

FEC



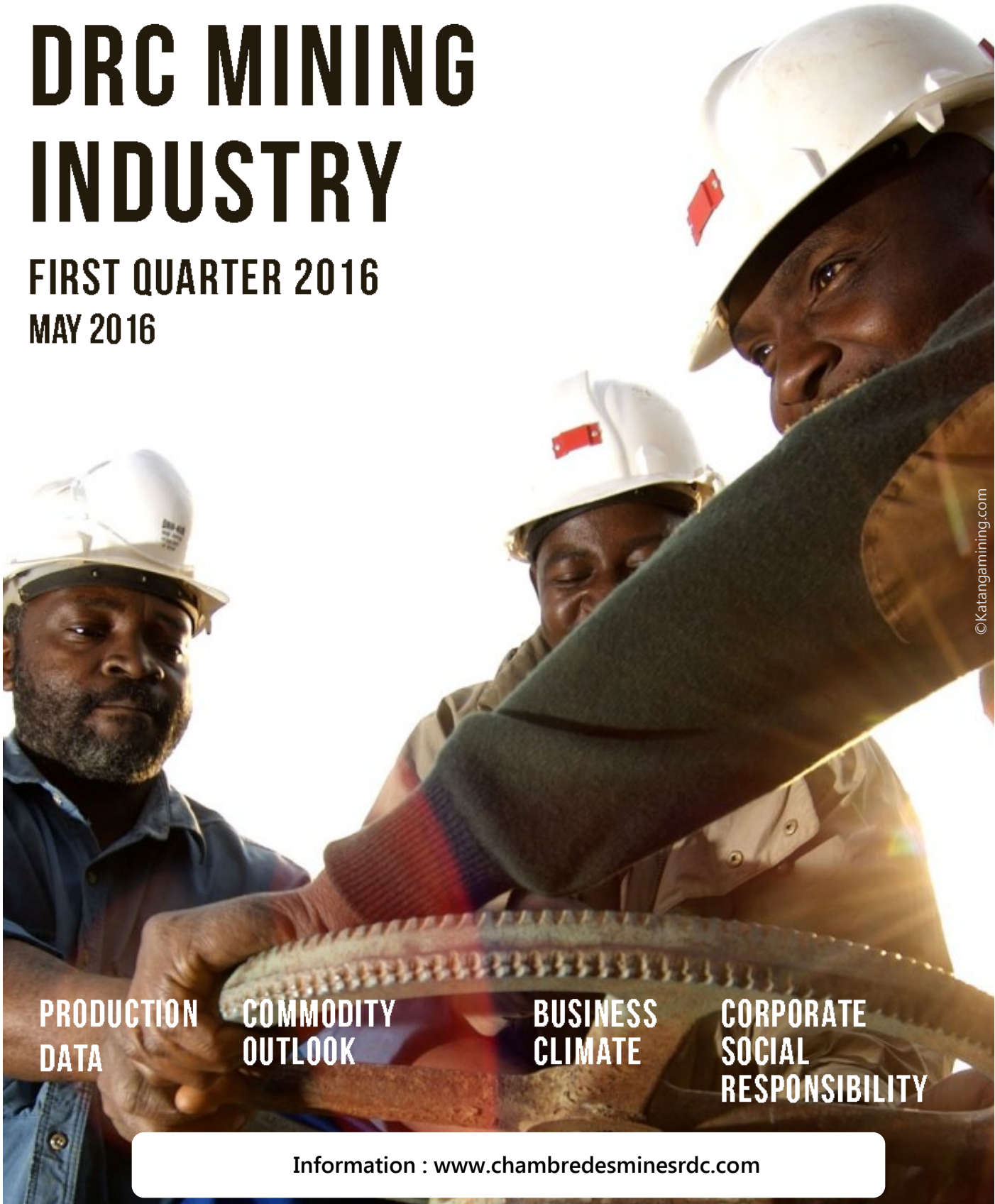
CHAMBRE DES MINES

FEDERATION DES ENTREPRISES DU CONGO

DRC MINING INDUSTRY

FIRST QUARTER 2016

MAY 2016



©Katangaming.com

PRODUCTION
DATA

COMMODITY
OUTLOOK

BUSINESS
CLIMATE

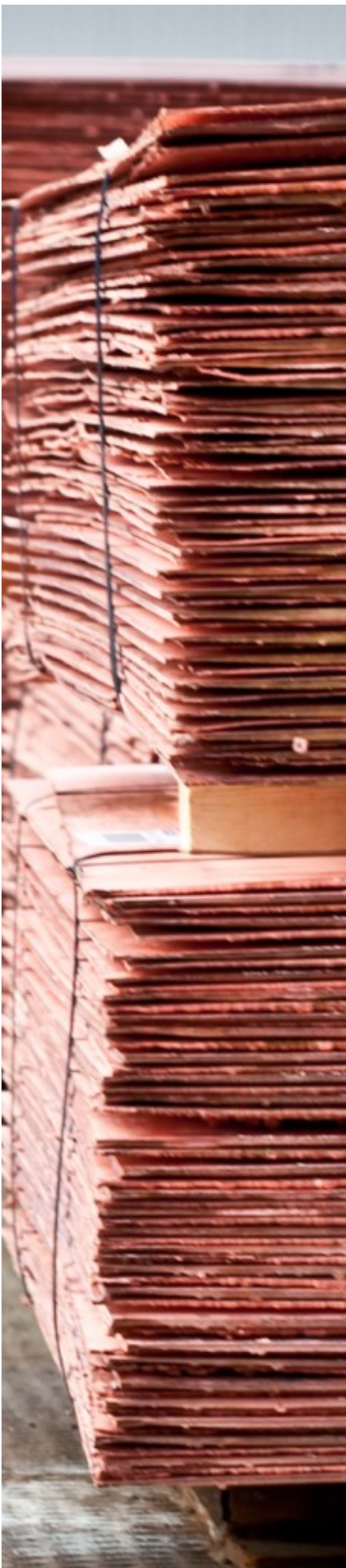
CORPORATE
SOCIAL
RESPONSIBILITY

Information : www.chambredesminesrdc.com

CONTENT



3	EDITORIAL	11	Logistics report The issue of road tax and tax on concentrates
4	PRODUCTION DATA		
	Copper		
	Cobalt		
5	Gold	12	Unauthorised audits by the INSS Visit of teams mandated by the General Secretariat of the Ministry of Public Health
	Diamonds		
6	Zinc		
	3T (Coltan, Cassiterite, Wolframite)		
7	COMMODITIES OUTLOOK	13	MINING CODE REVIEW EITI - PRESENTATION BY THE DRC CHAMBER OF MINES IN LIMA IMPACT OF FALLING METAL PRICES ON EM- PLOYMENT
	Chinese take-away		
8	Commodities Outlook The 3T industry	14	POWER SHORTAGE
9	South Kivu Province North Kivu Province	15	CORPORATE SOCIAL RESPONSIBILITY (CSR) The CSR Commission
10	BUSINESS CLIMATE	16	Working Group on Voluntary Principles The Idak platform
	Route Kolwezi – Dilolo		
		17	Forthcoming Events



2015 was the year of the crisis

The Congolese mining industry is faced with a difficult period, which has significant implications on public finances.

With the trend of 2015 dragging on, the first quarter 2016 was marked by a significant drop in mining output in DRC over the same quarter of 2015: copper (-11.8%), cobalt (-16.3%), gold (-16%), diamond (-16.8%), zinc (-50.3%), tin (-12.7%), tantalum (-26.2%) and wolframite (-100%). All indicators are red.

Copper hit its lowest in six years! Many miners, particularly in the Luabala and Haut-Katanga provinces, were forced to put their operations on care and maintenance while others completely stopped their operations, each for various periods of time, pending a future upturn.

This had a negative impact on employment. Although statistics reflecting reduced staffing in mining companies are not fully available, a loss exceeding 3,000 direct jobs can already be reported, and approximately 10,000 jobs with contractors.

