

## SPECIAL ECONOMIC REPORT



# Democratic Republic of Congo

## The heart of Africa starts beating anew

## COUNTRY DATA

**Official name:** Democratic Republic of Congo (DRC)  
**Capital city:** Kinshasa  
**National Day:** June 30  
**Head of state:** President Joseph Kabila  
**Area:** 2.35 million sq. km (6 times Japan)  
**Main cities:** Kinshasa, Matadi, Kananga, Kisangani, Lubumbashi, Bukavu  
**Population:** 57.54 million (ADB 2005)  
**Official language:** French  
**Currency:** Congolese franc; U.S. dollars and euros are commonly used  
**GDP:** \$6.9 billion (ADB 2005)

## For more information visit:

www.presidentrdc.cd  
 www.bcc.cd  
 www.anapi.org  
 www.copirep.org  
 www.congolegal.cd  
 http://mines.acp.int  
**Katanga province:**  
**Governor:** Moïse Katumbi Chapwe  
**Capital city:** Lubumbashi  
**Area:** 496,877 sq. km  
**Population:** 8.2 million (approx.)

*Katanga is the heart of the mining industry thanks to its copper and cobalt deposits. Foreign investors have invested heavily in Katanga since the adoption of the new Mining Code in 2002.*



President Joseph Kabila



Soon to be the most highly populated Francophone country in the world, the Democratic Republic of the Congo is celebrating the 47th anniversary of its independence. The Congolese seem to be off to a good start in meeting the three main challenges they face since the departure of their Belgian colonizers: democratization, economic growth and national unity, which are central to President Joseph Kabila's pacification policy.

This is a good turn of events for a country that was until only a few years ago the target of attacks by its neighbors, and subject to pillage and anarchy. The elections of December 2006 returned to power Kabila, who has continually attempted to include all political forces in the democratic process. Foreign troops have withdrawn from the national territory and insecurity is limited to the country's eastern regions. The re-opening of the mines in Katanga will help fund the state, which is streamlining its management with the help of the International Monetary Fund and the World Bank. One can hardly ask for more from a country whose reconstruc-

tion promises to be long and difficult.

The participation in Parliament by factions that used to fight each other in the streets is a recent and fragile achievement, as demonstrated by the vio-

delegation from the IMF confirmed June 6 in Kinshasa that the economy was improving, stating that if current trends are maintained, the government could achieve its projected goals. The IMF's

than 5 percent of the population works in the formal sector of the economy. My third goal is improving education-related infrastructure as primary and secondary schools, and universities have to be

rate of 18 percent, the exchange rate of the Congolese franc into dollars was stable during the first half of 2007, and the country has roughly 40 bank branches that offer a substantial range of financial services to economic actors. Credit for this very positive situation is due to the BCC.

"We have been able to introduce conditions favoring economic growth. New laws and regulations have enabled us to restructure and clean up the banking sector. The country now has nine commercial banks operating in a solid legal framework and our successful fight against inflation has encouraged private savings and deposits. Private savings accounts are once again profitable," rejoices Jean-Claude Masangu Mulongo, governor of the BCC, who predicts an inflation rate of roughly 12 percent in 2007 and single-digit inflation in 2008.

The new financial ratios set by the BCC have also contributed to restoring public confidence in financial institutions, pending the introduction in January 2008 of accounting regulations that meet international standards and norms. The authorities also intend to attract foreign capital to speed up the modernization of Congolese banks: a number of laws are under discussion in Parliament that will encourage foreign investment and shareholding.

"We must also work to modernize our own institution. The BCC has recently



J.C. Masangu Mulongo  
 Governor  
 Congo Central Bank

successfully introduced new software to manage all of its operations. This software makes all of our activities easier, from human resources management to financial transactions," explains Mulongo. "It is indispensable for the Democratic Republic of the Congo to have efficient statistical tools. The

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**“ The DRC is now free of political risk. The institutions are stable and democratic. Congo has changed, and I invite investors to come and see for themselves. ”**

Joseph Kabila

## Gécamines rhymes with copper, cobalt, zinc, tin, coltan and uranium



### Seize the opportunity!

Today, the mining industry is the DRC's most dynamic and productive sector. Gécamines, the country's state-owned mining company and strategic tool of its socio economic development, is now back in the fast lane. Over the last few years, the company has started an ambitious development program based

on joint ventures and partnerships. These ventures will allow the company to finance its own production. The incredible wealth of the Congolese soil is within reach of Asian partners interested in seizing one of the most promising business opportunities of the African continent.

