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13th January, 2016

To: ICGLR Stakeholders, Donors
and International Organizations

SUBJECT: ICGLR OPEN LETTER ON MINERAL MARKET CRISIS

The International Conference on the Great Lakes Region (ICGLR) is an inter-governmental organization of the countries in the African Great Lakes Region. The ICGLR is composed of twelve member States, namely: Angola, Burundi, Central African Republic, Republic of Congo, Democratic Republic of Congo, Kenya, Rwanda, Republic of South Sudan, Sudan, Tanzania, Uganda and Zambia. Its creation was motivated by the fact that political instability and conflicts in these countries have a considerable regional dimension and thus require a concerted effort in order to promote sustainable peace.

At its inception, it was also fully recognized particularly at the international level that natural resources, especially Tin, Tantalum, Tungsten and Gold referred to as "Conflict Minerals" under the Dodd-Frank Consumer Protection Act (1502), were used by illegal armed groups to fuel and sustain conflicts in the Great Lakes Region. All ICGLR Member States have felt some international market pressure to demonstrate how their 3Ts and/or gold supply chains are responsibly managed. As a concerted and regional solution, the Pact on Security, Stability and Development signed in Nairobi on 15 December 2006 and the Protocol against the Illegal Exploitation of Natural Resources committed all 12 Member States to implement the six tools of the Regional Initiative on the fight against Illegal Exploitation of Natural Resources (RINR).

To date, considerable efforts have been made by the ICGLR Member States and Secretariat in the implementation of the Regional Certification Mechanism (RCM), which is at the heart of the Regional Initiative. The Democratic Republic of the Congo, Rwanda, Burundi and Uganda are further advanced in the implementation of the Regional Certification Mechanism.

The ICGLR Certificate which is now being issued in DRC and Rwanda serves as the assurance to all that a mineral shipment is conflict free, and meets all other ICGLR standards.

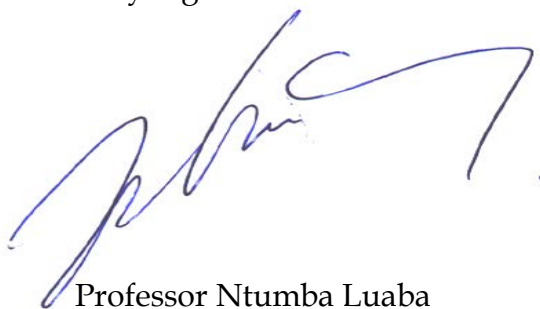
Among other pillars of the RCM, the progress made today has been possible thanks to traceability and due diligence programmes such as iTSCi, Geotraceability, Better Sourcing Programme, and others, which have really contributed to guarantee “conflict free” tin, tantalum and tungsten (3T). These traceability and due diligence programmes have been mostly funded by upstream industry over the past 5 years.

However, the recent fall in metal prices throughout 2015 is a serious threat to the sustainability of these initiatives. It is now reported that from 2011 to 2014, metal and mineral prices have decreased by more than 35%. Consequently, the considerable drops in production of 3T minerals in the region will decrease financial contributions from upstream industry to these traceability and due diligence programmes as they are normally funded on the basis of tonnages.

Furthermore, if no alternative solutions to the funding of traceability and due diligence programmes are found, their operations may stop in most areas of the region, which will not only lead to deterioration of local livelihoods and national revenues and affect the whole mineral trade both at upstream and downstream levels, but also will revive illegal exploitation of natural resources in the Great Lakes Region. Such situation will inevitably result in lack of control over armed groups’ linkages with illicit trade in 3Ts and gold and this is a great threat to peace and security in the region.

The ICGLR Secretariat is therefore calling upon downstream industry, donors and all peacemakers to financially support the Regional Initiative on the fight against Illegal Exploitation of Natural Resources, including traceability and due diligence providers, as the best way to promote and encourage responsible sourcing and trade in minerals (3Ts and gold) from the Great Lakes Region. By doing so, they will have contributed to Security, Stability and Development in the Great Lakes Region.

Please accept the assurances of my highest consideration.



Professor Ntumba Luaba
EXECUTIVE SECRETARY