

# **Mineral traceability and conflict in eastern DRC: the case of the “Conflict-Free Tin Initiative”**

**By Dr. Edoardo Monaco**

## **Abstract**

A proactive royal offspring attempts to bring back hope to hundreds of Congolese miners whose livelihoods have been endangered by years of civil conflicts and de-facto embargos in eastern Democratic Republic of the Congo (DRC). This brief paper looks at the how the Conflict-Free Tin Initiative (CFTI) launched in 2012 by His Royal Highness Prince Jaime de Bourbon Parme, Dutch diplomat and son of Irene of the Netherlands, in cooperation with relevant stakeholders along the tin supply chain, concretely aims to address the controversial issue of sourcing and trade of “blood minerals” in the restive province of South Kivu. Despite not being a panacea for a conflict-ridden region in which government control is feeble at best, CFTI does represent a significant example of how traceability – pursued within the existing market system through a closed-pipe, tightly controlled supply chain - can reduce exploitation and guarantee that revenues from the export of natural resources may end up fuelling sustainable grassroots development, not instability.

**Keywords:** blood minerals, conflict, CFTI, Congo, development, DRC, Dodd-Frank, traceability.

## **Introduction**

Last July in The Hague, Netherlands, I had the chance to interview His Royal Highness Prince Jaime de Bourbon Parme, Special Envoy for Natural Resources at the Dutch Ministry of Foreign Affairs, as well as member of the Dutch royal family and heir to the House of Bourbon-Parma, who initiated of a rather unique and

potentially groundbreaking pilot project - the Conflict-Free Tin Initiative (CFTI) - in the hilly South Kivu province of the Democratic Republic of the Congo (DRC)<sup>1</sup>.

In essence, CFTI is a traceability scheme that aims to produce certifiable “conflict-free” tin - a mineral in high demand in the modern electronics industry - and promote a more responsible and fair supply chain, from mine to consumers (closed-pipe supply chain), ultimately to deliver actual conflict-free materials to the end market. This in a region often associated with violence and exploitation, due to weak central government control and persistent guerrilla warfare among various rebel groups roaming the area since the 1990s.

Despite numerous challenges, CFTI has so far brought jobs back to pilot communities, whose livelihoods had been previously endangered both by raging militias financing themselves through the control of mining revenues and by de-facto embargos following the adoption of crucial yet somewhat controversial legislation - such as the 2010 Dodd-Frank Act in the United States.

The project is still focused on a few tin mining pits but its significance goes far beyond this apparently limited outlook. It’s the first undertaking of its kind trying to make it possible to actually implement new stringent Dodd-Frank Act provisions in a traditionally restive area such as the Kivus; it concretely and transparently sustains local livelihoods through existing market forces. In particular, through the creation of significant demand from major corporations, it targets one of the most sought-after resources in modern economy, establishing traceability as key to turn African resource endowments into grassroots development.

CFTI is not without controversies. Alone, it can’t solve the problem of security in the region as rebel groups fight for reasons that often go beyond mining revenues’ control. Rebels may tend to simply shift to other sources of income to fuel their armed movements. Moreover, the monitoring of all stages - especially the earliest - of the supply chain is costly, requiring continuous effort from a wide range of

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<sup>1</sup> This central African country, with capital Kinshasa (hence at times referred to as “Congo-Kinshasa” to differentiate it from neighboring Republic of the Congo, or Congo-Brazzaville), has a population of 75,507,308 (July 2013 est.) and occupies an area of 2,344,858 sq km, which makes it the 11<sup>th</sup> largest country in the world – Central Intelligence Agency (CIA) World Factbook, *Democratic Republic of the Congo Country Profile*, Washington D.C., continually updated, <https://www.cia.gov/library/publications/the-world-factbook/geos/cg.html>.

partners. In both cases, stronger, more responsible local government intervention is essential, together with sustained international support.

## **Framework**

Despite its vast mineral resources<sup>2</sup>, the DRC - just like many other resource-rich African nations and especially its easternmost provinces such as North and South Kivu - have found it increasingly difficult to tap their true economic potential and translate their resource wealth into grassroots development<sup>3</sup>.

