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1. FATAL TRANSACTIONS MEMBER ACTIVITIES

NATURAL RESOURCE GOVERNANCE

Consultation on the EU Raw Materials Initiative: Fatal Transactions submits comments

During August- September 2010, the EU Commission has run a consultation process on its "Raw Materials Initiative" as contained in its communication COM (2008) 699. Fatal Transactions, in cooperation with the Belgian Network on Natural Resources, has submitted some comments for their consideration. In its submission, Fatal Transactions calls for coherence between EU development policy and the EU's need for undistorted access to raw materials in order to create win-win situations, referring to measures foreseen under the first of three pillars of the Raw Materials Initiative: (1) ensure access to raw materials from international markets under the same conditions as other industrial competitors. Dealing in raw materials sourced from parts of the world that are politically or economically unstable also implies responsibilities and duties for the EU, which is not sufficiently reflected in the current version of the Raw Materials Initiative. The European Commission should develop a more systematic approach, clearly defining the grounds on which the EU will refrain from banning restrictions on the supply of raw materials in bilateral trade agreements, and on which it will not, as the document states, "take vigorous action to challenge measures which violate WTO or bilateral rules, using all mechanisms and instruments available". The development of a concrete framework for how the trade dimension of the Raw Materials Initiative is to apply to developing countries should be treated as a priority. To read the document, click [here](#). For more information contact Marie Müller from BICC at ft@bicc.de.

International conference on "Illegal Trade in Natural Resources. What can Brussels do?"

Fatal Transactions member BICC (Germany) co-organized an international conference "Illegal Trade in Natural Resources. What can Brussels do?" in Brussels from 29–30 September 2010. The conference assessed the problems for the environment, development, peace and security created by illegal trade in commodities and explored policy options for the European Union with researchers and practitioners. The lively discussions revealed the prospects and limitations of initiatives that base themselves on notions of legality. The two-day event was organized by the Institute for Environmental Security (IES) in cooperation with BICC, EESC, GLOBE EU and Europe, International Alert, IISD, Madariaga, College of Europe Foundation, SIPRI, Transparency International and Worldwatch Institute.

Panel I shed light on the complexities in fighting conflict minerals from DRC and illegal timber trade that the European Union has just imposed a ban on. Panel II discussed how illicitly extracted resources are legally traded on the international market, taking the example of diamonds from the Marange fields in Zimbabwe. Necessary government measures were proposed. onpanel III. On panel IV, "Solutions and Gaps. International, legal and voluntary initiatives", Marie Müller, International Coordinator of Fatal Transactions, discussed regulatory gaps with Ian Smillie (DDI), Pekka Isosomppi (Nokia) and Mark van Dorp (IFAW): <http://www.envirosecurity.org/pathfinder/conference/index.php>.

For more information contact Marie Müller from BICC at ft@bicc.de.

Business and human rights: Consultation in Geneva

From 11-12 October, Fatal Transactions member NIZA (Netherlands) attended a NGO consultation in Geneva organised by the UN Special Representative for Business and Human Rights, John Ruggie. This was Ruggie's final NGO consultation as his mandate ends in June 2011 when he will submit his final report to the UN Human Rights Council. The final report will offer a set of Guiding Principles for the implementation of the Ruggie framework. At the consultation, civil society were able to offer their views regarding the Guiding Principles, a draft of which will be published in November. In June 2011, John Ruggie will also submit an "Options Paper" in which he discusses the options for follow-up to his work after his mandate ends in June 2011. The consultation clarified a number of things: John Ruggie still is the "principled pragmatist" he proclaims to be as he clearly does not want his guiding principles to go beyond what is acceptable for the Human Rights Council. A wide variety of input was given ranging from calls for extraterritorial legislation on corporate behaviour to reporting requirements for companies, human rights due diligence, and community engagement by companies. For more information on past activities of Fatal Transactions concerning John Ruggie, click here <http://fataltransactions.org/News/2009/Fatal-Transactions-calls-on-the-EU-to-tackle-corporate-abuse-right-now> or contact Bas Bijlsma from NIZA at bas.bijlsma@niza.nl.

Recommendations for the German raw materials strategy

Fatal Transactions members BICC and Group Chad, together with other German development organizations of the German NGO network on Natural Resources, have formulated demands on the German Government so as to ensure that Germany's

raw materials procurement policies do not fuel conflict in developing countries that are producers of these raw materials. The position paper serves to enrich the public discussion in Germany ahead of the public launch of Germany's raw materials policy at a congress of the German industry association BDI on 26 October 2010.

For additional information please contact Marie Müller from BICC at ft@bicc.de or Claudia Frank from Group Chad at frank@ag-tschad.org.

