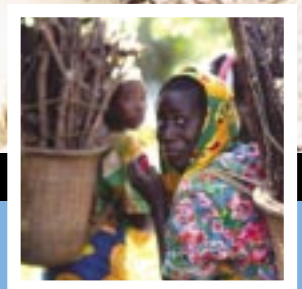
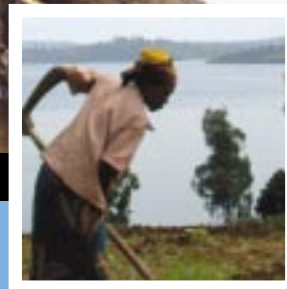
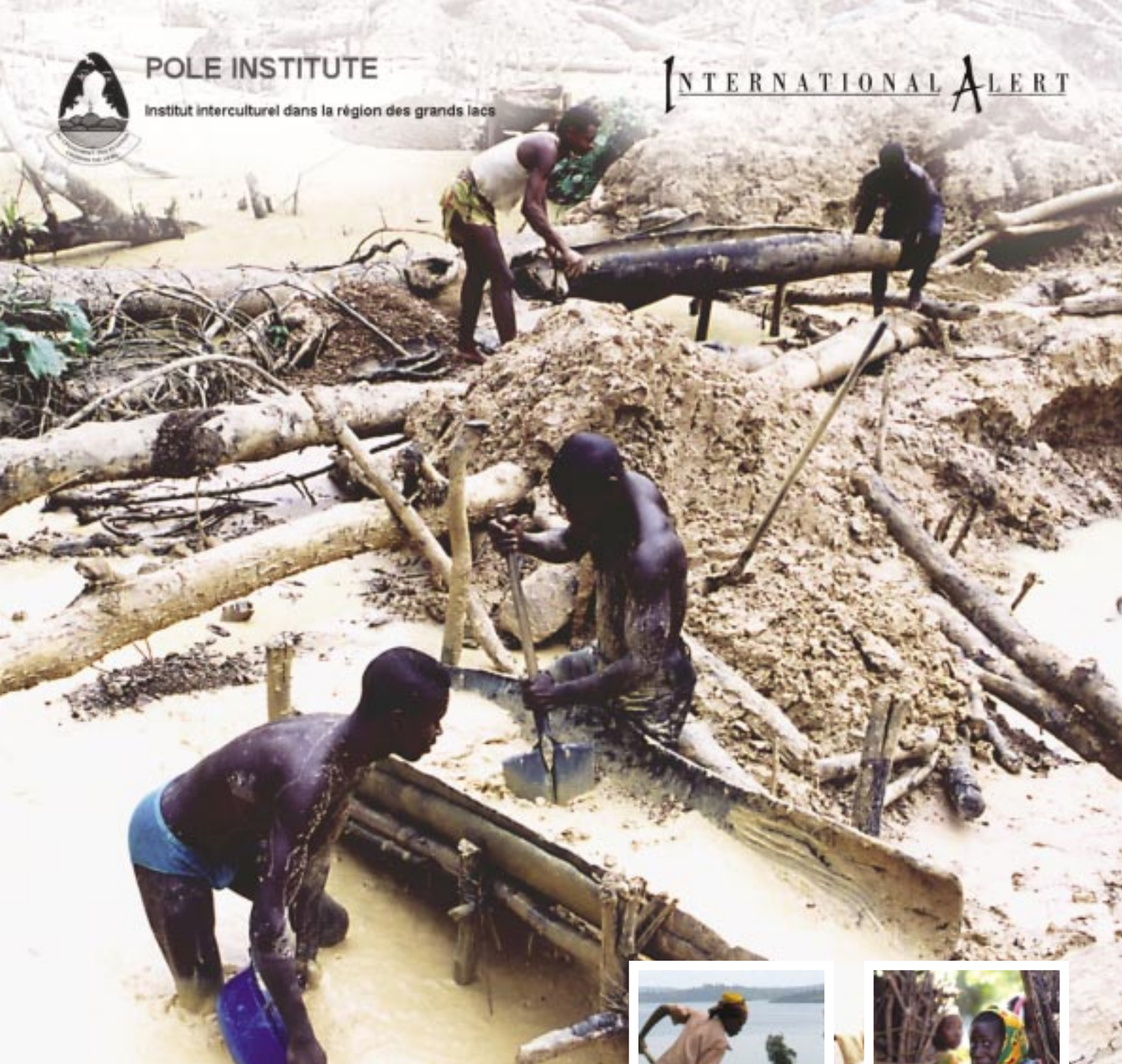




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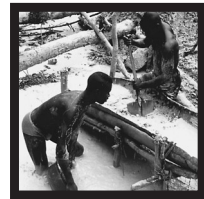
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INTERNATIONAL ALERT



Natural Resource Exploitation and Human Security in the Democratic Republic of Congo

SEMINAR REPORT



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International Alert is a London-based NGO working for the transformation of conflict from violence to a just and sustainable peace. IA works in the Great Lakes region of Africa, West Africa, Eurasia, Sri Lanka and Nepal. IA analyses the causes of conflict, facilitates dialogue, and helps local actors develop the skills necessary to build peace. IA also brings into the policy arena the voices and perspectives of those most affected by conflict with the aim of influencing policies and practice at regional and global levels. IA has been working for peace in the Great Lakes region since 1995, with a range of programmes in Burundi, Rwanda, the DRC and at the regional level.

The Pole Institute is a Congolese NGO based in Goma, North Kivu, which shares the aim of transforming conflict from violence to peace and development. It is an 'inter-cultural' organisation founded with the vision of empowering civil society to play a more active role in the search for peace in the DRC. Pole provides a space for exchange and critical reflection, and relates to a wide range of civil society actors in eastern DRC, including traditional leaders, churches, schools, women's organisations and micro-credit groups. Pole has a number of experienced international associates, and its programme is based on partnerships with Tufts University, EED, NOVIB and IA.

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Digging a pit for gravel containing diamonds in the village of Lolima B., 200 miles north of Kisangani in territory controlled by the Uganda-backed MLCD. Democratic Republic of Congo (formerly Zaire).

Mini cover photographs: © International Alert/Jenny Matthews
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Perspectives and insights contained in this report draw on information on the context and related issues available up to the end of March 2004.

This report has been produced with input from a variety of staff and associates of the Pole Institute and International Alert's African Great Lakes and Development and Peacebuilding Programmes.

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1. Introduction

The Democratic Republic of Congo (DRC) is immensely rich in natural resources but its people are among the poorest in the world. This paradox is both cause and effect of the brutal exploitation of the country's resources that has taken place since King Leopold, and that has fuelled such violent and devastating conflict. International Alert (IA) and Pole Institute believe that if a greater proportion of the benefit from the exploitation of the DRC's resources is retained within the country, and there is more equitable distribution of this benefit to the local level, then this will contribute significantly to peace and development. How to effect this will require the perspectives and input of Congolese at the local level. Therefore IA and Pole have initiated a process to connect the experiences and perspectives of Congolese from different parts of the country with national and international policy processes. The seminar in Brussels in March represented the first step in this process of policy dialogue.

