



International liaison, dialogue and research

The Southern African Liaison Office (NPC)

Liesbeek House, River Park,
Glocester Road, Mowbray, Cape Town 7700

Tel: +27 (021) 680 5306

Email: info@salo.org.za

www.salo.org.za

Reg no: 2006/020285/08

Building International, Regional and National Consensus

*A workshop on the role of the Kimberley Process in addressing
conflicts in Africa: special focus on
the Democratic Republic of Congo (DRC)
and the Central African Republic (CAR)*

Date: Tuesday 12 November 2013
Time: 9.00 am to 12.30 pm (followed by lunch)
Venue: Burgers Park Hotel, 424 Lilian Ngoyi St, Pretoria

SALO would like to thank the European Union (EU) through the SA-EU Dialogue Facility



and the Royal Norwegian Embassy, Pretoria; Irish Aid and the Embassy of Ireland, Pretoria;
the Embassy of Denmark, Pretoria;
and OSISA, among others, for their ongoing support of the Policy Dialogue Series.



Policy Dialogue Report No. 21

The Role of the Kimberley Process in Addressing Conflicts in Africa: Special Focus on DRC and CAR



12th November 2013, Pretoria

Executive Summary

The workshop was convened to discuss the role of the Kimberley Process (KP) in Africa within the context of resurgent armed conflicts in the Great Lakes Region, particularly countries of Central African Republic (CAR) and the Democratic Republic of Congo (DRC). The workshop sought to generate conversation and increase understanding among stakeholders on the role that diamonds continue to play in these conflicts and how the KP can complement other conflict prevention and peace building initiatives to create sustainable peace in this region. Participants were drawn from the South African Government, diplomats, civil society and members of the diamond industry. It consisted of two sessions, chaired by Ambassador Welile Nhlapo (former KP Chair (SA)) and Ms. Molly Dhlamini (SALO's Projects Manager) respectively. Speakers included the DRC Ambassador to SA Hon Ben M'Poko and Ambassador Roeland van der Geer of the EU in the first session and Dr. Showers Mawowa (SALO) and Dr. Claude Kabemba from the Southern African Resource Watch (SARW) in the second session. There was also a special input from Mr. Azizi Pahad, former SA deputy Minister of Foreign Affairs. Miss Lineo Chabana, SALO's stakeholder liaison officer gave the welcome and closing remarks on behalf of SALO. The purpose of this report is to summarise the main points made during the discussion.

Summary of Presentations

Chair: Ambassador Welile Nhlapo

Ambassador Welile Nhlapo began by thanking the organizers as well as ambassadors M'Poko and Roeland van der Geer for accepting SALO's invitation to speak at the event. He also gave a brief history of the KP, how it operates, its core mandate and the context within which it operates. He emphasized the tripartite nature of the KP as composed of governments (both primary producing countries and countries that are involved in the beneficiation of the diamonds), the diamond industry (at various levels of the value chain) and civil society pointing out that each stakeholder has a



set of interests and challenges to be considered.

Ambassador Ben M’Poko



Ambassador Ben M’Poko stated that from the viewpoint of his country, the KP had been very successful. The Ambassador recapped how the KP was formed and acknowledged the role played by various actors in particular Global Witness for “raising the *red flag*” about conflict diamonds. He said that the KP was established to stop the illegal flow of diamonds and take them out from the hands of rebels and channel them into a legal process, into a legitimate market.

The Ambassador observed that the high prevalence of informal, artisanal and small-scale diamond mining in the DRC and most African countries such as Angola and Sierra Leone makes it difficult to police the production and trade of diamonds. In the DRC the state accepted artisanal and alluvial diamond mining by villagers who would sell to generate income for their households, until those same resources fell into the hands of rebels. He opined that, in the DRC, rebels were being armed and used by outside forces wanting access to the country’s mineral wealth. The dilemma with the DRC, according to the Ambassador, was that the diamonds were produced in Congo, but they were not being exported by Congo itself, instead they found a way through the borders to neighboring countries from which they were exported. He gave an example,

You find that the situation even today regarding minerals, where a country doesn’t produce, for example, a single carat of diamonds yet is a major exporter of that commodity. So that meant that then the Kimberley Process had to track those countries and punish them, which is why countries like Congo Brazzaville and Ivory Coast were punished.