Learn more of the advantages of becoming one of Gécamines' partners

**La Générale des Carrières et des Mines**  
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**GECAMINES**

lent events of last March. But the 1+4 formula of the Sun City (South Africa) peace agreement between Kabila and the representatives of the four most important political factions, slated to become respectively president and vice presidents — still stands. "With a new constitution, which devolves power to the provinces and completes the transition process begun in 2001, the

**The Asian example is interesting because they have managed in 40 years to pave the way for many technological advances. There are clearly lessons to be drawn for the DRC from the Asian experience.**

DRC will be able to dedicate all of its energy toward economic development and the struggle against poverty. Parliament's approval of the 2007 budget bears testimony to the smooth functioning of the country's new institutions, which must work hard to develop new norms and change work habits," President Kabila recently declared.

While meeting with business people in South Africa two weeks ago, the Congolese head of state affirmed that his country is "free of all political risk," and that it is no longer home to "revolutionaries but to legitimate and democratic institutions." He showed conviction when he stated that government institutions would stay stable and democratic "for a long time," asserting that no one would attempt to amend the constitution to "obtain a third or fourth mandate," a statement that was particularly appreciated by his audience.

On the economic front, a

mission was satisfied with the government's monetary policy, which has led to the appreciation of the Congolese franc and price stability. After achieving 5 percent growth last year, according to the African Development Bank and the OECD, the economy's dynamism should continue this year. But the country needs foreign investment to move forward: The \$3.5 billion granted by the in-

rebut. My fourth goal concerns developing basic utilities such as water and electricity. During the campaign, I crisscrossed the country, and everywhere I went the people's biggest problem was access to water and electricity. Finally, of course, access to health services. These are my top priorities," President Kabila asserted the day after his electoral victory.

Implementing this ambitious program hinges on a key factor — the mines of Katanga province, where hundreds of billions of dollars lie under the surface of the earth and which the private sector is beginning to transform into currency and tax revenues. The DRC, with its 2.35 million sq. km and estimated 60 million inhabitants, is an African giant with great potential that lies at the crossroads between the continent's Francophone, Lusophone and Anglophone zones. And Africa will experience average economic growth of 6.2 percent in 2007, its best performance in more than 30 years.

The monetary chaos of the political transition period is now forgotten: Congo's Central Bank (BCC) has regained control of the financial sector. Its orthodox management has reassured economic actors and commercial banks, which are again funding private-sector growth. 2006 saw an infla-

"My first priority is infrastructure projects — roads, railways and bridges — so that the regions may be linked and people may freely move from one end of the country to the other. Next, I aim to create jobs thanks to foreign investment. Today, less

rebut. My fourth goal concerns developing basic utilities such as water and electricity. During the campaign, I crisscrossed the country, and everywhere I went the people's biggest problem was access to water and electricity. Finally, of course, access to health services. These are my top priorities," President Kabila asserted the day after his electoral victory.

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CLARISSA DEIDIER PHOTO

# DEMOCRATIC REPUBLIC OF CONGO

## Katanga province Congo's treasure chest



A view of the DRC's capital city of Kinshasa. The city's beat is starting afresh.

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bank's governors need these tools to be able to supervise the implementation of the

state's budget, a sensitive topic in a country where the slightest slippage translates immediately into renewed

inflation and the devaluation of our currency. We cannot afford a significant deficit, since we import

many products, and inflation and currency devaluations raise the cost of imported products.

"We are also planning to engage in heightened supervision in the field to ensure proper bank management. We want to reinforce our supervisory role to benefit companies and retail clients. We shall not hesitate to be strict and close down institutions that do not offer appropriate guarantees. Nothing is more important for us than to strengthen the current climate of confidence. The volume of credit of commercial banks has today increased from 200 million francs to 1 billion francs, and the quality of this debt has also improved due to the rise in revenues of economic actors," concludes Mulongo.

