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INTRODUCTION

“Multi-stakeholder groups are encouraged to explore innovative approaches to extending EITI implementation to increase the comprehensiveness of EITI reporting and public understanding of revenues and encourage high standards of transparency and accountability in public life, government operations and in business (Requirement 9b).”

In 2005, the Democratic Republic of Congo joined the EITI and after having met the candidacy requirements, the country has been accepted as a candidate on November 1, 2007. Since then, the DRC has undertaken the implementation of the EITI through activities aimed at enhancing transparency in revenues from its resources. These activities are included in the work plans approved by the Multi-Stakeholder Group called “Executive Committee” and have been made publicly available.

On 12 February 2010, the Ministers board adopted the first EITI-DRC Report and forwarded it to the Head of State on 12 March 2010.

The Validation Committee of the Board of the EITI had reviewed the initiative process first validation report in the DRC in 2010 concluded that some indicators in the report had to be improved. Corrective measures were thus recommended to the DRC to attain the status of compliant country. Correction of deficiencies noted in these corrective measures would be through the issuance of a new report.

It is under these conditions that the Executive Committee decided to issue this new report with the intent to fill the gaps of the previous report. Similarly, the Board of Directors set the time of issuance of the report to 12 June 2011. The Executive Committee also decided that the report would also cover the combined years 2008 and 2009 on oil, copper, cobalt and on precious materials purchase agencies.

Unfortunately, the 12 June 2011 deadline was not met as the 2008-2009 Report was issued later in February 2012. Among the reasons for this delay can be cited, the setting of a much too ambitious scope of companies and types of revenue to be included, the lack of adequate funding, very limited capacity of many stakeholders to the process, etc.

Thus, in August 2011, the EITI Board required the EITI-DRC to resume the EITI implementation process as "candidate countries" not having met compliance and that for 18 months starting 1 September 2011 through 1 March 2013. Upon completion of this step, the DRC would be submitted to a second validation in accordance with the new rules of the EITI 2011 version and would have to issue another report on the 2010 fiscal year.

After review of the Board’s decision which required that DRC resume the implementation process as a candidate country, the Executive Committee, on request of the Government, during its meeting held on 30 August 2011, committed to continue the process anew, determined to achieve the status of a compliant country.

Instead of keeping drafting EITI reports and implementing the processes which was not achieving compliance, the Executive Committee decided to make a strategic halt in September 2011 in order to assess the whole EITI implementation process in the DRC.

Following this assessment, a series of measures were taken: the adoption of the rules of the Multi-Stakeholder, the development of suitable work plan and roadmap, the audit of the EITI - DRC National Committee accounts, the formal commitment of the Government to regularly finance the process, the representativeness of delegates from each stakeholder, the restructuring of the Technical Secretariat, a quarterly assessment of the process by civil society, the involvement of partners in the progress of the implementation, etc.

Thus, in September 2011, the process for drafting and publication of the 2010 Report was launched.

However, in October 2011, the DRC entered an election period which resulted in the slowdown of Government activities. This led to a long delay in data collection and reconciliation to be included in the 2010 report. It is in April 2012 that the head of state appointed a new government and a new National Coordinator of the EITI. Until things settled and activities resumed, it was only in July 2012 with several new members in the Executive Committee that activities started for the publication of the 2010 Report. A roadmap was adopted which set the publication of the report to 31 December 2012.

The Executive Committee adopted then terms of reference which enabled the recruitment of an Independent Expert to set the scope, define materiality threshold and reconcile payments and revenues disclosed for the year 2010.

Assuming that the data collection was not easy, we were ultimately able to issue the 2010 Report by 15 January 2013. Following this publication, the Executive Committee has recruited a Validator who had to assess the progress of the implementation of the EITI in the DRC. The Validator had been two months to work; January and February 2013, to prepare his/her mission report.

But once again, the conclusions by the Validator were not satisfactory for the Democratic Republic of Congo as the Validator concludes that requirements 9, 14 and 15 have not been met. So the DRC was considered as non-compliant.

The conclusions by the EITI board were even more rigorous: instead of 3 requirements considered as not complied with as concluded by the validator, the Members of the highest board of EITI International concluded that 6 were not met (requirements No. 9, 11, 12, 13, 14 and 15). They were related to the setting of materiality, the completeness and reliability of the disclosures in the EITI reporting process. To the utter disappointment of the DRC, the Board decision was a suspension of the Democratic Republic of Congo.

The letter from the President of the Board to the Prime Minister to inform him of the Board's decision came soon to alleviate this feeling of disappointment and restore hope and even more give reasons to persevere. In the letter dated April 23 - 2014, the efforts of the DRC in the implementation of the process are acknowledged and encouraged.

Ms. Clare Short, Head of the EITI, wrote especially:

“The Board, however, wishes to congratulate the stakeholders for the progress achieved with regards to disclosures of payments and revenues from the oil and mining sectors as well as for the debate that could be generated across the country thanks to the conclusions of the EITI work. The Board has asked me to congratulate your government and the EITI Executive Committee for their efforts and the orientation they have applied for the sustainable implementation of the EITI and for their ongoing commitment to the EITI principles and criteria. While recognizing the magnitude and complexity of the challenges faced by the

Congolese government in the implementation of reforms, I encourage all stakeholders involved in the process to use this temporary suspension as an opportunity to focus on the implementation of corrective measures required by the Board of Directors so that they be fully implemented. This may include, in particular, the publication of an additional EITI 2010 report and an additional EITI 2011 report no later than 31 December 2013.

Your country is now referred to as “EITI Candidate Country (suspended)”. The suspension will be lifted once the Board is satisfied that the corrective measures recommended to achieve compliance have been successfully implemented. Compliance will be checked through a review by the Secretariat which will be undertaken within twelve months of the decision. In case the suspension shall remain in force for more than a year, i.e. beyond 17 April 2014, the Board will consider the removal of the Democratic Republic of Congo from the list of EITI countries.”

The decision of the Board communicated to the Prime Minister mentions the following corrective measures:

- **In accordance with Requirement 9**, agree on a clear definition of materiality specifying the revenue stream that will be included in the scope of revenues to be disclosed, including payments made to and by public companies, and on the coverage of payments and revenues paid to subnational entities and coverage of in-kind payments, and agree on provisions for the creation of infrastructure or other arrangements such as barter. The Board welcomes the fact that the 2010 report covers the "Chinese Contract", the integration of which had also an impact on the compliance to Requirement 9(f).
- **In accordance with Requirement 11**, the government should make sure that all companies and relevant State entities are involved in the reporting process and ensure the full participation of state-owned companies. The Board reiterates the suggestion contained in Requirement 11(b) stating that if a number of small operators make payments that are not individually significant, which become so when aggregated, the government should disclose the total flow of revenue from these small operators.
- **In accordance with Requirement 12**, the government must ensure that payments disclosed/reported to the independent administrator are based on accounts audited to international standards.
- **In accordance with Requirement 13**, the government should make sure that payments disclosed/reported by the State entities to the independent administrator are based on accounts audited according to international standards.
- **In accordance with Requirement 14**, the government should make sure that all companies falling within the agreed scope of the reporting process comprehensively disclose all of their material payments in accordance with agreed reporting forms.
- **In accordance with Requirement 15**, the government should make sure that all State entities falling within the agreed scope of the reporting process comprehensively disclose all of their material payments in accordance with agreed reporting forms.

The implementation of these corrective measures may be demonstrated by the publication of an additional EITI 2010 Report or through a 2011 EITI Report. It is required that the 2011 EITI report be published no later than 31 December 2013.

Immediately after receiving information of the DRC suspension, the Executive Committee met on April 19, 2013 and through a press release, the Chairperson of the Executive Committee informed the public opinion about the Multi-Stakeholder Group determination to proceed with the publication of a new report on the year 2011 taking into account the corrective measures.

In addition, in order to produce the 2011 Report, the Executive Committee has developed a roadmap that focuses on the following aspects:

1. Stakeholders awareness on the development of the scoping study
2. Conduct of the scoping study to determine the materiality threshold, the scope of companies to be included and the reference base of financial flows
3. Design and adoption of reporting forms
4. Data collection campaign
5. Reconciliation and production of the EITI 2011 report

The adoption of that roadmap was accompanied by the commitment by the civil society, the companies and by Financial Authorities, all represented in the Executive Committee, to fully participate in the 2011 report drafting process.

In compliance with the deadline as set by the EITI Board, the multi-stakeholder group published its 2011 Report¹ on the hydrocarbons sector, in November 2013, and on the mining sector on 31 December 2013 with as the main objective, to address the corrective measures as recommended by the Board. After the publication of the 2011 Report, the Executive Committee, continuing the implementation of the roadmap, presented this report to the general public by encouraging lively debates² involving all stakeholders on the satisfactory implementation of corrective measures.

From that discussion, it should be noted that a report of votes and minutes have been established and are available on the website link: (http://www.itierdc.com/Publication_et_rapport/Comptendu%20analytique%20de%20la%20Atelier%20ITIE%20RDC%20de%20Lubumbashi%20du%2012%20et%2013_02_2014.pdf).

Similarly, after participating in the discussion of stakeholders, several civil society organizations gathered in various coalitions have separately assessed the implementation process and the quality of the EITI-DRC 2011 Report and have made disclosures as to their satisfaction when all required improvements are introduced in the additional Report.

After all the discussions, stakeholders recommended to the multi-stakeholder group to proceed with the improvement of the 2011 Report. To meet the recommendation by stakeholders, the Executive Committee has developed a complementary note (Appendix No. 9) comprising:

- The statement of requirements to be met,
- Opinions and recommendations by the 2010 Validator

¹http://www.itierdc.com/Publication_et_rapport/Rapport%20ITIE%202011%20Hydrocarbures%20%20vf.pdf
http://www.itierdc.com/Publication_et_rapport/Rapport%20itie-rdc%202011%20du%20secteur%20des%20mines%20.pdf

² http://www.itierdc.com/Publication_et_rapport/Comptendu%20analytique%20de%20la%20Atelier%20ITIE%20RDC%20de%20Lubumbashi%20du%2012%20et%2013_02_2014.pdf

- Corrective measures from the Board
- Suggestions by the International Secretariat in preparation for their review
- The stakeholders opinions

It is thus based on this additional note that the multi-stakeholder group has published this report which includes, in addition to the introduction, three sections:

- **Section 1:** Summary of the Report 2011
- **Section 2:** Additional information
 - Sub-section 1: Overview of the Scoping Study
 - Sub-section 2: Completeness Issues
 - Sub-section 3: Understanding the Chinese Contract
 - Subsection 4: Reliability of disclosures
- **Section 3:** Appendices

In addition to this supplementary report, the Multi-stakeholder Group makes available for the International Secretariat, for its review of the EITI-DRC compliance, a large number of documents and other necessary information usually required for validation.

Célestin Vunabandi
President of the Executive Committee
Ministry of Planning

SECTION 1: SUMMARY OF THE 2011 REPORT IN USD

This summary presents the whole of reconciled disclosures of all of the oil and mining sectors companies and of all state entities included in the scope of the 2011 EITI-DRC Report, as well as the distribution of revenues collected from these companies.

1.1. 2011 RECONCILED DISCLOSURES FOR HYDROCARBONS AND MINING SECTORS

Payments disclosed/reported by Financial Authorities	:	1 413 111 313
Payments disclosed/reported by Companies of the Oil and Mining sectors	:	1 408 273 353
Absolute deviation	:	4 837 960

Distribution of revenues collected from Companies of the Oil and Mining sectors (1):

Share pertaining to the Treasury	:	929 782 443	(66.0%)
Share pertaining to State-owned Companies	:	328 742 641	(23.3%)
Share pertaining to Province of Katanga	:	102 899 271	(7.3%)
Share pertaining to DGDA	:	35 868 084	(2.5%)
Share pertaining to DGI	:	5 260 997	(0.4%)
Share pertaining to DGRAD	:	10 557 877	(0.8%)

1.2. 2011 RECONCILED DISCLOSURES AS REPORTED BY THE HYDROCARBONS SECTOR

Payments disclosed/reported by Financial Authorities	465 655 806
Payments disclosed/reported by oil companies	465 640 388
Absolute deviation	15 418

Distribution of revenues collected from hydrocarbons sector companies (1)

Share pertaining to the Treasury	:	459 436 907	(98.67%)
Share pertaining to the DGI	:	364 326	(0.08%)
Share pertaining to the DGRAD	:	5 839 155	(1.25%)

1.3. 2011 RECONCILED DISCLOSURES/REPORTS FOR THE MINING SECTOR

Payments disclosed/reported by Financial Authorities	:	942 617 547
Payments disclosed/reported by Oil and Mining companies	:	947 470 925
Absolute deviation	:	4 853 378

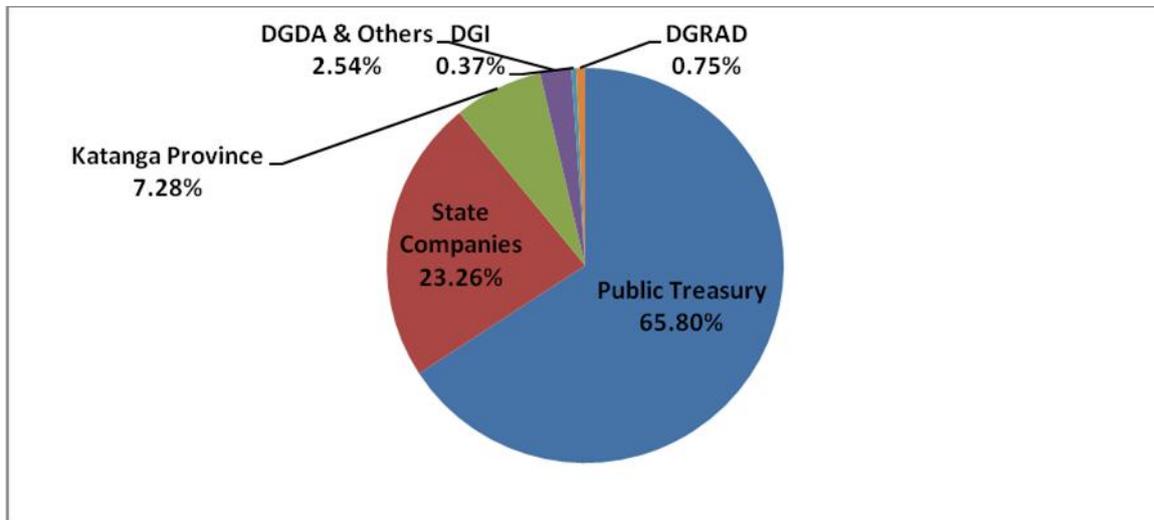
Distribution of revenues collected from Mining companies (1):