Ambassador M’Poko also commented on the KP’s handling of diamonds from Zimbabwe and how much pressure was put on the DRC during its tenure in 2011 “to ban diamonds from Zimbabwe”. However, a KP review visit cleared Zimbabwe. Those who had raised concerns about Zimbabwe were asked to define the term *conflict diamond*. In his view, “It was somebody’s imagination because, of course, Zimbabwe was being punished for its political stand. It was a political issue not a Kimberley Process issue. So we took the stand that, ‘no, we cannot mix those two’. Kimberley Process is Kimberley Process, politics is politics.”

The Ambassador stated that there were currently no more conflict diamonds in the DRC and thanked the Kimberley Process for helping the DRC achieve this. “But as I say, unfortunately there are other minerals now that have replaced the diamonds in terms of the conflict products.” He pointed to the problem of *conflict gold*, *conflict Coltan* and other minerals in the DRC and requested for the KP to be extended to cover other minerals. The Ambassador called for a process of **traceability and a tightening up of control mechanisms** in order to discourage the illicit trade of minerals.

Ambassador Roeland van der Geer

Ambassador Roeland van der Geer’s observations on the KP were from the perspective of the European Union (EU). He spoke about the KP’s objectives, questions of reform and the EU’s role within the KP. He compared the EU to the KP by explaining that both of them bring together different stakeholders, and explained how the EU greatly cherishes the tripartite character of the KP. He went on to admit that whilst bringing together stakeholders is one of the strong points of the KP; it was also the most difficult. The Ambassador underlined the importance of understanding the whole value chain in the diamond industry for



the KP to work efficiently and effectively. The Ambassador reminded participants about the Botswana High Commissioner's remarks at SALO's January 2013 workshop on the important contribution a well-regulated diamond industry has made to his country "...and he said, *"Had it not been for the diamond industry, I would not have been here myself, educated to take the position of the Botswana High Commissioner"*".

The Ambassador stated that for the EU and also for the African Union (AU), conflict prevention always was at the heart of the KP process. He noted that South Africa has always voiced the importance of stamping out the root causes of conflict and not to simply rely on military solutions. The KP, he observed, is important for conflict prevention, the promotion of good governance and transparency in natural resource management in general, because in cases where these are not addressed, conflicts tend to come back. He also stressed the importance of a regional approach to dealing with conflicts pointing out that this *"... will increase the quality of the process, the knowledge of the process, because you can't just look at the whole of Africa, at the whole of the world, and apply the same concepts without having to work them out on a regional basis."*

The EU, he said, supports the implementation of the Washington Declaration on Artisanal Diamond Mining. On behalf of the EU he used the opportunity to welcome China as the next chair of the KP.

"We should of course, all see that in the world in 2013, the centers of production are no longer at all, all Europe; it's worldwide.... This is a truly global challenge and it requires a truly global approach."

In addition, the Ambassador remarked that the KP is unique and has a tough characteristic to it.

"You need a strong chair - you need the type of chair that Ambassador Nhlapo is; democratic, but ruthless if needed to get order - and at a certain moment decisions have to be taken and countries, the industry and NGOs will have to accept that. We cannot talk forever."

Ambassador Roeland van der Geer also alluded to the OECD (Organization for Economic Cooperation and Development) as an important player in the process of curbing illegal exploitation of minerals and making sure this stays on the international agenda. He concluded by stating that he remains optimistic and is forward-looking but not naïve. The Ambassador acknowledged the work left to be done by the KP and reiterated the need to be prepared to deal with uncooperative stakeholders.

Open discussion for session 1

While inviting reactions from the floor, **Ambassador Nhlapo** reminded participants that there are **eighty-four countries that are members of the KP** and anyone can join on condition they are able to relate to the situation. He mentioned that there are transit countries, which neither produce nor benefit, but only transit thus seek membership in order to deal with diamonds that sometimes flow out from their neighbors.