International Alert and Pole Institute have developed a joint 3-year programme of action-research and advocacy for eastern DRC. The partnership is based upon Pole's access to community-level experiences, allied to a shared determination to impress these perspectives upon policy-makers in order to make national and international policies and practice more conducive to peace and development. The joint programme has been in operation since 2003, primarily funded by the European Commission through EuropeAid co-financing. There are a number of inter-related strands to the programme: an action-research process involving community groups from five provinces in eastern DRC; research into issues related to peace and development, such as micro-credit initiatives; and advocacy towards international policy-makers, which draws upon local experiences and research.

Natural resource exploitation and management is a key focus of the joint programme. The seminar co-organised by IA and Pole in Brussels in March brought together representatives of Congolese civil society (from Kinshasa and the East) with international donors, policy-makers and analysts to reflect upon this issue. The report is organised in three parts: first, summaries of the seminar presentations and plenary discussions; then analysis of the issues discussed and some conclusions; lastly a sketch of relevant policy actors and processes, with a view to further research and advocacy.

2. Seminar Proceedings



2.1 Current context and underlying issues

Impressions from Kinshasa

The transition process in the Democratic Republic of Congo is now at a critical stage as an array of new commissions and institutions have been formed which seek to deal with everything at once. While this gives an encouraging sense of momentum, it is difficult to see tangible results and it appears that the agreed timetable is not being adhered to. The international response is to appeal to the government to work harder and to put pressure on it to start preparing for elections. But officials in government departments are unsure of the extent of their decision-making power, and of how decisions will be implemented. For example, an election commission has been set up, but there is no legal clarity regarding its status and it has no budget. Nor are there any rules governing election campaigning. Outside the government, there is a perception that now that the participants in the Inter-Congolese Dialogue have been brought into power they have shut the door behind them. There is growing frustration as the mood of optimism at the outset of the transition process fades away and no tangible benefits or trickle down of funds from the political level appear. There is persistent and in some cases increasing insecurity, including rumours of soldiers who remain unpaid turning to armed robbery. Kinshasa is still not well supplied with food and the roads are in a poor condition and insecure. The presence of illegal arms stocks testifies to the fact that many parties to the peace process retain a Plan B (the military option) should the transition fail. There are a lack of mechanisms to stop groups resorting to violence and, although reunification of the military has begun, former commanders are reluctant to cede control. Meanwhile, the good will of political leaders is thrown into doubt by the continuing use of inflammatory rhetoric. Is this the beginning of a slippery slope?

Perspective from Eastern DRC

The eastern provinces continue to suffer from the deep-rooted problems that were not resolved in the Inter-Congolese Dialogue and are now resurfacing one year later. The main problems are:

- 1. The national army:** Most armed forces in the East were recruited on the basis that they were defending their families and local territory, but now they are told that they are part of a national army. Many military officers have refused appointment to the national army and the government has limited power over them.
- 2. The nationality question:** The identity issue was not sufficiently addressed in the Inter-Congolese Dialogue, and so remains critically sensitive. The recent Banyarwanda memorandum to national institutions illustrates that they want to be part of the national army and to govern the country, but mistrust and tension between the Banyarwanda and other ethnic communities persists.
- 3. Governance:** The seat of power in Kinshasa is far removed from the East in a country with negligible infrastructure. The alternative to centralising the state, as in the Mobutu period, is to endow local populations with greater decision-making power. This is related to the issue of how locally-raised income is distributed. The provinces generate considerable revenue (through taxation, etc.) and they feel they could do a lot more with the money. It is

also important to bear in mind that the establishment of a transitional government does not mean that rebels have no power. Take the case of Ituri: this is often presented as an inter-ethnic conflict, but in fact alliances have been established between ethnic factions against MONUC (United Nations Organisation Mission for DRC). Meanwhile, the people of Ituri don't know who is governing them and do not see how they can be integrated into the national framework. They should be helped to find their own solutions to their problems and to ensure that peripheral areas are brought into the national process.

Summary of Plenary Discussion

In response to the many challenges highlighted in the presentations, one participant stressed that the situation in the DRC is as good as could have been expected in extraordinarily difficult circumstances and given what went before. The main parties have stopped fighting, security has improved in many areas and local markets are starting up again. However, even with sufficient funds the challenges will be considerable. The international community urgently needs to focus on integrated ways of addressing the humanitarian needs of 20 million people, while developing an effective governance structure, managing the security situation and re-building the infrastructure.

Another participant suggested that the fragility of the transition is inevitable because the dialogue process did not address the internal dynamics of the DRC, nor the localised economically-driven conflicts between interest groups. In that connection, we need to ask how and why there is increasing fragmentation in some areas (e.g. Ituri), but a gradual restoration of stability and security in other areas (e.g. Beni-Lubero). One participant felt that while national politicians claim to represent local communities, they are not in contact with the population and have been appointed on the basis of tribal ties, party politics, etc.

Another emphasised that while the situation may have moved from crisis to democratic transition, there is still a danger of reverting to crisis. There is now a Congolese state but it has limited authority and people do not see progress happening. An economic assessment of the first 6 months of the transition indicates macro-level progress, but household incomes have declined. One participant viewed the current situation as an extension of the DRC's colonial experience, whereby the culture and systems of exploitation are perpetuated by the international community. Instead the international community should assist the Congolese to work together and address fundamental problems in a realistic way.

It was noted that all transitions from conflict to democracy are dangerous and fragile periods, with one reason for the upsurge of armed conflict in the 1990s being the proliferation of democratisation processes. Furthermore, sometimes peace processes can only advance if difficult issues are deferred till later. Thus the Inter-Congolese Dialogue concentrated on bringing an end to the war, and was deliberately vague about some of the underlying factors.

However, the structures put in place for ending the war are not necessarily the structures required to build peace. The international response has been to prioritise the holding of elections, but there is a danger that the deferred issues will sabotage the very election process. Different government entities keep threatening to pull out of the transition, which leads people to believe that there is an alternative to the current process, highlighting the need for a fallback strategy by the international community.

Some participants felt that the motivation to sign the Sun City deal was unclear, and that the process was controlled by the international community, not by the Congolese people. One expressed the view that the international community cannot keep directing the Congolese project without the ownership of the Congolese people.

2.2 The Interests of the Congolese People

The experience of local communities

The situation in Goma well illustrates the complexity of the economic, cultural and political problems faced by the DRC. People there desire a peace that means more than silencing the guns of the different belligerents. Present difficulties for populations in eastern DRC include the destruction of basic infrastructure (schools, medical clinics, roads, communication facilities) and the lack of freedom of movement. Optimism about the re-connection of different parts of the country should be qualified: there may now be flights from Goma to Kinshasa twice a week, but citizens of Goma are restricted from travelling by road to Butembo since it is controlled by another political movement, albeit both movements are nominally part of the transition government. There are numerous road blocks by uniformed but unidentified people. Since December of last year soldiers have been paid \$5/month, but it is not enough to survive on so they often resort to armed banditry. There has been massive displacement of rural populations to urban areas, but even in the cities security is far from guaranteed. These shifts of population lead to further food insecurity as farmers leave their land to go to town to beg money from civil servants who themselves are not being paid. Only 10% of the population of Goma are in paid employment. Displacement has exacerbated a situation where there is not enough housing, not enough schools or hospitals. At the level of the local political administration, the existence of two competing governors in North Kivu is a source of potential future conflict as administrative unification is likely to aggravate inter-ethnic conflict.