Share pertaining to the Treasury	:	470 345 536	(49.80%)
Share pertaining to Public Companies	:	328 742 641	(34.70%)
Share pertaining to the Province of Katanga	:	10 899 271	(10.80%)
Share pertaining to DGDA	:	35 868 084	(3.70%)
Share pertaining to DGI	:	4 896 671	(0.50%)
Share pertaining to DGRAD	:	4 718 722	(0.50%)

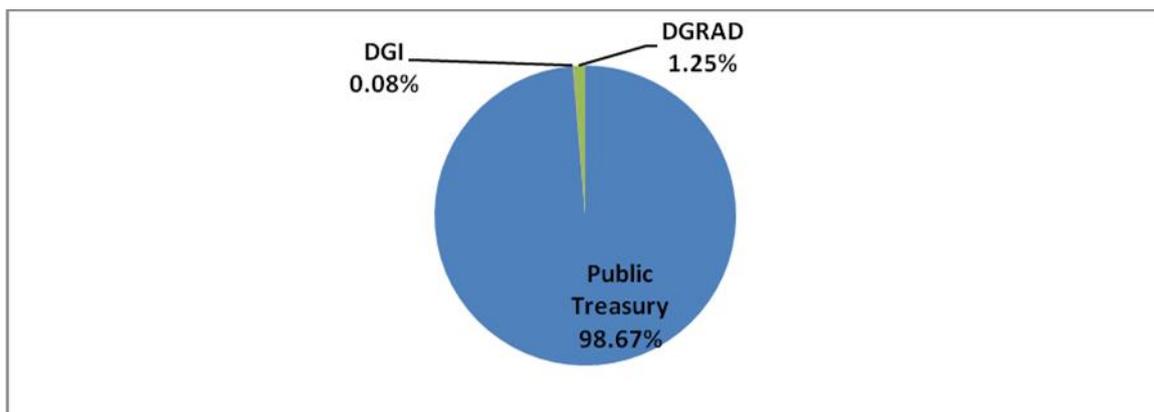
(1) Distribution of revenues as a percentage of the total of payments made by Companies

1.4. CHARTS OF COLLECTED REVENUE DISTRIBUTION

Distribution of collected revenue for oil and mining companies



Distribution of collected revenue for oil companies



Distribution of collected revenue for mining companies

1.5. GENERAL TABLE OF RECONCILED DISCLOSURES FROM THE 2011 EITI REPORT

No.	NIF (Tax Number)	CORPORATE NAME	Sector	Phase	DISCLOSURES OF COMPANIES' PAYMENTS	DISCLOSURES OF REVENUE								DEVIATION
					(A)	FROM FINANCIAL AUTHORITIES PAID TO PUBLIC TREASURE	DRKAT ON BEHALF OF KATANGA PROVINCE	FROM STATE COMPANIES on their own behalf	FOR STATE FINANCIAL AGENCIES (AFE) FOR THEIR OWN BEHALF				TOTAL OF REVENUE (1)+(2)+(3)+(4) =	ABSOLUTE
						-1	-2	-3	-4				(B)	(A) -(B)
									DGI	DGDA	DGRAD	Total AFE		
1	A0704867Z	MUMI	M	PR	288 966 054	71 070 072	14 293 095	196 076 895	717 096	5 237 814	995 669	6 950 579	288 390 641	575 413
2	A0701284E	MIOC	P	PR	156 317 895	153 273 798	0	0	148 543	0	2 895 518	3 044 061	156 317 859	36
3	A0810758D	TFM	M	PR	147 148 343	126 932 525	13 402 797	0	51 670	8 699 122	0	8 750 792	149 086 114	-1 937 771
4	A0701041Q	KCC	M	PR	120 743 516	70 952 558	12 442 316	31 389 759	1 808 741	5 097 124	1 337 849	8 243 714	123 028 347	-2 284 831
5	A0703938P	TEOC/DRC	P	PR	101 988 598	100 033 304	0	0	61 718	0	1 893 576	1 955 294	101 988 598	0
6	A1215507U	PERENCO	P	PR	81 914 900	81 857 405	0	0	57 499	0	0	57 499	81 914 904	-4
7	A0905972C	BOSS MINING	M	PR	67 453 791	32 136 768	21 653 445	8 613 836	584 848	4 274 654	29 980	4 889 482	67 293 531	160 260
8	A0703937N	LIREX	P	PR	66 103 464	66 063 504	0	0	39 913	0	0	39 913	66 103 417	47
9	A0703905D	CHEVRON	P	PR	53 670 608	52 562 885	0	0	55 466	0	1 050 061	1 105 527	53 668 412	2 196
10	A0704687D	RUASHI	M	PR	45 478 374	23 303 832	3 890 782	15 045 916	30 083	2 451 627	0	2 481 710	44 722 240	756 134
11	A0701147F	GECAMINES	M	EP	39 784 586	35 205 898	2 174 393	0	0	640 110	323 349	963 459	38 343 750	1 440 836
12	A1007789D	SODIFOR	M	EX	30 446 497	293 520	20 787	30 400 000	0	0	0	0	30 714 307	-267 810
13	A0814445L	BAZANO	M	PR	25 177 477	16 617 850	7 795 400	0	312 820	704 939	227 262	1 245 021	25 658 271	-480 794
14	A0800394N	AMCK	M	PR	21 141 074	13 889 076	1 198 008	4 498 698	1 471	926 314	704 431	1 632 216	21 217 998	-76 924
15	A0708211J	CHEMAF	M	PR	18 989 834	12 075 470	2 883 389	0	393 625	2 276 719	413 728	3 084 072	18 042 931	946 903

No.	NIF (Tax Number)	CORPORATE NAME	Sector	Phase	DISCLOSURES OF COMPANIES' PAYMENTS	DISCLOSURES OF REVENUE								DEVIATION
					(A)	FROM FINANCIAL AUTHORITIES PAID TO PUBLIC TREASURE	DRKAT ON BEHALF OF KATANGA PROVINCE	FROM STATE COMPANIES on their own behalf	FOR STATE FINANCIAL AGENCIES (AFE) FOR THEIR OWN BEHALF				TOTAL OF REVENUE (1)+(2)+(3)+(4) =	ABSOLUTE
						-1	-2	-3	-4				(B)	(A)-(B)
									DGI	DGDA	DGRAD	Total AFE		
16	A0704865X	SOMIKA	M	PR	15 886 942	10 283 357	3 741 584	250 000	258 611	1 239 615	113 162	1 611 388	15 886 329	613
17	A0712822W	CDM	M	PR	13 966 860	7 555 473	4 861 705	0	0	1 303 312	0	1 303 312	13 720 490	246 370
18	A0704877K	CMSK	M	PR	10 636 904	5 454 165	4 226 755	401 000	165 698	215 581	0	381 279	10 463 199	173 705
19	A1009298T	KICO	M	EX	10 020 735	24 345	0	10 000 000	0	0	0	0	10 024 345	-3 610
20	A0714791L	SMK	M	EX	9 321 616	910 456	1 073 132	7 198 314	4 805	0	183 448	188 253	9 370 155	-48 539
21	A0700152Z	ASHANTI	M	EX	7 133 634	5 460 569	0	1 500 000	150 847	2 675	0	153 522	7 114 091	19 543
22	A1109197K	SMB	M	EX	6 451 211	908 218	0	5 360 000	0	0	0	0	6 268 218	182 993
23	A0700357X	STL	M	PR	5 454 064	3 114 275	0	0	16 767	438 714	0	455 481	3 569 756	1 884 308
24	A0702049L	KIBALI	M	EX	5 404 284	1 107 738	0	3 700 265	0	227	0	227	4 808 230	596 054
25	A0811655D	SEK	M	PR	4 412 307	2 000 658	1 109	2 544 960	0	139 727	106 310	246 037	4 792 764	-380 457
26	A0815188T	CIMCO	M	PR	4 327 075	2 863 241	488 020	0	19 920	533 764	139 400	693 084	4 044 345	282 730
27	A0906459G	ORAMA	M	EX	3 800 000	0	0	3 804 720	0	0	0	0	3 804 720	-4 720
28	A0700172W	AMC	M	PR	3 350 933	2 936 442	464 855	0	0	24 882	0	24 882	3 426 179	-75 246
29	A0805833A	SOKIMO	M	EP	2 774 977	1 737 599	0	0	755	0	0	755	1 738 354	1 036 623
30	A0811578U	S.M.K.K	M	PR	2 606 393	2 509 528	0	0	95 324	0	1 250	96 574	2 606 102	291
31	A0700383A	SOCO	P	EX	2 506 850	2 506 828	0	0	0	0	0	0	2 506 828	22

No.	NIF (Tax Number)	CORPORATE NAME	Sector	Phase	DISCLOSURES OF COMPANIES' PAYMENTS	DISCLOSURES OF REVENUE								DEVIATION	
						(A)	FROM FINANCIAL AUTHORITIES PAID TO PUBLIC TREASURE	DRKAT ON BEHALF OF KATANGA PROVINCE	FROM STATE COMPANIES on their own behalf	FOR STATE FINANCIAL AGENCIES (AFE) FOR THEIR OWN BEHALF				TOTAL OF REVENUE (1)+(2)+(3)+(4) =	ABSOLUTE
							-1	-2	-3	-4				(B)	(A)-(B)
										DGI	DGDA	DGRAD	Total AFE		
32	A0811710N	CLWM SPRL	M	PR	2 497 102	2 140 141	343 064	0	8 985	0	0	8 985	2 492 190	4 912	
33		WANGA	M	EX	2 460 000	0	0	2 140 000	0	0	0	0	2 140 000	320 000	
34	A0901048A	AFRICAN MINERALS	M	EX	2 166 980	2 001 521	47 197	0	0	12 855	0	12 855	2 061 573	105 407	
35	A0704875H	KINSEDA	M	EX	2 043 969	778 593	1 579	1 200 000	5 567	10 375	0	15 942	1 996 114	47 855	
36	SANS NIF8	SEMLIKI	P	EX	2 000 000	2 000 000	0	0	0	0	0	0	2 000 000	0	
37	A0708266T	SWANMINES Sprl	M	EX	1 750 107	209 617	188	1 600 000	164	282	0	446	1 810 251	-60 144	
38	A0814806D	RUBAMIN	M	PR	1 749 207	1 276 496	316 900	0	17 708	57 646	90 000	165 354	1 758 750	-9 543	
39	A0704693K	BOLFAST	M	EX	1 441 331	532 697	1 414 233	0	0	37 216	13 713	50 929	1 997 859	-556 528	
40	A0814803A	METAL MINES	M	PR	1 422 755	726 126	675 446	0	2 994	59 824	0	62 818	1 464 390	-41 635	
41	A1009299U	KANSUKI	M	EX	1 106 090	1 046 643	2 604	0	0	3 387	0	3 387	1 052 634	53 456	
42	A0900939G	HUACHIN	M	EX	1 037 386	1 443 368	83 200	0	29 202	0	26 044	55 246	1 581 814	-544 428	
43	A0704695 M	COMIDE	M	EX	974 246	971 570	0	0	3 893	0	0	3 893	975 463	-1 217	
44	A0700073N	TWANGIZA	M	PR	952 119	1 108 872	0	0	0	0	0	0	1 108 872	-156 753	
45	A0906707B	KALUMINES	M	EX	904 657	892 584	1 140	0	14 920	1 990	0	16 910	910 634	-5 977	
46	A0700108B	COHYDRO	P	EP	876 283	869 791	0	0	0	0	0	0	869 791	6 492	

No.	NIF (Tax Number)	CORPORATE NAME	Sector	Phase	DISCLOSURES OF COMPANIES' PAYMENTS	DISCLOSURES OF REVENUE							DEVIATION		
						(A)	FROM FINANCIAL AUTHORITIES PAID TO PUBLIC TREASURE	DRKAT ON BEHALF OF KATANGA PROVINCE	FROM STATE COMPANIES on their own behalf	FOR STATE FINANCIAL AGENCIES (AFE) FOR THEIR OWN BEHALF				TOTAL OF REVENUE (1)+(2)+(3)+(4) =	ABSOLUTE (A) -(B)
							-1	-2	-3	-4				(B)	
										DGI	DGDA	DGRAD	Total AFE		
47	A1004150Y	KISANFU	M	EX	827 469	505 412	20	273 278	0	0	0	0	778 710	48 759	
48	A0906442N	FEZA MINING	M	PR	761 256	570 866	119 761	0	41 412	75 655	0	117 067	807 694	-46 438	
49	A0955555E	CHABARA	M	EX	752 138	1 868	0	750 000	249	0	0	249	752 117	21	
50	A0905363Q	SODIMICO	M	EP	725 900	476 320	62 018	0	0	23 839	0	23 839	562 177	163 723	
51	A0704870C	EXACO	M	PR	712 809	107 134	692 799	0	0	0	0	0	799 933	-87 124	
52	A0707219F	SEMHKAT Sprl	M	EX	687 654	660 571	34 249	0	17 648	0	0	17 648	712 468	-24 814	
53	A0905251T	MAGMA	M	PR	661 905	705 000	224 100	0	0	22 742	12 927	35 669	964 769	-302 864	
54	A0802327E	MMR	M	PR	649 901	547 058	0	100 000	0	17 205	0	17 205	664 263	-14 362	
55	A1007484X	SODIMIKA	M	EX	602 865	73 146	0	525 000	0	1 320	0	1 320	599 466	3 399	
56	A1008279L	SHITURU	M	EX	589 015	562 639	0	0	26 514	0	0	26 514	589 153	-138	
57	A0900876N	G.A.R SPRL	M	PR	570 979	483 504	34 635	0	5 264	24 177	0	29 441	547 580	23 399	
58	A0907596S	LONG FEI	M	EX	560 551	247 924	0	550 000	0	274 212	0	274 212	1 072 136	-511 585	
59	A0709233U	LONCOR	M	EX	379 961	379 582	0	0	0	90	0	90	379 672	289	
60	A0906718N	JMT	M	PR	345 255	523 810	0	0	6 261	103 120	0	109 381	633 191	-287 936	
61	A0704273D	GTL	M	PR	330 492	259 285	0	0	0	249 122	0	249 122	508 407	-177 915	
62	A0912866 W	MIZACO	M	EX	253 388	0	0	720 000	0	0	0	0	720 000	-466 612	