Among issues raised from the floor was the cry that **most African countries are resource-rich but citizens are poor**. In response, **Ambassador M'Poko** said that part of the solution lies in increased beneficiation instead of exporting raw materials which creates wealth and jobs elsewhere. This, he said, is not easy but is doable. He cited *"resource-poor countries that are very rich. Japan.... South Korea"* and asked the question *"...what does Singapore have as resources? Zero. But look where Singapore is and look where we are on this continent. So it's an issue we need to take seriously and we need to address it and address it soon."* **Ambassador van der Geer** added his voice on

the issue of beneficiation, noting that around 50% of RSA's exports to the EU are value-added, manufactured goods and not raw commodities. He pointed out that there is a huge potential for Africa to benefit natural resources.

Ambassador M'Poko also commented on the request for the KP to do more, saying this was an indicator that the KP has been successful, but warned against overloading the initiative. On the question of violations of labour rights, **Ambassador Roeland van de Geer** stated that the issue should be addressed in other national and international fora.

Wrapping up the session, **Ambassador Nhlapo** addressed the question of KP applying sanctions by clarifying that the KP does not have a policy of applying sanctions on any country per se, but works with the UN sanctions committee where relevant.

SECOND SESSION



The chair **Ms. Molly Dlamini** introduced the panel of the second session.

Dr. Showers Mawowa

He presented a paper entitled “The Kimberley Process (KP) and African Conflicts – Special Focus on the Central African Republic (CAR)” ([click here for the full paper](#)).

Dr. Mawowa’s presentation highlighted the challenges that the KP faces in dealing with countries with very little or no state capacity such as the CAR. He argued that, though the KP is a tripartite platform, states are the main actors within the KP – they make the decisions and implement. Dr. Mawowa observed that for the KP to function properly, one has to assume “...that states have the will and capacity to implement the KP”. He however challenged this premise, “*This assumption, and its concomitant doctrine of sovereignty and non interference, though central to the workings of the KP, presents serious limitations when it comes to weak states, who may be KP members*”. While the KP was set up to stop rebels from challenging legitimate governments, the KP seemed to legitimise rebels once they have captured state power.

What happens once a rebel movement captures state power, creates a new constitutional order and restores some level of serenity in the internal control system? In 2003, after a coup the KP suspended CAR but these sanctions were lifted after internal controls had been ascertained. The precedent here is that once a rebel movement effectively takes over power, it becomes the government and the KP cannot pursue the sanctions any further.

This he argued stems from the state centeredness of the KP that it works with existing governments no matter the means through which they come into power. He also observed that though the KP has a clear working relationship with the UN, this is not the case with AU.

Dr. Mawowa pointed out that without strong and accountable state institution it is difficult to implement the KP. He also identified a number of structural and historical factors that combine with weak state institutions in making it very difficult to ensure compliance with KP and prevent the conflict in the CAR. These include historical baggage from the Cold War and colonial rule, cross border movement and regional geo-politics; as well as porous borders that facilitate illegal diamond trade, militarised politics and ethnic tensions among other issues. He observed



that in CAR, the weak state-instability nexus created a vicious cycle of coups and civil wars. This nexus and vicious cycle, he opined, explains “...the difference between stable and successful diamond producing countries on one hand and those prone to conflict on the other”. He quoted Stiglitz’s argument that, “... unless you get the institutions right keep resources in the ground”.

Dr. Claude Kabemba



Dr. Kabemba shared what he thought was Civil Society’s current thinking that the KP needs to move with time. According to him, society today faces governance issues, which have to do with human rights, social issues, and ensuring that natural resources have a human face. Therefore he opined that the KP needs to be dynamic and relevant, not only to the members of KP but to the citizens of the resource-rich countries.

"Most of the conflicts that catalyzed the creation of the KP have ended and we are facing new challenges in the sector - not only in the diamond sector, but across the whole natural resource sector."

He observed that politics determine how resources are extracted and used. Dr. Kabemba stated that if resources are not contributing to the socio-economic upliftment of citizens, it is because of the political system that is in place. His view was that, “...ending conflict is critical but not sufficient, diamonds should contribute to socio-economic development of the countries”. He echoed Dr. Mawowa’s views by stressing that resources which are not controlled by an effective state are prone to be captured by negative forces, both internal and external, with the DRC and CAR as examples. He went further to cite SA, Namibia and Botswana as examples of what happens when resources are under the control of an effective state. Thus the KP, Dr. Kabemba argued, needs to address the effectiveness of the state in order to be relevant in the DRC and CAR.

