



# Going Beyond the Supply Chain in the Democratic Republic of Congo

Responsible Multistakeholder Action on Development and Capacity-  
Building in Eastern DRC

February 2012



## About This Report

As part of continuing efforts to work with companies to sever the link between minerals trade and conflict in the Democratic Republic of the Congo (DRC), BSR has begun an exploration of local development needs and opportunities for companies and other stakeholders to address in partnership. BSR spoke with representatives from a range of companies, international aid and advocacy NGOs, local development NGOs, and governments to understand these issues better. In the following pages, we present findings from these interviews. We also begin to identify potential opportunities to encourage the development of infrastructure and programs that can support a stable region, local economy, and society that provides alternatives to conflict.

We hope that this information can serve as the basis for conversations about how companies and others can support local development in ways that go beyond the current focus on a transparent mineral trade.

BSR would like to thank those who provided their perspectives to inform the development of this report. BSR also would like to acknowledge the GE Foundation for making this work possible through a grant to support the exploration of how companies can support development in eastern DRC.

### **DISCLAIMER**

BSR publishes occasional papers as a contribution to the understanding of the role of business in society and trends related to corporate social responsibility and responsible business practices. BSR maintains a policy of not acting as a representative of its membership. It does not endorse specific policies or standards. The views expressed in this publication are those of its authors and do not reflect those of BSR members.

### **ABOUT BSR**

BSR works with its global network of nearly 300 member companies to build a just and sustainable world. From its offices in Asia, Europe, and North and South America, BSR develops sustainable business strategies and solutions through consulting, research, and cross-sector collaboration. Visit [www.bsr.org](http://www.bsr.org) for more information about BSR's more than 20 years of leadership in sustainability.

# Contents

## **SECTION I: Development and Capacity-Building in Eastern DRC**

- 1 Objective and Key Findings**
- 2 Background**
- 3 Relevance of Local Development for Companies**

## **SECTION II: Stakeholder Views**

- 1 Company Perspectives**
- 2 Practitioner Perspectives**
- 3 Issue Areas for Company Participation**
- 4 Key Risks**
- 5 Collaboration Models**

## **SECTION III: Current Multistakeholder Initiatives**

## **SECTION IV: Recommendations and Next Steps**

# Section I: Development and Capacity-Building in Eastern DRC

## Objective and Key Findings

This paper outlines perspectives from companies, NGOs, and governments on how companies can engage in development and capacity-building in the DRC. The goals of these endeavors are to complement and strengthen supply chain efforts that seek to break the link between minerals sourcing and conflict. The following pages include a range of perspectives, which, at times, represent contrasting views. Overall, two key points emerge from these findings: 1) There is alignment on the value of company participation in efforts to support development and capacity-building, and 2) Multistakeholder collaboration is necessary in identifying strategic opportunities for company involvement that align with broader, collaborative efforts on the conflict minerals issue.

## Background

The exploitation of high-value minerals in the DRC has been widely linked to ongoing conflicts in the eastern part of the country. There have been a number of efforts to stop the illegal trade of tin, tantalum, tungsten, and gold, otherwise referred to as “conflict minerals.” Government regulation, along with pressures from civil society and consumers, have led companies to pay increasing amounts of attention to the use of these materials in their supply chains, and to conduct due diligence to sever relationships between sourcing and armed conflict in the region. Similarly, multilateral efforts ranging from peacekeeping to international diplomacy and assistance are attempting to address the conflict.

At a May 2010 conference funded by the GE Foundation and hosted by BSR and the Responsible Sourcing Network, a multistakeholder group including companies from a range of industries, investors, governments, and NGOs met and identified several critical areas that are necessary in developing a path to “conflict-free” minerals sourcing. These were:

- » **Supply chain responsibility**, including company efforts to improve supply chain transparency, identify the origin of materials used, and sever links between sourcing and conflict in the DRC.
- » **Government engagement**, including multistakeholder support for diplomatic and government efforts to address conflict minerals sourcing and encourage peace-building.
- » **Development and capacity-building**, including working with community-based efforts to ensure local benefits from mining, development of alternative sources of income for miners or soldiers, construction of local infrastructure, and support for community groups.