Learning from local actors

The local population are often seen by observers as victims, but they are also actors. Instead of reinforcing the attitude, even among themselves, that restricts Congolese people to being infantilised victims, we should adopt an alternative approach: we need to investigate and learn from how they survive, we need to provide platforms for them to articulate their diverse views and experiences, and to focus on issues that unite rather than divide the population. Grass-roots governance is the essential basis of regional and national governance. In that respect there are a lot of experiences to be drawn from in eastern DRC because even under Mobutu the state had abdicated its responsibilities and left the bulk of its tasks and services for the local people to sort out by themselves. This includes schools and health services, many of which have been run since the early '90s without any real input by central government. We need to understand and value the actions taken by local actors and the solutions they have identified to ensure their survival. 3 key elements should be considered:

- 1. Security:** What needs to be done to ensure a higher level of security at all levels? Paying the wages of civil servants would be one significant way of improving the security situation.
- 2. Good governance:** This goes beyond the holding of elections to ensuring that administrative systems and political structures are constructed from the bottom-up.
- 3. Improvement in the quality of life:** The yardstick of international aid programmes must be whether people have better living conditions as a result. Mechanisms for natural resource management should be predicated on the interests of local people. Criteria for regulatory mechanisms must include whether they lead to a sustainable increase in household incomes.

Summary of Plenary Discussion

A number of participants expressed the need to examine mechanisms of survival and to take account of new modes of economic interaction that have emerged during the war. Congolese use different coping strategies in a war situation, such as returning to subsistence farming, but they are still dependent on systems of patronage to survive. One participant emphasised the

significance of what NGOs are doing at the grassroots level, particularly in eastern DRC. There are a diversity of creative responses as people adapt to the context of insecurity. In one area the traditional practice of goat-rearing has been replaced by guinea-pig rearing because the latter are much more portable, so if attacked by armed forces you can flee with your livelihood rather than leave it behind. The key to success is to increase the direct income of the population at the local level based on an assessment of poverty levels and identification of the poorest pockets. However, targeted action requires information which is often lacking.

It was noted that it is important to provide local Congolese actors with relevant information about the national political process, as well as to elicit and gather information about grassroots experiences. For instance, there has been no systematic effort to distribute copies of the constitution. Governance structures are not readily accessible to the public, and there are few mechanisms for local actors to influence the political process. Civil society organisations have limited capacity, are often partisan, and they feel let down by the international community.

One participant expressed the view that it was hard to believe in an international community with agreed common expectations when expectations are not even consistent within the DRC. Political, geo-strategic and economic interests influence the response of different international actors. There seems to be strong competition between outside actors and it is a cause of great concern that outside actors can effectively determine the nature of the state and governance structure that will be set up in the DRC.

The state should be the concrete expression of a political community. The DRC is at the first stage of developing a state that all ethnic communities can relate to and that can meet the expectations of the population. There is a need to get out of the syndrome of dependence on outsiders and to overcome the heritage of parasitic elites.

One participant felt that while DDDR is a monumental task, it is actually relatively simple given the necessary will. There are plenty of armed actors who wish to be demobilised, but considerable funds are needed. Others, however, highlighted problems in the demobilisation process as armed movements send their worst soldiers to the national army while keeping the best soldiers for themselves, giving rise to speculation about their true intentions.

2.3 Significance of Resource Exploitation

What is happening on the ground

The DRC has historically existed as a system of exploitation of natural resources and remains so today. An unanswered question, though, is what is considered 'legal' and what is 'illegal'. Legality in terms of resource exploitation in the DRC is becoming simply a matter of contracts. The international debate around exploitation of natural resources focuses primarily on the companies and investors, as well as on the historical legacy of Mobutu. Because many of the people who illegally exploited natural resources in the different regions of the DRC are now part of the government, the same processes of exploitation have become 'legal.' Contracts that were illegal yesterday are today considered legal simply because they are signed in Kinshasa. There continues to be a lack of transparency about who has signed these contracts and who the stakeholders are. Small-scale artisanal miners are at the mercy of bigger players, and there is no guarantee that the product will be sold at the right price or that the profits will remain in the country. There is a need to ensure that the profits are invested in local trade and livelihoods. Given the lack of regulatory systems and transparency, how can you ensure that local communities benefit, and how can you know whether the money actually enters the fiscal system?

Resource management and exploitation

The current practice of restructuring companies is a process of legalising extraction. For example, a mining company was set up to mine cobalt and copper from the remnants of other companies. The DRC government owns 5% of the company and is seeking investment from the World Bank and South African government to enable extraction of minerals, yet is gaining very little from the venture. A World Bank-led steering committee is going to put forward recommendations on how to restructure the different sectors by 2005, but at the moment it is unclear what the framework for resource exploitation will be. In 2002, before the peace process, a mining code was drawn up to regulate the sector and a register of titles of existing commitments was drawn up. Where more than one contract exists, the first one is deemed to be valid. A 'validation committee' under the authority of several ministries will now examine if these contracts should apply, but it is unclear on what basis the committee will review them.

Regarding mineral exports, it has been suggested to extend the Kimberley process to other sectors. At present, a ministerial certificate confers legality, and those in the East wanting a certificate have to apply to the local tax authority. People with RCD certificates wish to exchange them for new, legal ones. The government does not appear to regard the mining problems in the East as a pressing concern. The mining code has not been applied to the East and the World Bank has yet to move beyond its focus on big companies to look at the problems of the informal mining sector. Informal diamond mining has been penalised by the Kimberley process due to monopolisation by the companies which have obtained certificates. If the current process is taken to its logical conclusion, the small-scale artisanal mining sector is likely to disappear altogether.

Summary of Plenary Discussion

One participant summarised the origins and main consequences of the UN Panel on the exploitation of resources in the DRC. Consequences of the 1st Panel report in 2001 were that the DRC government set up its own enquiry, Uganda established the Porter Commission and a list of companies in violation of OECD (Organisation for Economic Cooperation and Development) guidelines was compiled. The 3rd Panel in 2003 dealt largely with complaints about the 2nd Panel. Specific cases of violation were referred to national governments, but it was suggested that this has been largely inconsequential because some governments argued that since the UN Panel is now wound up, there is no case to hear. Many civil society organisations, however, have taken up the Panel's conclusions and are pressing for action. Meanwhile, another consequence has been the establishment of an arms monitoring mechanism through MONUC.

In response, another participant stressed the need to situate the UN Panel reports within growing awareness that wholesale theft of entire countries' riches is a major feature of the global economy. It was argued that OECD governments do recognise their responsibility to ensure that their companies act according to the guidelines, and they have, in one way or another, engaged with nearly all companies that were named in the reports. The OECD itself is following up the UN Panel through national focal points and will compile a report on responsibility issues raised by events in the DRC. There is, however, a potential for conflicts of interest between OECD governments as much as within the DRC government. Civil society organisations can help by getting their governments to take tough action against these companies.

The role of international companies is only one aspect of the significance of resource exploitation, however, and concern was expressed that this distracted from the more fundamental issue of the benefit to the Congolese people. The success of regulatory frameworks can only be judged in terms of their consequences for the local population. There

is a need to invest locally in the sustainable and equitable exploitation of resources, as well as to build local capacity to manage such processes.

