UN's co-ordination of the humanitarian response, and by all parties to enable better access, especially in the east.

Natural resource exploitation

The UN Panel of Experts and many other witnesses have observed that the fighting and the resulting humanitarian disaster in the DRC has direct links to foreign interests connected with the exploitation of natural resources. Governments in the region say that security is the reason behind their involvement in the war. While such claims still have some legitimacy, especially in the case of Rwanda, security concerns were more relevant at the start of the war. The UN Panel and other analysts agree that security considerations do not now justify the levels of troop deployment still in place.

Further support for this view lies in the location of troops. Although troop numbers may have reduced in some areas, deployment is increasingly concentrated in mineral-rich areas. Zimbabwean troops are located in diamond, copper, cobalt, and timber-rich areas of the Kasais and Katanga. Rwandan troops have concentrated in coltan, gold, timber, and diamond-rich areas in the Kivus and Maniema. Ugandan troops, though reduced in number, are located near gold, timber, diamond, and, until recently, coltan-rich areas in Ituri and N. Kivu.

It might be argued that, because the DRC is so naturally richly endowed, troops will inevitably tend to be located close to resource-rich areas. However, not everywhere in the country is equally rich. Trade in commodities has escalated sharply since the war began, especially from areas where troop numbers are at their highest.

Oxfam's observation concurs with the broad findings of the UN Panel of Experts report released in April 2001, and the largely corroborative Addendum report released in November 2001. Earlier findings from other sources are also consistent with the Panel's analysis.¹² However, the UN Security Council has again postponed taking decisive action, by extending the Panel's mandate for another six months to expand the analysis, evaluate possible actions to be taken by the Council, and provide further recommendations on top of the many actions already proposed.¹³ While actions need to be carefully measured in order to prevent significant negative impact, the scale of suffering caused by the conflict in resource-rich areas outweighs the argument for further delay.

Rwanda

Rwanda is the country with the most legitimate security concerns, given the appalling tragedy of the 1994 genocide and the subsequent attacks on the country from interahamwe and Ex-FAR forces in the then-Zaire, to which they had retreated. The more recent movements of the interahamwe/Ex-FAR into Rwanda were naturally a serious concern to the Government of Rwanda (GoR).¹⁴

However, these security concerns do not adequately explain the size and spread of Rwandan involvement in the DRC. Rwandan troops are largely concentrated in the richest mineral areas and extend as far into the country as Kisangani (rich in diamonds). Although numbers have been reduced in Kasai Orientale (diamonds), they have increased in Katanga (coltan and copper), which is far from the border. It is questionable whether these areas of deployment represent the greatest security threats. What is clear is that trade has extended outwards from these areas, while the humanitarian situation there remains catastrophic. Furthermore, President Kagame has publicly refused the assistance of MONUC forces along the border, where security threats are presumably greatest. (However, the assertion that current UN capacity to address such threats would be limited is a valid one.) There are frequently expressed views from analysts of the war that the GoR could and should have done more to address security issues in its four years of occupation. It would appear that military presence is bringing other benefits that help to maintain the status quo. The

report of the recent visit of British MPs concludes that 'Rwanda's military bases are more closely linked to the positioning of mineral mines than rebel forces'.¹⁵

In the GoR's written response to the first UN Panel Report, it claimed that Rwanda is producing 120 tonnes of coltan per month (i.e. 1440 tonnes per year), and that this coltan originates from domestic production.¹⁶ However, in the actual UN Panel's report, official government statistics are quoted stating that coltan production was only 83 tonnes per year. It is highly unlikely that any new mines would have the capability to raise Rwanda's annual coltan production from 83 to 1,440 tonnes so quickly.

The second investigation by the UN Panel focused on the discrepancies between production and export figures. The GoR explained these differences mainly by the reprocessing of scrap ore, since they maintain that this appears only in the export figures. The Panel however concluded that they were unable to explain the steep rise in exports of coltan from Rwanda, or reconcile the discrepancies between production and export figures. Some estimates put Rwanda's annual profit from coltan at £160 million, although the exact amount is difficult to verify.¹⁷ As the British MPs' report cited above states, although foreign-exchange figures do not state who is engaged in what trade (government, private companies and/or individuals), 'the implications are clear.' Indeed, the Rwandan military has a Production Unit as part of its Congo Desk.¹⁸

Rwanda's export figures of diamonds and gold have also increased sharply since the war began, although it does not mine these domestically.¹⁹ According to the first UN Panel report, diamond exports reached 30,491 carats in 2000. Although the second UN Panel report stated that Rwanda's diamond exports to Antwerp are no longer increasing, this was explained as being due only to the high tax imposed by Rwanda's specially created Congo desk, diverting diamond smugglers to other transit countries.