The country has a troubled history of harsh colonial exploitation by the Belgians and of post-independence (1960) instability, authoritarianism and mismanagement. In particular, the most recent disruptions to development in the east relate to the persistent presence of competing militias<sup>4</sup> often forcibly controlling mines or hijacking revenues from the foreign trade of local minerals to finance their guerrilla movements. They are essentially offshoots and remnants of the belligerents of the two major Congo Wars (1996-97 and 1998-2003)<sup>5</sup>, as well as the product of the

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<sup>2</sup> Copper, cobalt and uranium are present in particular in Katanga province, while gold especially in Orientale (Ituri district) and North Kivu provinces; diamonds are to be found mainly in Kasai; tin, tantalum, tungsten are instead abundant in both North and South Kivu - Seay, L.E., *What's Wrong with Dodd-Frank 1502?*, Working Paper 284, Center for Global Development, January 2012.

<sup>3</sup> DRC's Human Development Index (HDI) ranks last out of 186 countries (position currently shared with Niger), according to the Human Development Report (HDR) 2013 produced by the the United Nations Development Programme (UNDP), available at <http://www.undp.org/content/dam/undp/library/corporate/HDR/2013GlobalHDR/English/HDR2013%20Report%20English.pdf>. Its Gross Domestic Product (at purchasing power parity) amounts to \$28.03 billion (2012 est.), while its GDP per capita (again at PPP, 2012 est.) stands at 400 USD (ranking 228<sup>th</sup>, and last, in the world) according to CIA World Factbook, *Democratic Republic of the Congo Country Profile* - <https://www.cia.gov/library/publications/the-world-factbook/geos/cg.html>.

<sup>4</sup> Among which: FARDC (Forces Armées de la République Démocratique du Congo, i.e DRC army), FDLR (Forces Démocratiques de Libération du Rwanda, rebel group mainly formed by the remainder of the Rwandan Hutus who contributed to the 1994 genocide and then fled the country to escape possible retaliation at the hands of Tutsi-dominated Rwandan Patriotic Front), CNDP (Congrès National pour la Défense du Peuple, rebel group in 2009 absorbed into the DRC Army after the capture of its commander Laurent Nkunda) and the most recent M23 (Mouvement du 23-mars) armed movement.

<sup>5</sup> The First Congo (at the time known as Zaire) War erupted in 1996, ending in 1997 with the overthrow, after more the 30 years of authoritarian rule, of President Mobutu Sese Seko and the installation as leader of Rwandan-backed Laurent Kabila. The Second Congo War took place between 1998 and 2003 and involved the Kabilas' (Joseph succeeded his father Laurent in 2001) government army (FARDC) and FDLR on one side, and a series of Rwandan and Ugandan-backed militias on the other (e.g. Rassemblement Congolais pour la Démocratie or RCD, Mouvement de

consequent progressive disintegration of central government authority especially in Congo's eastern fringes<sup>6</sup>, along the borders with South Sudan, Uganda and, above all, Rwanda<sup>7</sup>.

In the hope to cut the rebels' financial lifeline and thus promote stability in the region, the international community, namely the Organization for Economic Co-operation and Development (OECD), United Nations and most recently the European Union<sup>8</sup>, has recently started calling for new regulatory frameworks on sustainable, traceable sourcing and trade of DRC minerals, especially of the so-called "3T's & G": tin, tantalum, tungsten and gold. At the international level, such efforts have produced significant, although not legally binding guidelines, such as the recommendations of the UN Group of Experts on DRC<sup>9</sup> and the crucial OECD Due Diligence Guidance for Responsible Supply Chain of Minerals from Conflict-Affected and High-Risk Areas<sup>10</sup>.

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libération du Congo or MLC, Union des Patriotes Congolais or UPC etc.); the involvement in the conflict of Angola, Chad, Namibia, Sudan, Zimbabwe to support Kinshasa's side, and of Rwanda, Uganda, Burundi to support the opposite side, prompted analysts to dub the conflict as "Africa's first world war". As of 2004, death count exceeded 3.9 million, while more than 2 million were displaced - see Coghlan B, Brennan R., Ngoy P., Dofara D., Otto B., Clements M., Stewart T., *Mortality in the Democratic Republic of Congo: a nationwide survey*, The Lancet, Volume 367, Issue 9504, Pages 44 - 51, 7 January 2006 - <http://www.thelancet.com/journals/lancet/article/PIIS0140673606679233/fulltext> and International Displacement Monitoring Center, Geneva, Switzerland - [http://www.internal-displacement.org/idmc/website/countries.nsf/\(httpEnvelopes\)/96849E3579EE3240C12577FC0044524A?OpenDocument#15.3.1](http://www.internal-displacement.org/idmc/website/countries.nsf/(httpEnvelopes)/96849E3579EE3240C12577FC0044524A?OpenDocument#15.3.1).