The Chamber of Mines of the Federation of Congolese Enterprises considers that it is extremely urgent and necessary to improve the business climate and to find solutions in the short and medium term, in order to address the electric power shortage and allow miners to achieve their production targets.

The Chamber continues to encourage a permanent and constructive dialogue with the Government and all relevant agencies to jointly find ways to curb the crisis.

The Chamber of Mines of the Federation of Congolese Enterprises commended the announcement by the Government not to pursue the proposed review of the Mining Code.

This will encourage investment in the sector. But the Government's firm and courageous stand is needed to enable the mining players to rediscover the impetus and desire to invest and be great contributors to the growth of the Democratic Republic of Congo.

For further informations:

j.nkono@fec-rdc.com

www.chambredesminesrdc.com

PRODUCTION DATA

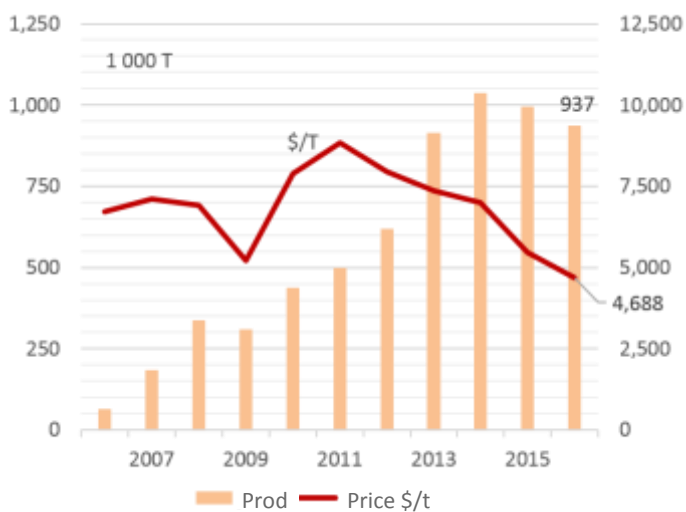
Q1 2016 PRODUCTION

	Units	Q1 2016	Q1 2015	Q1 2016/ Q1 2015	2016 (e)	2015	2016/2015
Copper	Tonne	234,313	265,636	-11.8%	937,252	995,805	-5.9%
Cobalt	Tonne	13,638	16,293	-16.3%	54,552	69,328	-21.3%
Gold	Kg	5,436	6,475	-16.0%	21,744	25,806	-15.7%
Diamonds	Carats	3,514	4,221	-16.8%	14,056	17,152	-18.1%
Zinc	Tonnes	1,897	3,818	-50.3%	7,588	14,193	-46.5%
Cassiterite	Tonnes	1,992	2,283	-12.7%	7,968	8,827	-9.7%
Coltan	Tonnes	327	443	-26.2%	1,308	992	-31.9%
Wolframite	Tonnes	0	7	-100.0%	0	44	-100.0%

Production data in % indicates the evolution of production in the first quarter and full year outlook compared to 2015.

(e) estimated

COPPER



DRC copper production totalled 234,313 tonnes in Q1 2016, a decrease of approximately 30 000 tonnes of copper (-11.8%) compared to Q1 2015.

After production ceased at KCC in 2015, most other companies also saw their production down in Q1 2016 compared to Q1 2015.

The company Sicominex, which started production in the last quarter of 2015, has already established itself as the third large copper producer in the country behind Mutanda Mining (MUMI) and Tenke Fungurume Mining (TFM).