The GoR states that the war-time trade is merely a continuation of traditional pre-war trade. But as the Panel points out, the trade routes have changed since the war and so have the commodities. Most pre-war trade across the Rwandan border was of consumer goods and petroleum; timber was traded via Kinshasa and minerals via Dar es Salaam, and in far lower quantities than

observed now. Thus the Panel concludes that while the initial objectives of the war were primarily security-related, the 'involvement of the RPA developed into full scale commercial enterprise'.

Uganda

Uganda has argued strongly that its presence in the DRC is solely for security reasons. But there is clear evidence that the Alliance of Democratic Forces (ADF) rebel movement has been neutralised. Indeed, many Ugandans have asked why troops were diverted from counter-insurgencies in northern Uganda to north-eastern DRC where no ADF activity was present. The Uganda Peoples Defence Force (UPDF) has been stationed far beyond the border areas with Ruwenzori, in mineral or timber-rich areas – in the self-declared Ituri province from Watsa to Bafwasende and Buta, as well as in Beni and Butembo in N. Kivu. Indeed, insecurity has often increased where troops have been deployed, where no conflict might otherwise have existed. Withdrawal of the UPDF only now appears to have reached a significant level, but remains far from complete. Even where troops have been withdrawn or reduced, it is widely reported that commercial networks have been put in place by military commanders and criminal cartels with close links to Uganda.²⁰

Uganda's export figures for gold, quoted in the first UN Panel report, far outstrip the country's production figures (0.0044 tonnes production against 10.83 tonnes export in 2000). The Government of Uganda (GoU) explains this discrepancy by the fact that gold sales have been liberalised, thus encouraging artisans to sell via Uganda. It is nevertheless difficult to see how this can account for all the discrepancy. Furthermore, heavy UPDF troop deployment exists around gold-rich areas, especially Ituri and around the former concessions of Kilo Moto. Indeed, the second UN Panel report explicitly states that UPDF forces have supervised artisan miners.

In addition, the first UN Panel report shows that diamond exports from Uganda to Antwerp have risen sharply since 1996 to an estimated 35,000 carats, valued at \$3.8m. No exports were recorded prior to 1997 and the start of the war, and indeed there is no known diamond production in Uganda.²¹ The Panel and others

have reported a culture within the GoU that condones the business activities in which its military personnel engage.

Rwanda and Uganda have argued in their responses to the first UN Panel report that the rebel authorities are the *de facto* controllers of occupied territory. They argue that any exploitation is therefore not illegal, because these authorities have sanctioned it. However, this relationship with rebel authorities is open to manipulation.²² While there have been varied interpretations of the term 'legality', any economic activity cannot simply be labelled as legitimate or legal on the basis of 'permission' from a *de facto* governing authority supported by an uninvited occupying force. Furthermore, this is particularly the case where the activity causes social devastation and humanitarian catastrophe to innocent local civilians. This means that, in any event, the moral argument against what may be called unethical or unaccountable exploitation is sufficient, given the massive human suffering that it fuels.

Zimbabwe

Zimbabwe is an invited party, yet is considered to be a clear example of 'military commercialism', with the private sector, government, and military having openly joined forces to profit from exploitation in the DRC, which dictates their military deployment in the country²³. The Government of Zimbabwe (GoZ) claims this involvement is legitimate under the collective security provision of the Southern African Development Community (SADC). The legitimacy of this claim is beyond the remit of this report. What is clear is that no positive impact has been seen on the Zimbabwean or DRC economies, as reiterated by the UN Panel. Clearly, such commercial involvement provides a disincentive to withdrawal from military intervention and thereby perpetuates humanitarian suffering. The UN Panel concludes that engagement in the Congo is for the personal enrichment of individual government officials (both Zimbabwean and Congolese), but is also conducted in view of the ailing Zimbabwean economy and the need to rally support back home.²⁴