He predicts that the Congo's GDP growth will reach roughly 6.5 percent in 2007 and is hopeful that it will grow by an additional 2 percent to 3 percent in the coming years. He is convinced that his country's economy has the potential to grow by more than 10 percent per year for the next 15 years if the right policies are implemented.



Lubumbashi is alive with many different cultures, reflecting the influence of the different investors that have chosen it as a business location.

### EGM Construct: a constructive joint venture

The shyness of European companies has proven beneficial in one respect since it has freed up the competitive landscape for

step in the right direction. Politicians and entrepreneurs have a joint responsibility to improve the Congo. The creation of EGM Construct bears testimony to our willingness to con-

tribute to Congo's improvement. We offered our services to the government in an initiative in which we shall invest up to \$50 million thanks to the support of our German, South African, British and Dutch partners," states David

their economy is based on small and medium-size companies, and that is the way out for the DRC and perhaps most of Africa. Congo is an enormous market, everything still needs to be improved, starting with infrastructure, but given the abundance of natural resources, a lot can be produced here and then exported. The Congo is located in the heart of Africa and represents a unique platform toward other African markets," explains Iyolo.

Katanga province, which benefited from much Belgian attention and investment during Congo's colonial period, single-handedly provided 70 percent of the colony's total budget. The political turmoil that wracked the country before Joseph Kabila's election as president has today diminished Katanga's contribution to 30 percent of the state's budget.

able partners and we hope they will increasingly decide to invest in projects in Katanga, as Japan is already our largest consumer of copper," explains the governor.

have begun. The province's authorities are preparing a bidding process for the construction of a highway. "With the added support of mining companies such as Groupe George Forrest International and Boss Mining, travel on our roads is improving. There is still much to be done in terms of electrification, and access to water and health services. We have adopted President Kabila's priorities and we are going to fight poverty as much as we can," states the governor of Katanga.



Moise Katumbi Chapwe  
Governor  
Katanga Province

Across all economic sectors, 150,000 new jobs have been created during the past few months. Gov. Chapwe intends to diversify the province's economy in order to avoid relying exclusively on its copper deposits. The latter may last a few decades but are not eternal. Tourism is another avenue for development. The state government is working on making the zoo one of Lubumbashi's tourism landmarks. With its 1.2 million inhabitants, a climate tempered by its elevation of 1,200 meters, and its easy access by train, Lubumbashi is a magical destination.



vice administrations to fight corruption.

Gov. Chapwe celebrates the current keen interest Asian investors are show-

"I want this share to increase to 80 percent," strongly asserts Moise Katumbi Chapwe, the governor of the Democratic Republic of the Congo's most important mining province. To achieve this objective, Gov. Chapwe is very interested in attracting additional Japanese and Asian investment as he is conscious that the time is ripe and that opportunities abound in the mining sector.

"The timing is perfect for investors willing to invest in Congo, with the present increase in the price of all metals, and the judicious decision that was recently taken to halt the export of minerals that are not treated or modified in Congo. The Japanese are present in Congo in an indirect manner through the import here of Japanese car brands, but their presence is still very discrete in direct foreign investment in the mining sector. The Japanese are extremely reli-

The customs office and the tax authorities have seen a fourfold increase in their revenues in the province. Public works to improve Katanga's roads

ing in Katanga's subsoil. "Asian investors are arriving in droves. There are many business opportunities in the mining sector, of course, but also in agriculture. We have ordered 220 tractors to modernize the work methods of our farm-



The Lofoi Falls in Katanga — with a drop as high as the Victoria Falls — are Africa's best kept jewel.

"We wish to create value for the company but also for the country. We have a long-term approach and will continue to invest in the DRC."

Mike Kasenga



Mike Kasenga  
President  
EGM Construct

Congolese entrepreneurs have, for example, signed a contract with EGM Construct, a company created through a joint venture between Groupe Mike Promotion (GMP) and Sodico.

"Our joint venture enables us to launch activities in important new areas. We are rehabilitating seven roads in Kinshasa and we expect to also work in the provinces. And we do not wish to limit ourselves to road work as we plan to be present in construction at the airport, and in general in all basic infrastructure such as schools and hospitals. Our ambition is to participate in the country's reconstruction," states Mike Kasenga, president of EGM Construct and of GMP. "Our company's mission in the capital city is to help decongest the roads that are filled with automobile traffic. This is an emergency program instituted by the government while it awaits greater funding to initiate large-scale roadwork."

