



Towards Long-Term Cooperation for Mutual Prosperity in Africa's Great Lakes Region

Ben Shepherd October 2024



This report is based on discussions at the Wilton Park high-level roundtable, <u>Towards</u> <u>Long-Term Cooperation for Mutual Prosperity in Africa's Great Lakes Region</u>, that took place from Wednesday 26 June to Friday 28 June 2024.

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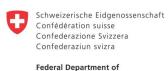
Cover image source: Guy Gael Nkundiye, Lake Tanganyika. One of the winners of the 2022 "The Great Lakes Region Through Your Lens" Photo Contest, run by the Office of the Special Envoy for the Great Lakes Region.

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The Great Lakes region holds world-class reservoirs of unused agricultural land, hydroelectric capacity, biodiversity and minerals critical to global green transitions, as well as a young and enterprising population. Peace and economic development are mutually reinforcing, and unlocking the region's potential could contribute significantly to its transformation into a peaceful, prosperous and globally significant engine of growth. But the Great Lakes is finding its place in a newly multipolar world and is facing increasing disruption from demographic pressure, climate change and technology, compounding existing complex security, humanitarian and economic challenges. Progress is urgently required.

1. Introduction

The Great Lakes region is of critical importance both for the African continent and the world. It holds vast reserves of agricultural land, biodiversity, hydroelectric capacity and minerals, and is home to a young and fast-growing population that already numbers in the hundreds of millions. The Congo Basin is a critical ecosystem, 'the world's last lung' and of global importance in the fight against climate change, and minerals from the Great Lakes region are central to green transitions. Geographically, the Great Lakes region is the crossroads and the pivot of the continent, straddling and linking economic and political blocs across Eastern, Southern and Central Africa. Peace, prosperity and growth could not only transform the countries of the Great Lakes region, but could make it an engine of continental growth.

However, all of these factors also increase the region's vulnerability. Competition for control of resources is already marked and will only increase as the global importance of critical minerals intensifies. The region's size and diversity make co-operation difficult, reflected in overlapping regional organisations and inter-governmental institutions operating in the Great Lakes. Its vast borders risk instability from elsewhere taking root. Growing populations need livelihoods and jobs if political

instability and encroachment on natural spaces are to be avoided. Progress on longterm co-operation and mutual prosperity is urgently required.

2. The legacy of the past

The Great Lakes region has seen a series of enormously damaging conflicts in recent decades, many of which have drawn neighbours into confrontation. The 1990s and 2000s saw civil war in Burundi¹, complex internal conflict in northern Uganda, genocide in Rwanda and two catastrophic wars in the DRC, all of which spilled across the region's internal borders. While levels of violence are far lower, these conflicts echo in the present, in non-state armed actors that continue to cause vast humanitarian suffering and in a legacy of mistrust between neighbours.

Recurrent patterns of violence have entrenched norms of destructive economic and political competition in the Great Lakes, and have undermined both the development of effective regional institutions and mutually profitable growth and development. The result has been a long-running humanitarian catastrophe, with seven million displaced in the DRC alone,² and a self-perpetuating cycle of underdevelopment and violence. The region is host to large legacy refugee populations unable to return home, and non-state armed actors flourishing in regional disorder and state weakness.

The latest episode of conflict in the Kivus, centred on the M23, offers the clearest example of this cycle. It has reawakened the suspicion and hostility between communities and states, notably between Rwanda and the DRC, that has been a defining dynamic in the region since the end of the Second Congo War.³ The role of illicit trading in fuelling patterns of violence, at both grassroots and transnational levels, is a further legacy of past conflict. Norms of violence and zero-sum competition for access to resources, including land, and trade in agricultural produce, manufactured

¹ Burundi's 1993-2005 civil war killed an estimated 150,000 – 300,000 people. Estimates vary, but excess deaths caused by the DRC's second war (1998-2003) could be as many as 6 million. Some 800,000 were killed during Rwanda's genocide in 1994. ² UN OCHA reported 7.2 million displaced people in March 2024. https://www.unocha.org/publications/report/democratic-republic-congo/democratic-republic-congo-internally-displaced-persons-and-returnees-march-2024

³ For a brief overview, see 'A Dangerous Escalation in the Great Lakes', *International Crisis Group*, January 2023. https://www.crisisgroup.org/africa/great-lakes/democratic-republic-congo-rwanda/dangerous-escalation-great-lakes

goods and minerals, have become deeply embedded in both the regional political economy and patterns of cross-border trade.