The ruling Zimbabwe African National Union-Patriotic Front (ZANU-PF) party, along with the Zimbabwe Defence Force (ZDF), are reported to have forged several large-scale financial deals involving Congolese timber and other natural resources. As one African military analyst puts it, 'Zimbabwe's soldiers will not soon

pull out of Congo-Kinshasa. Their commanders are committed to President Robert Mugabe's government through a web of business ventures there. The links run between the Zimbabwe Defence Force, the ruling Zanu-PF party and selected private businesses.'²⁵

A joint venture between the Zimbabwean military controlled OSLEG (the ironically named Operation Sovereign Legitimacy, formed after the start of the war in 1999) and the Kinshasa-based company Comiex (whose majority shareholder was former President Laurent Desire Kabila) led to the creation of SOCEBO – The Congolese Society for the Exploitation of Timber, according to a recent report on Zimbabwe's commercial and military interests in the DRC. The report states that:

'A Zimbabwean company whose board comprises senior Zanu-PF and military figures, have effectively created the world's largest logging concession by gaining rights to exploit 33 million hectares of forests in the Democratic Republic of Congo, 15 % of the total land area and ten times the size of Switzerland.'²⁶

The OSLEG-Comiex joint venture was also created to mine diamonds, and it is reported to have the professed goal of making the Zimbabwean deployment self-financing. This is equivalent to a private company being created to bankroll military engagement. This source points out that even discounting the question of personal financial reward (saying that there were other deals to supply Kabila's army through private companies of military commanders), the more costly a military engagement, the more diamonds must be mined. What has thus been called 'mission creep' alters the military ethos by 'making financial gain a military function of the entire chain of command'.²⁷

Angola

The role of Angola's economic interests in the DRC is not fully known, although there is some compelling evidence. Its national petrol company (Sonangol) entered into a joint-venture agreement with the Kinshasa government in October 1998, thus creating Sonangol-Congo – again, after the start of the war. The majority shareholders are the Angolans, with Sonangol holding 60 per cent and the DRC state holding 40 per cent (through Comiex). This venture may explain the prominent military safeguarding of the

Kabila regime, which started in 1998. Sonangol-Congo targeted joint oil exploration with the Congolese government and the development of the DRC's domestic petrol market, with Sonangol as a major supplier. Exports to countries such as the Central African Republic would presumably enhance the lucrative nature of this deal. According to Dietrich, 'it could appear that Sonangol-Congo represents Luanda's efforts to obtain a majority stake in the DRC's lucrative petrol sector under the guise of state to state cooperation'.²⁸ Indeed, as one political analyst concludes, '[Joseph] Kabila's nominal allies, Angola and Zimbabwe...are trying to push their own interests through Congolese proxies'.²⁹

The above would leave little doubt that Angola's interests go beyond regional security concerns. However, unlike Zimbabwe (and Namibia), Angola has genuine security interests in the outcome of the war: the protection of the Cabinda oil enclave, which lies very close to the Congo border, and the isolation of UNITA bases. For this reason, and notwithstanding Sonangol-Congo's activities, the UN Panel does not consider Angola's commercial involvement as constituting a factor in its continued military presence in the DRC.

Recommendation

While the pursuit of security, power, and economic gain are all causes of the conflict in the DRC, natural resource exploitation has increasingly become the major driving force behind the war. Oxfam GB welcomes the balanced addendum to the UN Panel's report, which has also corroborated key previous findings as requested by Security Council members during the discussion over the first report. The 'wait and see' approach of the international community as endorsed by the Security Council cannot continue any longer.

- **Key Western governments (especially the UK and the US), together with the EU, should provide a formal response to the findings and recommendations in the UN Panel report, and its Addendum of November 2001.** Building on these, they should identify their plans for immediate and longer-term action.

