

# THE IMPACT OF EXTRACTIVE INDUSTRIES ON HUMAN SECURITY IN AFRICA

PAC has continued its work on the impact of extractive industries (especially diamonds) on human security in Africa. Research has been carried out in West and Central Africa in collaboration with African civil society organizations and workshops have been held in Kinshasa, Freetown, Conakry, Addis Ababa, Brussels and Ottawa. PAC is supporting national networks in Sierra Leone and DR Congo that are undertaking research, public education and lobbying on mining and natural resource issues.

In addition, PAC continues to work with African, European and North American civil society organizations to strengthen the Kimberley Process, which was launched in January 2003. PAC is a member of three of the Kimberley Process committees. In preparation for its participation in the Kimberley Process, Canada joined other countries in passing new legislation through Parliament. PAC gave evidence before the all-party Foreign Affairs parliamentary committee and PAC's work was cited during parliamentary debate on the draft legislation. In Addis Ababa, PAC organized a briefing on the Kimberley

Process for representatives from the African Union, the Economic Commission for Africa and African Ambassadors.

The following two articles describe some aspects of PAC's work on the impact of extractive industries on human security in Africa. The first article features the work of the civil society Natural Resources Network in DR Congo, a country which now has a real chance of freeing itself of the scourge of plunder and war. The second article describes the first hesitant steps of the Kimberley Process following its official launch.

on diamond exploration in the Kasai Oriental province. An Information Day on natural resources in the Congo was held.

Members of the Natural Resources Network collaborated with PAC in producing its 2002 study, *Hard Currency: the Criminalized Diamond Economy of the Democratic Republic of the Congo and its Neighbours*. CENADEP, the Natural Resources Network's focal point, is also one of two African civil society organizations participating in official meetings of the Kimberley Process. Its engagement contributes to the continuous improvement and effectiveness of the Kimberley Process.

The Natural Resources Network is a new and difficult initiative for Congolese civil society and it does, needless to say, encounter obstacles in the implementation of its work. There is a need to develop capacities and to reinforce the member groups in order to contribute to the suppression of illegal practices and transform the exploitation of natural resources into a real tool for economic development and social progress. Although there is now a peace accord in the Congo, the mechanisms that underlie the plunder of natural resources will probably remain for some time. The Natural Resources Network's programme is therefore a long-term one.

## INTERNATIONAL CONFERENCE ON THE GREAT LAKES REGION

While it would be a mistake to assume that the recent history of conflict in the Congo is at an end, there is for the first time in years a hope that the country is about to make a new start. External protagonists in the conflict – namely Rwanda and Uganda – have withdrawn most of their forces from eastern Congo. However, there are still many armed groups active in the east of the country that threaten long term peace.

Under an agreement signed in April 2003 in South Africa, a power-sharing transitional government of national unity has been installed in the Congo, setting up government institutions that had been devastated by more than six years of civil war. The transitional government, however, has yet to establish an independent electoral commission to oversee elections that are scheduled to be held 24 months after the government's installation. As part of this process,



the government must create conditions of stability, security and respect for human rights, which are essential for free and fair elections.

Restoring order and establishing proper control of areas previously under rebel administration, in such a vast country, has proved to be a rather slow process. It has become irrefutably clear that national solutions will need to be addressed in a regional context. There are strong cultural, linguistic, political, economic and social inter-linkages between people throughout the Great Lakes Region and across the borders with nine countries. As such, conflicts or instability affecting one country send shock waves throughout the entire region.

It is in recognition of these facts that an International Conference on the Great Lakes Region, endorsed by two UN resolutions in 2000, will be held in Tanzania in November 2004. Seven countries participating in the process leading up to the conference (Burundi, DR Congo, Kenya, Rwanda, Tanzania, Uganda, and Zambia) have been mandated to create national participation committees, led by national coordinators. The Congo has set itself apart from all other participating countries by appointing as a national coordinator a member of civil society, as opposed to a high-ranking government representative. This is a significant and important decision, for the active participation of Congolese civil society in the peacebuilding and reconstruction process is essential.

