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President Joseph Kabila (2001-present) appoints a new coalition government of national unity that includes seven members of opposition parties and 41 of his own allies. The coalition strengthens Kabila's short-term grip on power in the Democratic Republic of the Congo (DRC). Representatives of southern and central African governments issue a declaration on the security situation in eastern DRC following a worsening security situation in December with further killings in Beni, North Kivu province. The United Nations (UN) reports that violence has increased in Katanga province in 2014, displacing 600,000 people. Ongoing infrastructure deficits continue to have wider business knock-on effects, including textile company Sotexki declaring bankruptcy and copper miner Glencore Xstrata reporting big losses. The United Kingdom announces \$150m in aid to fight corruption in DRC at a series of meetings on the subject in Kinshasa.

President Kabila appoints long-awaited government of national unity

President **Joseph Kabila** (2001-present) appointed a new coalition government of national unity on 7 December. The appointment came 14 months after a national consultation forum promising the new government had ended in October 2013. The new government ends months of speculation, rumours and delays, which had created a political gridlock and had hampered the ability of the **Democratic Republic of the Congo (DRC)**'s government to function.¹

Prime minister **Augustus Matata Ponyo** kept his job, but lost most of his technocratic allies who had controlled important portfolios, including the finance ministry. The loss of technocrats marks a shift in the relationship between the prime minister and president.² Following Kabila's controversial re-election in 2011 and his inability to build a cross-party coalition in parliament, he appointed Matata prime minister in April 2012, charging him with revamping the economy. Matata had used the absence of an inclusive government to appoint a number of competent technocrats to cabinet positions.³ The new government features the heads of all major parties in the ruling coalition assuming headline ministerial roles.⁴ The short-term political gain of a unity government may therefore be at the cost of competency in several key portfolios.

According to sources in **Kinshasa**, Kabila and Matata had already fallen out before the government of national unity was agreed: "[Kabila's] doubts about his [Matata's] loyalty resulted in him being stripped of the different ministries that were [in practice] under his control."⁵ However, other sources said the change in relationship between president and prime minister was a result of Kabila's agreement with opposition parties and "a new political context calling for the president to extend his web of alliances and the ongoing security problems in **Beni** [eastern DRC]"⁶ (see below). An experienced DRC commentator said that the new government would not focus on bread-and-butter issues such as

¹ Reuters, 7 Dec 2014

² Source: political analyst with ties to President Kabila, Kinshasa

³ Congosiasa, 7 Dec 2014

⁴ Congosiasa, 7 Dec 2014

⁵ Source: DRC intelligence, Kinshasa

⁶ Source: senior political analyst with ties to President Kabila, Kinshasa

reform and rebuilding the country: *“This is now a government focused [simply] on keeping a coalition together.”*⁷

The 48-member government comprises just seven ministers from opposition parties. Kabila gave the relatively prominent (with their regional power bases) **Union des Forces pour le Changement (UFC)** and **Mouvement pour la Liberation du Congo (MLC)** important positions. **Michel Bongongo** of the UFC became budget minister. The secretary-general of the MLC **Thomas Luhaka** was appointed vice-president. The MLC expelled Luhaka on 8 December for accepting the vice-presidency but reinstated him a day later on MLC leader **Jean Pierre Bemba**’s instruction.⁸ Bemba is on trial in **The Hague** for war crimes allegedly committed in the **Central African Republic** in 2002 and 2003. President Kabila stands to gain from the tensions in the MLC and has worked for years to split the party; Bemba was runner up to Kabila in the 2006 elections and the two are implacable foes.⁹

Other opposition figures in the government are:

- **Daniel Madimba Kalonji** of the **Union pour la Démocratie et le Progrès Social (UDPS)**, the new minister of technology;
- **Jean Nengbangba Tshingbanga** of the **Rassemblement Congolais pour la Démocratie–Kisangani–Mouvement de Libération (RCD-K/ML)**, the new minister of engineering and technology;
- **Germain Kambinga** of the MLC, the new industry minister; and
- **Omer Egbake** of the MLC, the new urban planning minister.¹⁰

