

## **Latest Mining Code Move By Drc Government Worries Country's Mining Industry**

**Cape Town, 9 February 2015** - The decision by the Democratic Republic of Congo's Ministry of Mines to suspend consultations with the DRC's mining industry about the country's proposed new mining code, and to refer it in draft legislation form to parliament instead, poses a material threat to further investment, the DRC Chamber of Mines said today.

Speaking ahead of the start of the African Mining Indaba here, officials of the DRC Chamber of Mines said the industry remained committed to working with government, as had been done successfully in other African countries, to develop a competitive mining code, capable of attracting the next wave of investment in the DRC's copper, cobalt, diamond and gold industries.

"We have been working together on this since 2013 and it is the industry's view that significant progress has been made, with only the royalty and stability issues still outstanding. We were therefore surprised and disturbed to be informed last week that the government had unilaterally suspended these consultations and was proceeding with draft legislation which we have not even seen in its complete form," officials said.

"The DRC is rich in mineral wealth but the only way to convert that potential into real and lasting value for the country and all its people is to draw new investment to the mining industry. That in turn requires an equitable mining code which fully recognises the rights of the mining companies and their investors. Investment dollars are mobile and will quickly leave a mining jurisdiction if the legislative environment deteriorates, as Zambia found out not so long ago."

It was also noted that a one-size-fits-all code was not suited to the DRC because of significant capital and exploration framework differences between the various sectors of the country's mining industry. "An optimal code must take these differences into account, hence the need for further detailed and in depth discussions with the industry as well as the major companies in each sector," they said.