<sup>6</sup> In particular, in Orientale (capital Kisangani), North Kivu (capital Goma), South Kivu (capital Bukavu) provinces.

<sup>7</sup> Some UN reports (e.g. <http://www.bbc.co.uk/news/world-africa-18231128>, <http://www.un.org/apps/news/story.asp?NewsID=42431&Cr=democratic&Cr1=congo#.UItkPuDSFeQ>, <http://www.reuters.com/article/2012/10/17/us-congo-democratic-rwanda-uganda-idUSBRE89F1RQ20121017>) and the DRC government claim that since the end of the Congo Wars Rwanda has continued to play a particularly significant, disruptive role by either overtly or covertly backing armed anti-Hutu movements (e.g. CNDP, and its recent spinoff M23) in eastern DRC.

<sup>8</sup> At the time of writing (fall 2013), the EU is still debating possible resolutions, which according to the words of the EU Trade Commissioner, Karel De Gucht, shall be "effective but reasonable" to tackle, in DRC and beyond, a "highly complex situation, with many different factions representing many different interests" - [http://europa.eu/rapid/press-release\\_SPEECH-13-673\\_en.htm](http://europa.eu/rapid/press-release_SPEECH-13-673_en.htm).

<sup>9</sup> United Nations Security Council resolution S/RES/1952 (2010) expressed the need for such recommendations to be incorporated into OECD Due Diligence Guidelines - <http://www.eicc.info/documents/2010UNSecurityCouncilResolutionN1065523.pdf>.

<sup>10</sup> Product of a "multi-stakeholder" approach and concerted effort of OECD Members, countries of the International Conference for Great Lakes Region (or ICGLR, including Angola, Burundi,

Nonetheless, it's a national law that has so far produced the most concrete, far-reaching implications: the Dodd-Frank Act<sup>11</sup>, passed in the United States in 2010 to promote more transparency in the financial sector following the 2008 meltdown, also included significant provisions and rules of origin requiring all U.S.-listed companies<sup>12</sup> (section 1502 in particular) to undertake and disclose a process of traceability and due-diligence to verify the “conflict-free” nature of the minerals sourced or produced in eastern DRC and neighboring areas. The Dodd-Frank provisions were enacted by U.S. Federal Government’s Security and Exchange Commission (SEC) in 2012 and established that any company using minerals such as tantalum, tin, tungsten, or gold must conduct a reasonable “country of origin” inquiry performed in good faith and “reasonably designed to determine whether any of its minerals originated in the covered countries”<sup>13</sup>. If the company “knows or has reason to believe” that the minerals may have originated in the covered countries, then it must undertake “due diligence”<sup>14</sup> on the source and chain of custody of its conflict minerals, as well as file and disclose a “Conflict Minerals Report”<sup>15</sup>. If a company’s products have not been found to be “DRC conflict-free,” then, in addition to the audit and certification requirements, the company’s Conflict Minerals Report shall include the products manufactured or contracted to be manufactured that have not been found

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Central African Republic, Republic of Congo, Democratic Republic of Congo, Kenya, Rwanda, Sudan, Tanzania, Uganda and Zambia) and various other private and public entities such as the International Tin Research Institute (ITRI), German Federal Institute for Geosciences and Natural Resources (BGR), United Nations Group of Experts on the DRC – OECD *Due Diligence Guidance for Responsible Supply Chain of Minerals from Conflict-Affected and High-Risk Areas*, November 2012 <http://www.oecd.org/daf/inv/mne/GuidanceEdition2.pdf>.

<sup>11</sup> Available at <http://www.sec.gov/about/laws/wallstreetreform-cpa.pdf>.

<sup>12</sup> The final rule applies to any issuer that files reports with the Commission under Section 13(a) or Section 15(d) of the Exchange Act, including domestic companies, foreign private issuers, smaller reporting companies. It also includes companies manufacturing or contracting to manufacture products for which minerals are “necessary to the functionality or production” – U.S. Federal Government Security and Exchange Commission, Washington D.C., 2012, <http://www.sec.gov/rules/final/2012/34-67716.pdf>.

<sup>13</sup> At times referred to also as “adjoining countries”, i.e. those which share an internationally recognized border with the DRC, presently including Angola, Burundi, Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia - <http://www.sec.gov/rules/final/2012/34-67716.pdf>.