No.	NIF (Tax Number)	CORPORATE NAME	Sector	Phase	DISCLOSURES OF COMPANIES' PAYMENTS	DISCLOSURES OF REVENUE							DEVIATION					
						(A)	FROM FINANCIAL AUTHORITIES PAID TO PUBLIC TREASURE	DRKAT ON BEHALF OF KATANGA PROVINCE	FROM STATE COMPANIES on their own behalf	FOR STATE FINANCIAL AGENCIES (AFE) FOR THEIR OWN BEHALF				TOTAL OF REVENUE (1)+(2)+(3)+(4) =	ABSOLUTE			
										-4						(B)	(A) -(B)	
										DGI	DGDA	DGRAD						Total AFE
63	A0814843T	COTA MINING	M	PR	250 514	426 425	209 450	0	4 848	516 805	0	521 653	1 157 528	-907 014				
64	A0815428E	COMILU SPRL	M	EX	235 596	238 106	356	0	8 997	51 496	200	60 693	299 155	-63 559				
65	A0811080D	SCMK-Mn	M	EP	214 461	199 500	0	0	16 038	0	0	16 038	215 538	-1 077				
66	A0706875G	SURESTREAM	P	EX	183 200	183 200	0	0	0	0	0	0	183 200	0				
67	A0700186L	DE BEERS	M	EX	174 462	147 658	0	0	27 655	0	0	27 655	175 313	-851				
68	A1105861J	SAKIMA	M	EP	160 000	0	0	0	0	0	0	0	0	160 000				
69	A0901460Y	KGL-SOMITURI	M	EX	145 531	0	0	0	0	0	0	0	0	145 531				
70	A0906857P	MDDK	M	EX	112 713	124 130	0	0	7 408	0	0	7 408	131 538	-18 825				
71	A0802327P	SECAKAT	M	EX	100 000	0	0	100 000	0	0	0	0	100 000	0				
72	A0815341K	COMMUS	M	EX	78 345	72 466	0	0	149	0	0	149	72 615	5 730				
73	A1001383Q	SCIM	M	EP	73 255	7 653	0	0	0	5 760	0	5 760	13 413	59 842				
74	A0700193T	KAMITUGA	M	EX	66 277	0	0	0	0	0	0	0	0	66 277				
75	A0700153A	NAMOYA	M	EX	64 357	73 564	0	0	1 206	0	0	1 206	74 770	-10 413				
76	A0704883R	MKM	M	EX	61 641	4 089	0	0	0	0	0	0	4 089	57 552				
77	A1103150 M	OIL OF DRC	P	EX	58 568	56 637	0	0	1 158	0	0	1 158	57 795	773				
78	A0700163L	LUGUSHWA	M	EX	38 759	48 565	0	0	0	0	0	0	48 565	-9 806				

No.	NIF (Tax Number)	CORPORATE NAME	Sector	Phase	DISCLOSURES OF COMPANIES' PAYMENTS (A)	DISCLOSURES OF REVENUE							TOTAL OF REVENUE (1)+(2)+(3)+(4) = (B)	DEVIATION ABSOLUTE (A)-(B)
						FROM FINANCIAL AUTHORITIES PAID TO PUBLIC TREASURE	DRKAT ON BEHALF OF KATANGA PROVINCE	FROM STATE COMPANIES on their own behalf	FOR STATE FINANCIAL AGENCIES (AFE) FOR THEIR OWN BEHALF					
						-1	-2	-3	-4					
									DGI	DGDA	DGRAD	Total AFE		
79	A1113021R	ENI	P	EX	27 697	27 697	0	0	0	0	0	0	27 697	0
80	A0814790L	MIKAS	M	EX	23 797	46 809	591	0	0	105 440	0	105 440	152 840	-129 043
81	A1100211S	COMIKA	M	EX	20 367	0	153	0	0	90	0	90	243	20 124
82	A0812843U	NESSERGY	P	EX	6 245	0	0	0	0	0	0	0	0	6 245
83	A0700518X	EGMF	M	EX	2 504	3 945	1 618	0	0	0	0	0	5 563	-3 059
84	A1105484Z	FOXWHELP	P	PA	500	0	0	0	0	0	0	0	0	500
85	A1105476Q	CAPRIKAT	P	PA	500	0	0	0	0	0	0	0	0	500
86	A0800974T	SOLICO	P	PA	498	0	0	0	0	0	0	0	0	498
87	A0811711P	VOLCANO	M	PR	0	250 033	4 022 000	0	36 508	0	0	36 508	4 308 541	-4 308 541
88	A1007580B	METALKOL	M	EX	0	64 602	0	0	0	0	0	0	64 602	-64 602
89	A0900127Z	SOMIDEC	M	EX	0	39 260	398	0	0	5 302	0	5 302	44 960	-44 960
90	A1113407L	COMINIERE	M	EP	0	17 900	0	0	0	0	0	0	17 900	-17 900
91	A0700347L	SIMCO	M	EX	0	3 045	0	0	0	0	0	0	3 045	-3 045
92	A1200750E	SEGMAL	M	EX	0	1 806	0	0	0	0	0	0	1 806	-1 806
93	A0909587G	ENERGULF	P	EX	0	1 239	0	0	29	0	0	29	1 268	-1 268
94	A1007960P	SICOMINES	M	EX	0	0	0	0	0	1 079	0	1 079	1 079	-1 079
95	A0906982A	DIVINE OIL	P	EX	0	619	0	0	0	0	0	0	619	-619

No.	NIF (Tax Number)	CORPORATE NAME	Sector	Phase	DISCLOSURES OF COMPANIES' PAYMENTS	DISCLOSURES OF REVENUE								DEVIATION		
						(A)	FROM FINANCIAL AUTHORITIES PAID TO PUBLIC TREASURE	DRKAT ON BEHALF OF KATANGA PROVINCE	FROM STATE COMPANIES on their own behalf	FOR STATE FINANCIAL AGENCIES (AFE) FOR THEIR OWN BEHALF				TOTAL OF REVENUE (1)+(2)+(3)+(4) =	ABSOLUTE	
							-1	-2	-3	-4				(B)		(A) -(B)
										DGI	DGDA	DGRAD	Total AFE			
96	A1113961N	MANONO	M	EX	0	0	0	0	0	135	0	135	135	-135		
97	A0700201C	MIBA	M	EP	0	0	0	0	0	0	0	0	0	0		
98	A0905460W	FRONTIER	M	PR	0	0	0	0	0	0	0	0	0	0		
99	A0906511N	COMISA	M	PR	0	0	0	0	0	0	0	0	0	0		
100	SANS NIF21	SOMIMI	M	EX	0	0	0	0	0	0	0	0	0	0		
101	A0809078C	JAPECO	P	PA	0	0	0	0	0	0	0	0	0	0		
102	A1006778E	IBOS	P	EX	0	0	0	0	0	0	0	0	0	0		
103	A1103823T	INPEX	P	PA	0	0	0	0	0	0	0	0	0	0		
104	A0703904C	KINREX	P	PA	0	0	0	0	0	0	0	0	0	0		
105	A0703903B	SOCOREP	P	PA	0	0	0	0	0	0	0	0	0	0		
106	A1109715Y	TOTAL	P	EX	0	0	0	0	0	0	0	0	0	0		
107	SANS NIF10	SOREPLICO	P	PA	0	0	0	0	0	0	0	0	0	0		
108	A0906485K	GLENCORE	P	PA	0	0	0	0	0	0	0	0	0	0		
109		COBIT - SRM	P	IN	0	0	0	0	0	0	0	0	0	0		
110		COMICO	P	IN	0	0	0	0	0	0	0	0	0	0		
TOTAL GENERAL					1 408 273 353	929 782 443	102 899 271	328 742 641	5 260 997	35 868 084	10 557 877	51 686 958	1 413 111 313	-4 837 960		

Note

Phase: **PR**= Production **EX**= **Exploration** **PA**=Partnership **EP**=State Company **IN**=Inactive.

Sector: **M**=Mining **P**= Oil.

Section 2: ADDITIONAL INFORMATION

2.1. OVERVIEW OF THE SCOPING STUDY (Requirement 9)

2.1.1. Scoping

The Executive Committee had entrusted the scoping study to the Fair Links Firm which submitted the report of the study in compliance with terms of reference. That scoping study has been submitted to a review by stakeholders and by the Technical Monitoring Committee (Committee which includes representatives from each stakeholder and experts from the Technical Secretariat).

Stakeholders have reviewed the Fair Links report and set the scope as follows:

A. HYDROCARBONS SECTOR

It should be noted that for the hydrocarbons sector, all companies have been included within the scope regardless of the payments made by them. No materiality threshold has been set for this sector.

List of companies selected:

- | | |
|------------------------------|-----------------|
| 1. COHYDRO | 15. GLENCORE |
| 2. MIOC | 16. JAPECO |
| 3. PERENCOREP | 17. KINREX |
| 4. ENERGULF | 18. SOCOREP |
| 5. ENI RD CONGO | 19. SOREPLICO |
| 6. NESSERGY | 20. SOLICO |
| 7. OIL OF DR CONGO | 21. INPEX |
| 8. SOCO DRC | 22. IBOS |
| 9. SURESTREAM | 23. LIREX |
| 10. TOTAL | 24. SEMLIKI |
| 11. CAPRIKAT CONGO | 25. TEIKOKU OIL |
| 12. CHEVRON ODS | 26. COBIT |
| 13. DIVINE INSPIRATION GROUP | 27. COMICO |
| 14. FOXWHELP CONGO | |

B. MINING SECTOR

B.1. Setting of Materiality Threshold

To set the threshold of materiality of payments made to the Government by Companies of the Mining Sector, the multi-stakeholder group has used quantitative criterion based on the sum of all payments (\$ 776 550 631.56) as collected from financial Authorities for use in the scoping study.

All these payments, taken per Company, were classified in their descending order of magnitude so that their aggregation suggests that up to payment of an amount of \$ 500 000, 98.28 % of these payments are made by 51 companies that have reached the production and/or exploration phase (plus processing entities). It's thus the amount of USD 500 000 which was selected as reference for significance of payments of the mining sector for the 2011 Report.

B.2. List of Mining Companies Included into the 2011 Scope

B.2.1. List of Holders of Mining Licenses Filtered Through the \$ 500 000 Threshold

(41 companies distributed as follows: 3 “state-owned” companies, 20 companies in exploration phase and 18 companies in production phase)

1. AFRICANMINERALS (BARBADOS)
2. ANVIL MINING COMPANY OF KATANGA (AMCK)
3. ANVILMINING CONGO
4. ASHANTI GOLDFIELDS KILO SARL
5. BAZANO
6. BOSS MININGSPRL
7. CHEMICAL OF AFRICASPRL
8. COMPAGNIE MINIERE DU SUD-KATANGA SPRL
9. CONGO DONG FANG MINERALS
10. CONGO LOYAL WILL MINING (CLWM)
11. CONGOLAISE DES MINES ET DE DEVELOPPEMENT (COMIDE)
12. ENTREPRISE GENERALE MALTA FOREST (EGMF)
13. GECAMINES
14. SODIFOR
15. KAMITUGAMINING
16. KAMOTO COPPER COMPANY
17. KANSUKIMININGSPRL (KANSUKI)
18. KASONTOLUPOTO MINES (KALUMINES)
19. KGL – SOMITURI (SOCIETEMINIERE DE LITURI)
20. KIBALI GOLD MINES
21. KIMIN / KISANFUMINING
22. KINSENDA COPPER COMPANY (KICC – EX – MMK)
23. KIPUSHI CORPORATION (KICO)
24. LONCORRESOURCES CONGO SPRL
25. MININGMINERALRESOURCES (MMR)
26. MUTANDAMINING
27. ORAMA
28. RUASHIMINING
29. RUBAMIN
30. SHITURUMINING CORPORATION
31. SMKK
32. S. D'EXPLOITATION DE GISEMENTS DE KALUKUNDI (SWANMINES)
33. SOCIETE D'EXPLOITATION DE KIPOI (SEK)
34. SOCIETE D'EXPLOITATION MINIERE DE CHABARASPRL
35. SOCIETE D'EXPLOITATION MINIERE DU HAUT – KATANGA
36. SOCIETEMINIERE DU KATANGA (SOMIKA)

37. SODIMICO
38. SOKIMO
39. STL
40. TENKEFUNGURUMEMINING (TFM)
41. TWANGIZAMINING

B.2.2. List of Processing Entities (Classified as Companies in Production Phase) Filtered Through the Threshold of \$ 500,000

42. BOLFAST
43. CONGO INTERNATIONAL MINING CORPORATION
44. COTA MINING
45. EXPLOITATION ARTISANALE DU CONGO (EXACO)
46. FEZAMINING
47. HUACHIN SPRL
48. JMT
49. MAGMA MINERALS
50. METALS MINES
51. VOLCANO**

Note: In addition to the materiality criterion, the Executive Committee has used three additional criteria to set the 2011 final scope of companies.

B.2.3. Criterion for Inclusion of all State-Owned Companies

N.B.: In addition to 3 state-owned companies that have met the materiality requirement, six more state-owned companies were included because state-owned companies are important in the context of the EITI, not only as contributors but also because they receive certain payments from various partner mining companies.

List of 6 additional state-owned companies

52. LA COMMINIÈRE*
53. SAKIMA
54. SCMK – Mn
55. SOCIÉTÉ CONGOLAISE D'INVESTISSEMENT (SCIM)
56. SOCIÉTÉ MINIERE DE BAKWANGA (MIBA)*
57. SOCIÉTÉ IMMOBILIERE DU CONGO (SIMCO)*

B.2.4. Criterion for Inclusion of all Companies that are in JV with State-Owned Companies

NB: The Multi-stakeholder Group decided that all companies in a joint venture with state-owned companies are part of the scope even if they do not meet materiality requirement, because those companies in partnership with state-owned companies make significant contract-based payments. So include companies operating in partnership is a measure to prevent omission.

List of 22 companies that are in JV with state-owned companies

58. CLUFF MINING (MINES D'OR DE KISENGESPRL- MDDK)
59. COMAGNIEMUSONOI (COMMUS)

60. COMPAGNIE MINIERE DE LUISHA (COMILU)
61. COMPAGNIE MINIEREKAMBOVE (COMIKA)
62. GTL
63. LA MINIERE DE KALUMBWEMYUNGA (MKM)
64. LA MINIERE DE KASOMBO (MIKAS)
65. LONG FEI MINING
66. LUGUSHWAMINING
67. MANONO MINERALS*
68. MWANA AFRICA CONGO GOLD (MIZAKO)
69. NAMOYAMINING SARL
70. SECAKAT
71. SEGMAL*
72. SICOMINES*
73. SOCIETE DE BEERSDRC EXPLORATION SPRL
74. SOCIETEMINIERE DE KOLWEZI
75. SOCIETEMINIERE DE MOKU – BEVERENDI (SMB)
76. SOCIETEMINIEREDEZIWAECAILLE (SOMIDEC)**
77. SODIMIKA (KIMPEMABAYA)
78. SOMIMI*
79. WANGA MINING (SOC. MINERAL INVEST INTERNATIONAL CONGO)

B.2.5. Criterion for Inclusion of Companies that Participated in Previous EITI Reports

NB: The multi-stakeholder Group decided that all companies which participated in previous reports are part of the scope even though they do not meet materiality requirement, in order to build on the achievements of previous EITI reports and to sustain the process:

List of 4 Companies which participated in previous reports

80. COMPAGNIE MINIERESAKANIA (COMISA)**
81. FRONTIER**
82. GOLDEN AFRICA RESSOURCES
83. METALKOL*

* Companies that have returned the forms with “ZERO” disclosure (see explanation in section 2.3.1.)

