



ICGLR REGIONAL CERTIFICATION MECHANISM EXPORTER AUDIT SUMMARY REPORT

Alphamin Bisie Mining SA
Democratic Republic of the Congo
1 March 2022

Final Exporter Status

Green



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Green

1. Introduction

As defined in the ICGLR Audit Methodology Manual, the Independent ICGLR Third Party Audit (TPA) assures independent verification that Exporter's mineral chain from mine site to export are in conformance with the Regional Certification Mechanism (RCM) requirements and standards. The objective of the ICGLR RCM is to provide for mineral supply chains that have not directly or indirectly provided support to non-state armed groups and or public or private security forces engaged in illegal activity and/or serious human rights abuse in and between Member States of the ICGLR with a view to eliminating support to armed groups that sustain or prolong conflict, and/or otherwise engage in serious human rights abuses.

Based on the ICGLR Third Party Audit Methodology, this audit aims to assess the level of compliance of Alphamin Bisie Mining with the ICGLR Regional Certification Mechanism requirements and standards.

More specifically, the audit is expected to provide insight in order to ensure that the different requirements of the OECD Due Diligence Guidance and ICGLR certification process are integrated into the company management procedures to constitute useful tools that would help strengthening the operations in a responsible and sustainable way considering the different risks and international requirements.

- a. Auditee
 - i. General information
 - ii. Business information, including the type of mines sourced from (LSM and/or ASM).
- b. Auditor
 - i. Audit Firm: C.Collin Consulting
 - ii. Lead Auditor: Cécile Collin

2. Audit Scope



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The audit is carried out against the ICGLR Regional Certification Mechanism Manual (RCM).

It covers the following entity and material:

Alphamin Bisie Mining SA (ABM) operating the Bisie Tin Mine in North Kivu Province.

Designated material audited : tin

Address :

Logu au croisement de la Route Nationale N°3 et de la route menant à Bisie

Walikale, Nord – Kivu

République Démocratique du Congo

The company owns several permits:

- a. PE 13155 (151 carrés), granted in February 2015.
- b. PR 10346 (77 carrés)
- c. PR 5267 (186 carrés)
- d. PR 5266 (42 carrés)

The Audit team reviewed the company relevant documentation which is available in open sources and produced by external stakeholders: reports of the UN group of expert, press release, civil society reports, analysis of research centres, iTSCi summary of incidents reports.

The auditors also reviewed the core company documents: status, Mining licenses, corporate policies, and received presentations on the systems and processes in place prepared by the key managers

The team also revised specific analyses commissioned by ABM, in particular :

- Liz Muller, initial audit and corrective action plan, April 2020
- Ambassador Kakese Report, April 2020
- Dan Fahey, Third-party Human Rights Assessment, April 2019



Audit period -The audit covered the intervention since the start of the exploitation in 2019.

Description of Physical Sites - The consultants visited :

- The Bisie plant : the mine site, including visit of the tunnels, review of the different steps of the processing plant, of the different warehouses, laboratory and sampling process, tailings, State agents, selected security posts and the management offices.
- The facilities in Logu : warehouse, offices, visit of the community projects.
- The office in Goma, as well as TMK office in Goma.

a. Dates of Audit Activities

The audit started with a general desk review of the documentation communicated by Alphamin and review of the documentation available online, including on the general context of the operations.

The field work took place 8-15th May, with site visit in Bisie and Logu on 10-13th May.

3. Audit Findings

Status Tables 1 and 2 **Table 1 Status for Exporter**

Status Criteria	Status	Item
Conflict Red Status	Green	1. Non-state armed groups or their affiliates illegally control mine sites or otherwise control transportation routes, points where minerals are traded, and any upstream actor in the supply chain, up to and including the Exporter.
	Green	2. Non-state armed groups or their affiliates illegally tax or extort money or minerals at points of access to mine sites along transportation routes or at points where minerals are traded up to and including Exporter.
	Green	3. Non-state armed groups or their affiliates illegally tax or extort money or mineral shares from mine site owners, mine site operators, intermediaries, traders, export companies, or any other upstream actors in the Chain of Custody (CoC) up to and including the Exporter.
Conflict Yellow Status	Green	1. Public or private security forces or their affiliates illegally control mine sites or otherwise control transportation routes, points where minerals are traded, and any upstream actor in the Exporter's supply chain.
	Green	2. Public or private security forces or their affiliates illegally tax or extort money or mineral shares from mine site owners, mine site operators, intermediaries, traders, Exporters, or any other upstream actors in the Exporter's CoC.
	Green	3. Public or private security forces or their affiliates illegally tax or extort money or minerals at points of access to mine sites along