The peace process

If the peace process is to have any chance of success, it must confront in a serious and explicit manner the issue of *natural resource extraction*. There is a triangular link between this activity, human suffering, and the peace process, which must be recognised. It is critical to remember that the Lusaka peace process did not set out to incorporate the natural resource issue. Since the signing of the Lusaka Peace Accord, resource exploitation has taken on greater importance than ever before, and information about this is now in the public domain. The inclusion of the natural resource issue in the peace process need not detract from progress; in fact, it provides a greater chance of sustainable peace both in the DRC and in the region. While there is no need to revise the Lusaka Peace Accord itself, an Addendum addressing the extraction issue should be negotiated.

The other crucial strand to the peace process is that of *governance*. The people of DRC have never in their history had legitimate and accountable governance. This has led to massive suffering, often in the pursuit of economic gain. Real meaning must be given to the notion of citizenship and the responsibility of the state. Legitimate governance requires the active participation of Congolese citizens in influencing how the country should be governed. President Joseph Kabila has the attention of the international community and has made some welcome moves. However, the challenge for the DRC is to achieve a successful transition to a legitimate and accountable government, not to maintain the status quo under a new unelected leader. The Inter-Congolese Dialogue (ICD) is a crucial and unique opportunity to reverse the absence of legitimate and accountable governance. In the longer term, empowerment at the grassroots level through support to accountable civil-society organisations will strengthen the demand for accountability on any future leadership.

In consideration of the above, there are two planks to the peace process which must be considered.

Inter-Congolese Dialogue (ICD)

The ICD was set up through the Lusaka process with the primary aim of establishing a transitional government. It is a serious setback that the first event for the ICD in Addis Ababa in October 2001

broke up abruptly, primarily over the issue of further representation. The government of President Kabila insisted on further representation from civil society, while other parties said that such representation must come only from within existing delegations. Disagreement over the timing of troop withdrawal creates a further obstacle in dialogue. The agreement to reconvene early in the year in South Africa is welcome. If the ICD is crucial to the future development of a legitimate government in the DRC, the focus of the dialogue should be on developing the structure and systems for the transition period that will lay the foundations for representative governance. The Africa Union (former OAU) is essential to this process. It should be encouraged to play a much greater role in keeping the process on track. It is vital that the OAU/Africa Union takes an active and involved role in moving the DRC peace process forward.

The ICD is a Congolese process, but the international community should support and monitor it. Indeed, the peace process cannot depend entirely on the ICD. Parallel diplomacy is also needed to bring the DRC government and external parties together to ensure that the ICD is not manipulated or undermined.

The conflict in the DRC is a regional war. Both internal and external actors are fighting for control of territory, especially areas rich in natural resources. In some cases, external actors are resolving their own internal conflicts on Congolese soil. Of the six countries that have been involved in the DRC war, at least four are suffering from internal strife (Rwanda, Uganda, Angola, Burundi). A long-term peaceful solution for the DRC is inter-linked with the search for peaceful solutions in these other countries. In parallel to the ICD process, the regional dimensions must therefore be considered through a regionally focused peace initiative. This cannot be done by the ICD, which is primarily concerned with issues internal to the DRC, but could be addressed through a regional Great Lakes Conference. The Lusaka Peace Accord commits external parties to the conflict to the withdrawal of their forces. While there has been some progress in this regard, complete withdrawal must be urgently completed within an organised timetable, backed up by the UN to ensure a smooth transition and to encourage movement within the ICD. The ICD is not tasked with resolving how the commercial interests of external parties can be controlled. However, for reasons discussed above, it must be given a more prominent

place in the dialogue, with frank and open discussion. Congolese civil society members have presented this challenge publicly, calling for an 'end to the pillage of the Congolese riches'.³⁰

Disarmament

Another central plank of the peace process is disarmament, and its related elements of demobilisation, rehabilitation, resettlement, and re-integration (DDRRR). With the widespread availability of arms in the region, effective and comprehensive disarmament is essential to the success of the peace process. An enforceable mechanism to control arms flows into the region, and a move away from an environment conducive to military commercialism, are also required.³¹

The current mandate of the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) is insufficiently robust and inappropriate to the scale of the crisis, especially in eastern DRC where fighting still continues. MONUC requires an expanded mandate to be more effective in disarmament, demobilisation, co-ordination, and the monitoring of arms flows. However, the experience of peace-keeping operations around the world suggests that there is no point in having such a mandate unless UN member states also support MONUC in its work on an ongoing basis. Having said this, the UN cannot manage the process alone. All parties need to help identify and assist with disarmament of the 'negative forces'.³² Hence the importance of the joint co-ordination mechanism on DDRRR agreed in the Security Council Resolution 1376 of November 2001.³³