What are the current realities of resource policy and practice in the DRC? Regarding energy, for example, the problem is not one of consumption but one of consumption policy. The OECD guidelines are a useful starting point and reflect concern about the behaviour of multilateral companies in conflict-affected countries. But it is critical to develop and strengthen the political will to implement them, and to find the resources to do so.

2.4 Options for Policy Responses

Reformulating the challenge

The debate on natural resources should be refocused on the mechanisms required to ensure greater retention and more equitable distribution of the benefits at the local level, thus improving the living conditions of the Congolese people. For instance, in light of the envisaged major World Bank investment in the DRC, how can one ensure that these funds are utilised in such a way as to maximise their benefit to the people? Human, not natural, resources are lacking in the DRC. What are the possible policy responses to this? There is a need to recognise both the necessity of peace and the specificities of the DRC. Identity questions should be explicitly recognised in policy responses. The solution of the nationality problems has to be sought where it originated, i.e. in the eastern provinces. There is also a need to introduce a system that ensures provinces gain from the resources raised in their territory - and behind the debate over the distribution of revenues lies the issue of decentralisation. Paying civil servants would represent a significant step forward, but for them to work effectively there also need to be monitoring mechanisms put in place.

The international policy environment

The Congolese themselves must identify the solutions to their problems, and the international community should support this. If we accept that the international community has a role to play, what is that role, and how can policy mechanisms be more enabling? The complexity of the issues must be reflected in policy responses. Key issues discussed today include: security, linking local and international responses, legitimate and transparent governance, and increasing benefits from resource exploitation at the local level. There is already a broad range of policy mechanisms for the DRC, but how can they be made more relevant to the needs of local populations? What monitoring mechanisms would be suitable? If it is an urgent priority to pay civil servants, what are the policy implications of this? Does the international community have a role to play in furthering a coherent national mining policy? What would more legitimate governance look like, and how can the international community support institutions that are locally owned?

Summary of Plenary Discussion

The pillars of the 2001 interim Poverty Reduction Strategy Paper (PRSP) for the DRC include governance, macro-economic stabilisation, and consideration of internal community dynamics (i.e. coping mechanisms that have developed within communities). The main axes of the final PRSP that is now being elaborated are: pro-poor growth rate covering several sectors, human development in all dimensions, and enhancing the value of internal dynamics within small communities, including recognising the work carried out by small associations. The consultation process on this will start in a few weeks and the government has agreed to use DRC civil society organisations to organise a nationwide consultation process. However,

concerns were raised about the efficacy and reach of such consultation processes, and the extent to which the PRSPs are grounded in local realities. There was also a concern about the degree of coherence between international initiatives.

One participant felt that the focus was too much on negative rules (i.e. regulation), which sometimes produce unintended consequences. The work of the UN panel and others has not been able to counter the criminalisation of the DRC economy. 'Legal' v. 'illegal' is used as a power instrument. There is a need to develop a positive link between natural resource exploitation and human security. Artisanal mining, for instance, is important as an independent livelihood strategy. It is better to start by stimulating positive developments at the local level (rather than the national), for example by supporting mining cooperatives. OECD-INICA (Initiative for Central Africa) plan to analyse mining production and cross-border exchange, to explore ways of strengthening cooperative structures. Another possibility is to create a natural resource fund at the local level, perhaps combined with cooperatives of artisanal miners. However, another participant raised the risk of strengthening cooperatives that then become a platform for ethnic conflict.

It was suggested that local people involved in artisanal mining do not have sufficient knowledge about, for example, the diamond sector. They depend on intermediaries at all levels of production. People need to be informed about the relevant sector in order to empower them. The international community should support this sort of awareness-raising, but generally it focuses its attention and resources upon the multinationals that perpetuate systems of exploitation rather than upon small-scale economic actors.

One participant drew attention to the issue of natural resources as spoils of war. The crucial challenge is to take natural resources out of the conflict equation and part of this has to do with the regional dynamics. Is there perhaps a role for the African Union (AU) and strengthened regional inter-parliamentary and civil society forums, such as the Mano River Union in West Africa? The up-coming UN sponsored Great Lakes Regional Conference also presents an opportunity for influencing policy on resource exploitation, and an opportunity for civil society organisations to feed into the various national processes.

Several participants commented on the importance of establishing a minimum capacity for public administration. An efficient civil service is as important as an informed and responsible political leadership, so attention should be paid to institutional reform and development, capacity-building and education. Institutional weakness hampers good governance and institutional development is a prerequisite for broader development. The point was also made that such institutional development should not be focused solely in Kinshasa, but should be supported in provincial centres across the country.

Aspects of institutional development cited included a comprehensive framework of law, effective taxation and judicial systems, contract enforcement and a regime for foreign investment in general. There are obvious constraints to running foreign businesses in the DRC (including the lack of a banking system) so the priority should be to get the economy going. A counter view was that the international community is too focused on working with international groups, businesses, etc. and should work more with traditional chiefs, local organisations, etc.

It was also argued that we need to get away from the mind-set that you need a government to do anything. There is a contradiction between this and capacity-building of the administration. The international community is pouring money into the state, yet says that it wants the Congolese people to be engaged. Even in cases where the state functions better than is the case in the DRC, it is necessary to initiate and sustain a dialogue between the new civil servants and the local people.



3. Conclusions from the seminar

While there have been several significant developments in the DRC since the seminar was held in March, the key issues discussed remain pertinent and the main messages retain their validity. The discussions at the Brussels seminar around the dynamics of the 'transition' are still pertinent. The challenge of moving forwards toward greater security and the holding of elections - when most of the fundamental conflict issues remain unaddressed, and in the context of distrustful parties in an unstable and dysfunctional government framework - is still immense. In the two months that have elapsed since the Brussels seminar there has been some small progress, signified for example by the apparent resolution of the nationwide issue of nomination and/or confirmation of provincial governors and their deputies, and also by the formal signing of a demobilisation agreement by the armed militias in the territory of Ituri. However, the outbreak of serious fighting in South Kivu at the end of May shows that even such limited progress is very fragile and easily reversible, and that solid foundations for a durable peace, especially in eastern DRC, are not yet in place.

Security

Of the significant fundamental issues tabled at the Brussels seminar, 'security' continues to be the greatest concern principally in the east of the country. Whilst progress has been made in the forming of a first unified brigade of the new integrated national army, and whilst international humanitarian agencies have more secure access to the population in almost all areas, the predominant reality on the ground in the east is that millions of people still live in constant fear and are subjected to pillage, rape and arbitrary extortion by a multiplicity of armed factions and militias. This insecurity in the daily lives of ordinary people can be ascribed to two main factors.

The first is the maintenance of an armed belligerent capacity by a number of the parties to the transitional government. This is exemplified by the apparently parallel military chains of command emanating from the Ministry of Defence and the Presidency respectively, and also by the continued autonomy of a number of the warlord fiefdoms in the Kivus.

The second major cause of widespread insecurity is the continued presence of foreign militias, principally the Rwandan Interahamwe/FDLR. This has the dual consequence of disrupting the 'peace' in the east, and of provoking cross border tensions with Rwanda, viz. the incursions of Rwandan army forces into both Burundi and DRC in late April.