"Viewed from the outside, this may seem like a modest goal, but in the case of a country coming out of a difficult situation and an agitated electoral period, this is a

tribute to Congo's improvement. We offered our services to the government in an initiative in which we shall invest up to \$50 million thanks to the support of our German, South African, British and Dutch partners," states David



David Iyolo  
Vice president  
EGM Construct

Iyolo, vice president of EGM Construct and president of Sodico.

He and his associate Kasenga symbolize the Congolese people's unity around the goal of their country's development. Hailing from two different regions of Congo but motivated by the same patriotic feeling, they argue that the challenge of reconstructing the country should be first taken up by the Congolese themselves, in a line of business where companies are often operated by expatriates. EGM Construct has not yet received a single franc

ceive the first payments, which will enable it to continue the work and reassure its foreign partners.

"The classic state-to-state cooperation can be a very slow process. The private sector can shorten deadlines if there is an atmosphere of trust. We have told the authorities that we are ready to build the large east-west boulevard that Kinshasa needs: 16 meters wide and 13 km long. And also according to our pre-funding arrangement," continues Kasenga.

The company is eager to find new partners in Japan and Asia in general as expressed by Iyolo: "People call us the Asians of Congo, as our projects continue sometimes 24 hours a day; we share similar work ethics."

"The development model followed by most Asian countries is an example for us to follow as

"The challenge of reconstructing the country should be taken up by the Congolese themselves. EGM Construct wishes to be involved as the \$5 million we have invested to date testifies."

David Iyolo

# DEMOCRATIC REPUBLIC OF CONGO

## Mining boom The echoes of new regulation convince investors



The mines of the Democratic Republic of the Congo deserve legendary status given the quantity and quality of the metal deposits that they contain. Since antiquity, with the help of rudimentary ovens, copper has been smelted in Katanga. In the 18th century, caravans transported tons of copper to the ports of the Kingdom of Zaire, from where the metal was shipped to Europe. These mineral riches, which are concentrated in the country's southern region, fired the imagination of European explorers. Indigenous production completely ceased at the turn of the 20th century while the Belgian colonizers picked up the slack and industrialized the sector,



**Martin Kabwelulu**  
Minister of Mines

M. Kabwelulu, the minister of mines.

Générale des Carrières et des Mines (Gécamines), the state-owned company that inherited the nationalized mineral deposits and the goose with the golden eggs un-

der the DRC's fortunes.

"The end of political turmoil and instability has enabled the government to redefine its mining policy on firmer grounds. The new Mining Code clarifies the rules of the game and subjects all companies to them while establishing two new practices: the cadastral survey of mining properties and services for the mining environment," states Kabwelulu. He underlines that the legislation passed since 2002 has a double purpose: to offer interesting opportunities to foreign investors and better manage mining activities.

The profits of private-sector companies have swelled with the return of political stability and the increase in metal market rates, but in exchange the former must assist in consolidating the rule of law, improving the living conditions of the population and protecting the environment. "We must ensure that companies who have received licenses are in effect exploring and producing, and not just speculating on the value of their licenses. But on the whole, we can only rejoice at the impact that the revival of this key sector will have on our economy," concludes the minister.



GRUPE FORREST PHOTO

The results of the government's mining policy are indeed already apparent: In 2006, copper exports increased by 83 percent to \$208 million versus \$11 million in 2002! Zinc increased from \$2 million in 2002 to \$37 million last year. Diamonds (\$983 million) and petroleum (\$692 million) remain for the time being the country's two main sources of foreign currency. The DRC's exports increased by 8 percent in 2006 to \$2.24 billion, a figure that is most certainly an underestimation. Min-



**J. Assumani Sekimonyo**  
Chairman of the Board  
Gécamines

eral products represent 95 percent of its total sales abroad.