<sup>14</sup> Due diligence shall “conform to a nationally or internationally recognized due diligence framework, such as the due diligence guidance approved by the Organisation for Economic Co-operation and Development” - *ibidem*.

<sup>15</sup> <http://www.sec.gov/News/Article/Detail/Article/1365171562058#UjKdReDSFeS>.

to be “DRC conflict-free, the facilities used to process the conflict minerals in those products, the country of origin of the conflict minerals in those products, the efforts to determine the mine or location of origin with the greatest possible specificity<sup>16</sup>. For a temporary two-year period (or four-year period for smaller reporting companies), if the company is unable to determine whether the minerals in its products originated in the covered countries or financed or benefited armed groups in those countries, then those products are considered “DRC conflict undeterminable”<sup>17</sup>.

To a large extent, this historic legislative move was the product of intense, increasingly vocal campaigns by Congo advocacy groups such as the “Enough Project”<sup>18</sup>, launched in 2007. Although inspired by good intentions and laudable long-term goals, the Act soon became quite controversial as in the short term it translated into a de-facto ban on exports of minerals from the hills of eastern DRC. Foreign buyers interested by Dodd-Frank Act Section 1502 provisions simply shied away from the region, deeming it unfeasible to comply because of the new strict traceability requirements: reputational risks of being associated, even remotely, with the brutality of rebel activities were considered too high, while costs of compliance and disclosure seemed to outweigh market benefits. It’s no surprise, then, that major corporations simply decided to turn elsewhere for their sourcing of minerals. With the fall in demand, a great number of mines in eastern DRC shut down, reducing mining-related revenues for rebels, but at the same time leading many artisanal miners to lose their jobs.

For the first time since Dodd Frank Act’s implementation, the CFTI project has brought key stakeholders’ demand<sup>19</sup> (i.e., jobs) back to pilot communities and kick-starting a crucial sector for the local economy with the resumption of activities; now

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<sup>16</sup> Ibidem.

<sup>17</sup> Ibidem.

<sup>18</sup> [Http://www.enoughproject.org/](http://www.enoughproject.org/).

<sup>19</sup> Beside the Dutch Government, acting as neutral broker, industry partners participating in the CFTI pilot consist of Royal Philips Electronics, Tata Steel, Motorola Solutions, Fairphone, HP, Research In Motion (RIM), Alpha, AIM Metals & Alloys, Malaysia Smelting Corporation Berhad (MSC), Traxys, ITRI and the local exporters and mining cooperatives. Apple joined in September 2013 (see note 23). United States and the South African Government participate through the Department of Trade and Industry’s Regional Spatial Development Initiatives Program (RSDIP) - <http://www.government.nl/news/2012/10/24/first-bags-of-conflict-free-tin-leave-a-congolese-mine.html>.

to be carried out in the responsible and transparent fashion required by Dodd-Frank Act and SEC implementation rules.

The tin produced in the mines of the pilot project (in the area of Kalimbi) is strictly monitored by various actors<sup>20</sup> involved in the project to verify that it is 100% conflict-free at all stages of its supply chain<sup>21</sup>, and thus that its mining, trading, smelting, soldering and marketing do not favor any warlord or militia on the ground.

### **Significances**

The project mines have produced tagged bags of conflict-free tin ores (cassiterite) since fall 2012, and in January 2013 the first containers left for smelting in Malaysia<sup>22</sup>. Nevertheless, promoters remain cautious, as the project operates in a very challenging environment, where simply ensuring the security of mines (i.e. keeping rebels groups at bay) and avoiding “mix-ups” with minerals of obscure origin requires consistent, coordinated efforts and close cooperation of all stakeholders involved.

CFTI does not actually claim to be the solution to the overall problem of conflict in the whole of eastern DRC. Not all mineral rich areas in DRC (e.g. central Katanga, Kasai)<sup>23</sup> register similarly disruptive levels of unrest. This reinforces the thesis that

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<sup>20</sup> The mine has been validated as conflict-free by a multi-stakeholder team including officials of the DRC Government, the United Nations, the German Geological Service (BGR), the local project manager of the ITRI Tin Supply Chain Initiative (iTSCi), representatives of local business and civil society. The traceability system has been conceived by the field teams of Pact, a nongovernmental organisation, to monitor all the (six) stages of the supply chain, from mine to end-user – Press Release, *First bags of Conflict-Free Tin leave a Congolese mine*, Government of the Netherlands, The Hague, October 24, 2012 - <http://www.government.nl/news/2012/10/24/first-bags-of-conflict-free-tin-leave-a-congolese-mine.html>.

