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The Commission Electorale Nationale Indépendante announces an election timetable that schedules the next legislative and presidential elections for 27 November 2016. Opposition groups and the international community are concerned that President Joseph Kabila (2001-present) will try and extend his term despite this. The government moves forward with revisions of the 2002 Mining Code without consulting mining companies. Mine owners worry that an unfavourable legislative regime under a new code could discourage investment. The International Monetary Fund (IMF) predicts growth of 10.4% for the Democratic Republic of the Congo (DRC) in 2015, but analysts doubt whether the DRC's citizens will be able to directly benefit from this. The Forces Armées de la République Démocratique du Congo (FARDC) begin an offensive against the Forces Démocratiques de Libération du Rwanda (FDLR) in South Kivu without the support of Mission de l'Organisation des Nations Unies pour la stabilisation en République Démocratique du Congo (MONUSCO). MONUSCO suspended support to the FARDC after the government appointed two generals implicated in serious human rights abuses to oversee the operation.

CENI sets presidential elections for November 2016

The **Commission Electorale Nationale Indépendante (CENI)** has set a timetable for presidential elections in the Democratic Republic of the Congo (DRC), which are to be held in November 2016.¹ However, the political climate in the DRC is tense as people remain suspicious that President **Joseph Kabila** (2001-present) will try another tactic to extend his term in office. CENI director **Jean-Pierre Kalamba** announced on 12 February that legislative and presidential elections will be held on 27 November 2016 and a new president will be sworn in on 20 December 2016.²

The move came after pressure from opposition parties and the international community on Kabila not to extend his power beyond his term limits. The administration is still reeling from the demonstrations in January over an electoral law that contained clauses allowing Kabila to use a census to extend his time in office. The demonstrations paralysed the country for over a week, security forces killed at least 40 people, and many shops were looted. Eventually the senate and national assembly passed a watered down version of the bill without the offending provisions (see *ARC DRC January 2015 Briefing*). At least 300 people remain in prison, including allies of **Katanga Province** governor **Moïse Katumbi** who has voiced public opposition to Kabila.³ The country has had only partial access to the internet since the government restricted access during the protests.⁴ The government appears uncertain as to how to respond further to the unrest:

"This is the first time in the history of the country that we have seen this....even during [President] Mobutu [Sese Seko]'s time [1965-1967], this was not possible."⁵

¹ Radio Bonobo, 13 Feb 2015

² Reuters, 12 Feb 2015

³ Reuters, 10 Feb 2015

⁴ Radio Bonobo, 17 Feb 2015

⁵ Source: former senior adviser to Kabila, Kinshasa

Setting an election timetable satisfies a key demand on opposition figures and the international community of the Kabila administration. However, a prominent opposition party member advises caution:

“President Kabila still has a trick up his sleeve to remain in power...the population must remain vigilant.”⁶

Opposition figures are worried that Kabila will delay the election due to lack of funding. The election is estimated to cost over \$1 billion. CENI head Kalamba said in order for it to take place, it was vital that the government release all the funds required well in advance of the election.⁷ Opposition party the **Mouvement pour la Libération du Congo (MLC)** spokesperson **Fidèle Balala** said that there was a risk that the government would hold the local elections and then claim it had run out of funds for the general election.⁸ National secretary of Kabila’s **Parti du peuple pour le reconstruction et la démocratie (PPRD)** **Christophe Kolomoni** said that the PPRD hoped all stakeholders would contribute to holding the elections, especially international donors.⁹ The international community and opposition parties are also concerned that election rigging and corruption will take place in the 2016 elections, as was allegedly the case in 2011 and 2006.¹⁰

The international community has kept up pressure on Kabila in February to step aside in 2016. Former **United States (US)** president **Jimmy Carter** (1977-1981) wrote to Kabila on 3 February encouraging him to respect the constitution, and promised to visit the DRC in 2015.¹¹ **Belgian** minister of state **Louis Michel** called on Kabila to respect the election timetable and warned him against running *“intimidation campaigns designed to scare off leaders of the opposition from running for president”*.¹² However, it is unlikely that Kabila will heed such calls. He has repeatedly said that he does not take instructions from the international community on internal DRC issues; most recently in his state of the nation speech in December 2014.¹³ Diplomats in DRC remain unconvinced that the matter of the elections is now settled:

