

## Report on Supply Chain Compliance Volume 2, Number 16. August 29, 2019 EU conflict minerals regulation expected to put the spotlight on other unknown compliance risks

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The European Union Conflict Minerals Regulation will come into full force across the EU on Jan. 1, 2021. <u>The regulation</u> addresses conflict minerals exported into the EU from any country in the world, and is heavily influenced by Section 1502 of the <u>Dodd-Frank Wall Street Reform and Consumer Protection Act</u> (2009, Pub. L. No. 111–203, 124 Stat. 1376) and the Organisation for Economic Co-operation and Development's (OECD) <u>Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas</u>, known as the OECD Due Diligence Guidance.

The EU Conflict Minerals Regulation focuses on tin, tungsten, tantalum and gold, known as "3TG" metals, which are used in a wide variety of consumer goods, including mobile phones, computers, cars and jewelry. The mining and smelting of these minerals contribute to armed violence in the source countries, human trafficking and forced labor, corruption and bribery between large organizations and source country governments, and severe environmental degradation.

## The goals of the regulation are to:

- "Ensure that EU importers of 3TG (tin, tungsten, tantalum and gold) meet international responsible sourcing standards, set by the Organisation for Economic Co-operation and Development (OECD).
- "Ensure that global and EU smelters and refiners of 3TG source responsibly.
- "Help break the link between conflict and the illegal exploitation of minerals.
- "Help put an end to the exploitation and abuse of local communities, including mine workers, and support local development."

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