It is a scandal that the imposition of a binding arms embargo on states participating in the conflict has to date been limited to a voluntary EU embargo, despite the evidence that international arms flows continue to fuel the conflict. There is a direct link between increased humanitarian suffering and access to small arms. The embargo must cover arms to foreign forces engaged in the conflict, and countries used as staging posts for arms supplies to the DRC. The UN embargo imposed on Rwanda in 1994 provides a model. SCR 997 affirmed that this applied to sale or supply to neighbouring states if the arms and related materials were for use in Rwanda.

Demobilisation efforts around the world have shown that viable employment schemes must be generated, or ex-combatants turn to armed banditry. Where such employment conditions are not in place, the better option can be to keep soldiers in the army, but pay them properly. Incentives towards demobilisation should preferably be designed with the benefits to communities rather than individuals in mind.

Recommendations

- **Natural resource exploitation should be explicitly addressed as part of the peace process, if necessary through an Addendum to the Lusaka accord.**
- **High-level, co-ordinated political engagement is needed by key Western governments to work towards sustainable peace in the region, and a complete withdrawal of foreign forces from the DRC.** This engagement should involve intense shuttle diplomacy by a well-respected international figure under the auspices of the UN, and should complement the process of the Inter-Congolese Dialogue.
- **The ICD process must be supported by the international community, and the OAU/Africa Union specifically, to ensure the start of a new political legitimacy in the DRC.** A Great Lakes regional peace initiative should also be launched to focus on the external elements of the war in the DRC.
- **Greatly expanded support should be provided to the disarmament and demobilisation process. This will require UN member states to support MONUC in its work and expand its mandate so that it includes a co-ordination function, and a strengthened role in monitoring arms flows to all parties.** Disarmament should be conducted in tandem with a guaranteed timetable for troop withdrawal and intense efforts in the peace process. Demobilisation depends for its success on the creation of viable employment opportunities for ex-combatants.
- **A binding UN arms embargo should be imposed on all countries directly involved in the conflict, and those acting as staging posts for arms supplies.** The EU should strengthen its voluntary 1993 arms embargo to one which is legally binding on member states, and widen its scope.

Aid accountability

There are clear dilemmas facing the donor community when recipient countries are also involved in conflicts that result in widespread abuses of human rights, endanger the protection of civilians, or involve the illegal or uncontrolled plundering of natural resources. Donors have a moral imperative to demonstrate that aid is not supporting the war – either through the displacement effect aid might provide (freeing up other state resources that can then be used for war), or through direct misappropriation of funds. There needs to be inclusive and transparent dialogue with recipient countries, using the PRSP and Consultative Group (CG) processes, and involving other stakeholders and interested parties, to foster greater policy coherence, accountability, and an even-handed approach among donors. Without this approach, donors will at best be sending contradictory policy messages, and at worst be seen as complicit in legitimising the war economy and entrenching a culture of impunity.

International NGOs and aid agencies also need to demonstrate in an open and inclusive manner how their decisions to intervene in conflict situations are made, or they may also be perceived as being complicit in legitimising the war economy. There are practical dilemmas, such as the legitimisation of actors with whom they work, and the potential misappropriation of aid inputs which may then directly support the war. Agencies need to look more rigorously at how to maximise the net benefit of their interventions while minimising their harm. As with donors, a joint approach to addressing these dilemmas is helpful.

Recommendation

The provision of aid to countries involved in the most complex of Africa's wars presents a multitude of important dilemmas and tough choices. The PRSP and CG processes offer a chance to redouble efforts to look at issues of transparency, consultation, and poverty reduction together.

- **Donors should critically evaluate their current aid agreements with countries involved in the DRC war.** They should report their findings to the UN Security Council as recommended by the UN Panel.

Regulating business activity

The DRC is renowned for its resources. It is commonly reported to have eight per cent of the world's diamonds, probably 80 per cent of Africa's coltan reserves (which themselves constitute 80 per cent of the world's reserves), and plentiful supplies of gold, cobalt, and copper. Legitimate business could transform the economy of the DRC to one that dramatically benefits the Congolese people and their neighbours. Instead, they have witnessed the rapacious destruction of natural resources, and the escalation of conflict, resulting from uncontrolled economic activity. It can only be put to an end with binding, regulatory measures.