The report resulting from the May 2010 conference highlighted the need to address these three critical areas together if the issue of conflict minerals—and the DRC conflict itself—is to be addressed. Without government peace- and capacity-building measures, the regional stability and regulatory environment necessary to support conflict-free trade would be lacking. Similarly, without local development and a voice for DRC residents in the implementation of conflict-free sourcing, these efforts unlikely would be able to meet local needs and address root causes of the current conflict.

In nearly two years since that conference, some progress has been made on the first two critical areas. Supply chain traceability and government engagement

efforts have seen their first successes, with the creation of a Conflict-Free Smelter program, conflict-free certification and sourcing pilots in southern DRC and neighboring countries, and the development of formal due diligence guidance from OECD that is now undergoing pilot testing.

However, BSR has seen limited multistakeholder attention in the third critical area focused on local development and capacity-building. Indeed, supply chain efforts arguably have led to a de facto embargo on sourcing minerals from the region, putting people out of work and increasing the need to develop alternative livelihood programs.

It was clear from the conference discussion that multistakeholder action limited to traceability and validation efforts alone will not do enough to address the fundamental underlying issues in the region. Efforts extending beyond the supply chain are vital to mitigating the impact of the transition toward an organized and transparent mining sector, and to achieving sustainable peace and development in the region. This paper explores multistakeholder appetites to move forward on collaboration in this area, and identifies potential opportunities for engagement.

### **Relevance of Local Development for Companies**

BSR believes there a number of reasons why individual companies may find local development efforts in the eastern DRC to be relevant:

- » **Companies with current or potential business interests in the region**
  - Mining companies with existing operations may have an interest in local engagement to strengthen reputations and improve local conditions and development.
  - Branded companies looking to enter the market with products and services may have an interest in local engagement to understand the market or operating environment better.
  
- » **Companies making investments in conflict-free sourcing from the DRC and responsible supply chain due diligence**
  - Companies may wish to develop leadership positions to address the root causes of the conflict by incorporating development as an extension of supply chain activities.
  - Organizations might desire to gain a deeper understanding of local conditions and challenges affecting mineral sourcing.
  - Companies also likely want to demonstrate to stakeholders a commitment to ethical sourcing.

## Section II: Stakeholder Views

BSR interviewed 24 key stakeholders from companies, donor countries, advocacy NGOs, and international and local development NGOs to understand various perspectives on existing efforts, challenges, risks, and current partnerships in eastern DRC. These conversations were valuable in understanding needs and interest in multistakeholder collaboration on development linked to minerals sourcing.

### Company Perspectives

Ten of the stakeholders were companies in the minerals supply chain. BSR interviewed these organizations to learn about current company activities on development in the region, gauge the level of interest in supporting such efforts, and understand what support or guidance would be helpful in supporting these activities. These companies ranged from mining conglomerates to branded component suppliers and manufacturers. All companies already are working to address conflict minerals within their supply chains and most are engaging with external stakeholders on the issue.

Interviewees raised the following points:

- » **Engaged companies are looking to do more.** Most of the companies interviewed were interested in engaging beyond the supply chain to contribute to development and humanitarian initiatives in eastern DRC. They said they want to support long-term development initiatives with local communities, but are unsure how to do so in conflict zones. They added they are looking for guidance on how to engage without unknowingly promoting conflict.
- » **Traceability is critical, but still won't eliminate the conflict.** Most interviewed companies said they are focused on the immediate need to track and trace the minerals in their supply chain to comply with emerging regulatory requirements. However, some companies said they also are aware that addressing transparency in supply chains will not address the conflict on the ground fully, and therefore will not remove the risk of conflict minerals entering their supply chains entirely. These leadership companies are looking for opportunities to move beyond compliance to address some key issues in the DRC.
- » **Partnerships can help.** Almost all companies that indicated they are looking to partner with reputable 501c3 or international/multi-lateral organizations in order to add credibility and on-the-ground knowledge, and to reduce the risks of engaging in a conflict region. Companies also noted they generally prefer to work in collaboration with other companies, not only with NGOs and multi-lateral organizations.
- » **Limited collaboration exists beyond the supply chain.** Initial collaboration among companies has focused on addressing supply chain needs. Motorola Solutions, HP, and AVX have announced their participation in a "closed-pipe" sourcing approach called Solutions for Hope that guarantees conflict-free sourcing from the region. Eleven other companies have announced participation in the United States-led Public-Private Alliance for Responsible Minerals Trade (PPA) to contribute to the needs of mineral traceability schemes on the ground. Downstream