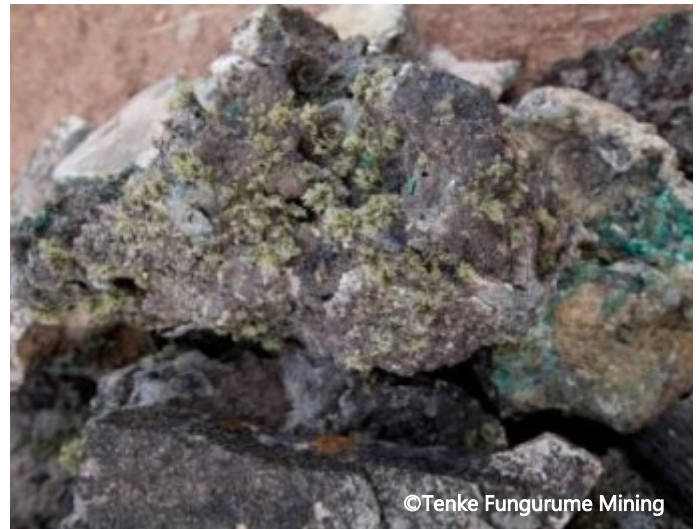
COBALT



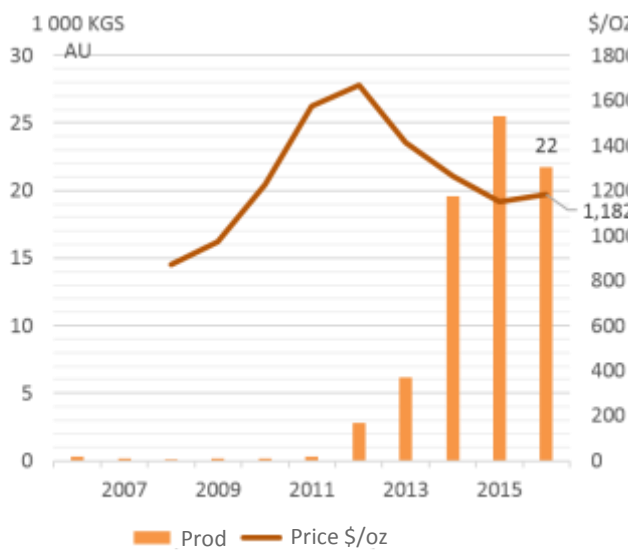
In keeping with the trend in copper, Q1 2016 cobalt production of 13,638 tons decreased by 16.3% compared to Q1 2015. With falling prices, many companies ceased cobalt production during the quarter.

	Cu cathodes	Cu total	
2013	684 653	914 631	74,9%
2014	866 595	1 029 800	84,2%
2015	886 306	995 805	89,0%
2016	198 023	234 313	84,5%

	Co electro	Co total	
2013	2 828	58 357	4,8%
2014	2 935	66 915	4,4%
2015	3 129	69 328	4,5%
2016	0	13 637	0,0%

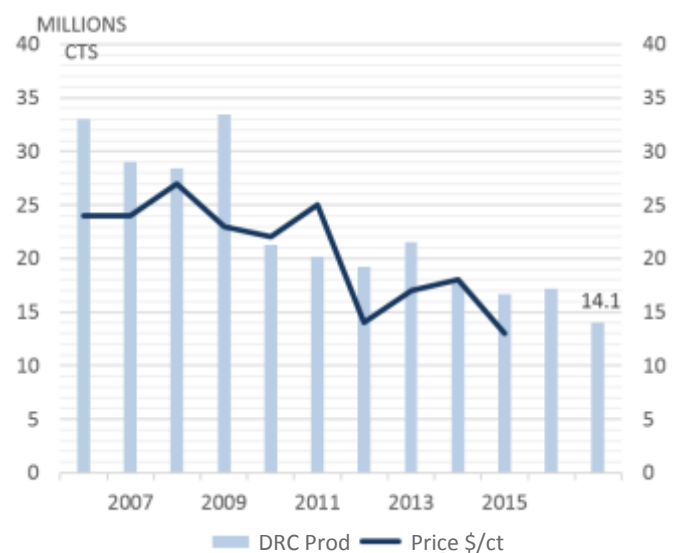


GOLD



Gold production of 5 436 kg was down by 16% compared to Q1 2015. The decrease is explained by operational problems at some mines and the presence of illegal artisanal miners working open-pit deposits, who made it impossible for employees to get to work. Production is expected to resume at its usual rate next quarter.

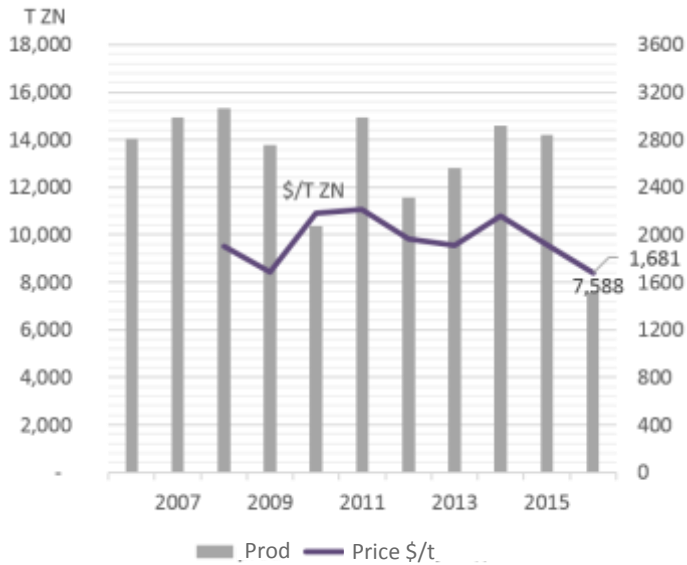
DIAMONDS



During the period under review, the diamond market value statistics show a decrease of 16.8%. While industrial production has increased 95%, largely due to SACIM, who has sustained an operations momentum, the artisanal production has seen a sharp decline, particularly because of rains, that made the activity difficult, and the collapse of prices which demotivated several operators.

