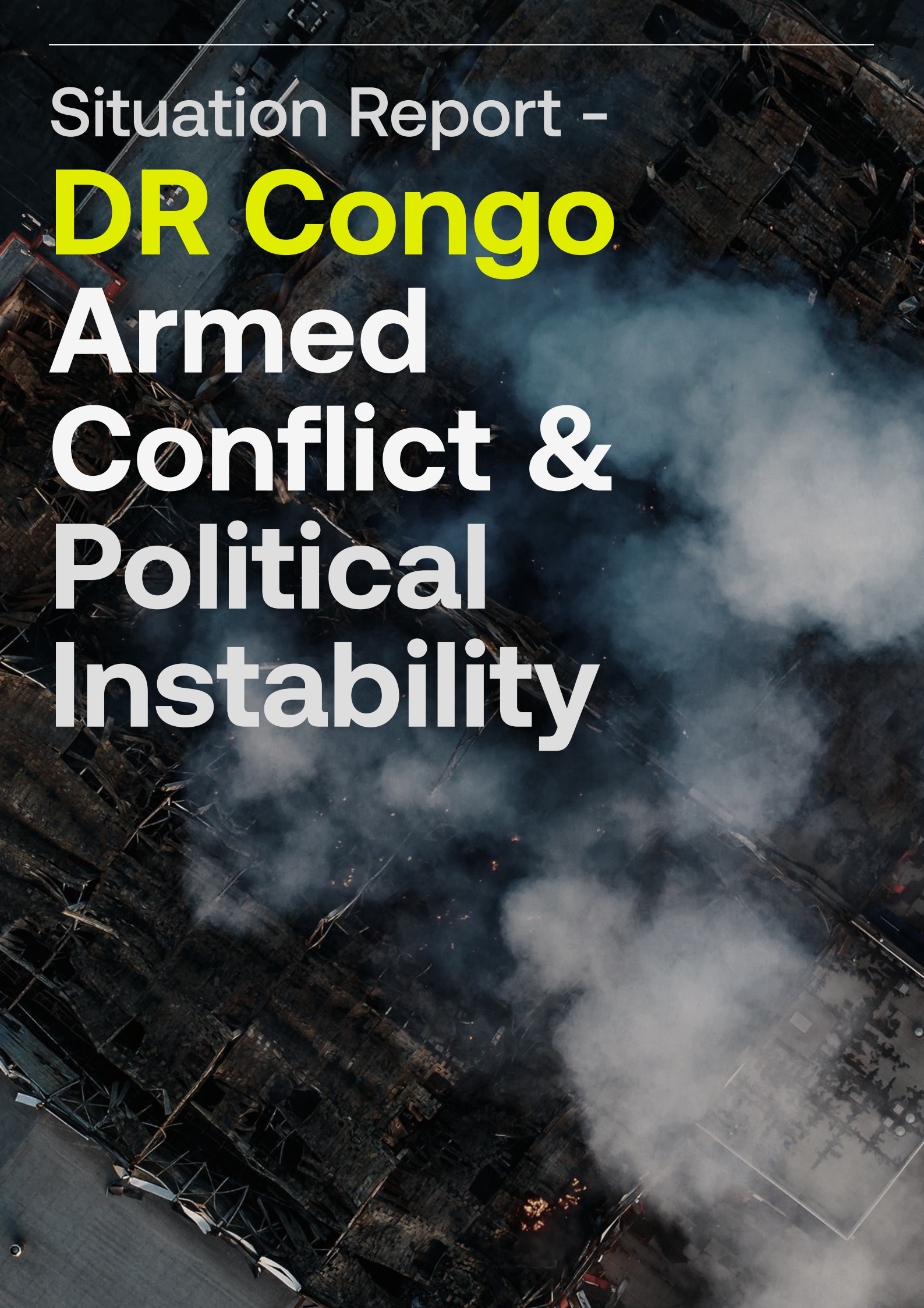


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Situation Report -

**DR Congo**

**Armed  
Conflict &  
Political  
Instability**



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February 3, 2025

# DR Congo Armed Conflict & Political Instability

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## ● 1. Background on the Goma Region

### Geographical Location:

Goma is the capital city of North Kivu province, located near the Rwandan border on the northern shore of Lake Kivu. It serves as a critical economic and logistics hub for mineral trade in eastern Democratic Republic of Congo (DRC).

### Conflict Context:

North Kivu has been plagued by instability due to the presence of multiple armed groups, state actors, and external influences vying for control over territory and mineral resources. Key conflict dynamics include:

- **The resurgence of M23 rebels**, reportedly backed by Rwanda, leading to renewed clashes and territorial shifts.
- **Mai-Mai militias** and various **self-defense** groups controlling artisanal mining areas.
- **The Allied Democratic Forces (ADF)**, an **ISIS-linked group**, more active in Beni and Ituri but still impacting regional security.
- **The Congolese military (FARDC)**, which is both a **stabilizing force** and a source of **corruption** and **trafficking**.
- **UN Peacekeepers (MONUSCO)**, whose mandate has been weakened by growing opposition and protests.