Kabila’s main allies were rewarded with key portfolios:

- **Willy Makiashi**, secretary general of the **Parti Lumumbiste Unifié (PALU)**, Kabila’s main political allies, was appointed deputy prime minister and labour minister;
- **Eugène Serufuli**, leader of the **Union des Patriotes Congolais (UPC)** was appointed rural development minister. Serufuli’s appointment is significant: he was a governor of **North Kivu** from 2000-2006 (which was key to Kabila winning that year’s election) and has influence to negotiate with **Hutu** rebel groups in the eastern regions;
- **Emile Ngoy Mukena**, the former governor of **Katanga** (Kabila’s home province), was named minister of defence, keeping the post in Katangan hands for another term;
- Other key allies, including **Olivier Kamitatu**, **Lambert Mende**, **Modeste Bahati**, and **Raymond Tshibanda** all kept their government jobs.¹¹

There remain sufficient tensions between Kabila’s group and the opposition to ensure that the new government will not be plain sailing. **Evariste Boshab**, general secretary of Kabila’s ruling **Parti du Peuple pour la Reconstruction et la Démocratie (PPRD)** was named deputy prime minister, interior and security minister. His appointment is unpopular with the opposition as he has been a vocal proponent of amending the constitution to enable Kabila to stand again as president. *“[Boshab’s appointment] calls on all the citizens of this country to become vigilant, if we want save this nation from possible demise.”*¹² On the other side, **Bolengetenge Balela**, of the **Mouvement Social pour le Renouveau (MSR)** party, a vocal opponent of constitutional change, was also brought into the government as land affairs minister.¹³

Some broader issues with the new government have generated criticism from local commentators. For example, the cabinet has only five women (10%) despite Kabila earlier promising that at least 30% of ministers in any new government would be women. In addition, the new ministers are not evenly spread across DRC’s provinces. There are nine ministers from Katanga, but just one from **Bas-**

⁷ Source: experienced DRC commentator, Nairobi

⁸ Reuters, 8 December 2014

⁹ Source: senior think-tank analyst, Kinshasa

¹⁰ Congosiasa, 7 Dec 2014

¹¹ Congosiasa, 7 Dec 2014

¹² Source: opposition leader, Kinshasa

¹³ Congosiasa, 7 Dec 2014

Congo, the populous province of **Kinshasa**, the capital. **Bandundu** province, the base of key Kabila allies in PALU, has six ministers. In the east of the country, North and **South Kivu** also have three seats each.¹⁴ This breaks with a precedent which Kabila had applied to previous governments. According to political sources in under-represented provinces, local political groups are unhappy: *“This could be a source of trouble in the near future.”*¹⁵

The international community has greeted the new government with cautious optimism:

*“We are glad, he finally named the government.... A lot of projects were kept on hold since 2013, now we can all move forward.”*¹⁶

*“It is good news....but this government is made up of people that are preparing for a fight.”*¹⁷

Kabila remains defiant over international pressure on governance in the DRC. In a speech prior to a parliamentary session on 15 December, he told parliamentarians that he would not bow to foreign injunctions over how to govern the DRC. He also criticised opposition parties for looking to the international community to solve the DRC’s problems. International pressure has largely focused on suspicions that Kabila intends to extend his term in office, either by altering the constitution or by delaying elections (see *ARC DRC November 2014 Briefing*). Kabila still hasn’t announced whether or not he aims to contest the presidency again. However, commentators in the DRC agree that the new government is an indication of Kabila’s intention to remain in office:

*“The government reflects Kabila’s political ambitions to stay in power beyond his constitutional mandate.”*¹⁸

*“Kabila is strengthening his position to better fight the end-of-term electoral battles ahead.”*¹⁹