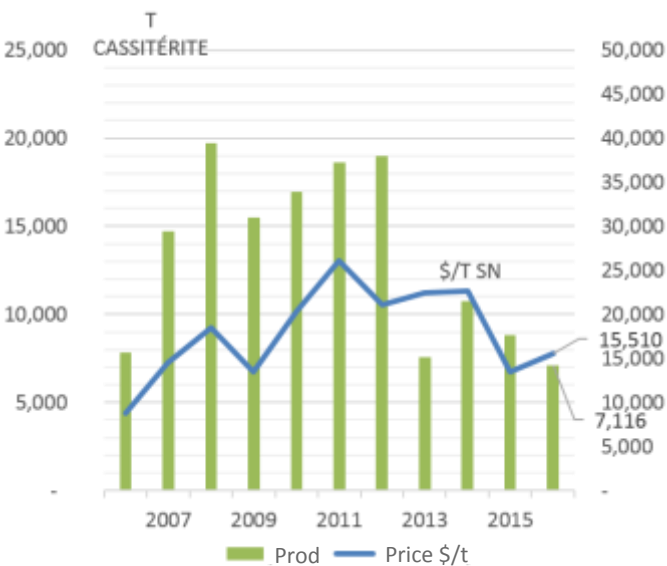


ZINC

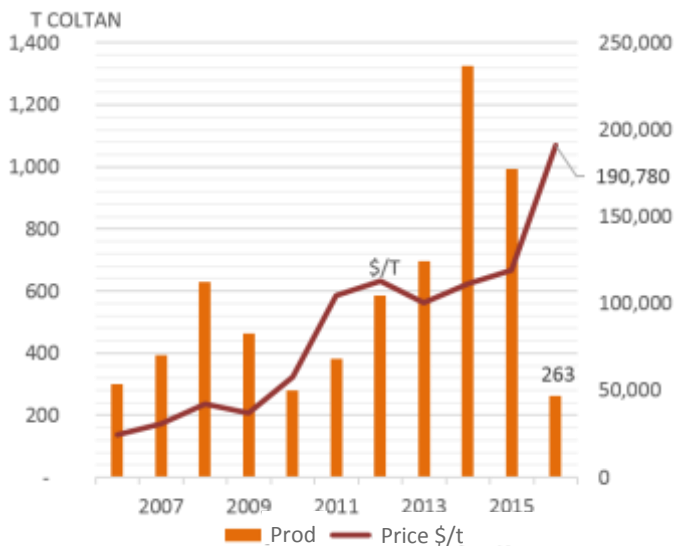


Production of zinc oxide was 1897 tonnes in Q1 2016, down by 50.3% compared to 2015. A one-off stoppage for furnace relining at STL explains most of the decline. The current LME Zinc is \$ 1,902 per tonne, a decrease of 11.7% compared to 12 months ago.

3T (COLTAN, CASSITERITE, WOLFRAMITE)



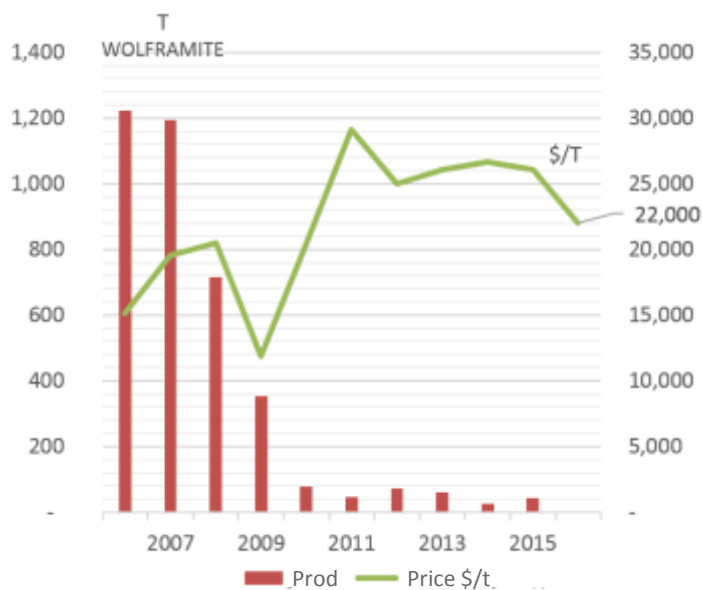
The 3T industries experienced a drop in production in line with other base metals; cassiterite production decreased by 12.7% compared to the first quarter 2015, and coltan was down by 26.2%. No exports of wolframite were recorded due to the boycott of Congolese tungsten, but prospects look better for the second quarter as buyers return, albeit cautiously, to the DRC on account of the substantial decline in production in other countries.



The good news in the 3T sector and particularly for cassiterite (tin) is investor interest in Walikale territory in the province of North Kivu. The Bisie project is being developed by Alphamin Resources, and will play a major role on the international market for DRC tin. Studies conducted to date confirm that Alphamin's greenfields reserves are among the richest discovered to date.

Alphamin Resources plans to raise \$123-million to dig the first tin mine in Congo's North Kivu province. Output will begin at the end of 2018, according to its feasibility study.

This phase of industrialization will have a positive impact on the province and the local population in terms of employment, and should encourage other potential investors to the eastern part of the DRC.