companies are participating in an OECD Downstream Due Diligence Pilot to share lessons on supply chain due diligence. In terms of 'going beyond the supply chain,' a few companies said they have considered a potential collaboration that has presented a number of challenges; the level of funding is beyond what the industry expects to contribute and the scope of impact less than anticipated.

- » **Contributions by business can be beyond financial.** Most companies believe their financial contributions individually as well as collectively will not match the need for resources. For this reason, many companies noted they are looking for alternative ways of investing, such as contributing core expertise. Companies declared they also are looking for creative and innovative ways to address priorities and support local communities while meeting company strategy and social investment priorities.
- » **Need to leverage existing platforms.** Companies noted that leveraging a current platform such as the PPA would be beneficial for achieving 'beyond compliance' initiatives such as conserving resources, encouraging alignment of efforts on conflict minerals, and enabling recruitment for more participants.

Overall, company perspectives largely were aligned, with most companies recognizing the need to go beyond traceability. BSR found that companies are eager to find additional ways to contribute to development activities in the region, and are looking to partner with increasing numbers of local and international experts.

### Practitioner Perspectives

In order to gain perspective on how to build upon existing multistakeholder initiatives and where company support on development and capacity-building is most needed, BSR interviewed 16 key stakeholders from donor countries, international development and advocacy NGOs, and local Congolese civil society organizations that are active on the conflict minerals issue. All of the stakeholders interviewed reported that they see the need and value of company involvement. They unanimously expressed the view that the private sector can do more to change conditions by applying resources, reach, or influence in ways that other stakeholders can't. However, stakeholders' perspectives diverged with regard to which issue areas companies could support and how they should contribute.

Interviewees raised the following points on the current landscape of activities and current level of multistakeholder collaboration:

- » **There is no collective platform.** There is currently no platform for multistakeholder coordination focused specifically on development and capacity-building in the DRC. The largest multistakeholder efforts focused on the issue of conflict minerals are the Multistakeholder Working Group<sup>1</sup>, which serves as an information-sharing platform on

---

<sup>1</sup> The Multi-Stakeholder Working Group is spearheaded by As You Sow's Responsible Sourcing Network, bringing together a broad network of NGOs, companies from multiple industries,

activities around conflict minerals; and the PPA, which is currently focused on developing validated, certified, and traceable supply chain routes. This singular focus is intentional in order to avoid scope-creep and dilution of impact. The Clinton Global Initiative (CGI) is in the process of establishing a DRC Action Network to encourage multistakeholder collaboration on sustainable livelihoods.

- » **Minimal company collaboration is taking place.** While companies said they are supporting local development activities beyond supply chain initiatives, they are not doing so in conjunction with their peers; most activity beyond supply chain initiatives is happening on an individual basis.
- » **Programs are humanitarian-focused.** Much of the programmatic work is not focused on economic development, but instead on humanitarian assistance targeted toward displaced people and rape survivors. This includes providing emergency medical care, drugs and supplies, clean water, sanitation, and more. While conflict zones in eastern DRC are in need of emergency assistance, other areas have experienced stabilization with the exit of armed rebel groups. In order for these communities to prosper, they will require support for infrastructure and economic development such as alternative livelihood assistance and skills training.
- » **Projects tend to lack long-term focus.** Many of the development projects in place today consist of boutique or individual efforts that are not focused on creating long-term and sustainable development. While there is value to be gained in building individual schools or clinics, this approach won't address the systemic problems of poor governance in the mining sector or lack of alternative livelihoods.