There needs to be more effective and accelerated movement on the demobilisation and integration of national Congolese forces, and a more concerted effort to accelerate the repatriation of foreign forces. At a policy level, see below, it seems that a fundamental review needs to be carried out to ascertain if the current mandates and mechanisms are sufficient for the purposes required.

Good governance

The second major issue discussed at the Brussels seminar was 'good governance', within which 'legitimacy' and 'accountability' are fundamental components. The consensual agreement was that local experience at community level should be taken into international policy considerations, and that a 'bottom-up' strategy should co-exist with strategies at the national institutional level. The peace agreement has brought an end to the war, but it has not connected the people and their interests to the government, nor the government to the people.

The problematic questions of 'identity' and 'ethnic sectarianism' within the concern for good governance were raised, particularly in connection with the 'nationality' issue, but were not much debated at the seminar. However, they remain critical issues for policy attention and diplomatic pressure.

A strong case was also argued for international policy attention to the issue of 'decentralisation' of the government apparatus and its finances. This was argued not from a political or ideological perspective, but simply on the grounds of more effective promotion of locally appropriate economic development, and more efficient delivery of social services.

Improvement in economic welfare

This question follows naturally from the arguments that have been advanced so far. Ending the arbitrary and unofficial imposition of direct local taxes on the people, by government functionaries and warlord administrations alike, is not only a governance and security challenge, it is also part of the micro level economic equation.

Repair and development of transport and commercial infrastructure to facilitate the movement of goods (primarily agricultural production) to and from markets is a priority at community and national levels. The European Community, United Nations Development Programme (UNDP) and other multilateral agencies need to be more active on this front. A good example of small-scale good practice in this context is the work of the German NGO, Agro-Action Allemande in North Kivu and Ituri. Another priority is the development of a regulated national financial and banking system accessible at the micro level.

The objective in all these matters, and of other economy-related projects, is primarily an increase in household incomes. The same policy objective should be in mind in connection with the much debated issue of natural resource exploitation. It needs to be addressed from the starting point of the social and economic interests of local people in the different regions of DRC.

An exhortation frequently advanced at the Brussels seminar, and echoed repeatedly in this report, is that the yardstick of international peacebuilding policies and aid programmes in DRC should be whether people have better conditions of life as a consequence. This might appear to be a truism, but in day to day terms it can often become obscured by the complexities of the context and by the tortuous dynamics of the process. The following section summarises the overarching international policy frameworks impacting this process and highlights some weaknesses that will need to be addressed in order to increase the effectiveness of international support to the peace process in DRC.



4. Policy Actors and Processes

Following the signing of the Global and All-Inclusive Agreement on the Transition in December 2002, a wide range of international political actors have engaged in the DRC, bringing their different perspectives and priorities to bear on the political, economic and social agenda(s) of the Transitional Government. Most donor policy frameworks were, however, adopted by the Kabila government prior to the peace agreement and so the Transitional Government can only implement them and influence how their benefits are distributed. While a complete analysis of all donor policy frameworks impacting the DRC is beyond the scope of this report, this section briefly summarises the major frameworks in the areas that have a direct impact on the extraction of natural resources: Macro-economic reforms, DDR and monitoring of arms flows, and reform of public enterprises and mining regulations.

Macro-economic reforms

The World Bank estimates that with a 4% growth rate the DRC would take 200 years to reach the per capita income of 1960. The interim Poverty Reduction Strategy Paper (I-PRSP), the Transitional Support Strategy (TSS) and the Poverty Reduction and Growth Facility (PRGF) provide the policy frameworks for World Bank engagement. While the TSS quotes World Bank research and lessons from other post-conflict countries with regard to the type of support needed, it focuses on current causes of instability rather than original causes of conflict. The World Bank judges that the original causes of conflict are linked to mismanagement of public revenues, deteriorating delivery of social services, foreign interest in the DRC's resources and regional instability. In sharp contrast to the discussion at the seminar where the still unresolved nationality question was highlighted as a key cause of conflict, the World Bank report does not however see the ethnic dimension as having played a major role in the conflict.

International Monetary Fund (IMF) priorities for macro-economic stabilisation and structural reforms outlined in the PRGF include liberalisation, privatisation and restructuring of public enterprises and banks. Although references are also made here to lessons from post-conflict situations, the possible conflict-related impacts of the proposed macro-economic programmes are not explicitly assessed or addressed beyond a general comment on the need to shift to so-called 'pro-poor' spending. This concept, however, remains unexplained and the political analysis is somewhat weak. The Transitional Government is judged to be 'functioning well' and its inauguration is thought to 'formally complete the peace and reunification process.' The PRGF projects a 2004 tax revenue rise due to 'uniform implementation of all tax/customs laws throughout the country, including reunified provinces', a civil service wage increase by 10% from January 2004 and a 'leaner national army' by mid-2004. As discussed at the seminar, paying the wages of the civil servants should indeed be a priority as a way of ensuring a higher level of security. However, given the severe problems of tax collection in the Eastern provinces, non-payment and periodic strikes of civil servants and lack of progress in creating a unified Congolese army, these projections seem rather unrealistic and the impact of economic reform measures on security are not sufficiently understood or addressed. There is also a lack of linkage between economic reforms, including capacity building of government institutions for transparent and accountable economic management, and wider good governance measures, including establishing bottom-up administration and management systems.

DDR (Disarmament, Demobilisation, and Reintegration) and monitoring of arms flows

The former armies and warring factions are to be integrated into a new national army (Forces Armées de la République Démocratique du Congo, FARDC) with 120,000 soldiers. This leaves 200,000 of the present 320,000 combatants to be demobilized. Regional FARDC commanders have been appointed but there has been little progress towards creating an integrated, national army or in the DDR process. UNDP is the designated lead on the DDR process of Congolese forces, within the framework of the World Bank's Multi-Country Demobilisation and Reintegration Programme, while MONUC is mandated to support the DRRR¹ of foreign armed groups. However, the effective functioning of MONUC is hampered by the lack of a national DDR programme which though recently signed by the Transitional Government still needs to be signed off with the World Bank. So far, only ad hoc voluntary disarmament has taken place (namely of Mayi-Mayi fighters) through the UNDP's rapid response mechanism, a financial and operational tool set up to respond to DDR contingencies in the absence of a national programme. There are concerns that the distinction between Congolese and non-Congolese fighters as reflected in the separate institutional set-up for DDR leads to problems of coordination.²

Besides its peacekeeping function, MONUC is mandated to monitor the arms embargo. However, there is no established arms monitoring mechanism and MONUC is by its own admission 'unable to verify information [concerning violations of the arms embargo] because of its limited presence and denial of access.'³ Continued insecurity impacts negatively on progress in all areas of governance reform in the DRC, including the establishment of equitable and transparent forms of natural resource exploitation and management.

