

APPENDIX 1: NATURAL RESOURCES OF THE DEMOCRATIC REPUBLIC OF CONGO

The Democratic Republic of Congo is a nation of extraordinary natural wealth. Containing an abundance of various minerals, gems, agricultural crops, and tropical timber, the DRC is one of the most resource endowed nations on earth. Yet despite its immense resource wealth the DRC is currently ranked by the UN as the 1th least developed nation in the world. As researchers from Global Witness contend "The DRC, perhaps more than any other country, epitomises the "paradox of plenty" – how being rich in natural resources can be more of a curse than blessing."²¹⁶

Coltan

Coltan is the African colloquial term for columbite-tantalite, a rare, grey-blue metal twice as dense as steel. Highly resistant to corrosion and high temperatures, and possessing a number of unique characteristics, coltan is utilised in a variety of electronic applications, such as mobile phones, video games, computers and automotive electronics, as well as being an important addition to superalloys and cemented carbides²¹⁷. Although Australia is by far the largest producer of coltan, accounting for approximately 41% of world supply, the DRC has significantly larger reserves. While 80% of known coltan reserves are located in Africa, 80% of those reserves (64% of the world total) are located within the DRC, predominantly in the two Kivu and Maniema provinces. During the boom of the technological industry during the 1990's, the international price of coltan soared, peaking in demand during the year 2000 (largely due to the release of the Sony Play Station II game console) after which it became the most targeted commodity by rebel and state armies operating in the nation's east. A sad consequence of the "coltan rush" that enveloped much of eastern Congo after the 2000 price spike was that many mining sites were located within the Kahuzi Biega National Park and the Okapi Wildlife Reserve, critical habitats of lowland gorillas, elephants, hippos and other animals. In order to feed the tens of thousands of miners, rebels and soldiers who descended upon coltan mining sites during the year 2000, most of these park's wildlife were killed. In Kahuzi Biega, all 3,700 elephants and approximately 90% of its 8000 gorillas perished²¹⁸.

Cassiterite

Cassiterite is the mineral from which tin is derived and has been mined in the DRC since colonial times. Commonly located alongside coltan deposits, cassiterite is found extensively throughout eastern Congo, particularly in the two Kivu provinces. Since the global slump in coltan prices in late 2001, many of the soldiers, rebels and artisanal miners involved in coltan production have since switched focus to cassiterite. Driven by China's demand for raw materials and new environmental regulations in Japan and the EU regarding the use of tin rather than lead in printed circuit boards, the price of tin on the London Metal Exchange rose from US\$3500 per ton in 2002 to US\$ 9500 per ton in

²¹⁶ Global Witness, "Under-Mining Peace – Tin: The Explosive Trade in Cassiterite in Eastern DRC", p.8
²¹⁷ Burge and Hayes, "Coltan Mining in the Democratic Republic of Congo: How Tantalum-Using Industries Can Commit to the Reconstruction of the DRC", p.15
²¹⁸ *Ibid*, p.35

2004²¹⁹. Like coltan, the vast majority of cassiterite mined in the DRC since the outbreak of the second war has been exported via Uganda, Burundi, or more commonly Rwanda²²⁰.

Diamonds

Since first being discovered in 1907, the Congo has been one of the biggest diamond exporting nations in the world. The country was the world's fourth largest producer of industrial diamonds during the 1980's, and diamonds continue to account for over half of the nation's exports today (approximately US\$870 million in 2005)²²¹. However, official figures are a poor guide to the true extent of the diamond industry (or any other resource industry) in the DRC as an estimated one third of production is believed to be illegally smuggled out of the country each year. According to one report, in 2000 alone nearly 85% of the DRC's diamond production was illegally smuggled out of the country.²²² Although the DRC is a member of the Kimberly Process Certification Scheme (KPCS) there are still major problems associated with the implementation and enforcement of KPCS internal controls. The DRC's neighbour, the Republic of Congo, was expelled from the KP in 2004 due to complicity in the smuggling and re-exportation of DRC diamonds. Concentrated around the towns of Kisanangani in Oriental province and Mbuji-Mayi in Kasai Oriental province, diamond producing regions were heavily targeted by all major combatant groups during the Second Congo War and played host to some of its largest battles. The supposedly allied armed forces of Rwanda and Uganda clashed twice in Kisanangani, largely over control of the local diamond trade.