Some respondents emphasized the following, often contradictory, points about how companies can get involved beyond the supply chain:

- » **Focus on development over governance.** Some respondents emphasized the need for development-focused activities over a focus on policy and governance. They called for increased emphasis on and attention to supporting the millions of people affected by the conflict and the de facto minerals embargo. Several interviewees feared that companies associated with large governance projects could be viewed as having vested interests or as being bound up in the actions of the government.
- » **Support alternative livelihoods or formalizing the mining sector.** While these two activities are not mutually exclusive, some respondents said the development of alternative livelihoods would lessen dependence on the mining sector, and therefore is the single greatest need to improving people's well-being in eastern DRC. Other respondents noted that developing alternative livelihoods in agriculture will subject people to lower levels of daily income and make them vulnerable to economic



shocks such as drought. According to one interviewee, miners can earn up to 10 times more money than a farmer can make through small-scale agricultural activity.

- » **Use effective lobbying tactics for transparency and accountability.** Some interviewees called for companies to join them in demanding resource transparency and conveying to the Congolese government a commitment to clean trade. Several interviewees described the large amount of funds managed by government departments in districts where local communities do not actually experience any benefits from those resources.
- » **Think beyond money.** Contrary to other perspectives outlined above, some respondents questioned the effectiveness of private sector donations overall. According to one stakeholder, “Money is not the issue in the DRC. Another US\$1 million grant from a company is not going to change anything.” Instead, this interviewee stated that companies can play a role in communicating to the DRC government a desire for a transparent mining sector worthy of responsible investments.
- » **Consider local viewpoints.** Company support needs to fit into the strategic vision of the country and local regions, and to take into account national development priorities. Local government and civil society organizations can provide a realistic picture of community needs.

### Issue Areas for Company Participation

BSR asked all of the stakeholders—both companies and practitioners—for their perspectives on which issues companies would be positioned to support best, and which areas where investment is needed most. Opinions varied and, at times, contrasted in consideration of company support for governance versus development. Suggestions fell into four general categories: livelihoods, diplomacy, mining sector reform, and infrastructure development.

Category	Issue Area	Resources
Livelihoods	<b>Develop alternative livelihoods.</b> The majority of stakeholders said company investments would be best if they were focused on supporting the development of small-scale economic diversification to break the dependence on mining. One interviewee observed that, with proper investment, DRC’s 80 million square kilometers of farmland have the potential to become the region’s “food basket.”	Provide skills development, training, or microcredit to support alternative livelihoods in areas such as agriculture, cattle breeding, fish farming, and agro-forestry.
	<b>Improve mining conditions.</b> A number of stakeholders raised the need for improving artisanal miners’ working and living conditions. Said one stakeholder: “Artisanal mining has been happening for 15 years in eastern DRC, yet there has been minimal return on investment into local community development, environmental protection, local economy or infrastructure.”	Invest in health and education programs to get children out of mines and back into schools.
	<b>Encourage good governance.</b> A number	Communicate with DRC

<p><b>Diplomacy</b></p>	<p>of stakeholders identified the need for companies to engage in diplomatic efforts with the DRC government to call for the establishment of clean trade and development in the eastern part of the country. PROMINES was raised as a potential forum for private sector communication.</p>	<p>decision-makers to build confidence around developing a stable and transparent mining sector, using revenues equitably, and promoting an enabling environment for business.</p>
<p><b>Mining sector reform</b></p>	<p><b>Build small-scale mining capacity.</b> Several stakeholders raised the issue of land tenure and the need for official recognition of artisanal mining plots with reduced fees (to make them more affordable). Educating communities and increasing transparency are seen as the social anchors to enable reliable traceability and certification.</p>	<p>Support education, information, and sensitization campaigns on the national mining law through information and communications technology (ICT) support, training, or other avenues to inform miners of their rights.</p>
	<p><b>Strengthen technical aptitude to facilitate the market.</b> The ICGLR and the DRC government are in need of support in developing a sound and transparent regulatory system that is enforced on the ground. Companies could support in-country capacity and infrastructure in order to ensure that minerals certification and traceability components work effectively.</p>	<p>Provide support to certify mine sites through technical training on codes of conduct, as well as social, environmental and human rights standards.</p>
<p><b>Infrastructure</b></p>	<p><b>Increase access to ICT.</b> Companies can support development of ICT infrastructure to help facilitate entrepreneurship, commerce and international investments, and mobile banking. ICT infrastructure also can enable a vehicle for mobile justice so communities can report human rights violations.</p>	<p>Support development and increase in broadband, mobile technology, and communications networks.</p>
	<p><b>Build hospitals, health care systems, and schools.</b> Companies can support the construction and establishment of medical care facilities and schools.</p>	<p>Support for construction, equipment, and training.</p>
	<p><b>Develop road networks.</b> Companies can address the region's lack of a transport network to make mines more accessible and enable community members to access the market and consumption centers.</p>	<p>Invest in developing a formal road network.</p>