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		transportation routes or at points where minerals are traded in the Exporter's supply chain.
Human Rights Red Status	Green	1. Children below the minimum working age, as defined in that Member State, are employed at the mine site or the worst forms of child labour, as defined by the ILO, are present at the mine site or in the Exporter's supply chain.
	Green	2. Forced labour is practiced in the Exporter's supply chain, or workers are required to work for no compensation; workers are required on certain days of the week to surrender the fruits of their labour to a third-party.
	Green	3. Any forms of torture, cruel, inhumane, and degrading treatment are practiced or identified in the Exporter's supply chain.
	Green	4. Other gross human rights violations and abuses such as widespread sexual violence are practiced or identified as associated with the Exporter's activities.
	Green	5. War crimes or other serious violations of international humanitarian law, crimes against humanity, or genocide are associated with the Exporter.
Formality & Transparency Red Status	Green	1. Payments are made to illegal or criminal organizations by any of the supply chain actors in the Exporter's supply chain.
	Green	2. Payments are made to political parties or political organizations, in contravention of a Member State's laws by any of the supply chain actors in the Exporter's Supply Chain.
	Green	3. Designated Minerals sourced in a Not Valid (Red) mine site are entering into the Exporters supply chain or being mixed with Designated Minerals produced in a clean supply chain.
Formality & Transparency Yellow Status	Green	1. Mineral shipments exit the mine without having been registered or recorded by a CoC system that can track the minerals from mine site through the Exporter's supply chain.
	Green	2. Government officials (mine officials, secret service, municipal or provincial governments, military units, etc.) extract significant taxation or other payments that are disproportionate to any service provided from supply chain actors in the Exporter's supply chain in a manner not authorized by the Member State's mineral code or mineral regulations.
	Green	3. Material from another unknown source is entering into the Exporter's supply chain.
	Green	4. Any supply chain actor in the Exporter's supply chain, offers, promises, gives, or demands bribes to conceal or disguise the origin of minerals, to misrepresent taxes, fees, and royalties paid to governments for the purposes of mineral extraction, trade, handling, transport, and export.
	Green	5. Any supply chain actor in the Exporter's supply chain does not pay taxes, fees, and royalties related to mineral extraction, trade, and export from conflict-affected and high-risk areas (CAHRAs) to governments and fails to disclose such payments in accordance with the principles set forth under the Extractive Industry Transparency Initiative (EITI).
	Green	6. Any supply chain actor in the Exporter's supply chain refuses to allow Analytical Mineral Determination (AMD) sampling to be conducted by the ICGLR or Member State.



Table 2 Status for Supply Chain Actors

Status Criteria	Status	Item
Conflict Red Status	Green	1. Non-state armed groups or their affiliates illegally control mine sites or otherwise control transportation routes, points where minerals are traded, and any upstream actor in the supply chain.
	Green	2. Non-state armed groups or their affiliates illegally tax or extort money or minerals at points of access to mine sites along transportation routes or at points where minerals are traded.
	Green	3. Non-state armed groups or their affiliates illegally tax or extort money or mineral shares from mine site owners, mine site operators, intermediaries, traders, export companies, or any other upstream actors in the CoC.
Conflict Yellow Status	Green	1. Public or private security forces or their affiliates illegally control mine sites or otherwise control transportation routes, points where minerals are traded, and any upstream actor in the supply chain.
	Green	2. Public or private security forces or their affiliates illegally tax or extort money or mineral shares from mine site owners, mine site operators, intermediaries, traders, Exporters, or any other upstream actors in the CoC.
	Green	3. Public or private security forces or their affiliates illegally tax or extort money or minerals at points of access to mine sites along transportation routes or at points where minerals are traded.
Human Rights Red Status	Green	1. Children below the minimum working age, as defined in that Member State, are employed at the mine site or the worst forms of child labour, as defined by the ILO, are present at the mine site. Where a Member State has not defined a minimum working age, the standard of the International Labour Organisation (ILO) shall be used.
	Green	2. Forced labour is practiced at the mine site; workers are required to work for no compensation; workers are required on certain days of the week to surrender the fruits of their labour to the mine site boss.
	Green	3. Any forms of torture, cruel, inhuman, and degrading treatment are practiced or identified at the mine site.
	Green	4. Other gross human rights violations and abuses such as widespread sexual violence are practiced or identified as associated with the mining activities.
	Green	5. War crimes or other serious violations of international humanitarian law, crimes against humanity, or genocide are associated with the Exporter.