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To learn more about Congolese civil society :

*Donner sa chance au peuple congolais*,  
Baudouin Hamuli Kabarhuzza, Karthala, Paris, 2002

Visit the Civil Society Portal at: [www.societecivile.cd](http://www.societecivile.cd)

## THE KIMBERLEY PROCESS – YEAR ONE

2003 was a year of transition in the international effort to end conflict diamonds. After nearly three years of discussions and negotiations amongst governments, the diamond industry and concerned civil society organizations to develop a mechanism to stop the trade of conflict diamonds, the Kimberley Process Certification Scheme for Rough Diamonds (KPCS) came into effect on January 1, 2003. It would take most of 2003 to get the scheme up and running. At the end of 2003, South Africa stepped down from the Chairmanship of the Kimberley Process, a position it held since the first meeting in May 2000. Effective January 1, 2004, Canada takes on the role of Chair, with Russia acting as Vice Chair.

**Membership:** Member countries enacted diamond-specific legislation and regulations which were reviewed by a Participation Committee for compliance with KP minimum standards. Forty-one countries met the initial July 31 deadline for membership. In its continuing role, the Participation Committee deals with compliance issues and considers submissions from additional countries which want to trade in rough diamonds. In 2004, the Committee will likely have to deal with a membership request from Liberia – with a new government in place and the anticipated lifting of UN sanctions against Liberian diamonds, the country will want to (and need to) comply with KPCS standards in order to sell its diamonds to the international community.

**Statistics:** The Government of Canada developed a mechanism for the KPCS for gathering trade and production statistics which are to be posted to a website for information and analysis. Throughout 2003, however, there were delays in receiving data and posting the information for public scrutiny. This made data analysis, essential for the detection of conflict diamonds, impossible.

## EFFORTS TO CONTROL THE FLOW OF SMALL ARMS

Recent years have seen a dramatic increase in the trade in small arms to and within West Africa, much of it illicit and linked to the conflicts in countries such as Liberia, Sierra Leone, Guinea and Côte d'Ivoire. Fingers have rightly been pointed at the authorities in Burkina Faso and Liberia for their role in destabilizing their neighbours.

In 1998, at the instigation of Mali and with the support of the UN, West African countries established a Moratorium on the importing, exporting and manufacture of small arms. The Moratorium, however, has failed to achieve the desired impact, as the current conflict in Côte d'Ivoire demonstrates. There has been little effort to involve civil society in this process and some governments have ignored their obligations.

Other regions of Africa, such as Central Africa and the Horn of Africa, are affected in a similar way. Numerous intra-state conflicts, often linked to the control of natural resources, are being fuelled by a

**Monitoring:** A mechanism for regular independent monitoring of national control mechanisms remained an outstanding issue for most of 2003 and was partially resolved at the KPCS Plenary in October 2003. Prior to the meeting, extensive work by the Monitoring Committee, of which PAC is a member, resulted in a proposal which was considered by the Plenary. A version of this agreement was accepted – the plenary agreed to a voluntary peer review system to evaluate how countries are implementing their diamond control systems. The Democratic Republic of the Congo, the Republic of Congo, Lebanon and Mauritius volunteered immediately to receive a review mission. While not the compulsory system favoured by NGOs, the new approach is expected to build confidence in the basic concept of monitoring, and all governments will be expected to indicate whether or not they will invite a review mission over the next two years. Those that do not volunteer will undoubtedly attract attention.