Public Enterprise Reform and Mining Regulations

Reform of natural resource management requires restructuring public enterprises including installing new business practices, management and legal frameworks. This is being pursued by the IMF and the World Bank through the PRGF and the Private Sector Development and Competitiveness project. Governance audits of most of the 114 government-controlled enterprises are expected to lead to the replacement of managers and a general opening up of Congolese parastatals to foreign capital. Restructuring has begun of the largest state-owned mining company, Gecamines, resulting in voluntary redundancy of around 10,000 employees and some joint ventures with foreign investors. In the short term, this restructuring may have negative social consequences as social welfare functions previously performed by these enterprises are discontinued. This potential impact needs to be directly addressed by the IMF beyond references in the PRGF to general post-conflict lessons and the need for 'pro-poor spending.'

Exclusive focus on large corporations by the World Bank and the IMF risks undermining informal economic sectors, including artisanal mining which is important as an independent livelihood strategy. As discussed at the seminar, there is a need to also focus on the local level and, for example, to look into establishing local mining cooperatives.

The Mining and Forestry Codes and the structure set up to reform public enterprises were drawn up in 2002 and are not designed to address the specific problems of resource exploitation in the east, nor have they yet been enforced there. A register of mining

¹ Disarmament, demobilisation, repatriation, reintegration or resettlement.

² European Community, *Strategie de Cooperation et Programme Indicatif, République Démocratique du Congo, 2003-2007*, p. 6.

³ Fifteenth report of the Secretary-General on the United Nations Organization Mission in the Democratic Republic of Congo, March 2004, p. 11.

concessions has been established, but it does not judge the validity and legitimacy of the numerous competing claims which are to be referred to a 'validation committee.' However, this committee does not have the capacity to take and enforce decisions regarding competing mining concessions.

The various policy frameworks for reform of public enterprises should refer to and address these issues. Clear criteria need to be set for regulation mechanisms based on whether they make it possible to increase the income of the local population. As discussed at the seminar, there is a need to ensure that money is invested in local trade and incomes and that there is transparency about income and contracts. Here, a key policy process is the UK-led Extractive Industries Transparency Initiative which seeks to increase transparency over payments by companies and revenues by governments in the extractive industries. A parallel initiative is the Extractive Industries Review of the World Bank Group's involvement in extractive industries. A final report recommends, amongst other things, requiring companies to obtain prior and informed consent from affected communities and strengthening the social, environmental and human rights assessments of World Bank engagement in extractive industries. In line with the discussion at the seminar, the report also highlights the potential positive impact of artisanal and small-scale mining on poverty alleviation and the need to help governments develop policies in this area.

While it is still unclear how the World Bank will implement these recommendations, linking discussions of resource exploitation in the DRC with this process provides a key opportunity to strengthen transparent, equitable and socially sustainable natural resource exploitation in the DRC.

Appendix 1: Seminar background paper

RESOURCE EXPLOITATION AND HUMAN SECURITY IN THE DRC⁴

Discussion Paper by Pole Institute, Brussels, 25 March 2004

INTRODUCTION

The transition in the Democratic Republic of Congo has reached a critical stage. On a national level, all the main institutions are in place and everything is set for the implementation of the peace agreements: the unification of the state, the merger of the belligerents' armed forces, the dismantling of informal economic structures and the preparation of free and fair elections. On a practical level, however, all these challenges have met stumbling blocks. The former rebel provinces are not subject to central authority; the national army is still at an embryonic stage; economic reforms have not moved beyond the drawing board, and neither has the electoral process. The international community is aware of these problems, but without proposing solutions.

We consider that the present situation is not a surprise, but an inevitability. The transitional government is not, and was never conceived as, a united body. It is a mechanism of checks and balances between the former belligerents, designed not to enable them to exercise power but to neutralise them by ensuring that no single party can get its way without the consent of the others. In the absence of trust between the parties, decision making is impossible. Instead, the factions in power slink around each other like lions in a circus den, watched by the international community and conscious of their roles but unable to behave with a common purpose. Each of them retains its fiefdoms, political, economic and military. The continuing delays over the unification of the army and the provinces are expressions of this. There will be similar crises, and cumulatively they will paralyse the government and may bring it down. Congolese belligerents wish to rescue as much of their power derived from war as possible and give away as little as possible to a power structure derived from peace. That, after all, is the way they reached the negotiating table and obtained government posts in the first place.

THE BLIND SPOTS OF THE INTERNATIONAL COMMUNITY

The international community tries to manage these problems in the short term because it needs a semblance of a state and government to stop the chaos of violence, to reassure neighbouring countries, and to encourage aid and investment. Its major aim beyond the ending of violent conflict is to hold elections. But the corruption of the elite, the lack of citizenship experience of the population and the complete absence of functioning administrative mechanisms preclude the holding of free and fair elections throughout the country in the immediate future. A possibility might be to hold a semblance of elections, giving a semblance of a democratic state. In no way would the result of such a process be a legitimate and sufficient foundation for the democratisation of Congolese society. Rather, any such new dispensation, presumably under a young president with international support, would uncannily resemble the experience of the last young president of the DRC with international support, who then proceeded to take his country down the wrong road: Joseph Mobutu, almost forty years ago.

Beyond this, we hold that there are two main areas where the international response has failed to address central questions: the specific local conditions in the east of the DRC, where the war actually took place; and the consequences of the debate on the exploitation of natural resources in the DRC. These are the two main legacies of war, and the peace process has failed to address them.

Eastern DRC and the problem of good governance

The wars of the DRC began in the east, and that is where their solution lies. The peace process addresses important questions of transition to democracy which should have been settled in the former Zaire ten years ago but whose resolution was derailed by ethnic conflict in the East and the cross-border effects of the Rwandan genocide. Before these latter problems are resolved, there can be no simple return to the former questions.

⁴ This background paper was written by Dominic Johnson, Aloys Tegera and Christiane Kayser, © Pole Institute, 2004.

First, the problem of nationality and ethnic identity. Throughout the Mobutu years, the denial of citizenship to the Banyarwanda population in eastern DRC was a source of tension and a mobilising factor for ethnic conflict. The Kabila AFDL rebellion of 1996-97 and its successor movement Congolese Rally for Democracy (RCD) from 1998 onwards gave the Banyarwanda access to political and military power, and they are not prepared to relinquish this, fearing for their security. Other ethnic groups in the area however expect Kinshasa to redistribute power to them in the name of the peace process and are not prepared to back down. The recent tension in Bukavu is an expression of this problem, and if the transitional government in Kinshasa ever names new provincial governors in the former RCD areas, these conflicts could spread into renewed war.

Furthermore, new laws on citizenship and nationality are due to be discussed in the National Assembly and will set the stage for struggle around active and passive voting rights in the 2005 elections. Past experience does not suggest that this will be resolved peacefully, and the situation in Ituri shows that armed groups continue to exist in the East and are prepared to confront any authority and even the UN mission. There appears to be no "Plan B" in the international community on how to deal with this danger. Instead, the first brigade of the new national army, whose training is due to be completed in June, is expected to fight in Ituri. This is not peace – it is more war.

Second, the problem of governance. Eastern DRC has no history of positive experiences with a political system centralised around Kinshasa. Naturally closer to the DRC's Eastern neighbours than to the capital, its citizens and especially its economic operators have always felt relatively marginalised within the framework of the Congolese State and more comfortable devising their own models of economic interaction with neighbouring regions and countries. As in other badly governed parts of the DRC, people have also proved astonishingly inventive and dynamic in organising themselves for the provision of basic services such as education and health. It is not to be expected that any new Congolese central government will offer an improvement in the form of a competent and transparent administration, especially as the peace process guarantees neither local democracy nor an equitable redistribution of locally generated revenues back to where they came from.