COMMODITIES OUTLOOK

CHINESE TAKE-AWAY

Chinese companies continue to invest heavily in the DRC while other investors stumble. According to International Monetary Fund data, China did \$4.33-billion of trade with the DRC in 2014.

"China is very short of copper resources," Jerry Jiao, vice-president of China Minmetals, told the World Copper Conference in Santiago. Last December, China's state-owned Assets Supervision and Administration Commission said that Minmetals would merge with infrastructure and construction group Metallurgical Corp of China, in order to control the whole metals value chain from mining to construction. China consumes about 40% of the world's copper.

In January, Chinese company COMMUS approved a \$578-million plan to develop a copper concession on the outskirts of Kolwezi, according to a statement made by Zhejiang Huayou Cobalt Co to the Shanghai Stock Exchange. Huayou, which has 21% of COMMUS alongside Zijin Mining Group and Gécamines, is one of at least 12 companies to export copper or cobalt from Congo last year, according to government statistics.

Sicomines - a joint venture between Gécamines, China Railway Construction Corp. and Sinohydro Corp - began copper production at Kolwezi last November. Huayou, which has 5% of Sicomines, also acquired Gécamines' interests in Luiwishi and Lukuni for \$52-million last year, and controls copper- and cobalt-smelting operations principally supplied by artisanal miners.

Zijin, which holds 51% of COMMUS, also acquired 49.5% of Ivanhoe Mines' Kamoanga copper project for \$412-million

last December.

Gécamines also signed an agreement with China Nonferrous Metal Mining Group to build two processing plants on its Kambove and Deziwa mining concessions.

Eurasian Resources also agreed with China Nonferrous to build a \$700-million processing plant at its Metakol tailings project in Kolwezi. However, Eurasian Resources also announced that it was to cut at least 1,300 mining jobs in Congo, mostly at Boss Mining and sub-contractor Congo Cobalt Corp. The company's Comide copper and cobalt project was also placed on care and maintenance. ENRC is nevertheless aiming to boost output at Boss by about 50%.

Amsterdam-based Trafigura's Mawson West announced that its Kapulo mine was going on to on care and maintenance, joining the Dikulushi mine.



COMMODITIES OUTLOOK

Copper, which fell by a quarter to a six-year low in 2015, rebounded to around \$5,000 a tonne during Q1 2016.

The International Copper Study Group (ICSG), which includes delegates and advisors from the world’s major copper producing and consuming nations, expects the copper market to stay balanced in 2016.

World mined copper production is expected to increase by 1.5% this year to reach 19.4-million tonnes. Concentrate production could grow by 4%, but solvent extraction –electrowinning (SX–EW) production will decline due to production cuts in the DRC and closures in Chile.

ICSG expects that world apparent refined usage will stay flat, although underlying “real” demand growth in China is estimated at 3–4%.

The gold price also rallied by around \$170/oz during Q1 2016 and was continuing to strengthen. Both the large international gold-miners active in the DRC announced strong results, good prospects and additional investment.

THE 3T INDUSTRY

In the provinces of North Kivu and South Kivu, an extension of the validation of mining sites was made through ministerial decrees in the territories of Masisi, Lubero, Walikale, Mwenga, Shabunda and Fizi. This validation of additional sites is the basis of increased production in the two Kivus.

Maniema’s production has also increased significantly, due to the relative improvement in the cassiterite price and also to the resumption of work at sites which had suspended production.

In the former province of Katanga, cassiterite production remained stable. Security has improved and specific interest has grown with the discovery of coltan deposits at new sites surrounding the city of Kalemie.

Increased confidence of international buyers, foundries and end-users is also evident on the back of the progress made by the players in the supply chain in the DRC who are following best-practice principles in respect of traceability, due diligence and regional certification.

« 3T operators nevertheless remain concerned about Finance Act No. 14/027 of 2015»

3T operators nevertheless remain concerned about Finance Act No. 14/027 of 2015, heading IV, article 27, concerning customs revenues, which requires that exports by unlicensed operators be subject to common law. This provision of the law actually increased the rate from 1% of the DGDA to 10%, risking paralysis of the 3T industry and annihilating all progress in trying to include the informal sector.

The sector suggests that it can also benefit from 28 measures developed by the Government not to jeopardize the gains of years of formalization and keep the rate of 1%, which is logical in a the depressed market of today.

SOUTH KIVU PROVINCE

Artisanal mining activities declined in early 2016; many miners did not return from their holiday break because of low commodity prices.

The gold-buying bureau Delta Gold suspended operations, partly due to low prices but also due to difficulties with Provincial services.

Gold worth \$ 1,500 was seized from truck carrying flour. The package was released after payment of fines owed to the Congolese state, and was sent to an authorized buyer.

The heads of the Centre for Evaluation, Expertise and Certification of Precious and Semi-precious Materials (CEEC) were replaced.

Three new buying offices/processing facilities have been announced in the province but are not yet operational.



NORTH KIVU PROVINCE

2015 exports were as follows :

N°	Mineral	Qty en kg	Value en \$
1	Cassiterite	330.118	1.971304
2	Coltan	949.279	38.005.103
3	Wolframite	13.909	130.327
	TOTAL	1.293.306	40.106.560

The basket fund

Thanks to the contributions from mining operators exporting coltan ore and cassiterite, the Province was able to build an administration centre for mines in North Kivu in Goma near the Bihambwe and Mema bridges on the Masisi-Walikale road.

Currently, this fund contributes towards the reopening of the Masisi-Walikale road, which will take place on June 30, 2016 by His Excellency the Governor of the Province. It is important to note that mine operators and the Province have already declared this payment in the EITI framework for fiscal 2014 and the process will continue for fiscal 2015.