“The election timetable is welcome...but we are still expecting further moves by Kabila to prolong his term before 2016.”¹⁴

Kinshasa moves forward on mining code reform

The DRC government has withdrawn from all negotiations with mining companies over changes to the country’s 2002 mining code. The **DRC Chamber of Mines** issued a statement timed to coincide with the **African Mining Indaba in Cape Town (South Africa)** on 6 February. The chamber said that the government had suspended all negotiations and was going to reform the mining code without further consultation. The chamber has not been permitted to see the final version.¹⁵ It claimed that the move *“posed a material threat to further investment.”¹⁶*

The government and mining companies have been in talks over revising the code since 2013. Major sticking points in the negotiations have been increases in royalties that companies pay to the state, as well as the government’s commitment to tax stabilisation (i.e. sticking to agreed rates and rate

⁶ Source: prominent opposition politician, Goma

⁷ Source: political analyst, Kinshasa

⁸ AFP, 13 Feb 2015

⁹ Radio Okapi, 14 Feb 2015

¹⁰ Le Potentiel, 14 Feb 2015

¹¹ Carter foundation website, 3 Feb 2015

¹² Louis Michel transcript Belgian parliament, 10 Feb 2015

¹³ Congosiasa, 17 Dec 2014

¹⁴ Source: western diplomat, Kinshasa

¹⁵ Reuters, 4 Feb 2015

¹⁶ Chamber of Mines press release, 6 Feb 2015

increases over a period of time).¹⁷ Mining companies in DRC claim that changes to the mining code which radically change the taxation regime will discourage investment:

*"If the mining code changes for the worse then investment in DRC operations will dry up, just like it has done in **Zambia**."*¹⁸

Companies are also sceptical of the government's ability to reform the mining code to make mining investment easier. The government's track record on implementing taxation reforms is not good. The 'VAT system' on mining products, which has been in place since 2013, was designed to extract greater value from mines in the country. However, its implementation is inefficient. South African **Randgold Resources** claims that it has had money tied up in the VAT scheme for months due to ineffective communication between government departments.¹⁹

The DRC is rich in minerals with vast copper, gold and other mineral deposits and the potential to become a mining power the size of **Brazil**. The country produced a record 922,000 tonnes of copper in 2014, making it Africa's largest copper producer (see *ARC DRC January 2015 Briefing*). Much of the **International Monetary Fund (IMF)**'s predicted growth for DRC's economy (see below) comes from the mining sector, and a significant decrease in mining investment could have serious economic consequences:²⁰

*"The DRC's growth is propped up by its extractive industries...it is natural for the government to want to capitalise on this, but take that investment away and the country is left with very little."*²¹

DRC's economy to grow at 10.4% in 2015

The IMF predicts GDP growth of 10.4% in DRC in 2015. In its global economic outlook the IMF forecasts that DRC will buck the global trend and fare better than it did in 2014 when it grew 8.9%.²²

However, economic analysts in DRC doubt that the increased growth will trickle down to the population at the grassroots. Wealth is highly unevenly distributed in the country, which remains a problem for broader-based development.

*"High levels of corruption, especially by the oligarchy that rules the country, makes it difficult for other people to feel the effect of this growth."*²³

The government is aware of wealth distribution issues. At a recent economic conference that brought together economists from the DRC and the international community, Prime Minister **Matata Ponyo** acknowledged that the distribution effects of economic growth have been weak. However, there has been little sign that the government has concrete plans to address the low income of the vast majority of DRC's population.

