

Global Witness / RAID

For immediate release

World Bank and donors should address corruption and impunity in the Democratic Republic of Congo

London, 28 November 2007

On the eve of a major donor meeting in Paris to discuss assistance for the Democratic Republic of Congo (DRC), RAID and Global Witness are challenging the World Bank and donor governments to explain what measures they are putting in place to ensure that future aid to the DRC will be used in a responsible and accountable way.

“After living through ten years of armed conflict and high levels of poverty, the Congolese people are in great need of foreign financial support and investment,” says Patricia Feeney, Executive Director of RAID. “But if donors just pour money into a black hole, the people who most need this help will never see it.”

The forthcoming Consultative Group Meeting for the DRC, due to be held in Paris on 29-30 November 2007, is a critical opportunity for donors to insist on accountability and transparency on the part of the Congolese government.

“Donors’ failure to speak out strongly on corruption and state looting – particularly during the period of transition from 2003 to 2006 – has contributed to perpetuating a culture of impunity in the DRC,” says Patrick Alley, Director at Global Witness.

Global Witness and RAID are appealing to the World Bank and the DRC’s largest donors – including the United Kingdom, the United States and the European Union, amongst others – to take into account the widespread corruption and mismanagement in the DRC when formulating their aid policies. The NGOs’ concerns come two months after allegations that an investigation by the World Bank’s Department for Institutional Integrity into corruption of funds earmarked for aid programmes in DRC had been suppressed following interventions by senior Congolese officials.

“Before agreeing to further large aid packages, the DRC’s international donors should ensure that strong safeguards and accountability mechanisms are in place to counter the siphoning of funds and corrupt practices which have been so detrimental to the country’s development. Without such safeguards, donor governments risk failing their own taxpayers”, says Patrick Alley.

Corruption is especially prevalent in the natural resource sector in the DRC. The outcome of a governmental commission set up to review around 60 mining contracts will be a test of the government’s commitment to a responsible and transparent management of the mining sector. The World Bank and donor governments should express support for the review. In particular, should the review uncover gross illegalities in the contracts and should the Congolese

government lack the capacity or will to take appropriate action, home governments should ensure that companies are held to account.

Several of the DRC's biggest mining contracts were awarded in opaque circumstances, in violation of the country's Mining Code. Despite repeated calls for action from NGOs and the recommendations of its own consultants, the World Bank did little to prevent the transfer of valuable state-owned minerals assets into private hands.

A draft World Bank study of the mining sector in the DRC is tabled for discussion during the Consultative Group Meeting. "The World Bank should use this opportunity to make an explicit commitment to playing a more active role in restoring accountability and transparency in the Congolese mining sector," said the NGOs.

For further information:

Tricia Feeney, RAID:	+44 (0) 1865 515 982
	+44 (0) 7796 178 447
Carina Tertsakian, Global Witness:	+44 (0) 207 561 6372
	+44 (0) 7903 503297

Notes for editors

1. The Consultative Group Meeting for the DRC will be held on 29-30 November 2007 in Paris under the auspices of the World Bank. The major donors will discuss aid to the DRC for the next three years.
2. The Department for Institutional Integrity (INT) is mandated by the World Bank Group to investigate allegations of fraud and corruption in World Bank Group operations as well as allegations of staff misconduct. The work of an investigative unit is supposed to ensure that World Bank funds are used for their intended purposes, thereby contributing to the organisation's core mission of promoting development and reducing poverty.
3. The allegations relating to the suppression of the INT's findings were published in a Government Accountability Project report, *Review of the Department of Institutional Integrity*, on 6 September 2007. The report is available at <http://www.whistleblower.org/doc/2007/INT%20review%209.05.07.pdf>
4. Further information on the review of mining contracts in the DRC can be found in:
 - "*The economic aspects of key mining contracts*", RAID, April 2007
http://www.raid-uk.org/docs/DRC_contracts/Economic_Argument_for_Renegotiation.pdf, and
 - "*The Congolese mining sector in the balance: lack of transparency risks undermining review of mining contracts*", Global Witness, October 2007.
http://www.globalwitness.org/media_library_detail.php/576/en/the_congolese_mining_sector