** Companies which stopped activities, thus inaccessible. (See explanation in section 2.3.1.)

Note:

To prevent omission of any significant payment, payments between 100 and 500 KUSD have been subject to unilateral disclosure by Companies. Similarly, in compliance with provisions of requirement 11b, the Government has unilaterally disclosed all other payments from small operators.

B.3. Main Sources of Information Used in Setting the Scope

Scoping work helped set a broad base of literature to cross-check the information available from:

B.3.3 *Cadastre Minier* (CAMI):

The *Cadastre Minier* (Mining Cadastre) provided a directory of 606 holders of mining licenses in 2011. Of these, 479 operators were holders of production, production & research or exploration licenses, 127 had quarry and small mining licenses.

After update by the CAMI services of the file in September 2013, it appears that of the 479 operators, 147 were inactive and in the process of cancellation or deletion. Thus of the remaining 332, only 41 made payments above the U.S. \$ 500,000 materiality threshold set by the stakeholders. Based on the above criteria (*Cf. sections B.2.2 through B.2.5 page 7*), more companies have been added to the 41 companies automatically included in the scope.

B.3.2. The *Cellule Technique de Coordination et de Planification Miniere* (CTCPM)

Provided a directory of 31 processing entities active in 2011. Of these 31 units, only 10 made payments above the materiality threshold (U.S. \$ 500,000) and were automatically included in the scope.

B.3.3. Financial Authorities,

DGI, DGRAD, DGDA and DRKAT disclosed revenues collected from extractive companies in 2011 per flow.

B.3.4. State-Owned Companies,

State-owned companies disclosed payments received from their JV partners, including cash bonuses, asset sales, shares transfer, royalties, etc.

B.3.5. Different Line Ministries Involved: Hydrocarbons, Mines and Portfolio

These entities have provided the contracts, licenses, lists of holdings of state-owned companies in JV and other partnerships.

B.3.6. The 2007, 2008-2009 and 2010 EITI DRC Reports

B.3.7. The 2010 and 2013 Validation Reports,

B.3.8. Publication by the DRC NGOs: PWYP, POM, RRN, Carter Center, etc.

2.1.2. SETTING OF REFERENCE SCOPE OF FLOWS

After analysis, the Multi-stakeholder Group, through the scoping study, has identified 63 flows in the reference scope of the mining sector. In view of payments from these 63 financial flows reported by financial Authorities during the scoping study and ranked in descending order of magnitude, 30 flows are material, representing 99.85% of the total amount of U.S.\$ 855 899 570 disclosed by financial Authorities and State-owned companies.

To consolidate the scope of financial flows, it should be noted that the JVs unanimously agreed to bring information disclosed by shareholders in their partnerships with state-owned companies which cannot be otherwise obtained.

List of Definition of 2011 Financial Flows

Source: Regulatory Framework in force in 2011 for extractive companies mainly the Tax Code, the Customs Code, the Mining Code and Regulations.

No.	Type of Financial Flows	Tax Collector	Taxpayer			Definitions
			Oil companies	Mining Companies in production	Mining Companies in exploration	
1	Tax collection notice (AMR) (A and B)	DGI				<p>The system in the DRC is declaratory: Companies declare the taxes to be payable. Penalties and fines are imposed if errors are found in the disclosures, or in case of late payment. Documents pertaining to such fines are called TAX COLLECTION NOTICE (AMR).</p> <p>As for DGI, 50% of the value of fines/penalties (AMR A) are payable to the Treasury and 50% are payable into an account of DGI (AMR B).</p> <p>AMR A includes the principal of adjusted tax and the share of penalties/fines (50%) coming to the Treasury</p> <p>AMR B only includes elements of fines or penalties (other 50%) coming to the Financial Authority.</p>
2	Exceptional tax on the remuneration of expatriates (IER)	DGI				<p>The rights holder is required to pay the exceptional tax on the remuneration of expatriates at the preferential rate of 10% set by the Mining Code instead of the normal rate of 25%. This tax is deductible from profits tax.</p>
3	Personal Property Tax (IM)	DGI				<p>The Personal Property Tax affects incomes from movable capital invested in the Democratic Republic of Congo (of domestic or foreign origin but invested in Congo). The Law provides the exhaustive list of incomes subject to personal property tax:</p> <p>Dividends and incomes of non-active associates' shares in companies other than joint stock companies; Dividends and other distributions (for mining companies): 10%</p> <ol style="list-style-type: none"> 1. Interest on bonds and interest on capital borrowed for business purposes; (For mining companies, exemption from this tax on interests from capital in foreign currencies) 2. Percentages;

No.	Type of Financial Flows	Tax Collector	Taxpayer			Definitions
			Oil companies	Mining Companies in production	Mining Companies in exploration	
						3. Charges (for mining companies, 20%)
4	Professional tax on remuneration (Payroll Tax, IPR)	DGI				The professional tax on remuneration affects remuneration of all individuals remunerated by a third party, without being bound by a work contract, including beneficiaries of pensions, active associates' pay in companies other than joint stock companies and those of proxies in State-owned companies. These people subscribe declarations and pay each month, even if these payments are not made while they are withheld at source by the employer.
5	Special fixed-rate tax	DGI				The Special fixed-rate tax is paid by oil companies subject to the income and profits tax system (IBP). Initially, it was used to tax companies escaping, by lack of profits, payment of income and profits tax (IBP); it subsequently got extended to all companies.
6	Domestic turnover tax (ICAI)	DGI				<p>It is a tax on consumption levied on the sale of products manufactured and placed on the local market (or for self delivery), any services provisions and construction work. The holder of a mining right is liable for domestic turnover tax on sales made and services provided within the country. Product sales to a processing entity located in the country are expressly exempt.</p> <p>Tax base and rates.</p> <p>Tax rate (for Mining Companies)</p> <p>a) ICA /Services provisions 18% when the right holder is the beneficiary of the service. 5% when the holder is the real liable.</p> <p>b) ICA/Sales 3% when the holder acquires assets directly relating to the mining, and 10% when the holder sells to a processing entity</p>
7	Income and profits Tax (Corporate Tax, IBP)	DGI				Income and profits tax affects professional incomes of commercial, industrial, agricultural, handicraft and real-estate companies, as well as profits of whatever name and nature made by liberal professions or charges or offices. Income and profits tax is paid from profits made during the past year (including any donations and

No.	Type of Financial Flows	Tax Collector	Taxpayer			Definitions
			Oil companies	Mining Companies in production	Mining Companies in exploration	
						<p>advantages whatsoever granted to non-active associates in companies other than joint-stock ones).</p> <p>Common fees:</p> <ul style="list-style-type: none"> - 40% of declared profits for all companies; - 30% of declared profits for mining companies; - 1/1000 of turnover declared when the result is showing a deficit or is likely to result in taxation lower than this amount.
8	Industrial and commercial profits withholding	DGI				Method of recovery of income tax payable by small and micro enterprises.
9	Prepayment of various taxes	DGI				These are advances paid in advance by some mining companies in 2011 which will be charged on the payment of future taxes.
10	Entry fees	DGDA				<p>Fees paid for all goods and products strictly intended for the mining, imported by holders of a mining license, their affiliates and subcontractors.</p> <p>The tax base is the CIF value</p> <p>Rates vary according to the mining phase. When the rights holder is in the search or prospecting phase, it pays 2%. And when it enters the operational phase, all goods are subject to the rate of 5 %.</p> <p>Regarding consumables and inputs, including petroleum products, the rate is 3 % for both phases.</p>
11	Fees and Royalties received for services rendered for export.	DGDA				These are fees paid by mining companies during the export, which are set at 1% of their net market value. Following a key, they are allocated between services specifically named by law.
12	Import excise duties	DGDA				Excise duties affecting some goods on import, particularly for beer, tobacco products, perfumes, liquors and used vehicles (For mining companies, these duties are usually included in import duties)
13	Penalties and transactional fines	DGDA				The system in the DRC is declaratory: Companies declare the duties to be payable. Penalties and fines are

No.	Type of Financial Flows	Tax Collector	Taxpayer			Definitions
			Oil companies	Mining Companies in production	Mining Companies in exploration	
	for the Treasury					imposed if errors are found in the disclosures, or in case of late payment. As for DGDA, 40 % of the value of fines/penalties are payable to the Treasury
15	Penalties and transactional fines for DGDA	DGDA				The system in the DRC is declaratory: Companies declare the duties to be payable. Penalties and fines are imposed if errors are found in the disclosures, or in case of late payment. As for DGDA, 60 % of the value of fines/penalties are payable to DGDA
16	Approval of deposit of explosives					Charge paid for storage of explosives
17	Authorization for export of unprocessed minerals	DGRAD				Charge paid at the time of export of unprocessed minerals.
18	Other charges for the payment of bonus	DGRAD				Administrative charge paid in addition to the payment of bonuses.
19	Signature or production Bonus	DGRAD				Signature or production bonuses are bonuses payable to the State at the signing of a contract and/or when the operation or operating rate reaches certain thresholds. The amount and terms of payment of signature or production Bonus are defined by the oil agreements or the mining code. For the record, this flow has never been paid by a mining company.
20	Dividends paid to the State	DGRAD				Dividends paid to the State are return on capital paid to the State as a shareholder of a state-owned or private company. The amount of dividends paid to the State is determined in proportion to the shares held. The amounts and terms of dividends are determined by the Board of Directors of the company.

No.	Type of Financial Flows	Tax Collector	Taxpayer			Definitions
			Oil companies	Mining Companies in production	Mining Companies in exploration	
21	Annual surface duties per mining square	DGRAD				Annual surface duties per square are a payment made annually by every holder of a mining and quarry title. These fees are payable by every operator holder of a mining right (PR, PE, PER, PEPM) and/or a quarry right (ARPC and AECF). The applicable rates depend on the nature of the mining title. Tax base and rates.
22	Distributable margin (Profit-Oil public power State)	DGRAD				Distributable margin is equal to the income obtained after deducting depreciation, operating expenses, and statistical tax. Distributable Margin Rate attributable to the State as public power is 40%.
23	Stake (Profit-Oil Partner-State)	DGRAD				The stake corresponds to the distributable margin attributable to the State, as an associate in oil projects. Stake rate is 20% (percentage of State's stake) of the 60% of the distributable margin remaining after allocation of the distributable Margin of the State as public power. The amount and terms of payment of the stake are set by the Mining Code and the Mining Regulations.
24	Penalties paid to DGRAD	DGRAD				The system in the DRC is declaratory: Companies declare the duties to be payable. Penalties and fines are imposed if errors are found in the disclosures, or in case of late payment. As for DGRAD, 40 % of the value of fines/penalties are payable to DGRAD
25	Penalties paid to the Treasury	DGRAD				The system in the DRC is declaratory: Companies declare the duties to be payable. Penalties and fines are imposed if errors are found in the disclosures, or in case of late payment. As for DGRAD, 60 % of the value of fines/penalties are payable to the Treasury
26	Mining fees	DGRAD				These fees are calculated based on the value of sales made, reduced by transportation cost, analysis cost relating to quality control of commercial product for sale, insurance and marketing costs, etc.. (Art. 240, 241, 242). These fees are split between the State, the Province and the territories. Tax base and rates. The rate of the mining fees varies depending on the nature of mineral substances: 0.5% for iron or ferrous metals, 2% for non-ferrous metals, 2.5% for precious metals, 4% for precious stones, 1% for industrial minerals, solid hydrocarbons and other substances not mentioned; 0% for common use construction metals.
27	Royalties for oil companies	DGRAD				Royalties, defined in proportion to the turnover, are paid by oil companies to the State. The amount and terms of payment of royalties are defined by the oil agreements.

No.	Type of Financial Flows	Tax Collector	Taxpayer			Definitions
			Oil companies	Mining Companies in production	Mining Companies in exploration	
28	Statistical tax	DGRAD				The statistical tax is an excise on the value of exported barrels. The rate of statistical tax is 1% of the FOB value of exported oil.
29	Remunerative tax	DGRAD				Remunerative tax is an excise, paid directly to the province, on the appraised value of precious materials. The rate of remunerative tax is 1.25%. The amount and terms of payment of remunerative tax are set by the Mining Code and the Mining Regulations.
30	Assignment of Assets	State-owned companies				Amounts received by State-owned companies in consideration for the assignment of these assets on intangible or tangible property.
31	Dividends paid to state-owned companies	State-owned companies				Dividends paid to State-owned companies are a remuneration paid to State-owned companies as shareholders of a private company. Dividends paid to State-owned companies are not directly contributory to the State budget; they are a part of the income of State-owned companies, shareholders on behalf of the State in some private companies
32	farm-out rent and/or monthly annuity	State-owned companies				Lease for a definite or indefinite period, without the right to sub-lease all or part of the rights attached to a mining right or a quarry authorization for a fee fixed by agreement between the lessor and the lessee;
33	Key money paid to State-owned companies	State-owned companies				Key money paid to State-owned companies is concession fees of exploration or operating license paid by private companies to State-owned companies that are holders thereof. Key money paid to State-owned companies is not directly contributory to the State budget; it is a part of income of State-owned companies holding certain licenses they concede (e.g. GECAMINES). The amount and terms of payment of key money paid to State-owned companies are set in the mining contracts between the parties.
34	Royalties paid to State-owned mining companies	State-owned companies				Payment related to the mining production and the definition of which depends on the contract between the parties. The amount may be calculated on the value of sales (e.g. Anglo Gold Kilo Sarl Mining agreement), or an additional fee for additional reserves (Tenke Fungurume). This is not strictly a royalty but should be

No.	Type of Financial Flows	Tax Collector	Taxpayer			Definitions
			Oil companies	Mining Companies in production	Mining Companies in exploration	
						considered as such in this definition for the EITI report.
35	Roads and drainage Tax	DRKAT				Provincial intervention tax for rehabilitation of urban roads and drainage infrastructure as well as roads of provincial interest.
36	Concentrates Tax	DRKAT				Incentive tax on the creation of local concentrates processing units.
37	Tax on surface area of mining and hydrocarbons concessions.	DRKAT				<p>The tax is payable by holders of a concession granted either for exploitation or for exclusive search. The tax is due for the entire year if the taxable items exist as from January. No tax is payable for concessions granted after 31 January.</p> <p>The holder of a Search License is liable for the tax on surface area of mining and hydrocarbons concessions at rates in Congolese Francs equivalent to:</p> <ul style="list-style-type: none"> - USD 0.02 per hectare for the first year - USD 0.03 per hectare for the second year - USD 0.035 per hectare for the third year - USD 0.04 per hectare for the other subsequent years <p>The holder of a mining operating License is liable for the tax on surface area of mining and hydrocarbons concessions at rates in Congolese Francs equivalent to:</p> <ul style="list-style-type: none"> - USD 0.04 per hectare for the first year - USD 0.06 per hectare for the second year - USD 0.07 per hectare for the third year - USD 0.08 per hectare for the other subsequent years

2.2. UNDERSTANDING THE SICOMINES PROJECT

2.2.1. Wording of Requirement 9f

“When agreements based on payments in kind, infrastructure provision and other provisions of barter-type play an important role in the mining, oil or gas sector, the multi-stakeholder group should agree on a mechanism to include benefits flows under these agreements in its EITI reporting process. To this end, the multi-stakeholder group must acquire a good understanding of the terms of the contract, the parties involved, the resources promised by the State, the value of benefits flows compromise (e.g. Infrastructure work) and the importance of these agreements in relation to traditional contracts. When the multi-stakeholder group concludes that these agreements are important, it should develop a reporting process to achieve a level of transparency equal to that which exists for other payments and revenue flows. If the reconciliation of key transactions is not possible, the multi-stakeholder group should agree on an approach in favor of unilateral disclosures of companies/ government to be attached to the EITI report.”