African nations meet to ‘guarantee’ peace and security in DRC

Government representatives of southern and central African countries met in **Addis Ababa, Ethiopia**, on 1 December to discuss the security situation in the DRC. **International Conference on the Great Lakes Region (ICGLR)** and **Southern African Development Community (SADC)** member states convened there for the first time as the **Guarantors of the Peace, Security and Cooperation Framework for the Democratic Republic of the Congo and the Region**. Their focus was the peace, security and cooperation (PSC) framework mandated by the **African Union (AU)**.²⁰ Among the governments and bodies represented were: **Angola, Zimbabwe and South Africa**, the AU and the **United Nations (UN)**.²¹

The Guarantors discussed the ongoing instability in North and South Kivu, where the Islamist **Allied Democratic Forces (ADF)** are still active (around Beni) and the disarmament of the Hutu **Forces Démocratiques de Libération du Rwanda (FDLR)** has effectively stopped.²² The Guarantors released a statement on 1 December calling on the Congolese army, the **Forces Armées de la République Démocratique du Congo (FARDC)**, and UN forces under the **Mission de l’Organisation des Nations Unies pour la stabilisation en République Démocratique du Congo (MONUSCO)** to *“take decisive action”* to root out all ADF combatants. They also called on the AU and the UN to offer all possible support to neutralise all remaining FDLR forces in eastern DRC if they did not disarm by the

¹⁴ Congosiasa, 7 Dec 2014

¹⁵ Source: political operative from a province that didn’t get a minister, Eastern DRC

¹⁶ Source: ambassador, Kinshasa

¹⁷ Source: senior diplomat, Kinshasa

¹⁸ Source: senior political analyst with ties to President Kabila, Kinshasa

¹⁹ Source: experienced DRC commentator, Nairobi

²⁰ Angola Press, 2 Dec 2014

²¹ Angola Press, 2 Dec 2014

²² Source: conflict resolution expert in a western embassy, Goma

deadline of 2 January 2015.²³ Sources in the DRC were not convinced that the Guarantors' meeting would have much effect on the security situation:

*"Making statements in Ethiopia is not going to change anything here in DRC. We need more men, more guns and better organisation in order to clean out these rebels....they cannot guarantee anything."*²⁴

The poor security situation in eastern DRC continued unabated in December. Militants perpetrated another massacre, this time in the village of **Ahili** in territory of Beni, North Kivu on 7 December. MONUSCO estimated that 32 people were killed in this most recent attack while media have reported at least 12 deaths.^{25, 26} The massacre was the third in a 30-day period in Beni²⁷ attributed to the ADF, a **Ugandan** Islamist insurgency operating in the **Rwenzori** mountains between the DRC and Uganda. The town of Beni and its surrounding areas have been subjected to repeated attacks and killings of civilians since September. The FARDC have claimed to have the situation under control, but have so far failed to stop further massacres being perpetrated:

*"Security forces have failed to come with a solution to end this continuing carnage."*²⁸

Violence in Katanga province has also increased in 2014. A report by the **UN High Commissioner for Refugees (UNHCR)** in November revealed that 26,000 people had been displaced from the so-called 'triangle of death' between the towns of **Manono**, **Mitwaba** and **Pweto** in northern Katanga during July and August.²⁹ The overall total of displaced people in Katanga has risen from 55,000 in 2011 to 600,000 in 2014. Armed groups, notably the secessionist **Bakata Katanga**, have been active in the region since the 1998 second Congo war. However, overall levels of violence have increased over the last three years.

*"The war in northern Katanga never stopped, there are no reliable figures for how many have been killed; but hundreds of thousands have fled....the DRC government, the media and the international community tend to ignore it."*³⁰

Katanga is Kabila's home province, and the source of much of the DRC's copper and cobalt reserves. However, the conflict takes place in the remote north, far from most mining operations (in the south of the province) and there is little political will in Kinshasa to expend political or financial capital to address it. MONUSCO – focused on the Kivus and the **Lord's Resistance Army (LRA)** problem further north – lacks the mandate or resources to do anything either. MONUSCO has only 450 troops stationed in Katanga, which is 497,000km² in area (about the same size as **Spain**) out of a total of 21,000 in the DRC as a whole.³¹

Poor infrastructure leads to business losses in 2014

Poor infrastructure in the DRC continues to hamper economic activity. Businesses across the country suffer from lack of basic utilities, especially power, and from lack of access due to the DRC's tiny and poorly-maintained road network. Much of the DRC is still only accessible by air.