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Formality & Transparency Red Status	Green	1. Payments are made by the mine site owner or operator to illegal or criminal organizations.
	Green	2. Government Payments are made by the mine site owner or operator to political organizations, in contravention of a Member State's laws.
	Green	3. Designated Minerals sourced in a Not Valid (Red) mine site are entering into the mine site or being mixed with Designated Minerals produced at the mine site.
	Green	4. Industrial Mine Only - Mineral shipments exit the mine site without having been registered or recorded by a CoC System that can track the minerals to their next destination beyond the mine site.
	Green	5. Industrial Mine Only - The mine site is not registered with the Member State mining authorities and/or is not in conformity with all Member State laws and regulations regarding mineral title.
Formality & Transparency Yellow Status	Green	1. Mineral shipments exit the mine without having been registered or recorded by a CoC system that can track the minerals to their next destination beyond the mine site.
	Green	2. Government officials (mine officials, secret service, municipal or provincial governments, military units, etc.) extract significant taxation or other payments that are disproportionate to any service provided from the workers or productions of a mine site, in a manner not authorized by the Member State's mineral code or mineral regulations.
	Green	3. Material from another unknown mine site is entering into the mine site or being mixed with the material.
	Green	4. Mine site owner, mine site operators, intermediaries, traders, Exporters, or any other upstream actors in the CoC and operating on the mine site offers, promises, gives, or demands bribes to conceal or disguise the origin of minerals, to misrepresent taxes, fees, and royalties paid to governments for the purposes of mineral extraction, trade, handling, transport, and export. ¹
	Green	5. Mine site owner, mine site operators, intermediaries, traders, Exporters, or any other upstream actors in the CoC and operating on the mine site, does not pay all taxes, fees, and royalties related to mineral extraction, trade, and export from conflict-affected and high-risk areas (CAHRAs) to governments and fail to disclose such payments in accordance with the principles set forth under the Extractive Industry Transparency Initiative (EITI).
	Green	6. The mine owner or operator refuses to allow Analytical Mineral Determination (AMD) sampling to be conducted by the ICGLR or Member State.

¹ See OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (1997); and the United Nations Convention Against Corruption (2004)



Table 3 Status Summary of Non-conformance Findings
SUMMARY OF NON-CONFORMANCES

Finding	Status Criteria:	Status Criteria Finding:	Auditee's Proposed Corrective Action:
1	None	None	None



4. Audit Conclusion

Based on the results of the audit and review of the audit report by the ICGLR Audit Committee, the Audit Committee establishes the Exporter Status as Green. The Exporter met their obligations as defined by the ICGLR Regional Certification Mechanism and no Red or Yellow Status Criteria for Conflict, Human Rights or Formality and Transparency were identified.

This was the first Exporter Audit under the revised RCM that included a review of the Exporter's Due Diligence process and management systems and their alignment with the RCM Manual and OECD Due Diligence Guidance. The Audit Committee determined that the Exporter would need time and experience to develop and implement the necessary Management System components in an effort to build regional capacity and operate in the spirit of continuous improvement.

In the case of ABM there were a few items regarding their Management System that were identified and are part of a corrective action program. According to ICGLR Audit Committee, none of the Management System items identified were indicative of a failed system, but issues to strengthen the overall program.