European Union responsible trading strategy for minerals and metals from conflict affected and high risk areas

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State of play

- 5 March 2014 – European Commission proposal
- 20 May 2015 – European Parliament mandate
- 18 December 2015 - Council of Ministers' mandate
- 22 November 2016 – Agreement 5th trilogues meeting
- Final enactment on 17 May 2017
- Regulation applies from 1 January 2021 for importers

Commission, Council and Parliament encourage operators to start due diligence ahead of this date i.e. as soon as they are ready to do so
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

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

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

**Definition**: a combination of voluntary supply chain due diligence procedures, tools and mechanisms, including third-party audits developed and overseen by governments, relevant industry associations or other groupings of interested organizations.

COM shall take into account the **diverse industry practices** covered by the schemes, and the recognition shall largely be based on the OECD methodology and criteria (currently under development).

COM shall **periodically review the schemes**: in case of infringement, the COM will have a dialogue with the schemes for remedial action, or withdraw EU recognition.
Main elements

5. Member States competent authorities ex-post checks

MS work according to uniform guidelines established by the COM; and importers shall provide evidence of conformity (e.g. audit reports) upon request.

In case of infringement Member States shall issue a notice of remedial action and follow-up on it.

6. EU list of global responsible smelters/refiners

Take into account global smelters and refiners covered by recognized supply chain due diligence schemes and 'ex-post' checks information of Member States.

7. Review two years after entering into application, and every three years thereafter.
Additional Commission commitments

1. External expertise 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. The Commission will include conflict minerals guidance for downstream companies of more than 500 employees to complement Non-financial disclosure legislation and set up a Transparency Database.

4. Amendment of threshold for gold take account of objectives of the Regulation not to finance conflict and of micro and small enterprises.

5. Development of a support system for supply chain due diligence of SMEs (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

On 12 May, a number of EU Member States (NL, UK, considering BE, DE), the European Commission, businesses and NGOs announced the launching of an initiative to set up the European Partnership for Responsible Minerals.

- 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
More information

DG TRADE website

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