## Key Risks

Throughout the conversations, stakeholders raised a number of the key risks with company involvement in initiatives that go beyond the supply chain. These risks cover a broad range of issues that should be considered seriously, as they could hamper companies' success in the region. The identified risks include:

- » **Corruption:** Billions of dollars already are going to the DRC government, yet the lack of in-country resources and accountability, coupled with the high level of corruption, presents the risk that development aid will not achieve its intended purpose. Ultimately, the success of foreign investments in supply chain traceability and beyond will depend on government reform and the government's ability to control and monitor the local environment.
- » **Mistrust:** The DRC government may view development projects as adversarial to national priorities, which are job creation and infrastructure development. The government also is sensitive to overt criticism, making communication from companies on policy and diplomacy difficult.
- » **Complicity:** Doing business in conflict zones increases the risk of potential collaboration with governments who may apply excessive use of force or power to enforce their will. Companies may consciously or unconsciously be complicit with those governments and violate human rights in the process.
- » **Narrow interests:** There is significant competition among NGOs to acquire contracts with companies. In a vacuum, donations to certain entities could promote more narrow interests or a specific organization's programs, rather than addressing the most critical needs of the people in the DRC.
- » **Conflict-zone:** Making progress in war-torn areas is slow. Furthermore, development and impact are hampered by the lack of roads and poor infrastructure.

## Collaboration Models

Companies and practitioners alike recommended various models for company collaboration on development and capacity-building in the DRC. The following approaches were discussed:

- » **Match companies to NGOs.** Companies could be mapped to existing opportunities or NGOs to form individual partnerships based on philanthropic interests, or where the company's business model can add value. One-to-one partnerships between companies and NGO partners currently are being facilitated by Eastern Congo Initiative and the Clinton Global Initiative on broader development and humanitarian issues not related specifically to the issue of conflict minerals.
- » **Convene a steering committee.** Interested companies, NGOs, and investors could form a committee to set strategic development or diplomatic priorities aligned with collective traceability efforts. Participants could develop a strategy for company involvement, act as conduits for information on development opportunities, and/or serve as a convening platform for diplomacy efforts. Parallel dialogue could be organized alongside the PPA, or as a sub-group under the umbrella of



**The International Cocoa Initiative (ICI)** is a multistakeholder partnership between NGOs, trade unions, and the chocolate industry focused on supporting the changes and practices that will eliminate child and forced labor in the cocoa industry. The ICI was established as a foundation in 2002, is governed by a board, and is primarily funded by contributions from cocoa industry board members.

ICI has adopted a comprehensive program that:

- » Works at the national level to ensure appropriate and effective policies are in place.
- » Supports capacity-building for local partners and institutions.
- » Implements a community-based program to change practices.
- » Supports social protection for victims of exploitation.
- » Shares lessons learned for replication.

the PPA. Stakeholders also mentioned DfID (Department for International Development), ICGLR, or the World Bank as potential convening bodies.

- » **Create an NGO or funding mechanism.** An NGO or foundation could be established to fund development products related to the conflict minerals issue. The partnership could serve as a funding mechanism to support one issue or a particular set of issues with the objective of addressing development related to minerals sourcing. It could be structured similarly to the International Cocoa Initiative (see sidebar), incorporate oversight provided through a multistakeholder governance process with accountability instruments, and be driven by locally informed needs and assessments. Alternatively, USAID's Global Development Alliance was raised as another option through which companies could support efforts collectively.