*"Yes, it is a very difficult problem to tackle, but in almost 16 years Kabila's governments have made few attempts to address it."*²⁴

High growth figures do not mean that DRC's economy is out of the woods. Ratings agency **Standard and Poor's (S&P)**, assigned DRC a B- for its long term and a B for its short term credit ratings in December 2014, unchanged from the previous year.²⁵ The **United Nations (UN)** ranked DRC 186 out

¹⁷ Mining weekly, 10 Feb 2015

¹⁸ Source: mining company with DRC operations, Johannesburg

¹⁹ Randgold Resources

²⁰ IMF website, 2015

²¹ Source: economist for an international organisation, Geneva

²² Radio Bonobo, 17 Feb 2015

²³ Source: economic analyst, Kinshasa

²⁴ Source: political analyst, Kinshasa

²⁵ Bloomberg, 13 Dec 2014

of 187 in their global development index in 2014. Since Kabila came to power in 2001 the DRC has only improved its score from 0.274 to 0.338 (on a scale of 0-1).²⁶ The UN and ratings agencies cite ongoing conflict, poor governance, widespread corruption, low income levels, political inflexibility and a high dependence on donor finance as reasons for their poor assessments of the country.²⁷

The level of corruption and political interference also discourages investment in DRC. The lack of judicial security and widespread corruption in the judicial system means that investors are vulnerable to large numbers of lawsuits. Direct government interference is also an issue. The government's decision to shut off internet access to Kinshasa during the January riots has cost the telecoms industry significant revenue.²⁸ Sources in Kinshasa are reporting that international businesses there are choosing not to increase their investments but are looking for more stable investments elsewhere.²⁹

MONUSCO suspends support as offensive against FDLR goes ahead

The **Mission de l'Organisation des Nations Unies pour la stabilisation en République Démocratique du Congo (MONUSCO)** suspended its cooperation with the government and **Forces Armées de la République Démocratique du Congo (FARDC)** over an offensive against the **Rwandan** insurgency, the **Forces Démocratiques de Libération du Rwanda (FDLR)**, on 10 February.³⁰ On 15 February President Kabila announced that the FARDC would carry out the campaign against the FDLR without MONUSCO support.³¹

The UN mission objected to the appointment of general **Bruno Mandevu** to head the FARDC operation against the FDLR and general **Fall Sikabwe** as commander of the 34th military region, which covers most of **North Kivu** province where it will take place. The UN mission claims that both generals were "*heavily involved in massive human rights violations against the civilian population*".³² MONUSCO issued a statement on 5 February that it would withdraw support for the operation in mid-February if the generals were not replaced. When that deadline passed the force suspended its operational support but stated that it would reinstate it if the generals were replaced.³³

On 15 February Kabila called a meeting of ambassadors and international officials in Kinshasa. At the meeting he informed them that the FARDC operation would go ahead without help from MONUSCO, and that the country no longer needed MONUSCO's support in any capacity.³⁴ According to sources who attended the meeting, the president attacked MONUSCO for trying to force him to fire the generals.³⁵

An offensive against the FDLR is now underway without UN support.³⁶ On 24 February the FARDC announced a series of strikes against FDLR bases in the hills above **Uvira, South Kivu**. FARDC officials claimed that the assault had captured all FDLR bases in the area. However, the FARDC met with light FDLR resistance. The rebels use guerrilla tactics rather than direct confrontation with military force, and are known for their ability to hide in the jungles of eastern DRC and amongst the civilian population.³⁷

²⁶ UN HDI, 2014

²⁷ UNHDI, 2015

²⁸ Source: telecoms executive, Kinshasa

²⁹ Source: director of a think-tank, Kinshasa

³⁰ Reuters, 10 Feb 2015

³¹ Radio Okapi, 15 Feb 2015

³² Radio Bonobo, 5 Feb 2015

³³ AP, 15 Feb 2015

³⁴ Radio Okapi, 15 Feb 2015

³⁵ Source: western diplomat, Kinshasa

³⁶ Source: FARDC official, Bukavu

³⁷ Reuters, 24 Feb 2015

The **African Union (AU)** has called on the DRC to fulfil MONUSCO's conditions. AU special representative for the **Great Lakes Region, Boubacar Gaoussou Diarra**, issued a statement on 23 February arguing that the offensive could only succeed with MONUSCO's help.³⁸ Diplomats in the country are sceptical of both the FARDC's ability to carry out the operation alone and Kabila's motive for going ahead with the operation:

