

Office of the Special Envoy for the Great Lakes Region and the DRC  
United States State Department  
2201 C St. NW  
Washington, DC 20520

May 28, 2014

Dear Special Envoy Feingold:

Thank you for hosting the Multi-Stakeholder Group (MSG) at your office on April 29, 2014. We appreciated the opportunity to share our perspectives and opinions with you on priority issues regarding conflict minerals in the Great Lakes Region (GLR).

As a coalition composed of different companies, investors, and NGOs, we represent a variety of actors including industry at various points along the conflict minerals supply chain, sustainable and responsible investors, and human rights groups. Together we possess a diverse body of knowledge and perspectives about the trade in minerals originating from the GLR. Over the last few years, our coalition has effectively developed and articulated consensus positions to influence and support the development of U.S. federal policy regarding conflict minerals.

As we discussed in the meeting, our constituent organizations are primarily focused on “downstream” policy (i.e. the flow of materials from the smelter or refiner to the finished product). As such, we are concerned that Section 1502 may unintentionally create disincentives to sourcing conflict-free tin, tantalum, tungsten and gold from the Democratic Republic of the Congo (DRC) and GLR. We look forward to working with you to introduce a set of mechanisms to incentivize and reward downstream company engagement in regional conflict-free sourcing initiatives. We believe this engagement would be helpful to enable and encourage legitimate (i.e. conflict free) mineral trade from the GLR, creating the economic opportunity needed to achieve sustained peace, stability, and prosperity.

For companies to be willing to source from the GLR, a number of in-region issues must be addressed in order to remove trade barriers and foster a more favorable business climate on the ground. We suggest prioritizing the following issues as a means to incentivize industry support for conflict-free mineral production in the region:

- Support for the operationalization of the International Conference on the Great Lakes Region (ICGLR) regional certification mechanism, including:
  - Creation of the Independent Mineral Chain Auditor;
  - Acknowledgement of the recent progress made by the ICGLR Audit Committee, who have launched an initial accreditation process for third party auditors; and
  - Support for ICGLR Member States’ full compliance with the Regional Certification standards, including (1) the regular collection and publication of accurate and disaggregated data on mineral flows, and (2) the reconciliation of all Chain of Custody data prior to the issuance of a certification and the export of a shipment from in-region.

- Harmonization of tax and tariff systems domestically within each country and across borders between GLR countries to reduce financial incentives for smuggling.
- Increased support for expanding in-region, conflict-free, and closed-pipe sourcing initiatives (such as Solutions for Hope, Conflict-Free Tin Initiative, and Partnership Africa Canada's (PAC) artisanal gold project). As discussed in our meeting, the companies endorsing this letter are keenly interested in supporting trade in DRC minerals from verified and reputable conflict-free sourcing programs.
- Robust implementation of legal and due diligence frameworks in full compliance with ICGLR standards and in line with the OECD Due Diligence Guidance in every GLR country. This will provide the needed credibility of issued conflict-free mine certificates.
- Encouraging U.S., UN, and regional governments to target the perpetrators of human rights abuses tied to the conflict minerals supply chain and to increase criminal accountability for both human rights violations and economic crimes.
- Continuing improvement to governance and stability in the region, particularly focusing on free and fair elections, security sector reform, and basic infrastructure development.

We look forward to ongoing interaction and coordination with your office to help facilitate political will of regional governments and actors to reform the conflict minerals trade. We would also like to continue our discussion on the other incentives we discussed, such as government recognition and preferences in government procurement for companies supporting conflict-free sourcing from the region. Taken together, these actions will spur economic empowerment that will further the priorities of increased stability, democracy, and peace in the region.

Sincerely,

Confirmed signatures for the multi-stakeholder letter:

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| Advanced Micro Devices, Inc.                | Koninklijke Philips N.V.                                     |
| Africa Faith and Justice Network            | Mercy Investment Services, Inc.                              |
| Boston Common Asset Management              | Motorola Solutions, Inc.                                     |
| Bureau d'Etudes Scientifiques et Techniques | Partnership Africa Canada                                    |
| Fairphone                                   | Responsible Sourcing Network, a project of As You Sow        |
| Falling Whistles                            | Sustainalytics   |
| Free the Slaves                             | Trillium Asset Management, LLC                               |
| Hewlett-Packard Company                     | US SIF: The Forum for Sustainable and Responsible Investment |
| Intel Corporation                           |  |
| Jewish World Watch                          |  |