## Section III: Current Multistakeholder Initiatives

BSR mapped local and global players that are working in partnership to promote peace and stability in eastern DRC. Projects ranged from small-scale alternative livelihoods initiatives to large-scale attempts to reform the DRC’s mining sector. These projects also were cited during stakeholder discussions as interesting examples of collaborative models or as potential conduits for company support in promoting local economic growth and/or mining sector reform. The list below is not intended to serve as a comprehensive source of collaborations taking place in eastern DRC, but instead aims to identify several key partnerships that emerged in our interviews and research.

Project	Description	Funders/Partners	Timeline
<b>Public-Private Alliance for Responsible Minerals Trade (PPA)</b>	The PPA aims to combine the financial and technical resources of governments, companies, trade associations, civil society, and the International Conference on the Great Lakes Region (ICGLR) in support of three goals: 1) To assist with the development of pilot supply chain systems that will allow businesses to source minerals from mines that have been audited and certified to be “conflict-free”; 2) To provide a platform for coordination among government, industry, and civil society actors seeking to support conflict-free sourcing from the DRC; and 3) To establish a website designed to serve as a resource for companies seeking information regarding how to responsibly source minerals from the DRC.	Spearheaded by USAID with participation at time of launch by AMD; EICC; Enough Project; GeSI; H.C. Starck; HP; ICGLR; Intel; ITRI; Jewish World Watch; Motorola Solutions; Nokia; Pact; Partnership Africa Canada; Responsible Sourcing Network; Sony; Sprint; Telefonica; Toshiba; Verizon; World Gold Council	Formally launched in October 2011.
<b>PROMINES</b>	PROMINES is a technical assistance project aiming to reform the DRC’s mining sector through three primary objectives: 1) To increase the volume and value of production; 2) To strengthen the state’s management capacity; and, 3) To expand the benefits of the mining industry into growth and development.	Co-funded by the World Bank and DfID; collaboration with DRC Ministry of Mines; field consultations at mine sites and trading towns conducted by PACT	Completed design phase in 2010 and will spend the next 15 years doing a series of three five-year phases to the project.
<b>Group Thématique</b>	Group Thématique is a local coordination platform on extractives including the DRC Ministry of Mines and its technical bodies, donors, and civil society. It meets at the national level, while provincial commissions in North and South Kivu are specifically charged with coordinating the implementation of the supply chain traceability mechanisms.	Attended by the Ministry of Mines, a large range of donors within the extractives field, PROMINE, BGR, civil society, and technical services of the Ministry of Mines such as SAESSCAM, JMAC (in charge of the Centre de Négoce initiative).	

<b>USAID grants for community and economic development in eastern DRC</b>	USAID will contribute US\$20 million to community and economic development projects in eastern DRC. These funds aim to reach at least 80,000 people, and will focus on promoting alternative livelihoods and market access, supporting civil society in capacity building, advocacy, and conflict resolution.	Request for Applications has been made public. NGOs will submit proposals before USAID selects partners.	Request for Applications made public in 2011.
<b>Initiative on Responsible Business Investment</b>	The Initiative on Responsible Business Investment is a business-led program that brings together government, civil society, and the donor community to establish good practices in corporate citizenship in eastern DRC. It also promotes a role for business in contributing to long-term sustainable development.	Led by GIZ; collaboration with IREP (Initiative pour un investissement responsable en RDC)	The initiative was launched in 2008.
<b>DRC Action Network</b>	The Network will address health, education, energy, economic empowerment, and conflict mineral issues in the DRC. The aim is to bring together a variety of stakeholders to identify and implement collaborative and innovative solutions to address short and long-term issues affecting the sustainable livelihoods.	Clinton Global Initiative; CGI Lead, a group of 17 young leaders that are focusing on partnership development in the DRC.	Several one-to-one commitments in development, with introductory multistakeholder calls to be scheduled beginning in 2011.
<b>Eastern Congo Initiative</b>	Eastern Congo Initiative works to 1) Increase the quantity and quality of public and private funding that supports the communities and citizens of DRC, providing local organizations and leaders with the necessary resources to heal and sustain their communities; 2) Raise public awareness about the tremendous need in the region through highly targeted media and advocacy activities; and 3) Drive policy change that increases U.S. government engagement in DRC.	Founded by actor Ben Affleck and other philanthropists; project of the New Venture Fund, a 501c3 based in Washington, D.C.	Operating since 2009.