The DRC's revived economy has benefited Gécamines, which manages the Congolese subsoil on behalf of the state. Through various agreements, it is a shareholder in numerous exploration concerns and is also attempting in parallel to jump-start its own mining operations. "We have renewed our activities by signing partnership contracts that generate income for us. We have signed more than 30 of these types of agreements, with our shareholding ranging from 17.5 percent to 50 percent, depending on the case. If the private investor must resolve particularly complicated technical problems or take substantial risks in an uncharted re-

gion, we lower our shareholding target. The negotiation is on a case by case basis," explains Jean Assumani Sekimonyo, chairman of the board of Gécamines. He adds that his company will now focus on exploration and production to exploit new deposits. The company will soon make tender offers. Until now, its focus had been on providing concessions for dilapidated installations and abandoned mines, in order to quickly revive production thanks to investment by its partners.

As far as its mining operations are concerned, while it produced 450,000 tons of copper in the 1970s and earned \$1 billion per year, Gécamines' production fell to a historic low of 5,000 tons a few years ago. Production increased to 22,000 tons in 2006, an increase of 29 percent, and is expected to grow to 30,000 tons in 2007. These are modest figures since the DRC is

Japanese will follow too," explains Kalembe. "The Japanese market has great demand for cobalt, for example, and we must work to this opportunity. The Japanese company Mitsubishi, to name just one, has expressed interest in developing a close relationship with Gécamines. Mitsubishi knows our products and I am sure that we could become excellent partners as we are complementary."

The profits gained by foreign investors are such that they have not hesitated to build local plant and equipment to begin working the deposits. Boss Mining, for example, built an electricity supply line that is 26 km long over a very short period of three months and 20 days. Its electricity consumption is such that it pays \$1.5 million per month to the national electricity utility.

"Electricity supply remains the single biggest

more than \$800 million as of 2009. This will translate into \$120 million paid in tax revenue per year to the Congolese state. We could quickly become the DRC's largest tax payer," states Décalion.

Boss Mining's plant includes a sulfuric acid production unit, a concentrator and a carbonation unit, in order to export the cathodes. This is in line with CAMEC's standard operating procedures, which try to create the most value-added possible in the countries in which it operates by selling finished products. Listed on the London Stock Exchange, the company's profile corresponds to the type of company that the Congolese authorities seek to do business with: It is accountable to shareholders, must be audited annually, and publishes its results in the media — guaranteed transparency.

"We must continually communicate with our investors in the financial markets in order to reassure them. Abroad, people know about the Congo only what they read in the media and shareholders might be led to believe that we are working in an unstable country. We do our best to explain to them that we are operating here in a healthy environment, and it is our duty to convince them that we should increase our presence in Katanga," explains Décalion. He does not exclude investing up to \$1 billion over time, as long as his company can hire a qualified workforce, which is one of his main challenges currently. This challenge has generated the idea among several mining companies of creating a training center that they would fund jointly. "We must give this serious thought. We are functioning with barely 40 or so expatriates and we do not intend to increase their number. We have come here to create jobs for the Congolese," affirms the CEO of Boss Mining, who comes from a family that has lived in the Congo for four generations.

Boss Mining was originally involved in a more modest project before the arrival of CAMEC in 2007. The company began in 2004 with four shareholders and \$10

"In time, we will reach 100,000 tons of copper per year and between 6,000 and 12,000 tons of cobalt, resulting in revenues of



**Paul Fortin**  
General Administrator  
Gécamines

million in capital. From this initial period remains a strong operating philosophy: speed, efficiency, economy and innovation.

"We have developed a unique treatment process for cobalt. I think we are the only company worldwide and certainly the first in the Congo to practice extraction using solvents. We significantly increase the metal content, which enables us to work with very weak ore. People thought we were crazy, but we don't regret having invested roughly \$60 million in this technique," adds Décalion, who also underlines the improved security that results from this in-



**Laurent Décalion**  
CEO  
Boss Mining

novation. To date, two concessions have been attributed to Boss Mining. Prospecting activities are under way, but with its known reserves the company estimates that work could continue for another 15 years. This is all to the

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“ Gécamines will soon recover the position that it deserves as one of the world's leading copper producers. ”

Jean Assumani Sekimonyo

“ It is important that companies invest downstream in order to add value to our minerals and generate wealth. ”

Martin M. Kabwelulu

“Boss Mining is the first and largest operational project of its kind in the DRC. We have faith in the future of Congo. ”

Laurent Décalion



GRUPE FORREST PHOTO



CONSTRUCTION & CIVIL ENGINEERING

A joint venture of :  
Groupe Mike Promotion & SODICO

**EGM Construct: When the best professionals of construction and civil engineering combine their forces in a joint-venture to bring the Democratic Republic of Congo to the next level of development.**

The Group Mike Promotion and SODICO have created EGM Construct in order to answer the challenge of the reconstruction of the DRC. The two partners join their know-how and technical resources in order to carry out complex and broad-range construction projects. The joint-venture is open to partnerships with foreign companies interested in the vast array of opportunities which the DRC is bringing about as it undergoes its transformation.