*"Kabila's claim not to need MONUSCO is a smokescreen...they (the FARDC) don't have the capacity to root out the FDLR...this could be a ploy to attract African Union support or to force MONUSCO's hand."*³⁹

However, as the offensive has gone ahead, civil society activists in DRC are worried about the potential for human rights abuses:

*"Without MONUSCO, many civilians are likely to fall victims to the military campaign since the army is likely to confuse them with the FDLR."*⁴⁰

MONUSCO has 19,500 military personnel in the DRC and offers key support to the FARDC including rations, fuel and other tactical support such as helicopters. The force was created in 2000 to ensure stability in DRC at the end of the second Congo war. It was involved in successful joint operations with the FARDC against North Kivu-based insurgents **M23** in December 2013. The FDLR have a force across eastern DRC estimated to be 2,000 strong. They are **Hutu** forces the Rwandan government accuses of being *genocidaires* involved in the 1994 genocide. An amnesty process has been in progress since March 2014. However, the process stalled in May 2014 and the DRC government has issued a number of deadlines to the FDLR to disarm, the latest of which passed in January 2015 (see *ARC DRC February – September 2014 Briefings*).

The security situation in eastern DRC is already unstable. North Kivu-based **Ugandan** insurgency the **Allied Democratic Forces (ADF)** launched a further attack in the town of **Mayangose**, North Kivu on 4 February. ADF fighters armed with machetes infiltrated the town at night and killed 19 men and women. Unusually, the insurgents didn't attach any children.⁴¹ ADF militants shot 15 people in the town of **Aru**, North Kivu on 1 February.⁴² Since October 2014 ADF forces have killed an estimated 300 people in the **Beni** area of the province. FARDC and MONUSCO forces in the region have been reduced to a few hundred men due to preparations for the FDLR offensive. They are unable either to protect the populace or conduct effective operations against ADF fighters.⁴³ One consequence of MONUSCO pulling out of operations against the FDLR could be the bolstering of its forces in the Beni region.

Implications

An election timetable for 2016 shows Kabila's administration is keen to appear compliant with opposition and international demands for the president to step down. CENI's announcement cuts off one way in which Kabila could extend his term in office. However, he could still seek to change the constitution to make himself a viable candidate, delay the voting process by restricting funds or through some other mechanism. However, the administration will tread carefully – the January riots have shaken the government and with military forces committed to fighting the FDLR in the east, Kabila will not risk further unrest in his back yard. The question of where the money will come from is a serious one. The PPRD's hints to international donors could suggest that Kabila will step down in exchange for a hefty sum of donor money, ostensibly for an election campaign.

³⁸ Reuters, 23 Feb 2015

³⁹ Source: western diplomat, Kinshasa

⁴⁰ Source: civil rights activist, South Kivu

⁴¹ Reuters, 4 Feb 2015

⁴² AFP, 1 Feb 2015

⁴³ Reuters, 4 Feb 2015

The IMF's announcement of double-digit growth is a good advert for the potential as an economic power and investment destination. However, the government's inaction in tackling corruption, developing infrastructure and reforming public sector inefficiency means that GDP growth is not the best measure of the country's development. The UN human development index and the financial markets put forward a more accurate picture. The actions that the government has taken – reforming the mining code without including the mining companies – reinforce suggestions that investors should think carefully before entering the market. Mining is DRC's largest potential market and a new code that shakes investor confidence could send growth estimates back down again.

The FARDC have been trying to dislodge the FDLR from North and South Kivu for over ten years. They lack the capacity, support and manpower to carry out a complex operation against an experienced guerrilla force on its home territory. The strikes in South Kivu do not represent any tactical gain or major victory against the FDLR but are the government attempting to demonstrate that it is not reliant on MONUSCO's support for stability within its own borders. However, the reality is that an effective operation against the FDLR can only be undertaken with the support of well-equipped force like MONUSCO. A prolonged attempt to take on the FDLR by the FARDC risks high civilian casualties and a resumption of FDLR attacks against the local population. Kabila appears to be gambling this against MONUSCO's inability to sit on the sidelines and watch this happen.