That the M23 crisis erupted just weeks after the DRC's accession to the EAC in March 2022 underlines the challenge facing regional institutions – tension between member states undermines collective action to maintain peace and security and ambitions for increased economic integration alike, and highlights the challenge created by overlaps between regional organisations. The EAC, SADC and ICGLR all have a remit and a role in finding peace and mutual prosperity, but have different memberships, perspectives and objectives – and are themselves hamstrung by internal tensions; even the EAC, the most integrated of all of Africa's regional organisations, faces significant continued challenges over protectionism. This institutional incoherence was demonstrated by the proliferation of peace processes seeking a resolution to the M23 crisis, successive military deployments by the EAC and SADC, dilution of resources and confusion over appropriate entry-points for external support.

3. A foundation for the future

However, despite these challenges, there is a strong foundation on which to build a different future. Much of the region is peaceful and working well, and is already highly interdependent. Large-scale trading has continued across even the most contentious borders, through successive waves of conflict and displacement, driven by cultural ties and mutual need. Though trade remains predominantly informal, there is a robust cultural and economic connective tissue in place across international borders in the Great Lakes, and a large population of traders, buyers and brokers with transnational roots and connections.

The private sector is also increasingly assertive, driving the construction of key infrastructure regional investment and the local delivery of services in the borderlands. The local private sector has been at the forefront building new roads in Goma, DRC, for instance, and there are now three companies competing with the national provider to

supply electricity to its population.⁴ The Kenyan banking sector is heavily invested in the DRC, with Equity Bank now the largest in the country, and regional interlinkages for power, oil and data are all accelerating. North Kivu could be producing more energy than it needs in as little as three years and exporting it to a power-hungry region.

Further, there is also a strong foundation for inter-state co-operation in the region. The architecture for regional co-operation is already in place; agreements have already been signed governing trade, cooperation and mutual security, and significant groundwork has been done to agree priority areas for investment and integration, though agreements are not for the moment well-communicated, understood, integrated or implemented. As noted, regional institutions have significant overlap and suffer from conflicts of interest.

In some areas, notably the Congolese copper belt, long-standing co-operation on the exploitation and trade of mineral resources between Great Lakes states is well-established, peaceful and mutually profitable. This is a real-world proof that conflictual cross-border relations are neither inevitable nor necessary, and that co-operation can bring benefits to all. In others, regional states have continued to collaborate on cross-border issues, most strikingly through the CEPGL, which has maintained a joint secretariat between the DRC, Rwanda and Burundi through years of conflict and political fractures at Head of State level, and has continued to work on cross-border energy generation and transmission as well as issuing temporary permits for free movement of populations living in the border areas. The Great Lakes is already deeply interdependent.

⁴ Virunga Energy, for example, was supplying over 25% of Goma's on-grid provision in 2022. See Espoir and wa Rusaati, *Electricity Access In Goma And Bukavu City, Democratic Republic Of Congo,* International Journal of Progressive Sciences and Technologies (IJPSAT), June 2023.

⁵ For instance, 2016 Private Sector Investment Conference, held in Kinshasa at the request of regional Heads of State and organised jointly by the UN, ICGLR and Congolese government, identified 25 flagship cross-border projects that could attract external investment and boost regional integration. A follow up conference is due to be held in Kigali but has not yet taken place due to political tensions.

4. A new narrative

Immediate crisis and humanitarian suffering dominate both media coverage and policy discussion of the Great Lakes region. While the scale of suffering and the severity of the threat to regional peace and security make this understandable, it also distorts internal and external understandings of regional risk, deepens suspicion between Great Lakes states, and deters investment. For too many observers, both in the region and outside it, conflict in the Great Lakes is viewed as 'normal' – and if progress is not seen as possible, a 'beggar-my-neighbour' zero-sum approach becomes the only rational response.

Further, perceptions of real and reputational risk deter investment from economic actors willing to invest in long-term prosperity and mutual benefit, leaving the region's people and resources open to predation by unscrupulous operators seeking quick profits. International policy, too, is mired in fatigue and cynicism, with scarce resources going to short-term firefighting or diverted to other global priorities.

