



**INTERIM REPORT OF MONITORING PROGRAM OF THE CHAIN
APPROVISIONMENT MINERALS**

PARTNERSHIP SAM-PPA / Resolve

August-September 2015

1. ANALYSIS OF INFORMATION RECEIVED FROM INCOMING CALLS TO STANDARD PROGRAM

Trends observed in the denunciation of the incidents on the mineral supply chain.

To seize Major trends related to information that has been received in the program clearing house, it is appropriate to consider three main:

On 3Ts minerals and Gold

The 3Ts operating zones have been more active in exposing abuses that are committed on the mineral supply chain. Tan disk operating gold zones have reacted moderately to the awareness message broadcast by the project call for citizens to report abuses that are committed to the supply chain of minerals they witness in their communities.

On an 83 incident denounced representing 100% of information received in the month of August to November 2015, 59 incidents were reported from the operating areas of 3Ts, 71% and incidents in the gold mining areas have been 24 or 29% of total cases reported by whistleblowers.

This low reactivity of gold mining areas is owed mainly three factors:

- Inhabitants of these areas are not used to these kinds of activities;
- The lack of information about what it is that abuse in the exploitation and marketing of minerals activities;
- It turned out that most of the reported cases have involved direct military FARDC officers, which show a certain fear to denounce cases of abuse in these areas.

On the provinces

Of the 83 incidents reported across all five provinces representing 100%:

- North Kivu: 33 incidents; 39% of reported cases;
- South Kivu: 42 incidents; 50% of reported cases;
- Maniema: 5 incidents; or% of reported cases;
- Tanganyika province: 2 incidents; 6% of reported cases
- Ituri provinces: 1 incident; If 1.2% of reported cases.

The strong ownership in the two provinces of North and South Kivu is mainly owed to the fact that the population is much familiar with the awareness activities that are consistent with the operation and marketing of minerals.

This is not the case with the provinces of Maniema, Tanganyika and Ituri who have experienced for the first time in their existence rapid alert mechanism based on the reporting of abuse being committed along the supply chain of minerals in their respective areas.

On the Incident Type

In its current configuration of the mineral supply chain monitoring program classifies incidents in six (6) categories / types. (See Progress Report of SAM-PPA project.)

Observation:

1. The case of appeals concerning the request for information on the program are not considered as incidents so that these calls will not be included in this section.
2. All information regarding the malfunction in the implementation of mineral traceability system was sent to PACT / ITRI after summers and reliable check to subsequently be integrated

into the risk management system ITSci system. So that these cases don't appear in this section. This partnership between account of SAM-PACT / ITRI.

Province of North Kivu

In the province of North Kivu, the trend of cases reported by whistleblowers is the following territory:

Walikale Territory:

7 cases of activities negative force in or around mining sites have been reported. Of these 7 cases have involved 3 areas of operation of tin-bearing minerals (3Ts), one case was reported at 1 hour of walking (about 5 km as the crow flies) to the mine site amatamba, qualified website and validated. 2 cases were reported in the gold mining areas, notably Morocco mine site in the direction of Obaye. The remaining two were turning the state of an ammunition depot in Walikale center and the kidnapping of two aid workers working for the NGO Concerns about the Walikale-Masisi-center axis.

This information concerned the negative forces rai Mutomboki and NDC / original Rebel Sheka Ntabo Ntaberi and NDC / Renovated Ex arm right Sheka, Handlebar.

Masisi territory:

9 cases of smuggling of minerals have been reported by whistleblowers in the territory of Masisi. The information has mainly concerned traffic mucolytic coltan commonly called "Mangano" from Rubaya particularly minerals from the operating permit of the company SMB (formerly MHI).

The incident occurred in the Bibatama Rubaya-Sake-triangle. The reported cases have reported a total involvement of the FARDC military operating in the area, including the service regiment whose headquarters is based in the town of Sake.