Dr. Kabemba said that the KP cannot claim victory when the people in these countries continue to live in poverty. It was his hope that the KP becomes a part of an arsenal of global mechanisms, which includes the Extractive Industry Transparency Initiative (EITI), the Global Compact, the OECD Guidelines, and the Equator Initiatives to improve the situation of conflict minerals.

Mr. Aziz Pahad applauded KP stakeholders for being able to honestly discuss issues even though this is sometimes done in an antagonistic and confrontational manner. The former minister said he was encouraged by the fact that issues are no longer discussed as ‘them and us’, and that the tripartite partners are trying together to find mutually beneficial solutions.

He underscored the link between conflict and under-development, by saying, “... it is quite clear . . . it’s a truism to state again that conflict and under-development are inextricably linked”. His view was that the KP needed to deal with issues of labor relations, corporate responsibility, the utilization of the countries’ resources, corruption and good governance.

He warned, however, against putting unrealistic expectations on the KP. He echoed Ambassador van der Geer on the need to strengthen the regional approach, improve implementation and reinforce links with civil society and other



stakeholders. On other issues relating to KP reform such as the Washington Consensus and the definition of conflict diamonds he had the following to say, *"I believe these two issues have haunted us for many years and I don't want to believe that we are now at the stage when these two issues cannot be discussed in a way that lead us to finding common solutions."*

Open discussion for session 2

Speaking from the floor, one Dr. Katumba stated that strong institutions are not enough in war-torn countries because development economists have revealed that we also need developmental elites, people with a strong will, to develop their countries.

"For example in South Korea President Park Chung-Hee rose to power and catapulted his country into the club of rich countries in less than twenty years. So it's regrettable that KP is still remaining in reactive stance instead of a proactive stance in the CAR and other countries."

He then suggested that the KP lobby and groom developmental elites or future leaders.

In response, **Dr. Showers Mawowa** stated that in terms of the KP's mandate, it is not practical for the KP to start lobbying for the emergence of a developmental elite. **Dr. Claude Kabemba** stated that natural resources are Africa's comparative advantage, but Africa has no control on pricing and the belief that mining can create employment is a misplaced hope. Instead, Africa needs to focus on diversification of the economy and beneficiation as pronounced in the African Mining Vision (AMV) *"which all our African governments have signed up to..."* He cited the example of Botswana, where the state owns a 51% stake in a joint venture with De Beers and in August 2012 successfully moved diamond processing, sorting and trade from London to Gaborone. *"Botswana becomes a market for all diamond producing countries for cutting, polishing and selling diamonds..."* Dr. Kabemba went on to question why *"...none of the other producing countries of Africa are able to negotiate the deal that Botswana has negotiated? Those are critical questions. Why will De Beers act differently in Botswana and in South Africa?"*

Conclusion

Ambassador Nhlapo thanked SALO for organizing the workshop on the eve of the KP Plenary. The Ambassador noted that the South African parliament was engaged in a very serious debate on the matter of ownership of state resources and on the issue of beneficiation. He believed that there would be conflict between mining companies and the government. He also reiterated the role of the UNSC in maintaining peace and security in the world. Ms. **Molly Dlamini** thanked everyone for coming and participating.

The analysis and recommendations included in this Policy Dialogue Report do not necessarily reflect the view of SALO or any of the donors or conference participants, but rather draw upon the major strands of discussion put forward at the event. Participants neither reviewed nor approved this document. The contents of the report are the sole responsibility of SALO, and can under no circumstances be regarded as reflecting the position of the donors who provided financial assistance for this policy dialogue session.

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The Southern African Liaison Office (SALO) is a non-governmental organisation which promotes informed process and debate about regional conflicts and crises. SALO does this by organising dialogue events and forums for informed discussion amongst key government and civil society actors from South Africa, the SADC region and internationally, as well as through advocacy, documentary media production, and research and analysis.