Is the Kimberley Process having the desired effect? Has the trade in conflict diamonds been stopped? It's still too early to say. Governments have put in place better mechanisms to control the trade of diamonds. In Sierra Leone and the Democratic Republic of the Congo, two countries where PAC has studied the impact of conflict diamonds, official diamond exports increased significantly in 2003 – by 55% and 62.5% respectively – one indication of strengthened official control. But smuggling still occurs – a sign of problems on both the export and import side of the equation. Members of the KPCS will need to address loopholes in their national control mechanisms. And NGOs will continue to monitor how the system is working and press for improvements.

**Susan Isaac**  
Partnership Africa Canada

never-ending supply of cheap and lethal small arms. Many of the major arms exporters in the North are the destination of much of Africa's natural resources, with the five permanent members of the UN Security Council manufacturing the great majority of the world's weapons.

PAC is a member of the Small Arms Working Group (SAWG) of the Canadian Peacebuilding Coordinating Committee, which brings together Canadian peace and development groups. Through activities such as awareness-raising workshops and dialogue with government, the SAWG aims to help Canadians take a more informed and stronger stance with respect to the arms trade.

For information about efforts to control the arms trade visit the following web sites:

[www.controlarms.org](http://www.controlarms.org)  
[www.iansa.org](http://www.iansa.org)  
[www.ploughshares.ca](http://www.ploughshares.ca)



## NEW PUBLICATIONS IN 2003

- > *Other Facets*, a periodic newsletter about the international effort to end diamond-related conflict
- > *Diamonds in the Central African Republic: Trading, Valuing and Laundering*, Christian Dietrich, January 2003
- > *West Africa: Rocks in a Hard Place. The Political Economy of Diamonds and Regional Destabilization*, Lansana Gberie, May 2003

- > *Motherhood, Apple Pie and False Teeth: Corporate Social Responsibility in the Diamond Industry*, Ian Smillie, June 2003

All PAC publications are available in full on PAC's web site: [www.pacweb.org](http://www.pacweb.org)

They may also be obtained by contacting PAC at: [info@pacweb.org](mailto:info@pacweb.org)

## STATEMENT OF REVENUE AND EXPENDITURE FOR 2002-2003

at March 31, 2003

REVENUE	2003	2002	EXPENSES	2003	2002
Canadian International Development Agency	\$326,660	\$315,639	Administration and program support		
Department for International Development (U.K.)	59,682	37,627	Canada	97,273	113,071
Department of Foreign Affairs and International Trade		45,463	Africa	23,459	28,358
MacArthur Foundation	182,717	93,419	Projects	544,339	465,966
Non-government organizations	78,223	102,340	Total	665,071	607,395
International Development Research Centre	11,075		Excess (deficiency) of revenues over expenses	9,277	(2,622)
Interest	817	5,579	Net assets at beginning of year	(3,995)	(1,373)
Membership fees	600	1,250	Net Assets at End of Year	5,282	(3,995)
Other	14,574	3,456	A complete version of the Audited Statements by <i>McIntyre and Associates</i> is available from Partnership Africa Canada.		
Total	674,348	604,773			

## VISIT PAC'S NEW WEB SITE

PAC's web site has been revised, with new sections giving links to African civil society organizations and other African resources. There is a special section on NEPAD and civil society's reaction to it. There are also extensive

links to documents and organizations with respect to various development issues in Africa.

Visit PAC's web site at [www.pacweb.org](http://www.pacweb.org) for links to Africa and for more information about PAC's work.

## COLOURS OF AFRICA

The *Colours of Africa 2003* festival brought new African feature films to the Ottawa-Gatineau region from Algeria, Guinea Bissau, Morocco, South Africa and Tunisia. This was the festival's third year.

Yamina Bachir Chouikh, director of *Rachida*, a drama set in Algeria's recent civil war, presented her film in person and received a standing ovation from a packed theatre. A special evening on HIV/AIDS featured the Treatment Action Campaign in South Africa and was followed by a panel discussion.