It is this vicious cycle of perception and action that the Great Lakes region needs to break. Perhaps the most critical medium- and long-term need is a recrafting of the narrative of the Great Lakes, to give Great Lakes leaders and communities the confidence to overcome mistrust and move from norms of zero-sum competition to enduring patterns of collaboration, and to change attitudes among policy-makers and investors.

5. Ways forward

Trust and confidence will not be built overnight. Short-term challenges of immediate conflict need to be resolved to create sufficient political space for action. But there are several pathways for strengthening cross-border co-operation in the medium term which build on the foundations identified above, creating virtuous cycles of stability and prosperity. Even relatively limited steps could have a disproportionate impact in demonstrating that cooperation is both possible and mutually beneficial.

5.1 Locally owned ongoing dialogue

Mistrust is often born from misunderstanding. The success of the Wilton Park roundtable demonstrates that constructive discussion is possible despite regional tensions, and can lead to both practical policy options and enduring relationships between individuals across political and geographical divides, but is just a starting point. Dialogue across geographical, regional and political divides needs to be sustained. An on-going program of exchanges would over time help to develop a network of enablers across the region, prominent individuals and officials alongside the private sector and wider civil society, who share a commitment to finding peaceful pathways to mutual gain.

Follow up events could be stand-alone or in the margins of set piece events such as investment conferences or meetings of regional organisations – informal, out of the spotlight and without externally-set goals, engaging a consistent group of individuals and with regional voices in the lead on shaping the agenda with a view to practical steps forward. In addition, the ICGLR could be supported to move forward with a summit on regional growth and economic dialogue, with the aspiration of shaping a new shared vision of regional economic collaboration, with a particular focus on an enabling environment for investment and scaling-up regional businesses.

5.2 Accountability and access to information

Alongside high-level policy discussion, ground-level accountability and information-sharing is necessary to overcome popular mistrust and combat pervasive misinformation, notably in immediate borderland zones. Getting good information to borderland communities and cross-border traders would help tackle inter-community prejudice and stereotyping, enable traders to understand their rights, responsibilities and the market value of goods and services, and actively engage them in value chains.

Businesses also need to be better informed, both about market conditions and their legal rights and responsibilities. This could take place through active and well-

supported chambers of commerce, that can also act to focus private sector views into effective lobbying of governments, notably on conducive business environments, both domestically and in the region. Businesses also need to be held to account, a role that chambers of commerce could take forward by developing and enforcing codes of conduct.

Achieving this would demand improved collection and sharing of accurate data on cross-border flows and other economic trends. Technology will have a vital role to play. The use of tracing technologies needs to be made mainstream in the DRC mining industry, and can monitor cross-border flows of people and goods, ensuring tax collection that is fair to traders while generating revenues for the state – currently only 5-7% of the DRC's border crossings are digital, so there are significant gains to be made.

There will also need to be significant work to tackle the extra-regional players making the majority of profits from illicit and informal trade in the region – contrary to widespread perception of profiteering by Great Lakes states themselves, it is these 'international bad actors' that reap the majority of the benefit. State collaboration, notably between Financial Intelligence Units, will be vital, as will closing loopholes in the region's formal banking system. The certification of mineral production would be a further positive step, building on the work being done by the ICGLR. Effective collaboration is necessary between industry bodies, producers and global consumers.

5.3 Support to cross border trade

The extent of cross-border community links and trade is one of the Great Lakes region's greatest strengths – it is notable that joint Rwanda-DRC border posts continue to operate, despite the tensions between them. Trade is also vital to livelihoods and has thus continued even across areas contested borders and into conflict areas. But cross-border trade remains largely informal, exposed to extorsion, threats and violence. It is also largely carried out by women, who continue to face

acute deprivation, ⁶ sexual and gender-based violence, ⁷ and political marginalisation across many parts of the region. ⁸ Support to traders and the transporters, farmers and middlemen that make up the informal cross-border economic ecosystem could help increase profits, allowing micro-enterprises to grow towards formalisation and create both sustainable jobs and tax revenues, funding services, education and infrastructure for enhanced value addition. It could also help to empower women to take a more prominent role in politics and peacebuilding. ⁹

Incremental formalisation is in train - during the COVID-19 pandemic, with individuals unable to cross borders on foot, informal traders came together to consolidate their cargoes into trucks. This had the benefit of allowing sellers to negotiate better prices and minimised the opportunities for the imposition of informal 'taxation' by security and border officials – and demonstrates the multiple positive knock-on effects from empowered and informed traders. There are several steps that could be taken to achieve this. Key sectors could be identified for targeted support, notably in terms of the provision of infrastructure in transport, marketplaces and electrification. Access to finance is crucial, notably to support business growth in a volatile marketplace, making the provision of export guarantees for small scale traders an important goal.