Short to medium-term

International: Measures to be considered include the effective monitoring of illegal or unethical trade, and other targeted measures to be urgently identified by the Security Council based on the recommendations already made by the UN Panel.

National: legislation needs to be tightened in the countries concerned to control illegal trade across their borders. The DRC government's current initiative, in consultation with the World Bank, to liberalise its investment and mining codes, needs first to await progress within the ICD towards a transitional government so that some legitimacy is given to the legal reform process. It must also learn from mistakes made elsewhere in Africa from liberalising too fast, thereby undermining local capacity and ownership of natural resources. Indeed, rashly negotiated investment agreements will need to be reviewed once peace is restored to ensure greatest benefit to the DRC.

Companies: Many different companies are cited in the UN report. Private-sector enterprises do not normally conduct their business without detailed analyses, so it is difficult to argue ignorance in this case. Even if the claim of ignorance were true, companies have both a moral, and increasingly a legal, responsibility to prevent the damaging impact of their business activities. Indeed, this is in their self-interest. Oxfam GB welcomes any efforts taken by individual companies to develop self-regulatory mechanisms in the form of voluntary codes of conduct. For example, Sabena/Swissair had announced an embargo on 'coltan and all related materials'

effective immediately from all points in Kenya, Rwanda, Tanzania, and Uganda. ³⁴ There are also welcome reported moves by Kenmet and Cabot in cancelling orders of coltan from the region, though this has only been reported by the UN Panel.

Longer term: towards an international regulatory framework

An international legal framework (including parts of international human rights and humanitarian law) does exist covering armed groups in conflict, including states and non-state actors. The problem is frequently one of enforcement. However, further legislation is required to regulate state responsibilities in natural resource exploitation in conflict zones. In addition, no legal framework exists governing the private sector. A comprehensive and workable regulatory mechanism is required to govern the production, trade, and consumption of natural resources from conflict areas. This would serve to monitor the involvement of companies, prevent operations and activities that exacerbate conflict, discipline companies that breach obligations, and provide compensation to those negatively affected by company activity.

The mechanism should place obligations upon states to ensure that companies adhere to standards and that revenue is used for poverty reduction, as well as obligations upon the companies themselves to abide by the principles and rules set out. The obligations upon states should apply to those of the host country (the DRC in this case), the home country (in which the company is domiciled), and any other state that is involved in the import or export of the resource in question. These obligations should be based on principles of transparency, adherence to human rights law and international humanitarian law, and state responsibility.

The diamond certification scheme if agreed through the Kimberly process after the scheme is submitted to the UN General Assembly in March 2002 would be a valid contribution towards this international regulatory framework, as well as having a practical benefit for the DRC. While this model might be applicable to other commodities, a broader approach as described above is probably needed that encompasses all natural resources, rather than negotiating schemes for one commodity after another.

Recommendations

- **In follow-up to the UN Panel's Addendum Report, the UN Security Council should immediately establish, resource, and mandate a monitoring body on trade in commodities originating from the DRC, or from neighbouring countries involved in the war and/or which provide transit for illegal trade.** This body should regularly report to the UN Security Council on its progress in regulating exploitation, and inform the Security Council of further actions required, such as sanctions.
- **Donor governments should investigate companies identified in the UN reports and elsewhere of allegedly engaging in illegal or unethical trade, and take appropriate action.**
- **There should be a benefit to the DRC, among other places, if governments do indeed reach agreement on a global scheme to effectively certify conflict-free diamonds.** The Kimberly process must deliver this finally during the first half of 2002.
- **In the longer term, a new protocol is required under the auspices of the UN, which governs the production, trade, and consumption of natural resources from conflict areas such as the DRC.** This protocol should subsequently form the basis of international law. In the meantime, companies and governments should adhere to OECD guidelines on MNCs.