Far from expanding, many DRC firms are struggling to survive. **Sotexki**, a **Kisangani**-based textile company declared bankruptcy and closed its operations in December. Sotexki is a former state-owned enterprise in which the government had retained a 39% stake.³² It had already been operating at less

²³ AU press release, 1 Dec 2015

²⁴ Source: FARDC officer, Beni

²⁵ Radio Okapi, 7 Dec 2014

²⁶ Reuters, 7 Dec 2014

²⁷ Radio Okapi, 7 Dec 2014

²⁸ Source: intelligence operative, Kinshasa

²⁹ Reuters: 14 Dec 2014

³⁰ Source: conflict resolution expert in a western embassy, Goma

³¹ RFI, 24 Nov 2014

³² Sotexki website, 2014

than 10% of capacity due to a lack of raw materials.³³ A contributing factor to the firm's closure was an ill-conceived attempt by the DRC government to upgrade infrastructure. A programme to rehabilitate the main **Ituri** bridge, without providing alternative means for materials destined for Sotexki to transit from Uganda, meant that the company could no longer maintain production. The company also suffered from a lack of investment.³⁴ Company sources say that the closure may not be permanent: *"We ran out of our supplies, leading us to temporarily close down the company."*³⁵

Mining company **Glencore Xstrata**, listed on the **London Stock Exchange**, has revised its initial 2014 estimates for copper output in the DRC down from 210,000 tonnes to 165,000 tonnes. The company cited poor electricity provision and frequent black-outs as the main reasons for the 21% decrease in output.³⁶ In November, the company had announced plans to renovate the **Grand Inga II** power station to supply its copper mines in Katanga (See *ARC DRC November 2014 Briefing*).

*"Hopefully with a new government in place they will be able improve the infrastructure situation....but there is not much hope that this will happen soon."*³⁷

UK government promises \$150m to fight corruption in DRC

Politicians, diplomats and members of civil society attended a series of meetings in Kinshasa to discuss solutions to corruption in the DRC, which is notorious for its corruption. Non-profit organisation **Transparency International** ranked the DRC 154th out of 175 countries in its 2014 **Corruption Perceptions Index**, making it the 8th most corrupt country in sub-Saharan Africa.³⁸

At a meeting on 11 December, **Tim Morris**, the acting **British** ambassador to the DRC, called on government institutions to be transparent in their financial transactions and the process of awarding contracts. He described corruption as a pandemic destroying the fabric of DRC society and pledged \$150m in British aid to support anti-corruption initiatives.

Mack Dumba, a DRC-based academic and one of the organisers of the events, used the meetings as a platform to promote the **Oslo-based Extractive Industries Transparency Initiative (EITI)**. According to Dumba, EITI has a proven record in *"rooting out corruption and its initiatives should be encouraged"*. DRC officials reportedly used EITI systems to trace \$85m missing from \$225m paid in 2012 by mining companies to the DRC's revenue service, the **Direction générale des recettes administratives, domaniales, judiciaires et de participation (DGRAD)**.³⁹

The DRC government has put some measures in place in an effort to reduce corruption, including clamping down on payments to 'ghost employees' – fictional workers created so that others could draw two salaries: *"The government has now put in place a direct deposit as a way to pay civil servants, saving the government millions of dollars that were paid to ghost employees."*⁴⁰

But, apart from this, few other concrete measures have been taken against corruption, especially grand corruption, even the cosmetic measures that Kabila's government has promised over the years: *"We were promised an anti-corruption Czar, but that has not materialised."*⁴¹