Yet the East has special needs in terms of reconstruction due to the legacy of war: a higher level of destruction, a higher proportion of internally displaced in its population, a greater level of social dislocation through the break-up of families and the recruitment of children into armed groups, a greater level of insecurity due to the persistence of low-level conflicts, a greater dependence on the rehabilitation of the agricultural economy and infrastructure as a precondition for the rebirth of basic economic activity. There appears to be little readiness among the international community to take this into account.

The fashion is to centralise all action in the capital Kinshasa in the name of strengthening the legitimacy of the transition; but in fact this undermines it. There is no open debate on the relative merits of strong central government and devolution of power to capable citizens. We consider that the future well-being of the Congolese people depends on their empowerment and recognition of the ways they have managed to survive decades of decline and war. Instead, however, centralisation is creeping in through the back door, and debates on the future of the Congolese state are governed by fear – fear of control by a distant centre on the one side, fear of fragmentation and secessionist tendencies on the other. This climate of mutual distrust does not augur well for the forthcoming constitutional referendum, in which options of federalism and decentralisation are to be put to the electorate without proper prior discussion.

Natural resource exploitation and management

During the war, the exploitation of the DRC's natural resources was widely regarded as one of the driving forces of conflict. Surprisingly, it plays no part in the international debate on what might be the driving forces of peace. If the war was really caused by illegal exploitation of coltan, diamonds, gold, timber etc., then surely the basis of peace must be to stop illegal exploitation. Instead, the international answer has been extraordinarily lazy: existing structures of resource exploitation are simply to be legalised, just as existing belligerents are simply turned into legitimate rulers. The current transitional government in Kinshasa is engaged in an elaborate process of certification, registration and legalisation of all activities concerned with natural resource exploitation in the DRC, a process in which the welfare of the population concerned is not taken into consideration at all.

We consider that the debate on illegal exploitation was fundamentally flawed from the start, because it did not take the experiences of the population into account and because illegality and legality were never properly defined. It was never clear, for example, whether trading in a rebel area was illegal if the trader paid no taxes or if he did. In any case, the real

question was never addressed: does mining activity increase the welfare of the people? An embargo on coltan from Eastern DRC at the height of the war, for example, would have hit household income in the coltan mining areas – at a time when there were hardly any other sources of revenue. It was never properly understood that choking off economic activity and thus increasing competition for dwindling revenues might fuel war even more than the economic activity itself ever did. In a war situation, the need to protect household incomes can mean continuing with the only available business activity even if this activity has awkward international connotations.

In today's perspective of peace, these experiences retain all their validity. But they have not entered the policy debate. The question of illegality and legality has suddenly become purely technical. Legality means having a government licence, however obtained; anything without a licence is illegal, whatever its effect. The international debate on the Kimberley process for diamond trading has for instance neglected the fate of small-scale artisanal mining in the informal economy. Small-scale miners risk being disadvantaged by traders who monopolise access to legal channels of trade.

Much of the informal mining economy in Eastern DRC depends on its survival on a small number of powerful intermediaries. This explains the persistence of informal structures of political power which are very active within the formal structures now in control. The survival of the players involved depends on their political bargaining skills, making the prospects of large numbers of people in mining areas contingent on the arbitrary results of political haggling. Structures of certification and registration are thus likely to affect the population of mining areas in unforeseen ways, depending on the local political reality.

The only purpose of a debate on the exploitation of natural resources can be to protect and increase human welfare. Natural resource management must mean devising rules which safeguard the interests of communities and which serve to protect and increase household revenues. This must be the benchmark against which all attempts at regulation are set. Whether it is met or not cannot be a matter of theoretical analysis; it must be informed by the experiences of people on the ground.

WAYS FORWARD

The history of the DRC is littered with good intentions on paper which are translated into something quite different in practice. The current peace process and the international framework of support for it will go the same way unless it makes the following considerations central to its analysis:

1. The key to the survival of the peace process itself is security. More vigour is needed to counteract those forces which foment insecurity and privatise state power for their own purposes and to end the culture of impunity and arbitrary rule. A regular payment of public sector wages is an essential first step to reduce incentives for corruption and bad practice, and its financing and monitoring should be a priority for donors.
2. The key to the success of the peace process is good governance. This means not just holding elections, but holding them in conditions which no one will want to contest. The end result must be a political system which does not allow for renewed abuse of power and which allows local people the freedom to keep and develop their own ways of running their own affairs. The legitimacy of a new system depends on local ownership of the rules which govern it. Good governance cannot be decreed from above but must be built from below.
3. The key to the success of good governance is an immediate, perceptible and sustainable increase in human welfare. Economic policy and donor support must in the short-term increase household incomes, guarantee the security of household revenues and provide for the rehabilitation of basic infrastructures. These are the preconditions for long-term economic recovery, quite apart from being necessary for the survival of millions of people in the immediate future. This also requires a viable financial and banking system accessible to people on a micro-level.
4. The key to an increase in human welfare in the DRC is a structure of natural resources management which takes the interests of local people as its starting point. No centralised framework of resource management should be allowed to stand in the way of the design of locally appropriate development strategies by the population itself. A decentralised approach in the formulation of policy from the bottom up is required, including major international efforts to gather local experiences and making local voices heard in decision-making.

Appendix 2: Seminar Agenda

Resource Exploitation and Human Security in the DRC

Seminar, Brussels March 25, 2004

- 9:00** **Arrival and coffee**
- 9:30** **Welcome and Introduction**
Aloys Tegera – Manager, Pole Institute
Dan Smith – Secretary General, International Alert
- 10.0** **Current context and underlying sources of instability**
Governance and legitimacy
The historical legacy: "pre-war, war + post-war"
National policies and structures
Regional and International interests and policies
Dominic Johnson, Pole Institute – Perspectives from Kinshasa
Aloys Tegera, Pole Institute – Perspectives from the East
Plenary discussion
- 11.30** **Coffee Break**
- 11.45** **The interests of the Congolese people**
The different stakeholders
Local perspectives on governance
Multiple economic interests
Onesphore Sematumba, Pole Institute
Christiane Kayser, Pole Institute
Plenary discussion
- 13:00** **Lunch**
- 14.00** **Significance of resource exploitation**
Resource exploitation and governance
"Illegal v. legal" exploitation
Transparent and accountable resource exploitation
Aloys Tegera, Pole Institute
Dominic Johnson, Pole Institute
Plenary Discussion
- 15.15** **Coffee Break**
- 15:30** **International policy responses – Options**
National, international and local context
Priorities in the short, medium and long term
Andrew Sherriff, International Alert
Aloys Tegera, Pole Institute
Plenary Discussion
- 17.30** **Closing remarks**