Conclusion

While clearly there are great humanitarian needs elsewhere, the crisis in the DRC – an area the size of western Europe – has led to some of the highest mortality rates in the world. The conflict is being perpetuated through the organised plunder of the country's

resources. Concerted action is needed to end the suffering caused by Africa's largest war, and to work towards a more peaceful future for its people.

Notes

¹ IRC (May 2001) *Mortality in Eastern Democratic Republic of Congo*, International Rescue Committee

² OCHA (September 2001) 'Affected Populations in the Great Lakes Region'

³ FAO (2001) 'The State of Food Insecurity in the World'. Undernourishment is based on the consumption of 1900kcal/person/day. While extrapolation to country level is notoriously difficult, this is the best estimate FAO can offer.

⁴ Oxfam GB specialises in public-health services for over half-a-million people across the DRC

⁵ Dietrich, C. (2001) *Les Commerçants Militaire Sans Éthiques et Sans Frontières*, International Peace Information Service, Belgium

⁶ Personal communication, OCHA representative, Kinshasa, from field visits to the east

⁷ UNICEF (2001) 'State of the World's Children'

⁸ FAO (2001) 'The State of Food Insecurity in the World'

⁹ OCHA (March 2001) *Chronicles of a Humanitarian Crisis: Democratic Republic of Congo*

¹⁰ Christian Aid, Oxfam GB, Save the Children (August 2001) 'No End in Sight: The Human Tragedy of the Conflict in the Democratic Republic of Congo'

¹¹ UN and Partners (2002) 'Consolidated Interagency Appeal, Democratic Republic of Congo'

¹² Stockholm International Peace Research Institute (SIPRI) Yearbook 2000 identifies large diamond exports in part or all of 1999 from Uganda (11,000 carats), Rwanda (1500 carats), and Zimbabwe (19,000 carats), although none of them are producer countries.

¹³ Statement by President of Security Council, 19 December 2001 PRST/2001/39

¹⁴ Defined interahamwe are referred to as ALIR II

¹⁵ Visit to Democratic Republic of Congo, 2-6 August 2001, All-Parliamentary Group on the Great Lakes and Genocide Prevention

¹⁶ Government of Rwanda (April 2001) 'Reaction of the Government of Rwanda to the Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of Congo'

¹⁷ "Magic Water" Militia Fuel Congo Terror', The Telegraph, 9 August 2001

¹⁸ Filip Reyntjens, University of Antwerp, Interview on BBC Radio 4, 'File on Four', 10 July 2001

¹⁹ Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of Congo, April 2001

²⁰ Addendum to the Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth in the Democratic Republic of Congo, 13 November 2001

²¹ Ibid

²² See, for example, newspaper articles from The Coullices in June, July, and August 1999 on the unilateral declaration by the Ugandans of a new 'province' in DRC to be called Ituri.

²³ Dietrich, C. (2001) *Les Commerçants Militaire Sans Éthiques et Sans Frontières*, International Peace Information Service, Belgium

²⁴ Addendum to the Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth in the Democratic Republic of Congo, 13 November 2001

²⁵ 'The Military-Financial Complex', *Africa Confidential*, Vol.42, No.12, 15 June 2001

²⁶ 'Zimbabwe's Resource Colonialism in the DRC', *Global Witness*, London, UK, 26 August 2001

²⁷ Dietrich, C. (2001) *Les Commerçants Militaire Sans Éthiques et Sans Frontières*, International Peace Information Service, Belgium

²⁸ Ibid

²⁹ International Crisis Group (March 2001) *From Kabila to Kabila: Prospects for Peace in the Congo*, Nairobi/Brussels

³⁰ See the Memorandum of the Societe Civile de la DRC, Comite de Suivi, Secretariat Technique, Kinshasa/Gombe, 18 May 2001

³¹ For detailed recommendations, see International Crisis Group Briefing: 'Disarmament in the Congo – Investing in Conflict Prevention', 12 June 2001

³² 'Negative forces' is the term used in the Lusaka Peace Accord for the armed, non-signatory groups operating in the DRC.

³³ Also recommended by International Crisis Group, 'The Inter-Congolese Dialogue: Political Negotiation or a Game of Bluff?', November 2001

³⁴ 'Sabena/Swissair Declares Embargo on Transport of Coltan', United Nations Integrated Regional Information Network for Central and Eastern Africa (IRIN-CEA), 21 June 2001

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