Challenges

- Despite significant advances in the export of coltan, major efforts are still needed in the production of cassiterite, which should be North Kivu's principal export-earner. As a reminder, during the period 2007-

In the four months to 30 April 2016, exports were as follows :

N°	Mineral	Qty en kg	Value in \$
1	Cassiterite	283.958	1.614.203
2	Coltan	348.635	13.438.983
3	Or	0,107	3.858
	TOTAL	632.593,107	15.057.044

2010, the average annual export of cassiterite was 10,000 tons at 2,500 tons per quarter.

- Wolframite also requires a special effort because most of its ore production sites are already validated green but are unmined for lack of buyers. Indications are that this situation is expected to recover in 2016.
- Additional efforts are still needed in extending the qualification and validation of mining sites in North Kivu in order to achieve optimal production and the resumption of production of pyrochlore.

Outlook

North Kivu is considering installing a bourse for coloured stones in Goma in collaboration with the Central Bank of Congo.

BUSINESS CLIMATE

The DRC government says it could lose up to \$1.3 billion this year from lower mining, oil and gas revenue due to reduced prices.

In March 2016, the Central Bank of the Congo ordered mining and oil companies to pay taxes and import duties in US dollars rather than in the national currency. Only two years earlier, companies were ordered to pay taxes in francs in an attempt to re-establish the Congolese franc.

The government of the new province of Lualaba (Kolwezi) wants mining companies to bankroll and build a 60km toll road between Kolwezi and Sakabinde on the Zambian border, through a \$100/ton tax on exports of concentrates. Katanga was recently split into four, thereby depriving Lualaba of its share of border taxes collected at Kasumbalesa.

Miners have already built the Kolwezi-Lubumbashi-Kasumbalesa toll roads. This new measure by the province of Lualaba may force mine operators to pay for

a new road without having been refunded for the first one. The national railway network operator SNCC has procured new rolling stock and is rehabilitating the network. An open day will be arranged in June to show the mining industry what has been achieved.

The Swedish foreign minister, Margot Wallström, urged the DRC's authorities to improve the business climate. During a March visit, she called for a consistent and guaranteed legal framework for investors and respect for human rights, to show the world that the DRC can be a place to do business. "The business climate in the DRC does not inspire confidence in the Swedish investors who are interested in several projects offered by the country to foreigners."

ROUTE KOLWEZI – DILOLO

During April, the CDM and representatives of the government, SNCC, and COPIREP, met representatives of KPMG Paris to discuss the proposed rehabilitation of the 427km Kolwezi-Dilolo railway line. Mandated by the DRC government, KPMG is gathering technical information to finalize a feasibility study. The estimated cost is US\$350-million.

KPMG asked whether the project interested mining companies, particularly since most have already invested in road transport. KPMG also sought data on export and import volume, pricing, vehicle depreciation, time taken, and the extent of the potential catchment area beyond Kolwezi.

The CDM informed the government and KPMG of its interest, because railage is the appropriate means of transport for the mining business. In addition, when considering the prospects for free trade between the DRC and the rest of Africa, a west-bound link is most important. The Principal Adviser reported that the means to finance this project are available for this year.



LOGISTICS REPORT (HIGHLIGHTS)

In January, a case of fraud was discovered which involved the export of mining products by a non-member of the Chamber of Mines. This case resulted in tighter export formalities for all players in the sector, thereby increasing the average time taken for exports of mining products. The case resulted in a lawsuit with criminal convictions of the fraudsters and their accomplices.

- The launch of the Single Window for pre-customs clearance by the Ministry of Foreign Trade. Although not yet formally in service, a one-stop shop provides for simplification of formalities but also additional costs in a difficult environment. The Chamber's members are united in hoping that this materialises.
- The expansion in January 2016 of the Single Customs Territory to all goods from Tanzania after a test phase limited to four products (flour, vehicles, oil and sugar).
- The recommissioning of the weighbridge and the inauguration of scanners at Kasumbalesa in March for the control of both imports and exports.
- Continuation of the contractual obligation with the Ministry of Economy for the importation of grey cement even for mining companies which hold exoneration certificates in areas where there is no production local cement.
- Implementation of pro forma statements by the DGDA in respect of exempt imports previously considered as emergencies.

THE ISSUE OF ROAD TAX AND TAX ON CONCENTRATES

In aiming to improve the road network, the provincial government of the former province of Katanga had signed funding agreements with certain mining companies for maintenance and rehabilitation. These agreements were met by Katanga's mining companies through a tax incentive which would be drawn from the sums owed by them to the province, to help the creation of local concentrators, and the provincial tax for intervention for the rehabilitation of urban infrastructure, roads and drainage as well as the other provincial roads.

The Province of Katanga was committed to repay all of the amounts through a gradual deduction on the payments due in the context of the collection of said taxes. The companies which financed the work have benefited from a preferential fixed rate of \$60/tonne of concentrate exported, instead of \$100. The province of Katanga was subsequently spilt into four new provinces in terms of Act No. 15-004 of 28 February 2015.

Problems

The former province of Katanga had not yet repaid all of the amounts committed and paid to it, and the companies concerned remain subject to those taxes in the new provinces of Haut Katanga and Lualaba (wherever they are located). The administrations are not able to take into account the amounts still due and not reimbursed on the one hand; and are now requiring payment of the same tax on concentrate by mining companies which sell their concentrate locally on the other hand, although the tax is due only on exports.

Search for Solutions

The Chamber of Mines has initiated two letters for the attention of His Excellency the Deputy Prime Minister and Minister of the Interior and Security, as well as to His Excellency the Minister of Mines, so that clear instructions are provided as to the modalities of taking into account the amounts due and not reimbursed. The Minister of Mines answered that he was not able to decide on the said tax because the provincial govern-

ment had encouraged the Chamber of Mines to engage with the local authorities concerned for a concerted resolution.

