High level findings of the pilot implementation phase of the OECD Due Diligence Guidance

Cycle 2 - May 2012.
Methodology

1. Revision of the Q

2. Field mission February 2012
   Lubumbashi - Goma - Bukavu – Bujumbura – Kigali

3. Individual meetings with 24 participants & interviews with a wide range of other stakeholders.

4. 2 workshops
   Goma- Bukavu
High level findings

- Economic Actors are no longer questioning the need to implement the OECD Guidance

- The response rate to the Questionnaire increased from 16% to 58%. However there is still a substantial need to improve the quality of answers to the Questionnaires.
High level findings

- There is a strong need for more capacity building in the field.

- There is a need for donors, industry and government to give more support to upstream actors in the Kivu provinces.
Upstream actors are progressively implementing the Guidance

- 30 companies have reported to have a mineral supply chain policy, 9 shared their policy with the team

- The info required under step I.C.1 is being collected, however information on payments to public and private security forces and armed groups are lacking
Upstream actors are progressively implementing the Guidance

- 30 companies indicated they have undertaken a supply chain risk assessment, no documentation/tools were shared with the team.

- 17 companies replied they used Annexe II to determine whether the identified risks can be mitigated by continuing, suspending or terminating the relationship with suppliers.
Upstream actors are progressively implementing the Guidance

- Risk mitigation measures regarding adverse impacts for artisanal miners
  
  **Katanga & Rwanda** > participants have put in place risk mitigation measures to improve the social conditions of artisanal miners

- Risk mitigation regarding security-related issues possibilities
  
  **South Kivu** > *Projet de sensibilisation des militaires des FARDC*
Recent developments & Changing dynamics

Developments in the DRC legal framework

1. *Note circulaire* obliging companies to carry out due diligence

2. *Arrêté ministeriel* implementing the Regional Certification Mechanism of the ICGLR in the DRC

3. *Renewal of the protocole d’accord* between the Ministry of mines and ITRI
Recent developments and changing dynamics

- Rwandan authorities and iTSCi detected instances of fraud and took action against the companies involved.
- Also, Rwanda has adopted the ICGLR certification regulations into domestic law.
- Burundi’s mining code is currently being amended to integrate the OECD Guidance and the ICGLR regional certification mechanism.
Downstream Involvement in Upstream Due Diligence

- Solutions for Hope
  Sourcing conflict-free tantalum from the DRC through the creation of a secure pipeline of minerals from pre-assessed mine sites
- Kemet
  Working to open up a new source of conflict free tantalum from the DRC
- Public-Private Alliance for Responsible Minerals Trade (PPA)
  Strengthening existing sourcing mechanisms
Description of participants

- Entité de traitement, (34), 51%
- Mining Company, (9), 13%
- International Trader, (12), 18%
- Negocicant, (3), 5%
- Cooperative, (9), 13%
Participants' membership of iTSCI

Geographical division of participants
Participants' response rate to questionnaires

- Total number of participants
- Number of respondents to questionnaires