EU Regulation and strategy for minerals and metals from conflict affected and high risk areas

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Why?

- **Natural resources:** a driver for development but often linked to conflict and instability

- **Existing initiatives on responsible sourcing of minerals:**
  - US Dodd-Frank Act Section 1502
  - OECD Due Diligence Guidance
  - International Conference on the GLR (DRC, Rwanda)
  - Numerous public and private initiatives (CFSP, LBMA, RJC, DMCC)

- **European Parliament Resolution (2010, 2011 and 2014) on conflict minerals**

- **Integrated EU approach on responsible mineral sourcing proposed** (5 March 2014)
Regulation entered into force 8 June 2017 and will apply to EU importers as of 1 January 2021

Main elements

1. **Mandatory due diligence** for European Union importers of 3TG minerals and metals where annual import volumes exceed thresholds

2. **Global geographical scope:** due diligence irrespective of origin
Main elements

3. **Obligations** for EU importers consistent with the **5-step framework** and risks set out in the **OECD Due Diligence Guidance**

4. **EU Recognition** of supply chain due diligence industry schemes largely based on OECD methodology and criteria

5. **Member States** competent authorities **ex-post checks**

6. **EU list** of global responsible **smelters/refiners**

7. **Review** in 2023, and every three years thereafter
Outcome of legislative negotiations

**Additional Commission commitments**

1. External expert to provide an indicative, **non-exhaustive list** of **conflict-affected and high-risk areas**.

2. The Commission shall **review** the Regulation and consider making **additional legislative proposals** targeted at downstream companies with 3TG in their supply chain.

3. **Non-binding reporting guidelines** to complement Non-Financial Disclosure Directive (expected end of June 2017)


5. **SME support system** for supply chain due diligence (e.g. simple guides, web-based support, training)
EU project support (a few examples)

- **EU Foreign Policy Instrument (FPI)**
  - Support to the ICGLR Regional Initiative on Natural Resources (€3 million)
  - Support to the OECD Secretariat (€3 million (2016-2019))
  - EU-UN Partnership on land, natural resources and conflict prevention (€1,5 million)
  - Burkina Faso, Ivory Coast, Central African Republic (PAC, ARM)

- **EU Development Cooperation (DEVCO)**
  - DRC: Fight against child abuse, including in CAHR (€1 million)
  - DRC: Combating violence and providing protection to vulnerable children in Province Oriental (€1 million) and North Kivu (€1,2 million)
  - Regional Project for Peace and Security for stability of the Great Lakes Region (€3-4 million)
European Partnership for Responsible Minerals

- 12 May 2016, launched by EU Member States (NL, UK, DE, others considering), the European Commission, businesses and NGOs

- Working together to support the socially responsible extraction of minerals, especially in conflict zones and other high-risk areas.

- Together making a difference on the ground in vulnerable regions and in the supply chains connecting EU businesses and consumers

- Currently working on involving cross-sectoral downstream companies
International Outreach

- United States
- China
- India
- United Arab Emirates
- Colombia
- Mexico
- Canada
DG TRADE website

- The regulation explained
- Help for business
- Legal text and documents