Three important cases have reported the use of the port of Kirotshe within ± 15 km from the quotes of Sake towards Minova for boarding minerals in wooden boats that took subsequently the direction of Rwanda across Lake Kivu. According to a source close to Rwanda, these minerals are unloaded at the port of Kayove in Rwanda with the complicity of Rwandan military navy.

Territories of Lubero and Beni

Most of the cases reported in the area concerned has a high activity of gold smuggling networks to Uganda as well as the activity of a bunch of crooks specialized in the scam using stones that have the appearance minerals while they are not minerals.

City of Goma

A total of 9 cases of Illicit Trafficking proven minerals have been reported to the program. Point two outputs are used to clandestinely bring minerals from the DRC to Rwanda:

- Throughout da border between the DRC and Rwanda including two border posts with the complicity of military and service officers committed on the border of both sides.
- Wearing Kituku with the complicity of agents of the Congolese national police and military Congolese navy.

Province of South Kivu

The situation of the trend of incidents reported in South Kivu province is as follows:

Territory fizi

Three reported cases have reported involvement of FARDC officers in the exploitation of gold and Misisi Mukera. These officers use their military units engaged in the mining of gold.

Mwenga territory

Three cases of direct military involvement in the operation and marketing of gold have been reported to the program. A case of direct military involvement in conflicts between artisanal gold of operator groups. These soldiers take sides with one or the other party to the conflict.

Two cases against mining belt have been reported in the territory of Mwenga to Bukavu. In one case the batch of 1500kg was clandestinely cross the Ruzizi River to go to Rwanda with the complicity of the police officers in the custody of the zone.

Territory of Walungu

Three cases of serious human rights violations have been reported including the murder of a woman who was on the minerals trade Luntukulu. In the verification of information relating to these violations of human rights in the Luntukulu area, it was discovered a complicity between the military and some locals who posed for the FDLR to commit any kind of crimes against the civilian population, including traders who work in the area.

Territory Kalehe

Calls received the Kalehe territory has come from two specific areas: Numbi and Nyabibwe.

For the Numbi area, the information concerned a precarious security situation to the village of Lumbishi within ± 25 km from the town of Numbi in the night from 28 to 29 October 2015. In fact a rebel faction of Nyatura controlled by a Colonel Kalume attacked FARDC positions in the village of Lumbishi night. After violent clashes with heavy weapons to the FARDC landed Numbi center. The same day the FARDC launched an offensive against-thanks to the reinforcements they had received from Minova. After the offensive against FARDC Lumbishi village and its surroundings have come under the control of FARDC. The toll of the clashes reported killed four attackers, nine wounded and one captured. An article was written about this incident and the article was posted on the website of the organization:

http://samint.org/site/?ref_page=reading&ref_menu=18&ref_id=134&language=default&ref_lang=default

Other information from Numbi reported tensions between artisanal miners and SAESSCAM agents who make a practice challenged by diggers in Numbi. Indeed SAESSCAM agents seized the miners working tools that are in default of payment of various fees they charge them to pay. According to the whistleblower this practice lasted for several years now. And every time this happens there is always a strong tension that occurs between diggers and SAESSCAM agents. To strengthen their action in the SAESSCAM agents regularly use the DAGRI, a unit created by the staff of the 10th military region to demilitarize the mining areas to regain force money from artisanal miners in Numbi.

For zone Nyabibwe, information received reported cases traders minerals violators minerals traceability procedure. These cases were compared with PACT / ITRI to take appropriate action on this.

Idjwi Territory

The geographical situation of the northern part of the island Idjwi placed in a closer position relative to Rwanda, including the town of Kibuye. A total of 8 cases of cross-border smuggling of minerals from the DRC to Rwanda were denounced by the inhabitants of the island. The island also serves as a transit point for minerals coming from Nyamukubi in Kalehe territory. Minerals coltan and cassiterite, which are extensively exploited in Kalehe territory and beyond the minerals

traceability mechanism, are illegally shipped in motorized canoes to cross Lake Kivu towards Idjwi to be eventually bring Rwanda. He criticized the fact that the company AMUR (Member ITRI) positioned in the island has no financial capacity to absorb any production minerals the island Idjwi. He also denounced an open involvement of security and customs services which not only promote but encourages cross-border smuggling of minerals between Idjwi Island in the DRC and the town of Kibuye in Rwanda. Despite the high production of Tungsten (WO₃) in Idjwi island static export of South Kivu province provides no information on the amount that the province exports in terms of these strategic minerals.