The *Colours of Africa 2003* festival was organized by PAC and the Colours of Africa working group, in collaboration with the *Vues d'Afrique* film festival. The Colours of Africa 2004 festival will be held in April. The festival programme is available at [www.coloursofafrica.ca](http://www.coloursofafrica.ca) or at [www.pacweb.org](http://www.pacweb.org).

Please support the festival in any way you can. Volunteers welcome!

## NEW PARTNERSHIP FOR AFRICA'S DEVELOPMENT

PAC has collaborated with CRDA, the Ethiopian NGO consortium, in organizing two workshops on NEPAD for civil society organizations from Ethiopia and other African countries. These workshops have underlined the need for greater education and mobilization with respect to NEPAD so that African civil society organizations can play a more active role in dialoguing with their governments. PAC and CRDA have responded to this challenge by preparing an educational booklet about NEPAD, to be published in 2004.

It will explain in simplified terms what NEPAD is and introduce readers to the debate around NEPAD.

From the outset, PAC has campaigned for resources to be made available for African civil society organizations to undertake activities on NEPAD. CIDA has created a special fund for this purpose – the NEPAD Outreach Fund. African organizations can apply for funding to Canadian diplomatic missions in Africa. See full details at: [www.acdi-cida.gc.ca](http://www.acdi-cida.gc.ca)

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# YEAR IN REVIEW

## 2002-2003 Partnership Africa Canada



Flora MacDonald

### Canada can do more

The 1990s was a decade in which various crises in Africa deepened, especially the HIV/AIDS pandemic and intra-state conflict. The irony and tragedy of this is that it was also a decade in which aid flows to Africa from industrialized countries were substantially reduced. Canada was no exception, with ODA levels dropping from 0.49% of GNP to 0.25% of GNP during the decade.

In response to the New Partnership for Africa's Development (NEPAD) initiative and in the face of continuing crises in Africa, Canada has shown leadership in promoting NEPAD and Africa through the G8 and other fora. Canadian ODA is set to rise by 8% a year from 2003, doubling by 2010, with half of this going to Africa. CIDA's new ODA policy places considerable emphasis on social development: health and nutrition, HIV/AIDS, basic education and child protection. In addition, Canada has removed quotas and tariffs on imports from the poorest 48 countries, most of which are in Africa, and is proposing to meet the OECD-DAC recommendation for untied aid.

Partnership Africa Canada, whilst applauding the fact that Canadian ODA levels are now finally increasing, would argue that the increases will take too long to have the desired impact on major crises affecting much of Africa. Moreover, in the aftermath of the war in Iraq, we are concerned that resources may be steered away from support to Africa. Canada should vigorously reinforce the multilateral agenda, ensuring that, for example, international programmes such as the Global Fund to Fight AIDS, Tuberculosis and Malaria are adequately supported. In the twenty-first century, it is simply unconscionable that we can stand aloof and watch tens of millions of children in Africa become orphans, as HIV/AIDS and other illnesses decimate young adults – teachers, health workers, farmers, mothers. Life expectancy in many African countries is tumbling and Africa's future well-being is under threat.

In the aftermath of the collapse of trade negotiations at Cancun, it is clear that current measures being adopted by Africa's trading partners (on tariffs and quotas) will have only a very limited impact on Africa's industrial production and trade. Canada should encourage the richer industrialized countries to help foster much greater economic production within Africa, supported by domestic and international trade policies that, rather than discriminate against African countries as at present, actually help promote exports from Africa.

Many African governments are now beginning to inform their peoples about the implementation of NEPAD, but we are concerned about the real involvement of civil society in this process. In some countries, where conflicts are ending, NEPAD is still unknown and great efforts will have to be made to inform people about it. Civil society organizations have to build their capacity to support the implementation of specific NEPAD programmes and policies, such as the crucial Peer Review Mechanism.

In the coming years, Partnership Africa Canada will redouble its efforts to promote collaboration between Africa and Canada to help bring about people-centred sustainable development in Africa. We would urge you to do the same.

**Hon. Flora MacDonald**  
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