There is also a clear need to harmonise regulatory frameworks across borders, notably around tax and customs, which would significantly improve the business climate and decrease barriers to scale and formalisation of trade. There is already a COMESA-SADC-EAC tripartite structure in place to work for policy harmonization, and TMA is also pushing free movement of goods and services. These efforts should be expanded and supported.

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⁶ https://ungreatlakes.unmissions.org/womens-platform-1

⁷ https://medicamondiale.org/en/where-we-empower-women/east-and-central-africa-great-lakes-region

⁸ https://www.justicepaix.be/en/conflict-resolution-what-roles-do-women-play-in-the-peace-processes-of-the-great-lakes-region/

⁹ This links to the implementation of ILO Convention 190: https://www.amnesty.org/en/latest/news/2024/03/southern-africa-women-cross-border-traders/

The CEPGL, which already plays a key role in facilitating cross-border trade through issuing permits for visa-free travel between Rwanda, the DRC and Burundi, as well as managing existing cross-border energy sharing and production, is an example of successful cross-border collaboration despite recurrent and ongoing conflict between its members, and offers an existing and tested institutional framework for further collaboration in the most sensitive border regions of the DRC, Rwanda and Burundi.

5.4 Sectoral formalisation

Valuable lessons can be learned from areas in the Great Lakes where formalised cross-border commodity trade is managed peacefully. The Congolese copper-belt is exploited on an industrial scale, with mining, transporting and – increasingly – refining managed collaboratively by the DRC, Angola and Zambia, among others. The development of the Lobito Corridor¹⁰ and the establishment of the 'DRC-Zambia Battery Council'¹¹ for governance of developing value chains in green energy, are two examples of inter-government co-operation on a large scale. Such an approach could potentially be expanded to other cross-border areas in the Great Lakes.

A pilot project could be taken forward to formalise co-operative cross-border governance of targeted mineral or agricultural sectors, with the goal of establishing a sustainable framework for regional resource governance. Gold might provide a powerful entry point. The Great Lakes has 320 tons a year of refining capacity, but most regional production is exported – much of it illegally - minimising local value addition and benefits to either Great Lakes states or communities. Action to remedy this would be to the benefit of all. A 'Great Lakes Gold Council', for instance, could bring transparency to a sector that is subject to significant speculation and

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¹⁰ The Lobito Corridor is a strategic initiative linking Zambia and the DRC to Lobito port in Angola, including transport infrastructure, trade facilitation, and investments in agriculture value chains, energy, and training. It is based on an agreement between the governments of Angola, Zambia and the DRC, co-ordinated by SADC and with external support jointly led by the EU and US. See here for more detail.

¹¹ The DRC and Zambia agreed a governance framework for the development of an integrated value chain for the production vehicle batteries in April 2022, termed the 'DRC-Zambia Battery Council, followed by a tri-partite MoU between the DRC, Zambia and the US in December the same year. Between them the DRC and Zambia hold 70% of global cobalt reserves, alongside large deposits of other minerals critical for battery production, and local processing and production could capture a significant proportion of a fast-growing global market and drive local development. This <u>policy brief</u> offers more detail on the challenges and opportunities.

misinformation, and ensure the fair distribution of resources and trade. The ICGLR held an artisanal gold mining forum in September 2023 in Kinshasa. Another ICGLR forum, at the ministerial level, on mineral value addition and cross-border trade is scheduled in South Sudan in November 2024, which could provide a starting point.

Importantly, this would need to go beyond bilateral deals on access to resources or revenue sharing, for instance between the DRC and Rwanda or Uganda. Bringing in all stakeholders is vital to combat the misinformation and misunderstanding that has driven past inter-state competition. The major global destinations for mineral production – most importantly the UAE and China – would have to be part of the process.

A sectoral approach could potentially be a first step towards closer regional cooperation, with regional political ties following a 'proof of concept' effort in effective sectoral management that would demonstrate the mutual benefits of co-operation over competition. A first step could be a research project to learn lessons from the evolution of cross-border governance dynamics in the copper-belt, and bring them to a wider regional audience.