Appendix 3: List of Participants

NAME	ORGANISATION AND POSITION
1. Juan José Villa-Chacon	AIDCO-EuropeAid
2. Richard Wyatt	Co-ordinator for the Great Lakes, DG DEV, European Commission
3. Patrick Smith	Former member of the UN Panel on the illegal exploitation of natural resources in the DRC, and editor of Africa Confidential
4. Cyril Musila	OECD – Initiative on Central Africa (INICA)
5. Prof. Roland Poutier	Advisor OECD – Initiative on Central Africa (INICIA)
6. Kathryn Gordon	Senior Economist, Investment Division – OECD-DAC
7. Julie Hepker	Investment Division – OECD - DAC
8. Annemarie van Bolhuis	Dutch Ministry of Foreign Affairs
9. Steven Ellis	ICG, head of Africa Programmes
10. Rudolf Drinhaus	Evangelischer Entwicklungsdienst (EED)
11. Alexandra Bilak	Novib, Programme Officer on Central Africa
12. Basile Diatezwa	Expert, Bruxelles
13. Georges Tshionza	General Secretary, SERACOB, Kinshasa
14. Colette Vanstraelen	Public Service for Economy, Government of Belgium
15. Laurence Siquet	SOS Faim Belgium
16. Tim Raeymaekers	Professor, Conflict Research Group, University of Ghent, Belgium
17. Dan Smith	Secretary General, International Alert
18. Ivan Campbell	Great Lakes Programme Manager, International Alert
19. Andrew Sherriff	Development and Peacebuilding Programme Manager, International Alert
20. Maria Lange	Programme Officer, Development and Peacebuilding, International Alert
21. Jessie Banfield	Programme Officer, Business and Conflict, International Alert
22. Jean-Pierre L. Kabirigi	Senior Programme Office, Great Lakes, International Alert
23. Aloys Tegera	Manager, Pole Institute
24. Christiane Kayser	Member, Pole Institute
25. Onesphore Sematumba	Communications officer, Pole Institute
26. Dominic Johnson	Associate, Pole Institute

Appendix 4: Table of policy actors and processes

ACTOR	POLICY PRIORITIES	KEY PROCESSES
<p>World Bank:</p> <p>International Bank of Reconstruction and Development (IBRD) and the International Development Association (IDA)</p>	<p>Overarching interim PRSP priorities, reflected in the Transitional support strategy (TSS) for 2004-05:</p> <ul style="list-style-type: none"> - social stability and security - shared economic growth - governance and institutional strengthening - social development <p>Private sector:</p> <ul style="list-style-type: none"> - Reform public enterprises - Restructure or liquidate banks - Infrastructure rehabilitation - Reform tax system <p>Support for reforms in the financial sector are coordinated with the IMF</p> <p>Consultations with other donors, civil society actors and the private sector are to take place before the finalisation of the PRSP in 2006.</p>	<ul style="list-style-type: none"> - Multi-country Demobilisation and Reintegration Programme (MDRP), financed by multi-donor trust fund and IDA credits. - Programme Multisectoral d'Urgence de la Reconstruction et la Rehabilitation, PMURR (\$454 million, from Aug 02, infrastructure and social) - Private sector development and competitiveness project (\$120 million, from July 03, mining, judiciary reform, private sector). - Post conflict economic recovery credit (\$200 million, from Feb 04) - Emergency Economic and Social Reunification Support Project (forestry, support to PRSP, economic reforms)
<p>World Bank:</p> <p>International Monetary Fund (IMF)</p>	<p>Macro-economic stabilisation and structural reforms, including liberalisation and privatisation, price stability, private sector investment, audit and restructuring of public enterprises.</p> <p>'Pro-poor' fiscal policy expected in 2004. Programme shift to 'pro-poor spending' in 2003 only partly achieved (poverty-reducing expenditure 1.0% of GDP, defense/security 2.7%)</p>	<p>Poverty Reduction and Growth Facility (PRGF) 2003-05, \$750 m</p> <p>The decision point in the HIPC process was reached in July 2003. The HIPC completion point is due to be reached around 2006, conditional on at least one year's implementation of a full PRSP, continued macro-economic stability, and improvements in all areas of public sector management.</p>
<p>World Bank:</p> <p>International Finance Cooperation (IFC) and Multilateral Investment Guarantee Agency (MIGA)</p>	<p>IFC financing expansion of cellular telephone operator (CELTEL)</p> <p>MIGA conducted an institutional needs assessment of the DRC's investment promotion agency, ANAPI, and prepared a proposal for the programming of an investment promotion component as part of the WB private sector development and competitiveness project.</p>	<p>MIGA and IFC launched high-level missions to in 2003, indicating their likely future full re-engagement in the DRC.</p>

ACTOR	POLICY PRIORITIES	KEY PROCESSES
UN system	<p>UN Development Assistance Framework (2003-2005) priorities:</p> <ul style="list-style-type: none"> - promote a return to peace, security and good governance - improve crisis prevention and emergency responses - combat poverty <p>MONUC priority areas:</p> <ul style="list-style-type: none"> - police reforms - monitor arms embargo - Disarmament - Logistical support and protection of humanitarian assistance activities - Peacekeeping forces in Ituri and N and S Kivu - Study on sexual violence - Quick impact projects <p>UNDP priority areas:</p> <ul style="list-style-type: none"> - Designated lead on DDR process of Congolese forces (Mécanisme de Réponse Rapide) - Community Recovery - Support for reintegration 	<p>UNDPKO Planning and Management Task Force at HQ level coordinates international efforts in DRC of principal bilateral partners and is presided over by the head of MONUC</p> <p>MONUC DDR unit, Kinshasa (and sub-divisions around the country)</p> <p>MONUC electoral assistance unit (coordinates international support for elections)</p> <p>UN special representative of the Secretary-General, William Swing, coordinates UN efforts and facilitates coordination with other international and national actors of activities in support of the transition</p>
European Community	<p>National Indicative Programme (NIP) €120 m:</p> <ul style="list-style-type: none"> - Poverty alleviation, mainly health-related - Administrative and institutional support to the transitional government, including the election process - Macro-economic support <p>Under EIDHR, support for a human rights programme in the east and institutional support for the judicial system.</p>	
Extractive Industries Transparency Initiative (EITI)	<p>UK-led initiative to increase transparency over payments by companies and revenues to governments in the extractive industries</p>	

ACTOR	POLICY PRIORITIES	KEY PROCESSES
<p>UK Department for International Development (DFID)</p>	<p>2004/05 contribution around £40 m. Weaknesses are deemed to be lack of engagement in and influence on the transition process and limited knowledge of the DRC and francophone systems. Priorities include:</p> <ul style="list-style-type: none"> - implementation of Quick Impact Projects (health care, water supply etc) as 'peace dividend', within PMURR - DDR support, through MDRP - Multi-donor justice sector mission to identify support to police and access to justice reforms - Support to Transition institutions and civil society engagement with the transition process - Initiating shared donor analysis of governance and conflict prevention issues - Examining applicability of EITI principles in the DRC 	<p>UK policy focal institutions/processes:</p> <ul style="list-style-type: none"> - Commission for Africa - New Economic Partnership for African Development (NEPAD) - EITI
<p>OECD/Initiative for Central Africa (INICA)</p>	<p>New framework for dialogue between actors (NGOs, religious groups, firms) and national and regional authorities (modelled on the OECD's Sahel and West Africa club). Will provide 'start-up' financing for poverty reduction and seek to develop the informal economic sector. Concrete priorities as yet undefined.</p>	<p>Mapping work on-going in the Kivus to understand small-scale economic activities and artisanal mining.</p>



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