The DRC has evergrowing needs in accommodation, transport infrastructures, electricity, and water.

Our expertise and our knowledge of the Congolese market represent a key asset for the foreign partners interested in working in this market. EGM's important fleet of more than 60 machines and trucks, and its competent team of engineers and specialists, enables it to accept the most daring and complex projects throughout the country.

**EGM Construct :  
building today's and tomorrow's Congo**



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# DEMOCRATIC REPUBLIC OF CONGO



GROUPE FORREST PHOTO

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 liking of the Katangans: The company has renovated 120 km of roads, opened a maternity clinic and now wants to launch an agricultural cooperative. Much more can still be done if the

company is able to work jointly with foreign and especially Asian investors who are showing interest in Congo.  
 "Today the Congo shows a strong desire to open its doors to investors; the tim-

ing is excellent for any Japanese or Asian investor who is seeking excellent long-term returns on investment. Up to now the Japanese have been rather cautious, but they were present in the '70s, and had a very positive

influence in Katanga. We hope that they resume a leading role in terms of investment as their cutting-edge technology makes them very attractive partners. Asia has shown a strong will to implant itself in Africa, and I believe that the two continents are com-



**Ignace Kitangu Mazemba**  
 CEO  
 Mining Company Katanga

plementary. A great part of our future development will depend on the relationships we develop with Asia," concludes Décalion.

Agriculture, due to its social benefits and economic potential, is examined by numerous companies as a means of diversification. Mining Company Katanga (MCK) operates, for example, 640 hectares of corn and sunflowers, an area that will more than double to 1,600 hectares next year. "In partnership with a Belgian concern, we intend to increase the harvest in order to satisfy local demand. We are also studying with an Indian group the possibility of exploiting sugar cane to produce biofuels. Rice is an-

other alternative. With water and Katanga's climate, everything grows," states Ignace Kitangu Mazemba, CEO of MCK.

The company's main business, however, remains mining. Founded in 1998 to work in an underground mine owned by Gécamines, MCK then won a contract to uncover and transport sterile ore for the company Anvil Mining, whose South African partner had just abandoned it due to political instability. "We spontaneously made a bid. Everyone was surprised and happy to see the Congolese involve themselves in a difficult project. From that point on, thanks to our experience, we decided to get involved directly with mining exploitation. We signed a contract for a period of 25 years with Gécamines for three deposits situated at Kinsevere, Tshifufia and Nambulwa," continues Mazemba, who was trained as a metal



**Simon Tuma-Waku**  
 Chairman  
 DCP

worker and worked as a manager at Gécamines for 25 years.

MCK's revenues today have reached \$300 million, which the company hopes to increase fivefold during the next few years.

Today, despite transportation problems, mining companies are erecting factories with the latest technologies in remote areas. This is the case of DRC Copper and Cobalt Project (DCP), a joint venture between Nikanor, a British mining company listed on the London Stock Exchange, which holds 75 percent of the shares, and Gécamines. "We shall invest no less than \$800 million so that we can begin operating by the end of 2009. We have established precise targets: 250,000 tons of copper and 25,000 tons of cobalt per year. Our reserves represent roughly 172,000 tons. Our operations could thus last 30 years. Given the current market rates, this is no time to hesitate," explains DCP Chairman Simon B. Tuma-Waku.

One of the defining characteristics of the mining sector in Katanga is the passion and long-term commitment of its principal actors. Décalion of Boss Mining and George Forrest, president of Groupe George Forrest International, to name but two, have been present for decades or belong to families that have lived in Congo's Katanga province for many generations. Through good times and bad, they have stayed in this part of the Congo in the heart of Af-

rica.  
 "I was born in Kolwezi, where a number of my family members have been laid to rest. This city, which in the past was blooming and an agreeable place to live, is



**George Forrest**  
 President  
 Groupe Forrest

today destroyed and must be reborn. Thanks to Kamoto Copper Co., Kolwezi, my town, will rise again. What happiness for me and the inhabitants of Kolwezi," declared an emotional Forrest one year ago, during the official ceremony marking the re-opening of line T17 of the Kamoto-Dima mines, of the Dima concentrator and of the hydro-metallurgical plant of

Luilu, the old heart of Gécamines' operations — an operation worth \$400 million.

