

HUMAN RIGHTS WATCH

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[HRW.org](http://hrw.org)

Mr. José Manuel Barroso,
President of the European Commission
Rue de la Loi 200
1049 Brussels

Brussels, March 4, 2014

Re: Mandatory reporting on conflict minerals

Dear President of the European Commission,

We are writing ahead of the College of Commissioners' meeting tomorrow to urge you to ensure that the Commission's legislative proposal on responsible sourcing of minerals includes a mandatory obligation for companies to undertake supply chain due diligence—that is, measures that companies must undertake to identify, prevent, mitigate, and account for human rights abuses in their supply chains.

It is our view that the proposal must include a clear mandatory supply chain due diligence requirement for companies that place unprocessed or processed tin, tantalum, tungsten or gold, or manufactured products containing these minerals, on the European market. This due diligence must include an obligation for companies to check and report on their supply chains, in line with existing international standards set by the Organisation for Economic Co-operation and Development (OECD). The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas lays out a series of due diligence measures that companies should take to avoid contributing to armed conflict when sourcing minerals from conflict-affected and high-risk areas. The Guidance has been endorsed by OECD Governments, including EU Member States and the US, and was negotiated with the input of companies, governments, and civil society.

In the United States, companies reporting under Section 1502 of the Dodd Frank Act are already required to do enhanced due diligence on products containing minerals from the Democratic Republic of Congo and neighboring countries, obliging companies to publicly disclose the source of minerals originating from the region. A European legislative framework that makes doing OECD-standard due diligence mandatory would bring EU companies up to the same responsible sourcing standard. A proposal that includes mandatory obligations targeting a sufficiently broad range of EU-based companies could impact – directly and indirectly – the sourcing behaviour of companies throughout key natural resource supply chains, both within and outside of the EU.

Mandatory standards are needed because they are the only way of ensuring real, systematic change. Voluntary frameworks and guidance have already been developed by international institutions for companies to use to source minerals responsibly. They have a role to play, but are insufficient, as they are only as strong as their corporate members choose to make them, and do not apply to companies that do not want to join. Introducing a voluntary EU scheme would not only be redundant, it would also risk undermining the duty to protect human rights, which is well-established under international law.

There is political support for mandatory reporting in the European Parliament. On February 26, 2014, the European Parliament voted in support of binding EU rules that ensure that all companies operating in the EU, using or trading minerals sourced from conflict-affected areas, check their supply chains to reduce the risk of conflict financing and human rights abuses. The Commission should heed Parliament's call.

The global nature of modern supply chains means that natural resources have fuelled some of the world's most brutal conflicts and human rights violations. Human Rights Watch has documented the link between resource exploitation and grave human rights violations in several in-depth reports, including Democratic Republic of Congo: The Curse of Gold (2005) and Zimbabwe: Deliberate Chaos (2010).

The Commission must take urgent action and ensure that the proposal is passed immediately and in its strongest form, based on a clear mandatory due diligence obligation.

Sincerely,



Lotte Leicht
Advocacy Director
European Union

Cc:

Catherine Ashton, High Representative of the European for Foreign Affairs and Security Policy

Viviane Reding, Vice President, Commissioner for Justice and Fundamental Rights

Joaquín Almunia, Vice-President, Commissioner for Competition

Siim Kallas, Vice-President, Commissioner for Transport

Neelie Kroes, Vice-President, Commissioner for the Digital Agenda

Antonio Tajani, Vice-President, Commissioner for Industry and Entrepreneurship

Maros Sefcovic, Vice-President, Commissioner for Inter-Institutional Relations and Administration

Olli Rehn, Vice President and Commissioner for Economic and Monetary Affairs and the Euro

Janez Potocnik, Commissioner for the Environment

Andris Piebalgs, Commissioner for Development

Michel Barnier, Commissioner for Internal market and Services

Androulla Vassiliou, Commissioner for Education, Culture, Multilingualism and Youth

Algirdas Semeta, Commissioner for Taxation, Customs, Statistics, Audit and Anti-Fraud

Karel De Gucht, Commissioner for Trade

Maire Geoghegan-Quinn, Commissioner for Research, Innovation and Science

Janusz Lewandowski, Commissioner for Financial Programming and Budget

Maria Damanaki, Commissioner for Maritime Affairs and Fisheries

Kristalina Georgieva, Commissioner for International Cooperation, Humanitarian Aid and Crisis Response

Gunther Oettinger, Commissioner for Energy

Johannes Hahn, Commissioner for Regional Policy

Connie Hedegaard, Commissioner for Climate Action

Stefan Fule, Commissioner for Enlargement and European Neighbourhood Policy

Laszlo Andor, Commissioner for Employment, Social Affairs and Inclusion

Cecilia Malmstrom, Commissioner for Home Affairs

Dacian Ciolos, Commissioner for Agriculture and Rural Development
Tonio Borg, Commissioner for Health
Neven Mimica, Commissioner for Consumer policy