City of Bukavu

Of the 7 calls received from Bukavu denouncing cases of irregularity in the supply chain of minerals, 4 cases involved the Illicit Trafficking of minerals to Rwanda through the Ruzizi River and Lake Kivu. A case of manipulation of the President of the Association of South-Kivu merchant by state department heads of the mining administration to bring traders minerals to contribute money for them was denounced. Other appeals concerned cases of abuse that were committed within the province without the case relate Bukavu itself.

Maniema Province

Incidents reported by whistleblowers in Maniema province is as follows:

Punia territory

In Punia territory 5 cases have been reported by whistleblowers. 3 cases have denounced the annoyance suffered by trader's ore from the state service officers and 2 cases reported difficulties for traders to sell their coltan ore buyer for lack of this mineral in the area.

Pangi / Kalima Territory

A total of 12 cases have been reported in the program on various irregularities that were observed on the supply chain of minerals in the Pangi territory:

- 3 cases were in free fall in prices pushed traders minerals to want to rebel against the MMC company;
- 1 case concerned the molestation victim whose traders are minerals and artisanal miners by the agents of state services;
- 1 case reported in the manifest will of the MMC Company wanting outright eliminate trader's minerals from the supply chain of minerals wanting to send its own agents directly to buy minerals from artisanal miners.

Province of Tanganyika

1 case against band ore from the port of Kalemie and Uvira to the Kalundu in South Kivu province was reported to the program. According to the band against the whistleblowers is favored by the manager of the port of Kalemie and the officers of the units of the Congolese navy in Kalemie receiving large sums of money from traffickers.

1 case of violation of human rights has been reported in which was involved two mining companies; Chinese and one Indian.

Ituri province

Several calls from the new province of Ituri have been made by people who wanted to know more about the program and they all welcomed the initiative. They promised to call the operator to regularly inform on cases of abuses being committed in the mining sites of artisanal mining of gold in Mungwalu and other operating areas of gold.

2. INCIDENTS MONITORING BY THE PROGRAMME / PROJECT SAM-PPA

Cases of abuse reported by whistleblowers during the period August to September 2015 were followed at the clearing house of e monitoring program of the mineral supply chain. It is noted that the month of August was devoted to updating the mapping of agents / services involved in the regulation of exploitation and marketing of minerals activities. In addition to the state service the

mining administration mapping also concerned services / security units that work across the board with mining activities: border police, customs service etc...

Province of North Kivu

In cases of cross-border smuggling of minerals between the city of Goma in DRC and Gisenyi in Rwanda there has been cooperation in both directions. There have been cases where the program has delivered the information to the focal point of the national commission against mining fraud and cases where the program has verified the information from this commission.

During the August-September 2015 period three cases have been followed up with the struggle against mining fraud commission:

1. Case of 10/9/2015: *"the caller described the situation of a scam in the amount of \$ 21,000 belonging to Sir Richard Fisek for the sale of coltan ore 1694 kg by the bishop Israel Mulenda"*

This incident was followed closely by the program to its conclusion by the SPC / North Kivu. Information was exchanged with the organs of justice in Goma who arrested the people involved in the case. The program also exchanged information with the provincial Department of North Kivu mines on the interactions between the people involved in this incident. Since the case had also involved an agent of ITSci / PACT project more detailed information was transmitted to PACT / ITRI to enable them to handle this situation at their level.