Now, and after the short mandate of the Special Commissioners, new Governors were elected in the new provinces, and the Chamber of Mines expects that consultations will be held and evidence presented in order to quantify and recognise the amounts still due in respect of the taxation of commercial products sold locally, and finally, that relating to the applicable rate per tonne of exported concentrate. The economic difficulties faced by the mining sector should be taken into consideration. The reason why concentrate is exported is because the energy deficit prevents local beneficiation.

UNAUTHORISED AUDITS BY THE INSS

Members of the CoM deplore the so-called audits undertaken by the INSS and have challenged the INSS to justify their legality. Frequently, a team will arrive at a company's premises without notice, make unreasonable demands for documentation, and issue fines.

THE INSS should consequently justify on the legal plan what authorizes it at present to perform the so-called cross-check missions.

VISIT OF TEAMS MANDATED BY THE GENERAL SECRETARIAT OF THE MINISTRY OF PUBLIC HEALTH

Members of the CoM were recently visited by teams mandated by the General Secretariat of the Ministry of Public Health, with the mission: "Inspection, data collection, advocacy, supervision, monitoring and evaluation in the framework of environmental and occupational health of companies based in the provinces of Haut-Katanga and Lualaba". Since these matters are already inspected by the provin-

cial health inspectors, there is no reason for the General Secretariat of the Ministry of Public Health to duplicate them, Companies do not have - any legal obligation to support (materially) the teams conducting these missions.

MINING CODE REVIEW



The Chamber welcomed the announcement that the government has decided not to proceed with the proposed changes to the code. While the current business climate marked by declining commodity prices was often referred to as the reason behind this decision, the chamber goes further by encouraging the government that this decision is likely to boost the competitiveness of the still developing mining industry of the DR Congo. Despite some controversies surround the government's

position, the chamber notes that the government has acted consistently by sticking to the 2002 code.

The chamber expects to see all government services to adhere fully to the strict respect and implementation of this regulation which will remove additional constrain on the industry with taxation falling outside the mining code as it has been often observed.

EITI - PRESENTATION BY THE DRC CHAMBER OF MINES IN LIMA

The first quarter of 2016 was marked by the holding of the Global EITI Conference in Lima, Peru. The Chamber of Mines of the DRC was represented by Mr Simon Tuma Waku, Vice-President of FEC in charge of mines, and Mr Kassongo Nassor Bin, Chairman of the Chamber's EITI Committee. They were part of a large DRC delegation to attend Lima, led by Mr Georges Wembi, Minister of Planning and Chairman of the Executive Committee of EITI DRC.

The Minister of Mines, Mr Martin Kwabelulu and the Deputy Minister of Finance, Mr Albert Mpeti were also present. The DRC won EITI's top prize for successfully publishing the actual owners of its extractive industries. Two other noteworthy events were the election of Mr Fredrik Reinfeldt as the new Chairman of the Board of EITI to re-

place Ms Clare Short, and the adoption of new EITI standards in 2016.

During the first quarter of 2016, mining companies which are members of the DRC Chamber of Mines participated in various workshops relating in particular to the preparation of the 2015 Report and the recommendations of the Independent Administrator.

Mining companies also argue that the government should also publish how it spends the tax received from mining companies.

IMPACT OF FALLING METAL PRICES ON EMPLOYMENT

The fall in metal prices has had a very significant impact on mining jobs in general. Some companies have cut costs by reducing staff to deal with the market situation.

Although statistics reflecting the downsizing of the mining companies are incomplete, a loss of 3,000 direct jobs has already been reported.

Statistical data for subcontracting companies (direct and indirect) are not readily available but more than 10 000 jobs have been lost; subcontractors have been the most severely affected.



©Kibali Mine

POWER SHORTAGE

Companies continue to endure the negative effects of the region's energy shortage. Zambia's electricity supplier ZESCO, which had been supplying several DRC mining companies with roughly 100 MW of power, has suspended all exports to the DRC, and SNEL's production and distribution capacity continue to be precarious.

Although the demand for electrical power was reduced on the back of production cuts during Q1 2016 the CoM still registers that there has been no progress in respect of actually increasing the supply, or on the plan to free up power production and distribution as new high-voltage customers are connected to the network. SNEL should not be allowed to connect new customers until existing customers have been fully supplied.

With the creation of the National Agency for the Development of INGA ("ADPI"), the "INGA 3 Lower Falls" is on hold because the creation of this new institution has slowed the pace and urgency of all government initiatives with the Orrick Lazard Tractebel working group and the Chamber of Mines. So, at best, all hope of rapidly overcoming the energy deficit slowly evaporates. It will certainly take several years, at which point buyers will be forced to turn to other, much more realistic alternatives (eg South Africa).

In this context, an assessment of the actions undertaken within the framework of the service contract with the Manitoba Hydro Company should be done, as well as assessing the situation for both short-term and medium-term relief projects, such as the hydro-electric projects of Nzilo 2, Busanga and Luapula and the energy efficiency project in Kinshasa.

The stagnant and non-transparent management within the State company in charge of this sector (which has itself been subject to internal restructuring during Q1 2016), has tumultuous commercial business relationships with customers on certain issues relating in particular to VAT, payments for imports, investment loan repayments, immunity from penalties arising from the declaration of force majeure, and changes in penalties on the line power factor or cos phi.

Consequently, there is a total absence of potential investors. These factors confirm that the introduction of an experienced third-party network operator would be a major asset and is indeed a necessity if the energy situation in the DRC is to be normalised. The independent third-party network operator should be in place as soon as the Regulatory Authority of the Electricity Sector is empowered.

