

Geneva, 14 March 2018

Report of the Fact-Finding Mission to the Democratic Republic of Congo

Testimonies of Mineworkers from Kamoto copper-cobalt (KCC) and Mutanda copper mine (MUMI)

Introduction

IndustriALL's mining affiliate in the Democratic Republic of Congo (DRC), TUMEC, invited IndustriALL to undertake a global mission to DRC to investigate appalling working conditions faced by mineworkers at Glencore's operations in cobalt-rich Kolwezi, in the Lualaba province. The mission, led by IndustriALL Director of Mining, Diamonds, Gems, Ornaments and Jewellery production sector, Glen Mpuwane, comprised representatives from IndustriALL's Sub-Sahara Regional Office in Johannesburg and two shop-stewards from the National Union of Mineworkers (NUM) and the National Union of Metalworkers of South Africa (NUMSA) respectively. Both work for Glencore in South Africa.

Whilst TUMEC, as part of the logistical preparation for the global mission, had informed local management at both MUTANDA and Kamoto Mining Limited about IndustriALL's mission and had requested access permission to the mining operations as early as January 2018, permission to access the operation was denied. It is an accepted industry practice to allow a guided operations tour of mining facilities and Glencore's reluctance to allow such a tour raised suspicions on the part of the mission delegates.

TUMEC, which hosted the global mission delegation, had not received the courtesy of a response to their letter requesting permission to access the operations site from local management. In the interim, whilst in DRC, the head of the delegation received an enquiry from Glencore Head Office, after a report on IndustriALL's mission to DRC appeared in [Jeune Afrique Business+](#), enquiring about the mission. The head of the delegation was informed that Glencore could not grant permission as only the Governor could do so. Although TUMEC found this strange and could not agree with information from Glencore Head Office, they nonetheless, obliged and went to meet with the Governor over the request on 16 February 2018. The Governor promised to revert to TUMEC on the day but never did.

It later emerged that the memorandum governing access to Glencore's sites was meant for overseas NGOs and international media, but not local unions, and certainly not IndustriALL, whose affiliate TUMEC is a legitimate trade union recognized as such by Glencore's local management and in accordance with Glencore's policy on trade unions.

Local management, in a belated attempt to disguise their intentions to deny access, invited the delegation to a meeting on 17 February 2018, and suggested a neutral venue, such as our hotel or a restaurant. The delegation refused insisting that if the meeting were to take place, it must be at Glencore's offices at any of the two site operations. The meeting was ultimately held at the MUTANDA Glencore office in town. The local management was represented by the Regional CSR and Human Rights Advisor, Francesca Santineli; the Organizational Development Manager, Hendrik Horden; as well as a community development

Officer. At this meeting, local management suggested the belated possibility to organize access to the mine/s site in the coming week since it could not be possible on the day considering that it was a Saturday.

The two mining operations in question are Kamoto copper company (KCC), a subsidiary of Kamoto Limited and Mutanda copper mine (MUMI). Glencore is the majority owner of both mines after buying the controversial billionaire-mining tycoon, Dan Gertler's, stakes in his Fleurette Properties Limited and his minority shareholding in Kamoto Mining Ltd.

The Democratic Republic of Congo is an important copper-producing nation and home to one of the world's main copper-mining regions, the African copper belt. It is estimated to possess a 48 per cent of the world's cobalt reserve. The global mission by IndustriALL is on the back of increasing global demand for cobalt and increasing global attention on cobalt, regarded as one of the "Commodities for Future Technologies", by the Federal Institute for Geosciences and Natural Resources (BGR): *Cobalt represents an important metal used in the fabrication of batteries, super alloys, carbides, dyes and magnets. From 2010 to 2015 global cobalt demand increased from 65,000 tonnes to more than 90,000 tonnes per year. Over the same period, the mean compound annual growth rate for cobalt demand was 7.5 per cent while the demand for cobalt-based chemicals increased at an even steeper rate of 10.6 per cent (CRU 2016).* https://www.bgr.bund.de/EN/Home/homepage_node_en.html

The increasing global demand for cobalt and the increasing global attention is a result of the anticipated demand for electric cars in the coming decade. According to analysts, Glencore has increased cobalt output from DRC from 12,880 tonnes in 2011 to 28,300 in 2016, accounting for more than a quarter of the roughly 100,000 tonne global market. <https://www.reuters.com/article/us-glencore-demand/electric-charge-glencore-bets-big-on-car-battery-metals-idUSKBN1DZ23H>.

It has also been observed that Glencore stocks are riding high on world markets, with the company posting its best-ever results this past-ended financial year. This is partly because of its dominance of supplies of cobalt, for which prices are soaring. Glencore potentially controls supply through massive operations in DRC.

IndustriALL's mission to DRC has uncovered the bitter truth of how Glencore's phenomenal performance has unfortunately come at a hefty price for those mineworkers responsible for this record-breaking performance by Glencore.

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Glencore employs about 15,000 people in the DRC, including contractors, through its subsidiaries Mutanda Mining and Kamoto Mining. TUMEC has about 200 members in MUMI and about 175 members at KCC. Another affiliate of IndustriALL Global Union organizing at Glencore operations is Confederation Syndicale du Congo and it has about 450 members.