2. Case of 20/9/2015: *"the caller gives the situation a network of illegal trafficking of minerals in Goma (Kituku market) to Rwanda carried out by the support of law enforcement officers in place."*

The supervisor of the program has had a working meeting with the focal point of the national commission against mining fraud has his office to share information on illicit trafficking network minerals which operates public port Kituku in the outskirts of the Goma. A site visit was made with the investigator of the CEEC.

3. Case of 29/10/2015: *"A truck carrying 40 tons of coltan / Manganite arrived around 20 am to the barrier of Sake. The lot was not labeled. The FARDC commander in place Sake came with many soldiers he instructed the police officers to open the gate to let the vehicle. The truck immediately took the direction of Kirotshe instead of coming in Sake. The commander himself escorted the truck to Kirotshe. The next morning the car was already in Minova. From here there is no trace of the truck. "*

Initial information received in this case were confused which required closer working with the commission against mining fraud. Thanks to this combination of credible information were obtained about the case and the people involved. Further information on this case has been transmitted to us by a source close to the organization working in Rwanda. Details on this event will be included in the report on cross-border traffic of ore between the DRC and Rwanda.

Province of South Kivu

The situation in South Kivu is a little more difficult because of the confusion between the commission against mining fraud, the SPC / South Kivu and the cell fight against mining fraud in South Kivu led by Mr. ABBAS KAYONGA.

However these confusing situations in South Kivu five cases were followed by the program:

1. Case of 30/09/2015: *"In Misisi career Colonel SAMI FARDC 303 Rgt said Lulimba and Commander POLIMINES work the military to exploit coltan and gold on their behalf"*

This case was reported to the Fizi territory administrator who promised to check these allegations and if he proves that the information was true he would report the case to the Security Committee in the Fizi territory. The case was also reported to the head of DAGRI in Bukavu who said not being aware of the situation and that he would check with the head of military operations in Fizi.

After a week, a follow up was made with the administrator of Fizi, who said he registered in the agenda of the Security meeting the issue of the military's involvement in the operation of the gold

Misisi. However the head of the military sector Misisi refuted the facts saying he had no information confirming the involvement of its military in the operation of Gold in its area.

2. Case of 30/09/2015: *"Insecurity in the site Luntukulu caused by FARDC who extort and loot diggers; in their absence it was the FDLR who do"*

The case was reported to Nzibira locality manager who also confirmed this. The town manager noted, however, that in his area there is no longer FDLR and he denied saying that these are FARDC soldiers pose FDLR to plunder the inhabitants of the area. He confirmed that he pleaded with the military authorities in Walungu territory so that they change the company that is deployed in the Nzibira-Luntukulu sector.

3. Cases of 01/10/2015: *"Mrs. Wabiwa Selenge had 1500 kg of unlabeled coltan from Mwenga and she wanted to cross the border by canoe Ruzizi River in Panzi area with the help of a policeman by the name of Fataki RAMAZANI. Surprised by 11 FARDC soldiers who seized the lot, but after negotiations they ended up receiving \$ 1,000 and releasing the batch that crossed the river"*

This case was reported to the focal point of the national commission against mining fraud in South Kivu. He promised to invest to verify this information and take appropriate action. Unfortunately the focus had been transferred to another province after some time. Any attempt to contact the manager of the technical unit of struggle against mining fraud in South Kivu was unsuccessful.

4. Case of 10/2/2015: *"a brand DAN truck was stopped in Walungu by the military camouflaged by FDLR and took 2000 Kg of tin from known mining site LUTUKULU and the driver's name was CHRISPIN MULONGO tied on a tree."*

After having worked on this case, information was shared with the commander of the DAGRI. This confirmed the information and said that investigations are short with the 10th Military Intelligence Service of the military region and that the suspects will be arrested he would remember. Unfortunately he never called back since.