Forrest recalls that the Belgian Congo's GDP in 1940 was greater than South Africa's and South Korea's, and equivalent to that of Canada, and he is convinced that it will again hold an enviable rank among the world's nations.

"Groupe Forrest employs directly 9,500 people and is slated to employ 15,000 by 2010. Unfortunately, Japanese entrepreneurs remain cautious while the Chinese and Indians are present in the bidding or the making of most projects," explains the president of Groupe Forrest International. The billions of dollars invested in Katanga in the past few years should nonetheless be sufficient to convince the most reticent investors that the Congo has much to offer.

**“ The future of Congo starts with mining but tourism and agriculture will soon become strategic sectors. Groupe Forrest is already positioning itself in these sectors. ”**

**George Forrest**

Report compiled by Veritas Communications for The Japan Times Ltd.  
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## Building in unison



**Come and take part in the development of the economy of the Democratic Republic of Congo.**

**We are blessed with the most incredibly rich land, fertile and diverse at the same time, a real “geological scandal !” Our subsoil, in addition to having some of the most important copper mines in the world, abounds in cobalt, iron, radium, uranium and diamonds. This blessed land also holds a plethora of agricultural produce such as corn, fish farming, breeding, coffee, cotton and palm trees.**

**Katanga is also fast becoming one of the most interesting tourism destinations in the region, based on the compelling beauty of its two magnificent natural parks and the Lofoi falls, the highest in Africa. Be among the first to enjoy the sights!**

**Don't miss out on the incredible opportunities that our region offers, incomparable in Africa!**

**Katanga Province: where a generous nature meets an industrious workforce!**



**Katanga Province**  
 Governor's Palace  
 Avenue Kasavubu - Lubumbashi  
 Tel: (243) 97 01 19 82  
 E-mail: grouproka@yahoo.fr

## A talent for spotting opportunities

From our offices in the United Kingdom we manage our prospectors and our production teams all over the African Continent. We are present in the Democratic Republic of Congo, in Mozambique, in South Africa, in Mali, in Sudan, in Botswana and in Zimbabwe. In addition, we have just broken into the Chinese market with the acquisition of a fabrication plant of cobalt-derived products (cobalt oxide, cobalt salt, and metallic cobalt).

## CAMEC : the mining production of Katanga

In the Democratic Republic of Congo, we have created a joint-venture named Boss Mining together with the DRC national mining company, La Générale des Carrières et des Mines (Gecamines).

After an in-depth prospection campaign in our concessions - a total of 22 000 km<sup>2</sup> within the state of Kakanga - even our experienced geologists were astounded by the abundance and quality of the mining resources present. Certain veins of copper reached the astonishing grade of 8%!

The Congolese subsoil is so rich that we plan to be working at full capacity by next year. The first phase of our development has enabled us to reach a production of 25 000 tonnes of cathodic copper and 3 000 tonnes of concentrated cobalt per year, while extracting the equivalent of 24 million tonnes of minerals per year.

Next year we will reach the production objectives of 40 000 tons of copper and 5 000 tons of cobalt. By 2009, the mine and the plant will reach their cruising speed of about 100 000 tons of copper and 12 000 tons of cobalt. Our metallurgic plant stands today as the largest production site of its kind in the DRC.

Boss Mining has already created more than 3 000 jobs and invested more than 150 million dollars in Katanga. In addition to building a transformation plant and the production of cathodes, CAMEC is also deeply concerned with its employees' and the community's well-being. For this reason, we are building over 470 homes for our employees and are in the process of building a school and a hospital. Africa is a hospitable and generous land and we, in turn, wish to contribute to the economic and social development of the surrounding communities. Hand in hand, we move forward.

## CAMEC AND THE DEMOCRATIC REPUBLIC OF CONGO : when a highly motivated company meets an exceptional land

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