Conflict in Goma affects mineral supply chains both directly (disruptions, attacks, taxation) and indirectly (smuggling, increased illicit trade).

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## ● 2. Major Minerals Sourced Near Goma

While most mining operations are located south and west of Goma (Walikale, Masisi, Rutshuru), the city serves as a major trading and transit hub. The following strategic minerals dominate the regional supply chain

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### Cassiterite (Tin Ore):

- **Major mining areas:** Walikale, Masisi, South Kivu.
- **Importance:** Used in soldering, electronics, and manufacturing.
- **Key risk:** Militia taxation, supply disruptions due to road insecurity.

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### Wolframite (Tungsten Ore):

- **Major mining areas:** South Kivu, Maniema, smaller deposits in North Kivu.
- **Importance:** Used in aerospace, industrial tools, and electronics.
- **Key risk:** Less critical than cassiterite/coltan, but still affected by transport disruptions.

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### Coltan (Tantalum Ore):

- **Major mining areas:** Walikale, Masisi, Kalehe (South Kivu).
- **Importance:** Essential for capacitors in electronics (smartphones, aerospace, defense).
- **Key risk:** High smuggling rates, armed group taxation, instability affecting global prices.

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### Gold:

- **Major mining areas:** Beni, Lubero, Ituri, South Kivu.
- **Importance:** High-value commodity, heavily traded internationally.
- **Key risk:** Over **90% of DRC's gold** is **smuggled**, mainly via **Uganda, Rwanda, and Burundi**.



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### ● 3. Key Armed Groups and Their Impact

Armed groups **directly impact** mineral supply chains through:

- **Taxation & Extortion:** Armed groups, FARDC factions, and local militias impose unofficial **fees on miners, traders, and transporters**.
- **Blockades & Road Insecurity:** M23, Mai-Mai groups, and FARDC checkpoints slow down or halt mineral transport.
- **Forced Labor & Human Rights Abuses:** Reports of child labor and coerced mining persist in ASM (artisanal small-scale mining) sites.

#### Key Actors:

- **M23:** Controls key routes and engages in cross-border trade via Rwanda.
  - **Mai-Mai Militias:** Fragmented groups enforcing local control over mines.
  - **ADF:** Operates more in Beni, but disrupts northward trade routes.
  - **FARDC & Corrupt Officials:** Involved in smuggling, informal taxation.
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### ● 4. Critical Logistics Hubs and Routes

#### Primary Trade Routes Affected:

- **Goma-Gisenyi (Rwanda) border:** The main legal exit point for 3T minerals. M23's resurgence threatens this corridor.
  - **Goma to Bukavu (South Kivu):** Alternative route, but faces security risks and poor infrastructure.
  - **Butembo-Beni-Kasindi (towards Uganda):** Major gold smuggling corridor.
  - **Lake Kivu Transport:** Less significant for bulk minerals but used for small-scale transport.
  - **Bukavu to Tanzania via Burundi:** Emerging alternative route for smuggled gold.
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### ● 5. Potential Risks and Impacts on the Supply Chain

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#### Physical Disruption:

- **Road blockades, ambushes, and armed attacks** can halt mineral shipments.
- **Goma Airport** closures disrupt high-value exports (gold, tantalum).
- **Destruction of warehouses, roads, and key infrastructure** affects supply chain reliability.

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#### Security & Safety Risks:

- **High risk of ambush, extortion, and kidnapping** for transporters.
- **Evacuations of company personnel** may be required if conflict escalates.

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#### Compliance & Traceability Issues:

- **Weakening of iTSCi due diligence schemes** as governance erodes.
- **Blockchain traceability initiatives face enforcement challenges.**
- **Regulatory pressure under US (Dodd-Frank Act, Section 1502) and EU Conflict Minerals Regulation.**

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#### Market Volatility & Illicit Trade:

- **Smuggling networks will thrive** if official channels collapse.
- **Gold remains highly resilient to disruptions due to illicit trade routes.**

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## ● 6. Key Minerals Most Affected

### Heavily Impacted:

**Coltan & Cassiterite:** Goma's role as a hub means disruptions will affect global supply.

**Gold:** Smuggling networks will continue, but official trade will decline.

### Moderately Impacted:

**Wolframite:** Present in the region but not as critical.

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## ● Conclusion

### Overall Risk Assessment:

- **Conflict Risk: 9/10** (Intense armed group activity, M23 resurgence).
- **Regulatory/Compliance Risk: 7/10** (High risk of illicit trade, weakening oversight).
- **Logistical Risk: 8/10** (Severe disruptions likely at key chokepoints).
- **Market Volatility Risk: 6/10** (Spot prices may fluctuate, but global alternatives exist).
- **Illicit Trade Risk: 9/10** (Strong smuggling networks)..

### Key Takeaways:

- **Immediate Risks:** Supply chain disruptions, increased smuggling, rising security costs.
- **Medium-Term:** Greater scrutiny of conflict **mineral compliance, shifting trade routes.**
- **Long-Term:** Potential **decline in formal mining sector viability** in North Kivu.

**Careful monitoring, proactive logistics adaptation, and robust due diligence are critical for any entity sourcing minerals in this region.**