<sup>21</sup> AVX Corporation & Solutions for Hope, *Summary Report - Closed Pipe Supply Chain Review*, August 2013 - [http://solutions-network.org/site-solutionsforhope/files/2012/04/AVX-Closed-Pipe-Supply-Chain-Summary\\_FINAL.pdf](http://solutions-network.org/site-solutionsforhope/files/2012/04/AVX-Closed-Pipe-Supply-Chain-Summary_FINAL.pdf).

<sup>22</sup> See <http://www.government.nl/news/2012/10/24/first-bags-of-conflict-free-tin-leave-a-congolese-mine.html> and <http://solutions-network.org/site-cfti/status/>.

<sup>23</sup> Seay, L.E., *What's Wrong with Dodd-Frank 1502?*, Working Paper 284, Center for Global Development, January 2012. It must be noted that Katanga province has most recently registered a resurgence of violence since the escape from prison of Gideon Kyungu Mutanga in September 2011 and the consequent resumption of intense activity by armed secessionist movements – namely the “Mai Mai Kata Katanga”, i.e. armed community groups for the secession of Katanga - fighting the independence of the resource rich region - <http://www.bbc.co.uk/news/world-africa-23422038>.

rebels groups fight for reasons that often go beyond the control of mineral resources, including territorial control, land rights, ethnicity, and representation<sup>24</sup>. Moreover, rebels who depend on minerals' trade to finance their activities (either to buy weapons or to pay militants' salaries and support their families) may simply seek alternative sources of income, like forceful and informal taxation of citizens and trade of other commodities (e.g. gold, timber wood). But this project encompasses certain unique traits that make it already a relevant achievement, holding significances that transcend its apparently limited scope.

CFTI employs a readily available market system, within which the greatest challenge has been to mobilize demand. It was only in May 2012 that H.R.H. Jaime de Bourbon Parme chaired an OECD meeting on the “Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas” when the idea of CFTI with other industry partners attending the event was discussed for the first time. Within a couple of months, funds were swiftly made available<sup>25</sup> and major international actors such as Royal Philips Electronics, Tata Steel, Motorola Solutions, Fairphone, HP, Research In Motion (RIM), Alpha, AIM Metals & Alloys, Malaysia Smelting Corporation Berhad (MSC) endorsed the initiative. The number of industry partners has even increased since then, registering major additions such as Apple in September 2013<sup>26</sup>. These are not niche users but major actors potentially capable of concretely redefining current market practices.

CFTI shows that the traceability advocated by the Dodd-Frank Act, as well as by the OECD Guidelines, can be implemented on the ground even in an overlooked, conflict-ridden region through a closed-pipe supply chain scheme. Major operators feared the impact of the SEC regulations on their productive functions and they are now provided with a benchmark that is being concretely tested, and proving it

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<sup>24</sup> Autesserre, S., *Dangerous Tales: Dominant Narratives on the Congo and their Unintended Consequences*, African Affairs, 111 (442), Spring 2012.

<sup>25</sup> USD 1.3 million from Netherlands government – personal interview with project's initiator, H.R.H. Jaime de Bourbon Parme, Special Envoy for Natural Resources at Netherlands Ministry of Foreign Affairs, The Hague, Netherlands Ministry of Foreign Affairs, July 23, 2013.

<sup>26</sup> Email correspondence with project's initiator, H.R.H. Jaime de Bourbon Parme, September 20, 2013.



operationally viable. In fact, against an initial investment of USD 1.3 million, the total value of export material at this time of writing exceeds USD 2 million<sup>27</sup>.

In Kalimbi, like in much of the east of the country, mining currently represents the only available cash economy. The unintended de-facto ban pursuant to Dodd-Frank Act had dramatic consequences on livelihoods. The pilot project has not simply brought about 1200<sup>28</sup> men back to work in the mining pits, but also consequently allowed them to spend the earned cash to feed themselves and their family, to pay for school fees and health care and for goods and services available at local markets, thus greatly benefitting the likes of shopkeepers, hairdressers, seamstresses, and market sellers – constituted most often by women<sup>29</sup>.