The IndustriALL mission delegates met 80 Glencore workers belonging to TUMEC on 16 February at the 23 St John Cathedral Church hall and below are their stories, told at risk of losing their jobs, so they told the delegation. IndustriALL assured them that none of them will be dismissed for speaking out. Workers are in a permanent state of fear of dismissal from retaliation by the company, and don't want to increase their risk of dismissal by joining a union. There is palpable tension between workers and the leadership of TUMEC. This is because

members do not regard the union as able to represent their concerns largely due to the harassment suffered at the hands of the local management and the violation and disregard of provisions of the collective bargaining agreement by Glencore. Despite Glencore's claim to "recognize and uphold the rights of our workforce to a safe workplace and collective representation and freedom of association and that it is committed to working honestly and openly with labour unions at all of our locations and treating all employees with respect", this does not seem to be the case at MUTANDA and KCC.

Glencore's policy of promoting a diverse and inclusive workforce and its principles to improve gender balance, encourage and support diversity and to prevent discrimination of gender or any other diverse attribute remain challenged by Glencore's actions and practices in the DRC. In this regard, TUMEC and other unions are poised to go on strike on an issue of national importance to Congolese nationals working at Glencore i.e. job classification, and the subsequent positions and functions that discriminate against Congolese nationals based on race and nationality. An example of the discrimination suffered by Congolese nationals working for Glencore was given where, for instance, a white supervisor earns US\$4,000 a month and his immediate Congolese assistants earn US\$600

In the meeting at the Cathedral in Kolwezi, a litany of complaints and grievances from mineworkers put the spotlight on Glencore's conduct and violations of the basic human rights and workers' rights. Workers described in clear detail the systemic abuse, ranging from constant threats of dismissal; health, safety and occupational diseases; racism and discrimination; unfair and unjust job classifications; and large differences in remuneration and salaries between locals and expatriates.

Workers described their treatment and conditions of employment as no less than slavery, comparable to Guantanamo Bay. Workers reported how their families are exposed to occupational diseases because they bring their work clothing home, because there are no facilities at work including laundry facilities, ablution and showers.

"We are so filthy when we get home that we cannot hug our children," said one worker.

Workers complained about the lack of access to information which is a basic right inherent in any collective bargaining agreement. Workers allege that their work environment is not subject to any organizational organogram that specifies the different departments, their connection to each other and reporting line functions.

The complete disregard by Glencore of the collective bargaining agreement reached with the unions lies at the heart of the industrial relations problems and the consequent appalling working conditions experienced by workers. At a basic level, a collective bargaining agreement is the only instrument available to workers to improve their conditions. It is therefore not surprising that most of the problems at the Glencore operations are a result of local management's contempt for and disrespect of the collective bargaining agreement that exists between local management and unions. The current collective bargaining agreement, notwithstanding its violation by local management, is up for renegotiation and the company is refusing to bargain.

According to TUMEC, many of the subcontractors at both Mutanda and Kamoto Copper Company work under 3-6 month duration contracts, have no benefits and are afraid to join the union or participate in the union's activities.

Demands

IndustriALL, acting on the report of its delegates' global mission to DRC, believing that the appalling working conditions experienced by its members and other workers at Glencore's KCC and MUTANDA operations are a result of the violation of the rights of workers, urges Glencore to intervene as a matter of urgency and address the following demands:

- That Glencore respects and implements the provisions of the current collective bargaining agreement and consults the union on matters affecting workers, and desists from the practice of taking unilateral decisions and imposing them on workers
- That Glencore as a matter of urgency undertakes a collective bargaining round with TUMEC as per the provision of the current collective bargaining agreement
- That the imposed x 2 shift x 12 roster system is reviewed
- An assurance that none of the workers who gave testimonies to the IndustriALL mission at the 23 St John Cathedral Church hall on the 16th February 2018 will be victimized in any way nor dismissed
- That Glencore, as a matter of urgency addresses the job classification grievance by workers that is based on racial discrimination against Congolese nationals right across job levels, positions and functions
- That Glencore, in addition to addressing the job classification as a matter of urgency, similarly addresses the need for a salary increase review, given that for more than 5 years there has been no promotion and no salary increment
- Glencore addresses the unacceptable and unreasonable salary and wage scales where for instance, a white supervisor earns US\$4,000 a month and his immediate Congolese assistants earn US\$600
- That Glencore addresses the issue of the discrepancy between an education allowance and an education loan. The company pays US\$250 as an allowance but deducts it from the employees' salary
- That Glencore undertakes steps to protect the families of the mineworkers from occupational health risks as a result of workers bringing the workplace health risk to their families and communities
- That Glencore provides reasonable access to the Glencore hospital for workers' families. The 42 kilometres distance between the hospital and communities where workers live requires that families leave their homes in the early hours of the morning only to return late at night and in some instances without being treated
- Ensure that Glencore provides reasonably sufficient drinking water per shift to workers since the 750mls of drinking water that they receive per shift is not enough.
- Glencore stops providing expired food and provides decent eating places for workers with protection against the elements
- Glencore provides reasonably clean and healthy ablution facilities
- Glencore provides decent laundry facilities and showers
- Glencore undertakes to investigate the appalling working conditions at their two mines as reported by workers to IndustriALL, particularly at Mutanda. Specifically, ensuring that workers at Mutanda receive the same conditions of employment as at KCC.

It is apparent to IndustriALL Global Union that human rights' violations are occurring at Glencore's DRC operations. It is our belief that the shocking behaviour by Glencore in DRC



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represents a rampant violation of the basic human rights of workers and therefore poses a significant and serious cobalt supply-chain risk for the global downstream market.