KIMBERLEY PROCES

Zimbabwe in the Kimberley Process: from exclusion to inclusion?

Limited exports of diamonds from the Marange region of Zimbabwe were allowed for in a compromise deal reached by the Kimberley Process (KP) in St. Petersburg, Russia from 14-15 July 2010, during an extraordinary meeting held during the annual meeting of the World Diamond Council (WDC), Observer of the Kimberley Process like the Civil Society Coalition. However, exports of diamonds produced after 1 September 2010 from any part of Marange are prohibited until explicit confirmation is provided by the KP Working Group on Monitoring (WGM) that the situation in the Marange diamond fields has improved substantially. Apart from a minor area where new Joint Ventures have been set up, the improvements have hardly materialized. Evidence for improvement is lacking in the vast areas of artisanal mining where the worst violence by Zimbabwean military forces had occurred. This is why, at the Intercessional Meeting of the Kimberley Process in Tel Aviv, June 2010, the Civil Society Coalition asked for clear progress to be evident in these areas before diamond exports are allowed. Fatal Transactions/ BICC participated at the meeting as part of the Civil Society Coalition. The Plenary meeting of the Kimberley Process in Jerusalem, from 1-4 November 2010, will decide whether the credibility of the certification mechanism is further undermined or enhanced by tying exports to concrete progress on the ground in Zimbabwe.

For more information visit the Fatal Transactions [online webdossier on the Kimberley Process](#) or contact Marie Müller from BICC at ft@bicc.de.

DEMOCRATIC REPUBLIC OF THE CONGO

Web Map of Mining Concessions in the DR Congo

Fatal Transactions member IPIS (Belgium) has produced an interactive web map of all mining concessions in the Democratic Republic of the Congo – a tool for policy making and advocacy organizations. The current map follows a concession map IPIS published in August 2009 (as an addition to their Interactive Map of Militarised Mining Areas in the Kivus - MiMiKi), which shows concession areas in the Kivu provinces. The idea for an extended and updated version of the map came about during exchanges IPIS had with civil society organisations and policy makers, who frequently expressed the need for a concession map of the whole of the DRC. IPIS is exploring how to make the map available in areas without internet connection. The data on the map is official and public data from the Cadastre Minier (CaMi) of the DR Congo shows the situation as it was on 27 July 2010.

To view the map click [here](#). For more information contact Steven Spittaels from IPIS at steven.spittaels@ipisresearch.be.

Conference on Corporate Social Responsibility with Congolese researchers

Fatal Transactions member OCIPE, the Jesuit European Office (Belgium), organized a conference on Corporate Social Responsibility of European companies in the Congolese mining sector on 20 September 2010. Ferdinand Muhigirwa SJ, Director of CEPAS, a Jesuit Social Center based in Kinshasa, elaborated upon what is needed for good governance in the mining sector in DRC. Jean- Pierre Kabulu Djibu, also from CEPAS, spoke on environmental issues in Katanga. The conference was organized in the framework of the Relational Peace Advocacy Network that seeks to further the social responsibility of extractive companies in developing countries.

For more details click [here](#) or contact Emmanuelle Devuyt of OCIPE at mrpan@ocipe.info.

Research project: How mining companies view their own social responsibility in DRC

Fatal Transactions member OCIPE, the Jesuit European Office (Belgium), undertook research on Corporate Social Responsibility (CSR) practices of mining companies in Katanga with Josep Maria, lecturer in Business ethics at ESADE Business School in Barcelona, and Christian Bwenda, Director of Premi-Congo, an environmental Congolese NGO. The researchers visited several mining companies to compare the companies' visions on Congolese and international CSR obligations and to investigate differences according to their country of origin and their size, professional experience and statutes. The results of this scientific research will be published soon.

For more information contact Emmanuelle Devuyt from OCIPE at mrpan@ocipe.info.

Workshop on the revision of mining contracts in the DRC

From 22-23 September 2010, the Congolese Réseau Ressources Naturelles organized, with the support of Fatal Transactions member Broederlijk Delen and the Flemish network of development organizations 11.11.11, a workshop in Kinshasa on the revision of mining contracts in the DRC. During the workshop, a number of experts joined local civil society groups to discuss the technical aspects of the contract revision, the model mining contract, and fiscal policy. The second day of the workshop was dedicated to discussion among the civil society groups in order to deepen cooperation, elaborate common positions, and investigate possibilities for further action on behalf of civil society. The conclusions and report of this

workshop will soon be available on the website of Broederlijk Delen.

For more information contact Tamira Gunzburg from Broederlijk Delen at Tamira.Gunzburg@broederlijkdelen.be.