2.2.2. Introduction

Undoubtedly, the operation of the Sino-Congolese Cooperation Project commonly referred to as “SICOMINES” meets the provisions of Requirement 9f mentioned above.

Therefore, to meet this requirement, the Executive Committee has addressed the issue by providing maximum lightening to the public, thereby demonstrating its understanding of all these agreements.

Thus in 2013, the Executive Committee got from the Prime Minister the organization of two open workshops so as the Government could provide more light about the SICOMINES project. This has allowed to develop the information below and helped the process to be gradually better understood.

2.2.3. Title-Granting, Financing and Repayment Description and Mechanisms

According to the Multi-stakeholder Group, this cooperation project is not a barter contract. However, we are interested in the latter as it fits in the other barter-type provisions outlined in Requirement 9f. It connects the Government of the DRC represented by Gécamines on one hand, and China represented by the Group of Chinese companies, funded by EXIM BANK, through CREC and SINHOHYDRO companies, on the other hand.

The **Cooperation** focuses on two projects: the construction of infrastructures in the DRC and the development of a mining project to ensure the financing of these infrastructures.

As part of the implementation of the mining project, the parties have incorporated in September 2008 a joint venture called “La Sino-Congolaise des Mines”, SICOMINES in abbreviated form, in which the Gécamines Group holds 32% and the Group of Chinese companies holds 68%.

This mining project aims at exploitation by the joint venture SICOMINES, for an investment of USD 3.25 billion, of deposits of , DIKULUWE, DIMA JUNCTION, MASHAMBA WEST,

DIMA BASIN, MASHAMBA BASIN and SYNCLINAL DIK, D7 Hill are covered by the Operating License (PE) 9681 and 9682, all located in Mutshatsha Territory, District of Kolwezi, Katanga Province.

The Mining Project and the Infrastructure project are collectively referred to as “**Cooperation Project**”.

2.2.4. Establishment of a Financial Platform

- **Incorporation of the JV “SICOMINES Sarl”** by the Group of Chinese companies (GEC) and Gécamines Group.

The share capital of USD 100 million is split as follows:

- GEC : 68% of shares,
- Gécamines Group : 32% of shares,

Term of **SICOMINES Sarl**: 25 years renewable.

- **Missions of the platform:**

- Incurring loans from EXIM Bank;
- Financing infrastructure projects and the development of mineral deposits;
- Ensuring the repayment of financing of the Cooperation Project;

2.2.5. Funding to be Implemented or Mobilized

- Initially planned: USD 9 billion;
- Current: USD 6.2 billion (upon compromise with the IMF).

This funding is mainly provided by banks and financial institutions, with the exception of:

- USD 350 million of key money;
- USD 32 million as a shareholder's loan to Gécamines (32% of capital);
- USD 50 million as a shareholder's loan for the rehabilitation of its main workshops of Panda;
- 30% of mining investment as equity, interest-free loan to be paid by the Group of Chinese companies.

2.2.6. Repayment of Investments of the Group of Chinese Companies³

There are two periods for the repayment of investments of the Cooperation Project, as well as a commercial period:

- The first period, referred to as the repayment period of investments of the most urgent work (**First phase**)
- The second period, referred to as the period of mining repayment and repayment of the first installment of infrastructures and reduced by the most urgent work that would have been paid (**Second phase**)
- The third period, referred to as commercial period (Third phase)

³Article 6 of the addendum 3 of the cooperation agreement on the development of a mining project and an infrastructure project in the DRC: Article 12 of the cooperation agreement is amended as follows:

The JV repayment of investments of the Group of Chinese Companies in the Mining Project and the Infrastructure Project will be made as follows:

- During the first period: It will allocate all of its profits to the full repayment of investments of the most urgent work, including the payment of their annual interest of LIBOR (six months) + 100BP (LIBOR of 22 April 2008).
- During the second period, the Mining JV will allocate 85 % of its profits to the repayment mining investments and their interests.

After full repayment of mining investments and interests thereof, the Mining JV will allocate 85 % of its profits to the repayment of the first installment of infrastructures (reduced by investments in the most urgent work and interests thereof that would have been paid) and interests thereof.

The Mining investments will be made at 30 % as Shareholder's loan repaid without interest. The remaining 70% will be repaid with an annual interest rate of 6.1 %.

Investment of the first installment of infrastructure (Annex 1) will be repaid with an annual interest rate of LIBOR (six months) + 100BP (LIBOR of 22 April 2008).

The Mining JV will allocate 15% of profits to the remuneration of its shareholders in proportion to their shares in the share capital.

Investments of the first installment of infrastructure (including the most urgent work) cannot exceed 3 billion U.S. dollars in principal. Investment and the program of the first installment of infrastructures will be implemented after consultation with the Parties based on income that can be generated from the operation of the Mining JV as presented by the "Economic Model" of the Cooperation Project of the Feasibility Study approved in accordance with Article 6.2 of the this Convention.

- During the third period, it will distribute all of its net profits to its shareholders in proportion to their contribution to the share capital.

Any possible discrepancy between the actual bank rate and the rate applied to the Mining JV will be borne by the Group of Chinese companies.

Notwithstanding the provision of Article 12.1, the Mining JV shall comply with all provisions relating to the repayment of loans in the loan contracts entered into with financial institutions.

2.2.7. Implementation Level of the Cooperation Project (2008-2012)

N o.	Date	Acts
1.	22 April 2008	Signing of the Cooperation Agreement of the Joint Venture,
2.	22 June 2008	Signing of four contracts of the infrastructure projects

3.	22 September 2008	Creation of SICOMINES Sarl,
4.	November 2008	Transfer of rights and titles of Gécamines to SICOMINES,
5.	December 2008	Signing of the loan agreement of U.SD 350 million to fund the four contracts of 22 June 2008
6.	2009	Payment of 50% of key money (USD 175 million)
7.	June 2010	Payment of USD 118 million to Fund the second installment of the Infrastructure Project
8.	July 2012	Payment of the second installment of key money of USD 50 million
9.	End of 2012	Final payment of key money.

2.2.8. Disclosure of Receipts and Disbursements of SICOMINES in 2011

Nature of the project	Receipts in USD	Disbursement in USD
Mining	0	28,419,200.00
Infrastructures	8,987,918.83	82,721,613.90

Note:

- Detailed reporting forms are on the website:
http://www.itierdc.com/Publication_et_rapport/formulaires%20Sicominess.pdf
- SICOMINES SARL shall benefit from total exemption from taxes and fees as well as customs and tax benefits and other benefits granted under Cooperation Agreement for as long as it has not completed the repayment of investments made by the CONSORTIUM in favor of the mining project and the first phase of Governmental Infrastructures Project. For the third period, the taxes will be calculated in accordance with terms set out in Article 52 of the JV Agreement which provides:

During the third period, the tax calculation will be made as follows:

- 30% on taxable profit;
- 5% made of various taxes on turnover,

2.3. COMPREHENSIVENESS ISSUES (Requirements 11, 14 and 15)

During public debates, many issues have been raised for the better understanding of the factors related to the comprehensiveness of data. The Multi-stakeholder Group clarifies below:

2.3.1. “ZERO” Disclosure of Some Mining Companies (see list

A distinction has to be made between two mining companies groups that have declared “ZERO”:

- 1). MIBA, SIMCO, METALKOL, SICOMINES, COMINIÈRE, MANONO, SEGMAL et SOMIMI returned their disclosure forms with the word “None” to indicate that they made no payments for lack of activities in 2011, which means that there is no lack of reporting.
- 2). – SOMIDEC et VOLCANO were closed respectively in 2012 and 2013 to the extent that at the time of data collection between August and November 2013, we were not able to communicate with these companies, proof of closure attached hereto (Annex 8). However, the party made a unilateral disclosure of incomes from these companies in 2011.
- FRONTIER and COMISA remained closed during the year 2011.

2.3.2. COHYDRO Incomes Transferred to the State

As for incomes transferred by COHYDRO to the State, there is a letter from the Managing Director of COHYDRO No. CHD/DF/FISC/PM/CC/461/013 of 07 August 2013 sent to the EITI-DRC National Coordinator that notes that: "Apart from the dividends arising from its shareholding in the capital of LIREX - PERENCO, COHYDRO receives no contribution whatsoever from the companies holding operating and/or exploitation license of crude oil." (See: Annex 2 and the Lirex-Perenco & Cohydro Contract on the following link: http://www.itierdc.com/Publication_et_rapport/Contrat%20LIREX-PERENCO%20&%20COHYDRO.pdf).

Such is the case with other state-owned companies, including GECAMINES Sarl which enjoys the full management of incomes from its partnerships. (Annex 3).

2.3.3. TFM Unreconciled Significant Payments

TFM has found in its financial disclosures a payment amounting to USD 11,945,292.78 made with DGDA as “OFIDA-DGDA Entry fees penalties” and another payment amounting to USD 10 million made this time with GECAMINES as “Transfer Bonus”. Since the 2011 EITI scope include no flows thus named, TFM entered these payments under “Other significant payments”.

GECAMINES has in turn acknowledged having received payment of \$USD 10 million from TFM but named them in these financial disclosures as the “Transfer Fees”; flows not included either in the EITI 2011scope. This revenue has been unilaterally declared by GECAMINES in “Other significant payments”.

DGDA unilaterally declared the sum of USD 11,945,292.78 received from TFM as “OFIDA-DGDA Entry fees penalties”, flows not included in the scope.

2.3.4. Omission of the Compensatory Royalty Controlled by DGDA and Included in the 2011 Reference Scope?

The compensation royalty was abolished in 2008 following the financial crisis of that year. Previously, this royalty used to be paid by processing entities. After its abolition, processing entities were asked to pay only the cost of services rendered (FSR) just like the holders of mining rights. However, it should be noted that this royalty appeared in the frame of reference because it was never abolished or otherwise renamed in the electronic file of DGDA which provided the scoping study with the computerized list of duties it covers. This is confirmed by the fact that no company has made any payment whatsoever under this flow.

2.3.5. Payment of Exit Fees to DGDA by SICOMINES, yet Exempted?

Although totally exempt from all customs duties, like all other mining companies, SICOMINES make some smaller payments as computer and prints sale fees. In this case, DGDA declared that it has collected USD 944 and USD 135 to cover for the aforementioned fees. These amounts were not significant enough for SICOMINES to be mentioned. Moreover, the omission of that USD 1,079 affects in no way the quality of the 2011 report.

2.3.6. Subnational Payments in Provinces:

The report contains important payments made by mining companies in Katanga Province (DRKAT). Mainly, these payments come from the Roads and Drainage tax and tax on the export of concentrates or unprocessed minerals.

Unlike Katanga province which receives large sums from mining companies following two edicts of the Governor of Katanga (Annex 4), no other province receives significant payments from extractive companies.

However, it is noted that a tax on surface area of mining and hydrocarbons concessions also called tax on mining and hydrocarbon concessions is collected by some provincial governments.

Following the review of the EITI DRC Report 2011, the Multi-stakeholder Group has obtained additional information on this tax. Indeed, the Mining Code sets the rate of this tax as follows (See Article 238):

PR:

- USD 0.02 per hectare for the first year
- USD 0.03 per hectare for the second year
- USD 0.035 per hectare for the third year
- USD 0.04 per hectare for the other subsequent years

PE:

- USD 0.04 per hectare for the first year
- USD 0.06 per hectare for the second year
- USD 0.07 per hectare for the third year
- USD 0.08 per hectare for the other subsequent years

Therefore, it is determined that the payment made by such holders in other provinces is very low that the companies within the scope provided no information on this tax in the data collection form.

For instance, the amounts collected in some provinces in 2011:

- Kasai Oriental: CDF 1,561,250 of Tax on the mining concession, i.e. USD 1,698
- Province Oriental: CDF 66,501,944 of Tax on mining concession surface area, i.e. USD 72,363
- North Kivu: None (see DGR-NK letter in Annex 5)
- Bas-Congo: None (see Provincial Governor letter in Annex 6)

Note

We noted in the 2011 EITI DRC Report in the mining sector that an error appears on pages 52 and 69 in the transcript of the disclosure of EXACO and SMK companies under the tax on surface area of mining and hydrocarbons concessions.

The Report states that EXACO declared that it has paid a sum of USD 398,769 to DRKAT for this tax, and yet EXACO is a processing entity that has no mining concession known and does not appear in the directory of CAMI as a mining rights holder.

Likewise, the report indicates that the SOCIETE MINIERE DE KOLWEZI (SMK) declared that it has paid to DRKAT the tax on surface area of mining and hydrocarbons concessions amounting to USD 1,072,000 instead of CDF 1,072,000 due to the fact that this company has only 1 PE and 1 PER. Since SMK has 1 PE of 56 squares (4,757.48 ha) and 1 PER of 68 squares (5,776.94 ha), the tax calculation is made as follows:

- For PE: $4,757.48 \times 0,08 \text{ USD} = \text{USD } 380.59$
- For PER: $5,776.94 \times 0,08 \text{ USD} = \text{USD } 462.15$
- That is a total of USD 842.74, equivalent to CDF 774,482.84.

It is therefore impossible for SMK to pay an amount of USD 1,072,000 as tax on the surface area of mining and hydrocarbons concessions.