## Section IV: Recommendations and Next Steps

BSR's research and interview findings demonstrate the value and stakeholder interest in corporate collaboration for going beyond supply chain activities in the DRC. It is clear companies can make a greater impact through shared collective action with fellow companies, NGOs, and other stakeholders. Partners can pool financial resources and expertise to make more significant and sustainable contributions. Acting alone, particularly in a conflict environment, involves more risk and has less potential for success.

**Form multistakeholder partnership:** BSR recommends the exploration of a multistakeholder partnership that would focus on strategic development needs related to the trade of conflict minerals. As pointed out in Section II of this report, shared resources and efficiencies can create long-term sustainability through broader reach, particularly in complex environments. Furthermore, companies can overcome the barrier of being unable to fund a one-to-one NGO partnership.

**Leverage existing platforms for dialogue:** BSR recommends exploring opportunities to use existing platforms for dialogue. The benefit of this is to identify strategic priorities for multistakeholder collaboration on local development and capacity-building in the DRC. As demonstrated by the differing perspectives on priorities listed in Section II, some degree of dialogue is necessary to identify which areas and activities companies can support to leverage their resources and make the greatest impact.

Furthermore, dialogue on development and capacity-building should not duplicate existing multistakeholder efforts, but instead build on momentum gained through current initiatives to facilitate broader reach and a holistic approach. Currently, BSR sees two avenues for multistakeholder dialogue:

- » The formation of the **PPA** provides a unique opportunity to focus more broadly on improving local conditions for the people affected by the adverse impacts of the minerals trade. It provides an existing structure and medium through which key stakeholders can identify appropriate and necessary companion projects and opportunities that align with multistakeholder priorities on supply chain traceability. Moreover, this partnership incorporates participation from strategic local partners from the Central African region to provide companies and other stakeholders with necessary input on local priorities and needs. The current focus of the PPA is supporting the development of important supply chain traceability programs. A focus on local development should be done in a way that complements rather than dilutes this focus.
- » The **CGI's DRC Action Network** can be used as a platform for dialogue to explore a multistakeholder partnership on development and capacity-building linked to the PPA's goals and objectives on traceability. Strategic coordination between the two initiatives, and alignment between supply chain and development activities, can advance the ultimate goal of improving security, governance, and development outcomes in the region.

Similar to the traceability goals of the PPA, the proposed dialogue on development objectives ultimately could provide a platform for coordination among various stakeholders seeking development opportunities. It also can serve as an avenue for information-sharing between companies that are seeking guidance on how and where to contribute.

BSR hopes that the findings and various perspectives included in this paper can serve as a basis for further multistakeholder dialogue, and we look forward to encouraging and participating in these discussions.

### **NEXT STEPS**

BSR plans to take the following next-steps based on the findings and recommendations outlined in this report.

- » Follow up with key stakeholders on the proposed recommendations.
- » Investigate opportunities to convene a group of interested parties on private sector support of development activities

### **QUESTIONS FOR EXPLORATION**

Your input on the following questions would help us understand how to move forward on developing multistakeholder collaboration beyond the supply chain.

- » Would you be interested in participating in exploratory, multistakeholder dialogue to identify strategic priorities for development and capacity-building as they relate to the conflict minerals issue?
- » What upcoming meetings or events could serve as potential backdrops for multistakeholder dialogue on the issue of development and capacity building in eastern DRC?
- » Would the PPA or other existing collaborative efforts such as CGI make sense as platforms for engagement on development and capacity-building?
- » Is there a single project/issue for companies to get behind, or is it better to provide a “menu” of areas/ways companies can contribute?
- » Are there any points that we missed that should be included in this report?