FairPhone from DRC: a campaign by NIZA

Fatal Transactions member NIZA (Netherlands) has started a new project called the FairPhone. FairPhone will be the first fair mobile telephone for consumers to purchase. NIZA and two other Dutch organisations are making the first step in building this phone by purchasing fair extracted minerals (copper & cobalt) in DR Congo and offering them to the manufacturers. Anyone can join FairPhone and help NIZA in building it. On the website www.fairphone.org you will find the steps for how to get involved. For instance, you can come along with NIZA to DR Congo or help to design the look and feel of the first model. For more information contact Nathalie Ankersmit from NIZA at nathalie.ankersmit@niza.nl.

CHAD

Dialogue with ESSO Consortium

Fatal Transactions member Group Chad (Germany) will hold a NGO Workshop in Doba, Chad's oil region, from 22-24 October 2010 to prepare a formal framework for negotiations with the Esso Consortium in Chad. The Esso Consortium operates the oil installations in the Doba Basin in southern Chad that started with the Chad-Cameroun-Pipeline project ten years ago. The consortium consists of ExxonMobil (40 percent), Petronas (35 percent) and Chevron (25 percent). The dialogue will include compensation issues, land use/ grabbing, and the phenomenon of the so called – "villages enclavés" – enclaved villages. Surrounded by pipeline installations, they have lost direct contact to neighbouring villages and their farm land. The impact observed is social isolation and further economic impoverishment. Misereor, a member of Group Chad, had solicited a meeting with Esso, a request that was only answered after Misereor published the letter to Esso on its webpage. For more information contact Claudia Frank at frank@ag-ts Chad.org.

Living in the oil fields: study on enclaved villages in Chad

Fatal Transactions member Group Chad (Germany) is conducting research on the enclaved villages in the Chad oil region in Doba to study the changed patterns of social conflict. The oil installations – in one village the oil wells number 36 – and the compensation scheme practiced by the Esso Consortium have perverted social relations within the villages. The logic of monetary compensation has dramatically changed villagers' behaviour and their ability to cultivate the farm land they have been left with. Logging is increasing at fast rates and devastating the environment because perennial fallow land is not compensated by Esso. A 'fact book' on the findings will be published in 2011.

For more information contact Claudia Frank at frank@ag-ts Chad.org.

2. FATAL TRANSACTIONS PUBLICATIONS

BICC Brief 41 (December 2009)

has been translated into French:

Frank, Claudia and Lena Guesnet. 2010. « 'On nous a promis développement – la misère est tout ce que nous avons' – L'impact du pétrole sur les dynamiques de conflit au Tchad ». brief 41. Bonn, BICC, Juillet 2010.

For more information contact Claudia Frank at frank@ag-ts Chad.org.

BICC Occasional Paper V

Müller, Marie. 2010. "Revenue transparency to mitigate the resource curse in the Niger Delta?" Occasional Paper V. Bonn: BICC, July. http://www.bicc.de/uploads/pdf/publications/papers/occ_paper_05/occasional_paper_V_06_10.pdf

For more information contact Marie Müller at mueller@bicc.de.

BICC bulletin, No. 52

Feature: Digging Deeper: Can NEITI contribute to conflict management in the Niger Delta region? By Uche Igwe. BICC bulletin, No. 52.

<http://www.bicc.de/uploads/pdf/publications/bulletin/bulletin52.pdf>

ECOS: Report

ECOS report. "UNPAID DEBT. The Legacy of Lundin, Petronas and OMV in Sudan, 1997-2003". June 2010.

<http://www.ecosonline.org/reports/2010/>

For more information contact Kathelijne Schenkel from IKV/Pax Christi at schenkel@ikvpaxchristi.nl.

MakeITfair: DRC Report

Finnwatch and Swedwatch. 2010. Voices from the Inside. Local Views on Mining Reform in Eastern DR Congo. October 2010.

Fatal Transactions member IPIS contributed to the report.

For more information contact Steven Spittaels from IPIS at steven.spittaels@ipisresearch.be.

Yours

Marie Müller

International FT coordinator

Fatal Transactions is an international campaign for awareness raising among consumers, opinion makers, politicians and industry on the crucial relation between trade in natural resources from African countries and continuation and escalation of armed conflicts and human rights violations. The overall objective is to end armed conflicts and human rights violations by drying up the financial resources and making sure that the revenues made out of the exploitation of natural resources are being used for the well-being of the population.

Fatal Transactions is carried out by European NGOs; [Netherlands Institute for Southern Africa](#) (The Netherlands), [BICC](#) (Germany), [IKVPax Christi Netherlands](#) (The Netherlands), [IPIS](#) (Belgium), [OxfamNovib](#) (The Netherlands), [Broederlijk Delen](#) (Belgium), [Group Chad](#) (Germany), [OCIPE](#) (Belgium), [University of Wroclaw](#) (Poland).

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