5. Case of 10/10/2015: *"Illegal Taxation perpetrated by agents SAAESSCAM and administration of mines and conflict between OLIVE society and artisanal miners who do not agree with the establishment of the mining cooperative own company in the sites and the population has created its own cooperative Mutunda"*

In this case, the information was reported to the antenna head of SAAESSCAM / South Kivu. This has denied the fact saying that it is his critics are wanting to sully the image of SAAESSCAM / South Kivu and personal image. Contact was also made with the owner of the OLIVE company said that miners from a mining cooperative does not have the right to oppose the creation of another mining cooperative by other miners. He also said that for his company is willing to work with any mining cooperative that is in order with the Congolese state.

The case also refers to the main board of the Provincial Minister of Mines of South Kivu. The latter promised to register the case on the agenda of the meeting of the PSC. He recalled shortly after informing that some measures have been taken at the provincial mining ministry to solve these two problems in Lemera.

For other provinces, Maniema, Tanganyika and Ituri

Since the mapping of actors acting in these three provinces has not yet been achieved, it turned out to be difficult to follow up cases that were denounced in these provinces. During the next two months of the project, the mapping of stakeholders will be carried out and give the opportunity to keep track of incidents on the supply chain of minerals in these three provinces.

3. SHARES OF MONITORING LOCAL UNITS FIELD

To check the information on incidents reported to the members of the ULS program have done a great job in the field. However it was noted that the action of the ULS supported by the PPP grant was given be limited in effectiveness on the ground.

It is important to know that the ULS supported by the PPA grant have been active for a month almost. The month of August 2015 was devoted to recruitment, capacity building and deployment in their respective areas, while in the month of September 2015 ULS members began to be moderately active in the field thanks to the support in terms of communication capacity that was provided to them by the SAM-PPA project. Unfortunately the project has suffered a breakdown of funds for the month of October to date. This regards all five provinces covered by the SAM-PPA project (North Kivu, Maniema, South Kivu, Ituri and Tanganyika) practically annihilated all efforts for the effective operationalization of the ULS in the field.

Despite this difficult situation, the ULS deployed in North Kivu and South Kivu have been active in verifying information and track incidents in their respective areas. The cases that were cited above have been followed through concurs ULS members who have exchanged information with the program.

4. BORDER SMUGGLING OF MINERALS BETWEEN THE DRC AND RWANDA

Information on cross-border smuggling of minerals between the DRC and Rwanda show a high activity of the networks operating in Goma, Bukavu and Idjwi. The information on this traffic in the city of Goma suggest that there is any involvement of the Congolese authorities who receive money directly traffickers to only challenge. The case of the island Idjwi seems more complex especially since the information has been received on these cases confirm that the services of the Congolese customs going to encourage traders to bring the minerals in Kibuye / Rwanda. In Bukavu information report that the head of the fight against mining fraud cell itself would be involved in facilitating the smuggling of minerals to Rwanda. 3 main reasons seem to confirm this:

1. The people worked with the RCD (Congolese Rally for Democracy);
2. She lived in Rwanda for several years after reunification;

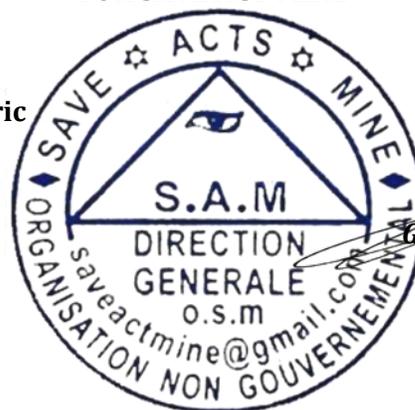
3. The creation of an anti-cell against mining fraud by the Governor of South Kivu parallel to the national commission against mining fraud that has a focal point in South Kivu.

To understand how the smuggling of minerals between the DRC and Rwanda was being harvested reliable data on the operation of networks operating in the minerals transit areas in Rwanda to Kigali Gisenyi, Kibuye and Shangugu. It is thanks to collaboration with a local partner organization that is done. A report will be prepared on the situation at the end of SAM-PPP project.

FOR SAVE ACT MINE

KIHUNDU PALUKU Eric

Supervisor Project



Jamal USSENI

General Manager