GOLD

Gold was first discovered in the DRC in 1931 and is predominantly found in the two Kivu's, Orientale and Maniema – areas still partly controlled by rebel groups not party to the transnational government²²³. Official figures of gold production are therefore unreliable as several tonnes of gold are illegally smuggled from these north eastern provinces to Kampala and Kigali every year. Like diamonds, gold has been heavily targeted by combatant groups and many large scale clashes have occurred in or around lucrative mining sites. Particularly in the Ituri region of Oriental province, competition over access to lucrative gold mining sights continues to produce widespread violence and insecurity²²⁴.

²¹⁹ Global Witness, "Digging in Corruption – Fraud, Abuse and Exploitation in Katanga's Copper and Cobalt Mines", *Global Witness.org*, (July 2006)
http://www.globalwitness.org/media_library_detail.php/154/en/digging_in_corruption Accessed on 20/3/07 p.22
²²⁰ Global Witness, "Same Old Story – A Background Study on Natural Resources in the Democratic Republic of Congo", p.22
²²¹ Global Witness, "An Independent Commissioned Review Evaluating the Effectiveness of the Kimberly Process", p.5
²²² Global Witness, "Same Old Story – A Background Study on Natural Resources in the Democratic Republic of Congo", p.30
²²³ *Ibid*, p.32
²²⁴ *Ibid*, p.33

Copper and Cobalt

The DRC possesses vast quantities of copper and cobalt. The Central African copper belt, which stretches along the Angola/DRC and Zambia/DRC borders contains 34% of the world's cobalt reserves and 10% of the world's copper reserves²²⁵. Concentrated in the southern province of Katanga, copper has been mined in the area since the 16th century and was one of the chief sources of income for both the Belgian colonial government and the Mobutu regime²²⁶. During the 1960's and 1970's the DRC was the world's largest producer of copper and cobalt, generating between US\$700 and US\$900 million in export revenues a year²²⁷. Despite decades of corrupt mismanagement under Mobutu and a massive decline in production, the DRC remains one of the leading exporters of raw copper and cobalt. With Katanga remaining relatively unaffected throughout the wars, copper and cobalt revenues were the one reliable source of income for the DRC government during the recent fighting. However, widespread corruption, a near total lack of oversight and poor border controls means that vast quantities of Katanga's copper and cobalt production is illicitly smuggled over the Zambian border each year, representing a huge loss to the Congolese economy²²⁸.

Timber

With an estimated 135,110,000 hectares of the DRC's land area covered by tropical forest, the Congo's timber reserves are not only the largest in Africa, but second only to the Amazon²²⁹. While small-scale commercial logging occurred immediately over the past century, export-orientated industrial logging has only been carried out since the 1970's. During the Second Congolese war the granting of timber concessions in Katanga was a major source of income for the central government during the second war. Over 44 million hectares of timber concessions were awarded to companies deemed as "un-reputable" by the World Bank during the conflict (many of which are associated with the Zimbabwian armed forces) analysts believe that the Congo's forests are unlikely to be managed in a sustainable manner²³⁰.

Uranium

Uranium was first discovered in the DRC in 1915 at Shinkolobwe in Katanga, and was the source of the uranium used in the two nuclear weapons dropped Hiroshima and Nagasaki manganese in 1945. Although the mine was flooded and concreted over in the 1960's, uranium bearing ores continue to be extracted from the site by an estimated 7000-13000 artisanal miners.

²²⁵ *Ibid*, p.23

²²⁶ *Ibid*

²²⁷ Renton, Seddon and Zellig, *Congo – Plunder and Resistance*, p.121

²²⁸ Global Witness, "Rush and Ruin – The Devastating Mineral Trade in Southern Katanga, DRC", *Global Witness.org*, (September 2004)

²²⁹ *http://www.globalwitness.org/media_library_detail.php/125/en/rush_and_ruin* Accessed on 25/3/07

²³⁰ p.10

²²⁹ Global Witness, "Same Old Story – A Background Study on Natural Resources in the Democratic Republic of Congo", p.35

²³⁰ *Ibid*, p.36

Other Resources
In addition to those listed above the DRC also contains reserves of: oil and gas (located off its small Atlantic coastline); coal; zinc; cadmium; silver; wolframite and germanium²³¹.