The following measures for the implementation of the law on the liberation of the electricity sector are still pending. The new institutions created for this sector are: Regulatory Authority for the Electricity Sector ("ARE"), the National Electrification Agency and Energy Services in Rural Areas ("ANSER"), and the ADPI also need to be regulated by implementing legislation. This is essential to motivate donors, investors and buyers in the DRC's power sector.



©Tenke Fungurume Mining (Nseke)

The Chamber of Mines believes that before the installation of the new institutions, certain prerequisites must be observed:

1. The institution of the ARE must be prepared properly and management must come from an agency with regulatory experience and proven professionalism. There is a need to clarify its responsibilities and the financing of its budget to ensure its independence and the sovereignty necessary to carry out its work. All Senior and middle management positions of the ARE should be filled with people whose skills and ethics are unquestionable.

To be fair and effective, it is essential that the regulator operates with specific guidelines and protocols a more reliable and transparent network in which con-

tractual agreements are strictly honoured. It must be made clear that it is not ARE's duty to ensure the companies in charge of the power sector are profitable, only that the tariffs are fair and transparent. The regulated companies are responsible for proper management, collection of monthly invoices, and maintenance to operate a profitable company.

2. The institution of ANSER runs the risk of being a budget-eater based on the law on the liberalization of the electricity sector whereby every private operator has the option to develop production and transmission facilities to fill SNEL's shortfall.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Chamber's CSR Committee has made improvements in mining practice in the DRC its hobby-horse. In planning its activities for the year 2016, the CSR committee continues to pursue tripartite dialogue in the mining sector in conjunction with the German Development Cooperation (GIZ). It supports the initiatives taking place up until July 2018 in respect of multi-stakeholder dialogue on the mining sector at the national level, particularly at South Kivu.

During this planning, GIZ announced its support for proposed multi-stakeholder dialogue which is to commence soon in eastern DRC, including North and South Kivu along the lines of Katanga's Idak, which started in February 2011. The intention is to extend the topics of discussion beyond the issues related to socio-economic impacts of industrial mining on communities.

The CSR Commission

The Commission has drafted its plan for CSR reporting guidelines, to be published by the end of the first half of 2016.

A delegation of the CSR Committee of the Chamber of Mines was sent to Kinshasa in an explanatory mission with the support of the German cooperation project GIZ's Good Governance in the Mining Sector.

The delegation met with FEC / Kinshasa, the Deputy Chief of the Ministry of Mines, members of national civil society, members of parliament, members of the National Socio-Economic Council, the mirror committee of ISO 26000, the Congolese Control Office (OCC), and other stakeholders, to increase the visibility of this guide.





Attendees at the 22nd IDAK session

Working Group on Voluntary Principles

Some Chamber members participate in the working group's activities on the Voluntary Principles on Security and Human Rights, a tripartite working group supported by the Swiss Embassy, the international focal point. Several mining companies have already joined Voluntary Principles and attend monthly meetings. The working group meets organizations from civil society, security officials and human rights in mining companies and public institutions.

The Idak platform

Members of Idak attended the planning workshop on the activities for 2016. There are four main activities:

- Organization of the plenary,
- Establishment of technical units;
- Participation in events related to sustainable development of extractive industries;
- Strengthening capacity of the Steering Committee members.

As the platform for tripartite dialogue in the mining sector, Idak organized the first 2016 plenary which was also its fifth anniversary. The topic related to the socio-economic effects of price volatility of copper and cobalt in the international market. Recommendations were made.

An electronic database on the achievements and experience of the Idak was presented, which includes data on the CSR Committee and the CSR Guide for mining com-

panies in the Katanga region.

This session was attended by the Vice President of FEC in charge of Mines, Mr. Simon Tuma Waku. By applying the rotating presidency following five years by the government, the "private sector" component is to take the reins of the platform. TFM currently holds the CSR Idak Presidency for the year 2016.

The Steering Committee (SC) of Idak was renewed and now is composed of 12 members, four delegates for each of the three components (government and public administration, civil society and private sector), in accordance with the rules. To ensure the involvement of the governmental contingent, the PC will admit two representatives of governments from the four provinces of the former Katanga and two government representatives who are enduring rather than political. Thus, the plan of division head and representative of the mining division are already mandated.

During the first quarter, Idak set up the Technical Unit "Strengthening and promotion of children's rights in the mining sector in the Katanga region" in partnership with UNICEF following the recommendation of the Idak plenary of June 2015 on the theme: "Children - a case of all: protection and promotion of children's rights in mining areas."

FORTHCOMING EVENTS

Mining Week DRC

8 to 9 June 2016 at Pullman Lubumbashi
Grand Karavia, Lubumbashi.

Info: www.drcminingweek.com



DRC MINING WEEK EXPO & CONFERENCE

8 – 9 June 2016
The Pullman Lubumbashi Grand Karavia Hotel, DRC
7 June: Pre-conference | 10 June: site visits
8 June: DRC Mining Week Awards

DRC's largest mining expo of its kind

REGISTER NOW!

Message of support to KCC

Following the landslide in March this year at Kamoto Copper Company (KCC)'s KOV pit, in which seven people lost their lives, members of the Chamber of Mines of the Federation of Congolese Enterprises (FEC) and its president present their deepest condolences to the families, staff and the management of the company. This tragic situation serves to remind how health and safety rules are essential in the mining sector.



BECOME CHAMBER OF MINES (FEC) MEMBER

For membership requirements, please:
Nanou Nsuku: nnsuku.nn@gmail.com (Kinshasa)
Therese Mwape: ttmwape@gmail.com (Lubumbashi)
tel: +243 99 766 2186 / +243 81 092 7814

For further informations:

j.nkono@fec-rdc.com

www.chambredesminesrdc.com