2.3.7. Retrocession

In accordance with Article 242 paragraph 1 of the Mining Code which provides that "The mining royalty is paid by the holder of the mining operation to the Treasury. The latter is responsible for distributing the revenue from mining royalties according to the following breakdown: 60% will be withheld by the Central Government, 25% paid into an account designated by the

Administration of the province where the project is implemented, and 15% into an account designated by the City or Territory where the operation is made."

It is established that to date this provision is not enforced.

2.3.8. Gap between data certified by IGF and those reconciled by the Independent Administrator (Requirement 15)

Observation:

A gap of USD 3,099,612.05 appears between the amount of USD 105,998,883.05 certified by IGF and that of USD 102,899,271 reconciled for DRKAT without any explanation in the report of the mining sector.

Explanation:

At the time of certification of the disclosure of DRKAT, IGF considered a USD 3,099,612.05 payment made by POLYTRA CONGO. During reconciliation, the Independent Administrator discovers that POLYTRA CONGO is a customs agency and not a mining company and in addition was not part of the scope adopted by GMP. Thus, the payment is not included in the disclosure reconciled between DRKAT and mining companies.

2.4. DATA RELIABILITY (Requirement 12)

Observations:

Four companies did not provide evidence of audit of their accounts or certification of their disclosure on 31 December 2013. These are 2 state-owned companies, SCM-K-Mn and SAKIMA and two private companies, MAGMA MINERALS and SODIFOR.

Improvements:

At the request of stakeholders, the Multi-stakeholder Group sought and obtained from the above companies evidence of certification of their disclosure to the EITI DRC in 2011.

First, private companies MAGMA MINERALS and SODIFOR had their 2011 disclosure certified by their External Auditor.

Secondly, the Government sent a mission through IGF to certify disclosures of the two state-owned companies SCM-K-Mn and SAKIMA.

Evidence of certification is in Annex 7.

Section 3: ANNEXES

ANNEX 1: Table of SICOMINES Pilot Projects

MINISTRY OF INFRASTRUCTURE, PUBLIC WORKS AND RECONSTRUCTION

AGENCE CONGOLAISE
DES GRANDS TRAVAUX

ROADS
BUILDING
RAILWAYS
PORTS AND AIRPORTS
PUBLIC FACILITIES
ENERGY INFRASTRUCTURES

TABLE OF PROJECTS MANAGED BY ACGT WITH FUNDING FROM SINO-CONGOLESE PROGRAM

No.	PROJECT NAME	SECTOR	COST IN USD			LENGTH/CAPACITY			OBSERVATIONS
			BASIC AGREEMENT	WORK PERFORMED	AMENDMENT	UNIT	PLANNED	ACHIEVED	
			A	B	C-B-A				
A	FIRST TWO INSTALLMENTS								
1	MODERNIZATION OF LUTENDELE ROAD (2X1 LANE)	ROAD	21,007,915.30	19,933,655.69	-1,074,259.61	KM	4.50	2.80	FIRST PHASE COMPLETED
2	MODERNIZATION OF AVENUE DU	ROAD	24,358,749.30	29,776,839.16	5,408,089.86	KM	7.25	7.25	COMPLETED

	TOURISME (2X1 LANE)								
3	EARTHWORK OF THE NR5: LUBUMBASHI KASOMENO (2X1 LANE)	NATIONAL ROAD (NR)	50,501,657.52	69,073,565.58	18,571,908.06	KM	137.00	137.00	COMPLETED
4	ASPHALTING OF THE NR5: LUBUMBASHI KASOMENO (2X1 LANE)	NATIONAL ROAD	87,526,278.51	93,210,305.84	5,684,027.33	KM	137.00	90	HALTED
5	ASPHALTING OF THE NR4: BENI-LUNA (2X1 LANE)	NATIONAL ROAD (NR)	57,768,563.94	57,768,563.94	0.00	KM	60.00	60.00	COMPLETED
	MODERNIZATION OF HOPITAL DU CINQUANTENAIRE	BUILDING	99,873,757.77	99,873,757.77	0.00	BEDS	450.00	450.00	TEMPORARY RECEPTION
	ASPHALTING OF THE CROSSING POINT OF BUTEMBO	NATIONAL ROAD (NR)	33,342,701.41	0.00	0.00	KM	15.00		HALTED
	MODERNIZATION OF BUKAVU- KAMANYOLA	NATIONAL ROAD (NR)	79,763,741.80	0.00	0.00	KM	55.00		HALTED
	TOTAL A		454,153,365.55	369,636,687.98	28,589,765.64				
B	KEY MONEY OF USD 150 MILLION								

1	REFURBISHMENT OF THE ESPLANADE OF PALAIS DU PEUPLE BATCH 1	BUILDING	19,655,299.14	24,455,299.14	4,800,000.00	M ³	24,300.00	24,300.00	COMPLETED
2	MODERNIZATION OF BOULEVARD DU 30 JUIN BATCH 1, SECOND PHASE (2X4 LANES)	ROAD	24,118,559.82	24,118,559.82	0.00	KM	5.30	5.30	TECHNICAL RECEPTION
3	MODERNIZATION OF BOULEVARD DU 30 JUIN BATCH 2, INCLUDING THE CONSTRUCTION OF THE BASOKO BRIDGE (2X3 LANES)	ROAD	19,341,204.19	19,341,204.19	0,00	KM	2.50	2.50	2,850,967.10 USD HAVE BEEN SUPPORTED BY THE PUBLIC TREASURY, TEMPORARY RECEPTION
4	MODERNIZATION OF BOULEVARD SENDWE (2X3 LANES) AND BOULEVARD TRIOMPHAL (2X4 LANES)	ROAD	29,234,927.99	36,245,149.70	7,010,221.71	KM	4.30	4.30	FINAL RECEPTION
5	INSTALLATION OF A PREFABRICATED PRODUCTION UNIT AND SUPPLIES OF	SOCIAL	14,000,000.00	14,000,000.00	0.00				UNDERWAY

	POWER GENERATORS								
6	INSTALLATION OF SOLAR POSTS AND ACCESSORIES	SOCIAL	11,000,000.00	11,000,000.00	0.00				UNDERWAY
	TOTAL B		117,349,991.14	129,160,212.85	11,810,221.71				
	GRAND TOTAL		571,503,356.69	498,796,900.83	40,399,987.35				

ANNEX 2: Letter of COHYDRO Concerning Revenues paid to the State

DEMOCRATIC REPUBLIC OF THE CONGO
LA CONGOLAISE DES HYDROCARBURES

Kinshasa, 7 August 2013



Directorate-General

O/R: CHD/DF/FISC/PM/cc/461/013
N.I.F.: A0700108 B

COPY FOR INFORMATION SENT TO:

His Excellency the Prime Minister
Head of Government
(with the expression of our highest consideration)
His Excellency the Minister of Planning and SMRM
His Excellency the Minister of
Hydrocarbons
(All of them) in Kinshasa-Gombe

The EITI National Coordinator
in Kinshasa-Gombe

Dear Sir,

Subject: Your Additional Questions

We acknowledge receipt of your letter No. 116/COORD/ITIE-RDC/CAGF/CBK/2013 of 06 August 2013, the contents of which caught our attention.

Our response to you includes the following information:

1. Nature of Contributions Paid to DGRAD

Various taxes paid by COHYDRO to the public treasury in 2011 are those established by the Congolese State through Act No. 04 /015 of 16 July 2004 and Act No. 05/008 of 31 March 2005 setting the nomenclature of acts generating administrative, judicial, land and participation revenues as well as methods of collection thereof.

The above mentioned laws are sold by the Official Gazette of the Republic, and include taxes and charges per Ministry on which they depend, but the collection thereof is ensured by DGRAD.

That being so, it should be noted that these taxes do not apply to upstream oil activities but rather the downstream oil ones. Their definition being broad, we require our tax department to contact you as regards this.

2. Nature of Contributions Paid to COHYDRO

Apart from the dividends arising from its shareholding in the capital of LIREX-PERENCO, COHYDRO receives no contribution whatsoever from companies holding research and/or exploitation license of crude oil.

Yours sincerely,

Chief Financial Officer
SIASIA MASISA

Acting Managing Director
LUDJWERA Birindwa

ANNEX 3: Letter of the Prime Minister to GECAMINES on the Use of Revenues Paid by its Partners for its Own Account.

Democratic Republic of the Congo



The Prime Minister Office

Kinshasa,

O/R: RDC/GC/PM/C/2011

Copy for information sent to:

- His Excellency the President of the Republic,
Head of State
*(With the assurance of my most deferential
homage)*
Palais de la Nation
in Kinshasa/Gombe
- The Minister of Finance
- The Minister of Mines
- Her Excellency the Minister of Portfolio
All of them in Kinshasa/Gombe

Subject: Use of Revenues from Partnerships of GECAMINES

Attn: The President of the Board of Directors of GECAMINES
in LUBUMBASHI/KATANGA

Dear Sir,

I hereby acknowledge receipt of your letter No. 355/ADG/11 of 11 April 2011, the content of which have caught my attention.

Indeed, I have interestingly read the memorandum that you sent to His Excellency the President of the Republic in which you mention the major problems of Gécamines including low production due to worn-out equipment, excessive debt, aging of the workforce and the lack of funds.

I have noted that to solve somewhat its problems, Gécamines needs imperatively, in accordance with its status as commercial company and under the sole control of its statutory bodies, to cash and fully manage the financial revenues from its partners (dividends, key money and royalties).

After consultation with senior hierarchy, I can confirm that it is legally within prerogatives of Gécamines to manage its revenues through its statutory bodies. Therefore, I request you to establish an effective management of funds from your statutory partners to quickly gain stability and profitability that allow the State shareholder to obtain dividend payments as soon as possible.

I encourage you also to quickly implement the priority investment plan to modernize and streamline your production process.

Likewise, I expect you to present to me your medium-term action plan as soon as possible, which shall include exploration and research of new deposits that will ensure the sustainability of Gécamines. The State shareholder is ready to assist you in finding appropriate funding to achieve this strategic objective.

Regarding the amounts paid to the State in 2009 and 2010, I invite you to contact the Minister of Finance, for reconciliations of account imputation that need to stabilize the balance sheet of Gécamines and help it recover its entitlements.

Finally, Dear Sir, I would like to remind you that the new management team of GECAMINES has been appointed to stabilize the company's finances and improve its activities to help it become again a mining operator whose activity contributes to the development of the country and to the revenue of the Shareholder.

Yours sincerely,

Adolphe MUZITO

ANNEX 4: Edicts of the Governor of the Province of Katanga

1. Provincial intervention tax for rehabilitation of urban roads and drainage infrastructure as well as roads of provincial interest.

EDICT No. 0001 OF 23 MAY 2008 ESTABLISHING THE PROVINCIAL INTERVENTION TAX FOR REHABILITATION OF URBAN ROADS AND DRAINAGE INFRASTRUCTURE AS WELL AS ROADS OF PROVINCIAL INTERESTS.

EXPLANATORY STATEMENT

For a time now, the mining sector in the province of Katanga is experiencing activity given the high number of companies that have settled there.

Business operators in this sector have favored the use of road network to deliver products instead of the railway which is more suitable for transporting heavy goods.

Thus, the ever-increasing flow of heavy vehicles carrying large tonnage to be exported and going across countries and cities causes accelerated deterioration in road and drainage infrastructures.

Yet it appears that roads are becoming increasingly impassable as a result of delays in prompt rehabilitation thereof when the first signs of deterioration appeared, due to lack of financial resources available.

Therefore, the prudent and rational management of road infrastructures requires not only to rehabilitate and strengthen them so that they are able to withstand all heavy vehicles, but also and especially to consider the possibilities of unblocking them by creating new infrastructures designed and constructed to withstand high tonnage vehicles.

Hence the need and urgency to mobilize road-users to contribute consequently to this public expense.

Consequently, thanks to the exclusive jurisdiction recognized to the Province by the Constitution, especially Articles 205 items 5, 16 and 24, benefiting from the principles enshrined in Articles 3, 171, 174 paragraph 2, and under Article 202 of the same constitution, this edict has all legal grounds, insofar as it is reasonable that those who contribute to a special manner to the destruction of road infrastructures also have the obligation to contribute in a special way to the public expense for rehabilitation of such infrastructures.

The edict is divided into five chapters:

- Chapter 1: general provisions;
- Chapter 2: taxpayers and exemptions;
- Chapter 3: tax base, rate and collection;
- Chapter 4: penalties;
- Chapter 5: final provisions.

These are the principal lines of this explanatory statement.

THE PROVINCIAL ASSEMBLY HAS ADOPTED:

THE GOVERNOR OF THE PROVINCE ENACTS THE EDICT WHOSE PROVISIONS ARE AS FOLLOWS:

CHAPTER 1: GENERAL PROVISIONS

Article 1: A provincial tax called "Provincial intervention tax for rehabilitation of urban roads and drainage infrastructure as well as roads of provincial interest" is established.

Article 2: The tax is based on the traffic of vehicles carrying products on the public network of provincial interest, in both urban and rural areas.

CHAPTER 2: TAXPAYERS AND EXEMPTIONS

Article 3: The tax is borne by the carrier.

Article 4: Any vehicle carrying the following products are exempt from the tax:

1. Products belonging to the Congolese State;
2. Agricultural products
3. Manufactured products

CHAPTER 3: TAX BASE, RATE AND COLLECTION

Article 5: The tax is based on the tonnage of goods transported.

Article 6: The tax is levied every time products are exported.

Article 7: The rates and terms of collection are set by way of regulation.

CHAPTER 4: PENALTIES

Article 8: Any vehicle on the roads in violation of this Edict shall be seized and impounded with its load until full payment of the tax principal and penalties.

Article 9: Any breach of this Edict shall be liable to a fine equivalent to the principal;

CHAPTER 5: FINAL PROVISIONS

Article 10: This Edict shall enter into force on the date of its enactment.

Issued in Lubumbashi, 23 May 2011

Moïse KATUMBI CHAPWE

DEMOCRATIC REPUBLIC OF THE CONGO

Lubumbashi, on the ...



PROVINCE OF KATANGA

N° ID /CAB/

Copy for information sent to:

The Governor

PROVINCIAL DECREE NO. 2008/0024/KATANGA OF 09 JULY 2008 SETTING RATES AND METHODS OF COLLECTION OF THE PROVINCIAL INTERVENTION TAX FOR REHABILITATION OF URBAN ROADS AND DRAINAGE INFRASTRUCTURE AS WELL AS ROADS OF PROVINCIAL INTEREST.