5.6 Harmonised regional organisations

The Great Lakes region needs active, well-resourced and mutually compatible regional organisations. The Great Lakes region does not have clearly defined geographical, economic or political boundaries - it has an economic zone extends across 12 states from South Africa to Sudan, reflected in the ICGLR's membership, while conflict in Eastern DRC's crisis zones directly engages just four, the DRC, Rwanda, Burundi and Uganda, only three of which are members of the CEPGL. Each of these areas also overlaps with broader regional economic communities, notably the EAC, SADC and ECCAS, as well as COMESA and IGAD.

These different 'Great Lakes regions' face markedly different challenges, and regional institutions need to adapt to reflect this reality. The regional institutions currently in

place have been built incrementally and piecemeal. They therefore have overlapping remits and divergent priorities, which can lead to confusion of responsibility, forum shopping, and competition for leadership. Institutions themselves also reflect tensions in their regions, often driven by economic competition.

Regional organisations will always reflect the politics of their member states, and cannot be expected to solve complex contestations between them, or enforce compliance. But without clear and transparent frameworks for regional dialogue, coherent action on cross-border challenges will remain extremely difficult, even when political goodwill exists to address them, and external support will be fractured and inefficient. Well-supported and appropriate regional organisations will not alone be sufficient to achieve long-term co-operation in the Great Lakes, but they are a necessary step for progress. Clarification and deconfliction between of the organisations currently operating in the region is urgently required.

A necessary first step in taking this forward would be a review of regional organisations, including mapping and analysis of the role, actions, capacity and resources of the regional organisations active in the Great Lakes, notably the CEPGL, ICGLR, EAC and SADC. This would enable informed discussions by member states, help ensure the appropriate allocation of responsibility for key issues, and identify capacity gaps, opportunities for collaboration or the need for new bodies.

6. Conclusion

The Great Lakes faces complex and interwoven challenges. There are no easy answers. Ultimately, the states and communities of the Great Lakes region need to articulate a shared positive vision for their collective future, offering a new narrative that recognises its progress, potential and interdependence, backed by regional governments that are committed to rebuilding trust and adhering to the agreements they have reached. This would help to attract responsible investment, unlock finance,

and challenge the assumptions driving regional contestation. Such a goal could offer an organising principle for further discussion and dialogue.

The Wilton Park roundtable offered a series of practical, achievable steps to help begin the process of building long-term co-operation in the Great Lakes region, and demonstrating to actors both within and outside the region that progress is not only possible – and mutually beneficial – but urgently necessary. These are:

- Building on the workshop with further opportunities to strengthen a network of
 regional enablers of peaceful progress, through continued dialogue between
 senior political figures, officials, and representatives of both the private sector
 and civil society. This would need to address a division of responsibilities
 between both regional and international actors as an early priority.
- Taking forward work to increase access to reliable information, notably of trade
 volumes and dynamics, to empower informal-cross border traders,
 demonstrate the benefits of deeper community engagement in value chains,
 and combat misinformation driving regional mistrust, particularly through the
 digitisation of border crossings.
- Offering targeted support to increase and formalise cross-border trade,
 particularly in relation to infrastructure, access to energy and finance, and take
 urgent steps to harmonize the regulatory framework for trading, notably tax.
- Piloting collaborative regional sectoral governance, learning lessons from the Congolese copper-belt, to maximise local value addition and benefit. This could initially be focussed on gold, which has been a key driver of inter-state tensions.
- Reviewing the remits, roles and capacities of regional organisations in the Great Lakes, to deconflict their policy and programmatic interventions, to ensure clear and broadly understood lines of responsibility between them.

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List of acronyms

CEPGL The Economic Community of The Great Lakes

Countries/Économique des Pays des Grand Lacs

COMESA The Common Market for East and Southern Africa

EAC The East African Community

The Economic Community of Central African StatesICGLRThe International Conference on the Great Lakes Region

IGAD The Intergovernmental Authority on Development

M23 The March 23 Movement

SADC The Southern African Development Community

TMA TradeMark Africa

About the author

Ben Shepherd is a political and conflict analyst with a focus on Central Africa. He is a former research analyst with the UK Foreign, Commonwealth and Development Office (FCDO) and a Consulting Fellow to the Africa Programme at Chatham House.

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