

## U.S. Pushes for Responsible Sourcing from the DRC



Organizations are being asked to more closely examine and take action on conflict minerals.

he tantalum, tin, tungsten and gold (3TG) used to build everything from capacitors to smartphones to welding electrodes are often mined in a way that abuses human rights, damages the environment and finances armed groups in the Democratic Republic of Congo (DRC). The 3TGs are labeled "conflict minerals" when their extraction and trade undermine human rights and fuels violence.

Today's complex, global supply chains can make it difficult to tell whether a final electronics product was made with conflict minerals. And while the Dodd-Frank Act of 2010 requires U.S. companies to disclose their use of conflict minerals, conduct due diligence and then report on their findings, there's still more work to be done in this area before conflict minerals can be completely driven out of the world's supply chains.

## **New Concerns Emerge**

In July, the U.S. Department of State (DOS) issued a statement of concern regarding conflict minerals that may be originating in Rwanda and Eastern DRC. Of particular concern is the illicit trade and exploitation of certain minerals from the African Great Lakes Region. In many cases, these minerals directly or indirectly benefit armed groups and move out of the country through Rwanda and to Uganda before moving to major refining and processing countries.

"These supply chains facilitate illicit exploitation and taxation of these minerals, often involving acts of corruption," the DOS says. Mineral extraction, transportation and export often involve a wide range of human rights and labor rights abuses, it adds, including forced labor, child labor, violations of the DRC's minimum age for employment, and sexual and genderbased violence, particularly in certain artisanal mining areas.

"The U.S. government encourages reform of flawed industry-led traceability initiatives in the region through, among other things, greater transparency, and stronger due diligence mechanisms," the DOS says.

"Although there have been important changes and evolutions in standards development and subsequent implementation by many actors," it continues, "the risks associated with human rights and labor rights abuses, corruption, and conflict finance have escalated because of the renewed and ongoing serious conflict, particularly since 2023."

## Clarifying the Potential Risks

The DOS says its latest statement was issued in response to requests from the private sector for the U.S. government to clarify potential risks associated with manufacturing products using minerals extracted, transported or exported from the eastern DRC, Rwanda and Uganda. These minerals are used in the production of electronic products, jewelry, automotive products and many other manufactured goods throughout the world.

"The U.S. government continues to take steps aimed at helping transform the illicit flows of these minerals into a responsible trade rooted in the DRC that helps build the economic foundation for a sustainable peace in the DRC and the broader region," the DOS notes. The steps include:

- Encouraging responsible investment in and sourcing from the region, including by U.S. companies.
- Identifying stronger due diligence mechanisms that the U.S. and other companies can voluntarily implement in sourcing minerals from the African Great Lakes Region.
- Issuing periodic statements regarding conflict concerns in the region.

The DOS says some supply chain operators have "demonstrated the potential to ensure conflict-free sourcing of tin, tantalum, and tungsten," using mechanisms like the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the Regional Certification Mechanism (RCM) developed by the International Conference on the Great Lakes Region (ICGLR).

Unfortunately, the DOS also says companies appear to have "eased their focus" on meaningful due diligence. "Overall," it adds, "the flaws in traceability schemes in the region have not garnered sufficient engagement and attention to lead to necessary change."