THE GOVERNOR OF THE PROVINCE OF KATANGA

Having regard to the Constitution of the Democratic Republic of the Congo;

Having regard to, as amended and supplemented to date, the Decree-Law No. 81 of 2nd July 1998 on territorial and administrative organization of the Democratic Republic of the Congo, especially in Article 15;

Having regard to the Ordinance No. 7/002 of 25 February 2007 appointing the Governor and Vice-Governor of the Province of Katanga;

Having regard to the provincial decree No. 2007/0064/Katanga of 27 April 2007 appointing the Members of the Katanga Provincial Government;

Having regard to the motion No. 001/AP/KATANGA/2007 of May 9, 2007 approving the program of the Governor and appointment of Provincial Ministers;

Having regard to the Edict No. 001 of 23 May 2008 establishing the provincial intervention tax for rehabilitation of urban roads and drainage infrastructure as well as roads of provincial interests, especial in article 7;

Considering the state of deterioration of our infrastructures due to the ever-increasing flow of heavy vehicles carrying large tonnage to be exported, and going across urban and rural areas of the province;

Considering that there is possibility of rehabilitating them with the participation of their users;

Given the necessity and urgency;

Having consulted with the Council of Ministers;

HEREBY DECREES:

Article 1: In accordance with Article 7 of the Edict No. 0001 of 23 May 2008 establishing the Provincial intervention tax for rehabilitation of urban roads and drainage infrastructure as well as roads of provincial interest, the tax rate is set at the equivalent of USD 30 in

Congolese Francs per ton on any products to be exported, except for products belonging to the Congolese State, agricultural products and manufactured goods.

- Article 2: The tax is calculated at the place of loading on the basis of declarations made by the carrier concerning the actual weight carried.
- Article 3: Tax collectors, appointed by the Provincial Governor on a proposal of the provincial Minister of Finance, Economy and Commerce, shall issue a collection note on the basis of which the carrier shall carry out the tax payment through the banking system.
- Article 4: The verification of tax payment by the carrier shall be done after contradictory weighing at the weighing station established in Kisanga for road traffic and at the SNCCC / Lubumbashi railway station for rail traffic; the authentic stamp of the verification department of the Provincial Ministry of Finance, Economy and Commerce shall be affixed on the payment counterfoil.
- Article 5: A final check is carried out at each border post where control officers, appointed by the Governor of the Province on a proposal of the Provincial Minister of Finance, Economy and commerce, shall have the responsibility of collecting counterfoils certifying that the carrier has indeed paid the entire tax due.
- Article 6: Any breach of the provisions of this decree shall be liable to penalties provided for in Articles 8 and 9 of the Edict No. 0001 of 23 May 2008 establishing the Provincial intervention tax for rehabilitation of urban roads and drainage infrastructure as well as roads of provincial interest.
- Article 7: The Provincial Minister of Infrastructure, City Planning and Transport, and the Provincial Minister of Finance, Economy and Commerce are each in charge of the enforcement of this decree which enters into force on the date of its signature.

Issued in Lubumbashi, 09 July 2008

Moïse KATUMBI CHAPWE

2. Incentive tax for the creation of local concentrates processing units.

DEMOCRATIC REPUBLIC OF THE CONGO

Lubumbashi, on the



PROVINCE OF KATANGA

The Governor

N° ID /CAB/GP/...

Copy for information sent to:

EDICT No 003 OF 16 NOVEMBER 2010 ESTABLISHING THE INCENTIVE TAX FOR THE CREATION OF LOCAL CONCENTRATES PROCESSING UNITS.

Explanatory Statement

Thanks to the liberalization of the mining activity subsequently to the enactment of Act No. 007/002 of 11 July 2002 establishing the mining code, the Province of Katanga is experiencing a boom in the mining sector.

However, it should be noted that despite this growth, almost all vendors of products from the mining sector export them as concentrates, either for reasons of preference or for having not installed the necessary facilities for processing into finished products: this is a significant loss of earnings for the Congolese Government in general and the Province of Katanga in particular, resulting from the loss of by-products contained therein.

This loss of earnings is also felt in terms of lack of job creation due to lack of local processing and transformation industries.

It is the same with the non-consideration of artificial deposits from tailings as defined by the Mining Code in Article 1 paragraphs 25 and 26.

Under Articles 34 paragraph 3 and 204 paragraph 16 of the Constitution, 35 paragraphs 9 and 48 of Act No. 08/012 of 31 July 2008 laying down fundamental principles relating to the free administration of provinces, the province has exercised the option to create a provincial tax in order to mitigate the effects of this loss of earnings and to encourage vendors of mining concentrates to invest locally in metal transformation units.

This edict is structured as follows:

- Chapter 1: General Provisions
- Chapter 2: Tax Liability and Taxpayers
- Chapter 3: Tax Rate and Collection
- Chapter 4: Penalties
- Chapter 5: Repealing and Final Provisions

EDICT:

The Provincial Assembly has adopted,

The Governor of the Province enacts the Edict whose provisions are as follows:

CHAPTER I: GENERAL PROVISIONS

Article 1: A provincial tax called "Incentive tax for the creation of local concentrates processing units" is established in the Province of Katanga

Article 2: This tax is based on the mining concentrates.

Article 3: Under this Edict, shall be considered as concentrates, any non-metallic marketable mining products requiring further processing to extract the principal metal and its by-products.

CHAPTER II: TAX LIABILITY AND TAXPAYERS

Article 4: Non-processing of concentrates locally causes the liability for the tax.

The very material act of the non-transformation locally is the presentation of concentrates for export.

Article 5: The tax referred to in Article 2 of this Edict is borne by the vendor of products described in Article 3.

CHAPTER III: TAX RATE AND COLLECTION

Article 6: The rate is set at USD 60 (sixty US dollars) per ton.
It can be modified by way of regulation.

Article 7: The tax is levied by the Province from the carrier on behalf of the vendor if the latter failed to pay it personally or through any other proxy.

CHAPTER IV: PENALTIES

Article 8: Any vehicle carrying concentrates in violation of provisions of this Edict shall be seized and impounded with its load until full payment of the amount due and fine equivalent to the principal.

CHAPTER V: REPEALING AND FINAL PROVISIONS

Article 9: Shall be hereby repealed all provisions of the Edict No. 0001 of 20 April 2010 establishing the provincial tax on concentrated mining products to be exported.

Article 10: This Edict shall enter into force on the date of its enactment.

Issued in Lubumbashi, 16 November 2010

Moïse KATUMBI CHAPWE

ANNEX 5: Letter from the Directorate-General of Revenue of North Kivu showing that North Kivu has not collected the tax on mining concession and hydrocarbons in 2011.

DEMOCRATIC REPUBLIC OF THE CONGO

PROVINCE OF NORTH-KIVU
PROVINCIAL MINISTRY OF FINANCE
STRUCTURAL REFORMS, ECONOMY,
COMMERCE AND PORTFOLIO

Goma, 29 March 2014



Directorate-General of revenue of North Kivu
“DGR-NK”
The Director-General

No. 636/DG/DGR-NK/DR/2014

Copy for information sent to:

- The General Manager of DGR-NK
 - The Managers of DGR-NK
 - The Principal Public Accountant Code 0730
- (All of them) in Goma**

Attn: The National Coordinator of EITI-DRC in **Kinshasa**

Subject: Jurisdiction of the Tax on Mining Concession
Acknowledgment of receipt

Dear Sir,

I hereby acknowledge receipt of your letter No. 068/COORD/ITIE-RDC/CAGF/CBK/2014 of 25 March 2014 relating to the subject above and thank you for the same.

I unfortunately inform you that this act (tax on the mining and hydrocarbon concession) for Fiscal Years 2011 and 2012 was within the jurisdiction of the Central Government and therefore not within the competence of the Provincial Financial Authority, the DGR-NK.

Sincerely yours,

Janvier TWISHA KASIWA

ANNEX 6: Letter from the Governor of the Province of Bas-Congo showing that the Province has nothing to report under the EITI.



The Governor

Copy for information sent to:

- The Vice-Governor of the Province of Bas-Congo;
- The Planning Commissioner
(All of them) in **Matadi**

Attn: The National Coordinator of EITI-DRC
in KINSHASA

Subject: **Acknowledgment of Receipt**

Dear Sir,

Your letter No. 101/CN/ITIE-RDC/ST/NG/2013 of 05 July 2013 on the Scoping Study of EITI 2011 Report calls for the following observations from me:

- First: The Provincial Directorate of Revenue of Bas-Congo does not exist;
- Second: The extractive companies depend exclusively at fiscal level on the Directorate-General of Major Corporations, "DGE" and not on the Province;
- Third: The Financial Authorities do not fall within the competence of the province but of the Central Government, the Province managing only the Provincial Authority of Supervision and Collection of Revenue of the Province of Bas-Congo "REPERE" in abbreviated form, whose powers in the collection of revenues from extractive companies is limited to the surface tax activated during this year 2013.

Therefore, I consider that there is a need to review the terms of reference of this study with regard to the Province of Bas-Congo.

Sincerely yours,

Jacques MBADU NSITU

ANNEX 7: Evidence of Certification of Disclosures of SODIFOR, MAGMA, SAKIMA and SCMK-Mn.

1. SODIFOR



**FIDUCIARY & IT SOLUTIONS
FIDUCIARY OTHER SERVICES**

Kinshasa, 06 March 2014

Attn: **The Company SODIFOR SPRL**
In Kinshasa/Gombe

O/R: AM/MK/TPK/SODIFOR/017/2014

Subject: Certification of Proof of Payment

Dear Sirs,

Following your request, a mission has been carried out diligently in your company to certify the proofs of payment made with the Central Bank of the Congo and the *Société de Développement Industriel et Minier du Congo* (SODIMICO).

Indeed, with the help of various administrative documents, it was noted that the company SANDRO RESOURCES LTD has paid to SODIMICO (Congolese Government) the sum of 30M as the price of the assignment of its shares in SODIFOR.

The payment of these fees was made with the Central Bank of the Congo and the *Société de Développement Industriel et Minier du Congo* (SODIMICO). After checking all the evidence, we hereby certify the certainty that the payment has been made indeed.

Yours sincerely,

Robert MAMPUYA KALENGA

Managing Director

2. MAGMA MINERALS

Attn: The Company MAGMA

Likasi Road No. 798, Q/Makolu Ngulu, C/ANNEXE
Lubumbashi / DRC

Re: Certification Report
Year ended on 31 December 2011

Dear Sirs,

At your request, we have verified your various tax returns as well as proofs of payment thereof.
Taxes concerned by this verification are:

Directorate-General of Taxes (DGI)

1. Income and Profits Tax (Corporate Tax, IBP)
2. Professional tax on Remuneration (Local Payroll Tax, IPR)
3. Exceptional tax on the remuneration of expatriates (Foreign Payroll Tax, IER)

DGDA

1. *Customs Declaration*
2. *Liquidation Declaration*

DGRAD

1. Smelter bonus
2. Operating license renewal bonus;
3. Smelter license annual renewal/B;
4. Filing Fees for approval as smelter/B;
5. Annual mining charge

DRKAT

1. Road Taxes

Opinion on the effectiveness of disclosures and payments made in 2011

We have conducted our verification in accordance with International Auditing Standards. Those standards require that such work be planned and carried out in order to obtain reasonable assurance that the information that we certify does not contain any significant abnormality. An audit includes examining, on a test basis, details justifying data contained in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as the presentation of the financial statements taken as a whole.

We have not had the responsibility to certify the financial statements as a whole but for the mission that has been entrusted to us, we believe that our work provides a reasonable basis for our opinion.

Materialization of the Disclosed Amounts

We have listed all disclosures made by the company Magma in 2011 and have collected all evidence of payments made via the bank, of which we have kept the evidence.

We have found no significant gap between the disclosures and proofs of payment collected.

In our opinion declarations and payments made by the company Magma as taxes, whose list is included above, have been carried out in compliance with its legal obligations during the year 2011.

Lubumbashi, 28 February 2014

For AA-Tax

Thaddée MOLISHO
Manager

**3. THE COMMERCIAL COMPANY LA MINIERE DE KISENGE MANGANESE
(SCMKMn)**

3. SOCIETE COMMERCIALE LA MINIERE DE KISENGE MANGANESE (SCMKMn)

Democratic Republic of the Congo
Presidency of the Republic

Kinshasa, March 31st, 2014



General Inspectorate of Finance
The Inspector General of Finance-Head of Department

No. 146/PR/IGF/IG-CS/VBM/CMM/2014

FORWARDED copy for information to:

-His Excellency the President of the
Republic, Head of state.

(with the assurance of my most deferential homage)

Nation's Palace

at Kinshasa/Gombe

-His Excellency the Prime
Minister, Head of the Government

(with the assurance of my highest consideration)

Hotel of the Government

at Kinshasa/Gombe

-His Excellency the Minister of Planning
and Monitoring of the Implementation of the
Modernity Revolution;

-His Excellency the Minister of
Mines

-His Excellency the Minister of
Hydrocarbons

-His Excellency the Minister Delegate to the
Prime Minister in charge of Finance

-The Inspector General of Finance-Deputy
Head of Department

-The Inspector General of Finance-
Coordinator;

(ALL) in Kinshasa/Gombe

-His Excellency the Governor of
KATANGA;

-His Excellency the Provincial Minister of
Finance of Katanga

(ALL) in Lubumbashi/Katanga

.....

Subject: Certificate of EITI 2011 Disclosure of SCMK-Mn(Kisenge-Mamnganese)

Attn: The Managing Director
Société Minière KISENGE MANGANESE
"SCMK-Mn", 285 Av. MUEPU, 3rd Floor
BCDC Building, Commune de Lubumbashi
in Lubumbashi/KATANGA

Dear Sir,

I hereby have the honor to inform you of the findings of the Inspectorate General of Finance, arising from the certification mission of your company's disclosure to EITI in 2011, in fulfillment of my mission order No. 015/PR /IGF/IG-CS/VBM/BCO/LNP/2014 of March 11, 2014, following the letter No. 0451/CAB/MIN/PL.SMRM/ITIE/NG/IK/2014 of March 10, 2014 of the Minister of Planning and Monitoring of the implementation of Modernity Revolution.

This disclosure was forwarded to me by the National Coordination of the EITI-DRC and covers payments of about USD 199,589 and CDF 6,701,752 made in 2011, including USD 195,853 and CDF: 6,701,752 for the Treasury through Financial Authorities (DGI and DGRAD) and USD 3,736 for the benefit of the Province of Katanga through the Department of Provincial Revenue (DR-Kat).

Since the opinion of the Inspector General of Finance is limited to assessing whether or not there are in this disclosure significant anomalies likely to jeopardize the sincerity and reliability of the image they reflect of the Company's actual operations as implemented by relevant departments during the year 2011, I want to clarify that, in accordance with the generally accepted rules in auditing, especially the 210 standard relating to the Agreement on the terms and conditions of an audit mission, the General Inspectorate of Finance does not intend to take responsibility for the accuracy of this disclosure prepared by your services.