The price currently paid for conflict-free tin ores is still considered relatively low by local workers. Reasons for that, though, are to be found in market dynamics (upon which CFTI relies) more than in the scheme's inherent flaw: there is still a limited number of certifiable traders within the project but its progressive increase will improve competition and ultimately generate better prices<sup>30</sup>. Moreover, the recent decrease in global demand has also impacted tin's prices<sup>31</sup>. Nevertheless, the project has undoubtedly revived the local economy, bringing back demand as well as hope, and guaranteeing at the least, a transparent, violence-free income<sup>32</sup>.

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<sup>27</sup> Ibidem.

<sup>28</sup> See RESOLVE's "Solutions for Hope" network, created ad-hoc for CFTI - <http://solutions-network.org/site-cfti/>.

<sup>29</sup> To stress the merits and challenges of CFTI, it's worth noting further what Laura Seay points out in regards to the immediate disruptive impact of Dodd-Frank Act: "In many mining areas, economies were based partly on minerals rather than cash; it was possible to buy goods and services by trading a teaspoon of coltan for, say, school tuition. In addition, planes that flew into remote mining areas like Shabunda and Walikale are no longer coming to take the minerals out. Those planes carried in basic necessities like petroleum, salt, and candles to places that are not accessible by road. Today, those communities must do without such necessities; even if one has money to purchase the goods, they are no longer available" - Seay, L.E., *What's Wrong with Dodd-Frank 1502?*, Working Paper 284, Center for Global Development, January 2012.

<sup>30</sup> Lloyd Davis F., *DRC: Taking the Conflict Out of Congo's Tin*, Pulitzer Center, May 13, 2013 - <http://pulitzercenter.org/reporting/DRC-congo-conflict-free-tin-kalimbi-mine>.

<sup>31</sup> Manhart A., Schleicher T., *Conflict minerals – An evaluation of the Dodd-Frank Act and other resource-related measures*, Institute for Applied Technology, Freiburg, August 2013 - [http://www.bdi.eu/download\\_content/EuropaUndBruessel/Conflict\\_minerals\\_Aug\\_2013\(1\).pdf](http://www.bdi.eu/download_content/EuropaUndBruessel/Conflict_minerals_Aug_2013(1).pdf)

<sup>32</sup> According to Resolve's "Solutions for Hope" network, between USD 4 – USD 6 per kilo depending on the quality of the tin and the world price - <http://solutions-network.org/site-cfti/>.

CFTI has also openly mobilized the local government and has entrusted the army with responsibility of protecting mines from possible rebel attacks. This precedent may be conducive to a more responsible, transparent, and active engagement of local authorities in the future. The formalization of traditionally “informal” artisanal mines such as those in Kalimbi may also lead to more transparent monitoring and management of revenues, allowing local public administrations to potentially earn much needed income from taxation.

Certainly, if the project aims to last and possibly grow as far as to represent an operational paradigm for the whole industry, like the Kimberly Process has become for diamonds, a stronger and more responsible central government presence is essential, as neutral brokers and international stakeholders alone can’t fill that whole vacuum effectively in the long run. Companies’ involvement and demand will ultimately have to be driven by concrete, sustained market incentives, rather than corporate social responsibility. Their efforts will have to focus on the already steep challenge of cost-effectively incorporating similar traceability schemes into their own existing, complex supply chains.

For too long a sense of anarchy has dominated large portions of the DRC, with people of eastern provinces paying the highest price of both domestic and foreign-induced strife over ethnicity and resource distribution. For too long thriving corruption, favored by Kinshasa’s own weakness and shortcomings, has blurred the distinction between warlords and officials on the ground<sup>33</sup>.

In view of the major shifts following the adoption and implementation of the Dodd-Frank Act, traceability appears to be the best solution to keep the industry running and guarantee protection of livelihoods in critical areas. But that alone can’t be the panacea of severe issues regarding the broader political and security context. In order for traceability schemes such as CFTI to become systematic, reproducible, viable solutions for the industry, a stronger engagement by both governmental and non-governmental local stakeholders, assisted by the international community, is essential

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<sup>33</sup> Most recent example is the case of General Gabriel Amisi, DRC army chief suspended among UN observers’ allegations of his direct involvement in covert sales of weapons to rebels - <http://www.bbc.co.uk/news/world-africa-20456500>.

to create a safe environment truly conducive to sustainable sourcing and trade of DRC's conflict-free minerals.

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