*"[The system we] inherited from our colonial masters [Belgium] is so embedded in all our walks of life that it would take an act of God to dismantle it."*⁴²

³³ Source: Sotexki executive, Kinsangani

³⁴ Source: Sotexki executive, Kinsangani

³⁵ Source: Sotexki executive, Kinsangani

³⁶ Reuters, 10 Dec 2014

³⁷ Source: political analyst with ties to president Kabila, Kinshasa

³⁸ Transparency International website, 2014

³⁹ Source: Professor Mack Dumba, Kinshasa

⁴⁰ Source: government official, Kinshasa

⁴¹ Source: opposition politician, Kinshasa

⁴² Source: economics professor at University of Kinshasa, Kinshasa

Implications

Kabila's new coalition government is a political exercise in compromise with the sole aim (from Kabila's side) of creating political legitimacy and a grip on power. Giving positions to key opposition political figures (rather than technocrats) makes it easier for the government to manage parliamentary business, which it cannot do through its own voting bloc alone. It also enables the government to appear more outward-facing – appealing to key populations in the run-up to elections. But it may undermine basic service delivery and effective management.

Even in its early days, the coalition seems unstable. It threatens to alienate as many regions of the DRC as it placates, due to the lop-sided representation from some provinces. Kabila has satisfied his backers in Katanga and allies in Bandundu, but other politically significant provinces (Bas-Congo and **Equateur**) have few seats at the table. Kabila will need to offer influencers in these provinces something tangible if they are to support any bid on his part to stay in power beyond 2016.

There are no signs that Kabila is backing away from his constitutional plans; rather, the rush with which the coalition has been forged suggests he fears he may be running out of time to push through the controversial constitutional amendments in time for 2016. The inclusion of vocal advocates both for and against the constitutional changes builds in a fault-line to the coalition that could crack if these are pushed through. However, for now at least, the fact of the coalition may placate some in the international community who found themselves unable to conduct normal business with Kabila after the 2011 elections, as evidenced by the **United Kingdom (UK)**'s decision to release \$150m in aid.

Kabila has succeeded – to some degree – in sowing divisions among his opponents. The MLC, previously his greatest political threat, are divided over the three ministerial positions they have been given. Bemba's decision to reinstate Luhaka from his holding cell in The Hague shows that he sees value for now in having an insider in the government. The UDPS is toothless without its leader **Etienne Tshisekedi**, who is in **Brussels** receiving medical treatment; many would argue that the veteran politician's time has passed anyway.

On the security front, efforts to disarm militant groups remain largely ineffective. The declaration at Addis Ababa just reaffirmed existing broad commitments and hides a complex picture of differing interests and ties. For example, Angola has significant holdings in the DRC's minerals sector, and Uganda wants to tackle the ADF on DRC territory. The reality is that none of the regional states have – or will commit – further resources to make a meaningful difference to the DRC's security. The flaring up of violence in northern Katanga, not even discussed at the Addis Ababa meeting, is another reminder of the lurking levels of insecurity that exist more widely across the country.

The closure of Sotexki shows how detached the DRC's politicking remains from bread-and-butter economic issues, like jobs and investment and the inherent risks facing even government-owned businesses. In the mining sector, where foreign investors congregate, the DRC's persistent infrastructure deficits – notably the roads and power generation – hit production and operating margins even during years when global mineral prices are high. When low, as at present, the whole sector begins to look vulnerable.

A major hindrance to infrastructure renewal is corruption. The UK's promise of further aid money to tackle it is unlikely to have any effect. Until there is leadership from the top and the political will to end grand corruption, the scope of corruption in the DRC may not even be properly understood let alone reduced. Innovative systems and processes, such as those pioneered by the EITI, may help at micro-level in improving the integrity of tax collection, for example, but offer no means of preventing officials, or even ministers, from spending the public purse for personal gain.

The DRC therefore enters 2015 in no better shape than it entered 2014.