The methodology used in the review of this disclosure was to reconcile these payments with bank statements of accounts in which they were effected per Financial Authority: DGI and DGRAD, and by the DR-KAT.

To this end, the certification team had access to the documents and information below:

- Collection Notes for Financial Authorities: DGI and DGRAD;
- Taxation notes for DR-KAT;
- Bank statements from the Trust Merchant Bank (TMB) and RAWBANK;
- Numbers of receipts and discharges;
- Daily inflow statements (for DGI and DGRAD);
- The history of accounts' transactions in RAWBANK for DR-KAT;
- The drawdown status in the General Treasury Account.

At the end of these audits, the certification team was able to track all payments included in the EITI disclosure established by SCM-K-Mn (Kisenge-Manganese-) in the daily statements of the two banks in presence, namely TMB and RAWBANK. In addition it should be noted that the team has found that two payments regularly made, but by omission, have not been included in the disclosure. These are:

- Two hundred and thirty-four dollars (\$ 234) of the Turnover Tax paid to DGI;
- Four hundred twenty-three thousand and three hundred eighty-one Congolese francs (423,381 FC) paid as an advance on dividend to DGRAD.

This brings the total amount collected and remitted to the General Treasury Account to \$ 199,823 and 7,125,133 CDF.

Considering the above, the General
Inspectorate of Finance considers that the EITI disclosure made by the Société Commerciale Kisenge-
Manganese accurately reflects the situation of its payments collected by the DGI and DGRAD on
behalf of the Treasury, and by DR-KAT for the benefit of the Province of Katanga for 2011.

Yours sincerely,

For the Inspector General of Finance
Head of Department on assignment

MABELE MOSAMBA
Inspector General of Finance
Deputy Head of Department

4. SAKIMA

Democratic Republic of the Congo
Presidency of the Republic



Inspectorate General of Finance
The Inspector General of Finance-Head of Department
CS/VBM/BMR/HWK/2014

Kinshasa, March 31st, 2014

N°145/PR/IGF/IG-

FORWARDED copy for information to:

-His Excellency the President of the
Republic, Head of State.
(With the assurance of my highest deferential homage)
Nation's Palace
in Kinshasa/Gombe

-His Excellency the Prime
Minister, Head of Government
(with the assurance of my highest consideration)
Hotel of the Government
in Kinshasa/Gombe

-His Excellency Minister of Mines
-His Excellency Minister of Hydrocarbons
-His Excellency Minister Delegate to
The Prime Minister in charge of
Finances
-His Excellency the National Coordinator of
EITI-DRC;
-The Inspector General of Finances-
Deputy Head of Department;
- The Inspector General of Finances-
Coordinator;
-The Chairman of the Management Board of
Company SAKIMA Sarl.
(All) in KINSHASA

- His Excellency the Governor of North-Kivu
Province;

-The Director of Provincial Revenues of
North- Kivu Province.
(All) in GOMA

-His Excellency the Governor of
South-Kivu Province;
-The Director of Provincial Revenues of
South- Kivu Province;
(All) in BUKAVU

-His Excellency the Governor of
Maniema Province;
-Director of Provincial Revenue of Maniema.
(All) in KINDU
.....

RE: Forwarding the Certification Report of ITIE 2011 Disclosures of Sakima sarl

Attn: His Excellency the Minister of Planning and Monitoring of the Implementation of
Modernity Revolution
in Kinshasa/GOMBE

Your Excellency,

Further to your letter No.
0451/CAB/MIN/PL.SMRM/TTR/..... /2014 of March 10, 2014, I commissioned by my mission order
No. 015/PR/..... of March 11, 2014, a mission of certification of SAKIMA Sarl's EITI disclosures
for FY 2014.

After this mission, the appointed team found
that SAKIMA Sarl has not made any payment to the Treasury or to Provinces (North Kivu, South
Kivu and Maniema).

Apart from the difficulties encountered by
this public company for its operation, especially the wars in the region and the lack of appropriate
resources, it has a mining agreement established in 1997 in favor of private company SAKIMA Sarl in
which the State owned 7% of shares.

Thus, we recommend the Governor to
provide this public company with necessary resources and review the existing mining agreement
with respect to current realities.

Yours sincerely,

For the Inspector General of Finance
Head of Department on assignment

MABELE MOSAMBA
Inspector General of Finance, Deputy Head of Department

ANNEXE 8: Proof of Closure of VOLCANO and SOMIDEC.

1. Judgment of Dissolution of Company VOLCANO

THE COURT IN SESSSION AND SITTING IN COMMERCIAL
MATTERS AT THE FIRST DEGREE HAS DELIVERED THE FOLLOWING JUDGMENT

PUBLIC HEARING OF MAY 27, 2013

R.A.C 1023

INVOLVING:

The Company VOLCANO MINING SPRL, having its
head office at 37, Avenue Kigoma Commune de Kampemba, Lubumbashi;

=/ PETITIONER /=

By its request No. CAB/AK/028/MY/2013 addressed to the President of the
Commercial Court of Lubumbashi dated on May 13, 2013, the company VOLCANO MINING SPRL
solicited to obtain a decision for its dissolution;

In response to this request, The President of this Court issues on May 25, 2013
Ordinance No. 153/2013 setting a public hearing;

This case thus regularly introduced and registered under the commercial cases of this
Court under RAC. 1023 has been determined and called up for the public hearing of May 27, 2013;

At the call of the case at this public hearing of May 27th, 2013, the petitioner
appeared represented by their counsel, Attorney Augustin KAPOYA, Lawyer in Lubumbashi Bar;

Checking the status of the proceedings, the Court noted that the case contained a
motion for a resolution to dissolve the company; the Court declared the case received and gave the
floor to the petitioner for pleading;

Speaking on behalf of the petitioner, Lawyer Augustin KAPOYA outlined the facts of
the case, pleaded and proceeded as follows;

v FOR THESE REASONS;

Under any reservation whatsoever;

v PLEASE THE COURT;

- To declare the present request admissible and justified;
- To order the dissolution of the Company VOLCANO MINING SPRL;
- Legal fees as provided;

And justice will be served;

The prosecution, being heard, gave its oral opinion on the bench, the terms of which are as follows:

v FOR THESE REASONS;

v PLEASE THE COURT;

- To receive the request and deem the same justified;
- To award the petitioner the full benefit of its request instituting the proceedings;
- Legal fees born by the petitioner;

And justice will be served;

Thereupon, the Court concluded the oral hearing, took the case under advisement and adjourned the hearing to give a judgment from the bench;

Resuming the hearing, the Court handed down its judgment, the terms of which reads are as follows;

THE COURT

Whereas by its petition O/Ref: CAB/AK/028/MY/2013 of May 13, 2013, the Company VOLCANO MINING SPRL, registered in New Trade Register 9758, National Identification 6-193 N 59354 L, whose head office is located at No. 37, Avenue Kigoma, Commune of Kampemba, City of Lubumbashi, represented by Mr. BASSEL MOHAMED SAAD, the statutory manager of the Company, request this Court to declare admissible and justified this request, establish the case of the matter and declare the dissolution of the Company VOLCANO MINING SPRL; legal fees as provided;

Whereas at the calling up of the case in the public hearing this Monday, May 27th, 2013, the petitioner appeared represented by their counsel, Attorney Auguy KABOYA Mukubu, Lawyer at the Lubumbashi Bar;

That the Court shall hold itself referred to by the petitioner; the proceedings are regular;

Whereas with regard to the grounds, it appears from the petition that on March 28, 2013, a Special Meeting was convened and held on the grounds of taking note that the balance sheet of the fiscal year is negative due to a tax loss relating to the charges being widely higher than the production;

That in addition, they went on, that the previous two years have been deficient for the same reason and accompanied by the falling of metals prices all over the world;

That finally, they concluded, that the presenter has interest to bring the case to your noble court to take note of this matter, and declare the dissolution of the Company VOLCANO MINING SPRL in condition that the Special Meeting cannot do it without the authorization of the noble court; legal fees as provided;

Whereas, in support of its petition, the petitioner produced to the case the following documents: the Memorandum of Incorporation (Statutes) of Company VOLCANO MINING SPRL, the National Identification of Company VOLCANO MINING SPRL No. 6 - 193 N 59354 L of November 16, 2010, the New Trade Register No. 9758, the Profit Tax Return (Corporate Tax) of FY 2013-Rev.2012; Tax Number A0811711P of March 28, 2013, the Minutes of the General Meeting of April 1, 2013 whose agenda contained two items, namely the dissolution of the company, AOB as well as the certificate of submission to the Registry of the Commercial Court;

Whereas the careful reading of the said documents certifies the veracity of the petitioner's claims;

That in addition to the reading of the Minutes of the General Meeting of April 4, 2013, it emerges from the unique resolution that “the partners note and effect in accordance with the provisions of Articles 4 and 13 of the Statutes of March 06, 2006 of VOLCANO MINING SPRL, the need for the dissolution of the Company being objectively threatened with danger”;

That then, the partners refer to any other provision not expressly covered in the decree of the Sovereign King of February 27, 1887 as amended and supplemented by the decree of June 23, 1960 on commercial companies especially in Articles 114 et seq.;

Whereas Article 200 of the Uniform Act of 17 April 1997 on the Law on Commercial Companies and Economic Interest Groups provides that: “The Company is terminated:

1. At the expiry of the period for which it was established;
2. Through the fulfillment or investigation of its objective;
3. By the cancellation of the partnership agreement;
4. By decision of partners per the provided conditions for amending the bylaws;
5. By anticipated dissolution pronounced by the competent court at the request of a partner on justified and proper grounds, particularly in cases of breach of contract by a partner or disagreement between partners preventing normal operation of the Company;
6. By virtue of a judgment ordering the liquidation of the assets of the Company;
7. For any other reason provided by the statutes.

Whereas the Head Office finds that all partners were present at the General Meeting of April 4, 2013 and have all signed the minutes of this Meeting and voted unanimously to dissolve their Company;

That in addition, at the reading of the minutes of the General Meeting of April 4, 2013 on item 1 of the agenda: Regarding the dissolution of the Company, the Court considers that it complies with the provisions of the Uniform Act of April 17, 1997 on the Law on commercial companies and economic interest groups, especially in Article 200 paragraph four (1);

That finally, the Court will pronounce that the dissolution will be published by way of a notice in the National Gazette of the Head Office’s jurisdiction, by submission to the Registry of deeds or minutes deciding or establishing the dissolution and by amendment of registration to the Trade and Personal Property Credit register;

Considering the above, the Court will recognize the case of the matter and pronounce the dissolution of the Company VOLCANO MINING SPRL;

The court fees charged to the petitioner;

FOR THESE REASONS:

The Court ruling publicly and openly regarding the Company VOLCANO MINING SPRL for the dissolution of the company;

Considering the organic law No. 13/011-B of April 11, 2013 on the organization, functioning and legal jurisdiction of the judicial order;

Considering the code of Civil Procedure;

Considering the Law No. 002/2001 of July 3, 2001 on the Establishment, Organization and Functioning of Commercial Courts;

Considering the uniform act of April 17, 1997 relating to the Law on Commercial Companies and Economic Interest Group, Official Gazette of OHADA;

Having heard the prosecution in its opinion,

Receives the petition initiated by the company VOLCANO MINING SPRL and declares it justified, therefore;

Declares the dissolution of the Company VOLCANO MINING SPRL, registered in New Trade Register 9758 , National ID 6 193 N 59354 I, whose head office is located at No. 37 of the Kigoma Avenue in Kampemba, Lubumbashi;

Declares the dissolution published by notice in the National Gazette entitled to receive legal notices of the headquarters area, by submission in the registry of the deeds or minutes deciding or establishing the dissolution and by amendment registration in the Trade and Personal Property Credit Register;

Fees and expenses of the proceedings borne by the petitioner;

Thus rules and pronounced by the Commercial Court of Lubumbashi during its public hearing on this Monday, May 27, 2013, in which sat Pierre MALANGANO KALONGOLA -wa- MALAONI, President, MWAMBA MAKALAY and Astrid NSONGA, Judges in commercial courts, in the presence of Mr. LUSUMBE Albert, public prosecutor, and with the assistance of NDAY wa NDAY, Clerk of the court.

THE REGISTRAR

THE PRESIDENT OF THE CHAMBER

Signed/NDAY wa NDAY
WA-MALAONI

Signed/Pierre MALANGANO KALONGOLA –

JUDGES IN COMMERCIAL COURT

Signed/ MWAMBA MUKALAY
Signed/Astrid NSONGA

FOR CERTIFIED COPY
LUBUMBASHI, ON NOV 07, 2013
THE DIVISIONAL COURT CLERK

Jean Paul NKULU KABANGE
Head of Department

2. Proof of SOMIDEC Dissolution



GECAMINES LA GENERALE DES
CARRIERES ET DES MINES
SOCIETE PAR ACTION A
RESPOSABILITE LIMITE

JOINT PRESS RELEASE

10 September 2012

Copperbelt Minerals Limited (« Copperbelt ») and la Générale des Carrières et des Mines (“Gécamines”) have entered into a “Settlement Agreement” regarding their joint venture for the development and operation on mining and processing activities under the Deziwa and Ecaille C permits (the “Mining Permits”) in the Democratic Republic of the Congo.

The Settlement Agreement provides that, at closing, Gécamines will pay an agreed “Total Settlement Amount” to Copperbelt and waive any litigation and claims, in exchange for: (i) termination of the joint venture agreement relating to the Mining Permits; (ii) return of the the Mining Permits to Gécamines, and (iii) waiver of any litigation and claims by Copperbelt, its subsidiaries and shareholders against Gécamines.

Subject to satisfaction or waiver of a number of conditions, closing is expected to occur within 3 to 6 months, although it may occur at any earlier date on which Gécamines provides proof to Copperbelt that it has issued an irrevocable order for payment of the Total Settlement Amount.

About Copperbelt

Copperbelt is a company incorporated in the British Virgin Islands, whose principal activity is investment in the mining sector in the Democratic Republic of the Congo.

About Gécamines

Gécamines is a leading mining company incorporated in the Democratic Republic of the Congo.

About the Mining Permits

The Mining Permits provide entitlement to mineral resources situated in the Katanga region of the Democratic Republic of the Congo which are estimated to include approximately 4,600,000 tonnes of contained copper.

Press contacts:

Copperbelt

- Allan Marter, Chef Financial Officer & Company Secretary
Telephone: +1 303 875 2090 or Email: amarter@copperbelt.com

Gécamines

- Albert Yuma Mulimbi, Chairman of the Board of Directors
Telephone: +243 81 8910524 or Email: ayu@texaf-rdc.com
- Ahmed Kalej Nkand, Chief Executive Officer
Telephone: +243 99 7023077 or Email: kalej.nkand@gecamines.cd