

## PRESENTATION AT THE NATURAL RESOURCES, PEACEFUL SOCIETIES AND SUSTAINABLE DEVELOPMENT: LESSONS FROM THE KIMBERLEY PROCESS MEETING

 $\mathbf{BY}$ 

## AMB. JOÃO SAMUEL CAHOLO, EXECUTIVE SECRETARY

**OF THE** 

## INTERNATIONAL CONFERENCE ON THE GREAT LAKES REGION (ICGLR)

AT THE

UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL SPECIAL MEETING

BUJUMBURA, BURUNDI 10TH MARCH 2022 H.E. Mr. Collen Vixen Kelapile, President of the Economic and Social Council; Distinguished Members of ECOSOC;

Ladies and Gentlemen,

Allow me, first and foremost to thank the organisers of this meeting for the honour accorded to me to offer interventions on the thematic area- "Leveraging natural resources for peaceful societies and sustainable development". Indeed, the ICGLR has proven to be one of the few, if not, the only regional organization focusing on mineral governance. Our interventions in mineral governance are provided for in the ICGLR Protocol against the Illegal Exploitation of Natural Resources signed as part and parcel of the Pact on Security, Stability and Development in the Great Lakes Region.

The Great Lakes Region is blessed with many valuable natural resources. The minerals found in this region are of global importance, needed for electronics and technological advancement. In order for the region to become a strong global player, it was necessary for countries of the region to join forces, align regulations and speak with one voice.

Mr. President, the illegal exploitation of natural resources is one of the factors responsible for aggravating endemic conflicts and persistent insecurity in the region. As a response, the ICGLR Heads of State and Government adopted in 2010, a regional initiative to address the illegal exploitation of natural resources. This initiative has Six (6) practical and complementary mechanisms which aim to break the link between the exploitation, the trade in natural resources and the financing of armed groups that perpetuate insecurity in the region.

As a political decision, the Regional Certification Mechanism (RCM) was declared a priority tool to provide for a sustainable conflict-free supply chain of valuable minerals, namely Tin, Tantalum, Tungsten and Gold (3TG) in and between ICGLR Member States.

The Mechanism is contributing to sustainable development and peace in the region. The major benefit embedded in the Mechanism is regional security, a tool that is mitigating the raising of revenues from the illegal exploitation of natural resources to finance armed conflicts. In addition, it is sustaining access to markets for the 3TG minerals through demonstration of "Conflict-Free" status, a strong economic incentive for investors. Further, it is safeguarding the reputation of mineral producers, traders and exporters.

Importantly and close to heart, this Mechanism enhances miners' livelihoods and increases government tax revenues because of improved data management along the supply chain. Enhanced Third-Party Audit increases the likelihood of detecting tax avoidance and under-declared profits.

Mr. President, the RCM design was greatly inspired by the Kimberley Process Certification Scheme as it mainly focused on preventing conflict-associated minerals from entering the international market. With time, the RCM has evolved into an incentive to promote formalisation of the mining sector as well as enhancing transparency in mineral trade. This realistic approach has enabled the RCM to acquire credibility, especially as it aligns with the OECD Due Diligence Guidance for minerals from conflict-affected areas.

As I conclude, allow me to inform the meeting that in line with the recommendations of the High-Level Regional Workshop on Natural Resources in the Great Lakes Region, held recently in the Republic of the Sudan, the

ICGLR resolved to research on new improvements to the Kimberley Process for purposes of incorporating the relevant aspects into the Regional Certification Mechanism. We intend to officially engage the Kimberley Process leadership on this matter.

## I thank you.