

## RESPONSIBLE SOURCING: COBALT

The [Responsible Raw Materials Initiative \(RRMI\)](#) was created to help member companies better understand and contribute to mitigating the salient social and environmental impacts of the extraction and processing of raw materials in their supply chains. Soon after its launch, the RRMI identified child labor risks related to cobalt mining in the Democratic Republic of the Congo (DRC) as its first focus area.

### Why Cobalt?

According to [USGS' 2017 Cobalt Commodity Summary](#), the DRC is the largest producer of cobalt and holds close to 50 percent of the world's reserves of the mineral. In addition, an estimated 20 percent of cobalt is mined by artisanal and small scale miners (ASM) in the DRC<sup>1</sup>. Cobalt is used in lithium-ion batteries that form an integral part of mobile phones, laptop computers and electric vehicles. Cobalt demand is expected to rise significantly in the coming years.

In the DRC, cobalt is extracted from industrial and artisanal mines. The [2016 Amnesty International report, "This is what we die for: Human rights abuses in the Democratic Republic of the Congo power the global trade in cobalt,"](#) detailed instances of child labor and egregious health and safety conditions, particularly in artisanal cobalt mining. Since then, a number of civil society and media reports further highlighted the issues. These reports, combined with additional factors, made it clear that due diligence on these risks, consistent with international standards, is a priority for industry and stakeholders.

### What is the RRMI doing?

In line with its mission, the RRMI works to create the necessary infrastructure and conditions to enable companies to exercise due diligence, in alignment with international instruments such as the Organisation for Economic Co-operation and Development's (OECD) Due Diligence Guidance. The RRMI focuses on providing the tools, resources and partnerships necessary for downstream companies to carry out their due diligence. In addition to management systems and reporting support, the RRMI is working on supply chain mapping, risk assessment and audit approaches for the cobalt risk context.

The RRMI's cobalt sub-team is currently finalizing a supply chain mapping tool in the form of a standardized Raw Materials Reporting Template (RMRT), based on the Conflict Minerals Reporting Template (CMRT). Together with CFSI, the cobalt sub-team is also working on an

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<sup>1</sup> Amnesty International Report, « This is what we die for », Executive Summary

industry definition of “cobalt refiner” to help companies identify the choke points in the cobalt supply chain. The list of cobalt refiners, as known to the RRMI at the time of publication, will be publicly available as part of the RMRT.

In order to help companies inform their cobalt sourcing decisions, RRMI is collaborating with the Responsible Cobalt Initiative for a joint cobalt refiner audit program, aligned with the OECD Due Diligence Guidance. RRMI envisions the first pilot audits for the program by the end of 2017. Lastly, the cobalt refiners identified by RRMI will be asked to complete the RRMI’s [Risk Readiness Assessment](#) (RRA) tool as part of the enhanced rollout of the RRA. The RRA is a risk assessment tool for minerals and metals producers and processors to assess and communicate their risk management practices and performance to downstream companies, such as RRMI members.

## Working with Key Stakeholders

The RRMI does not intend to duplicate other efforts, but instead seeks to support and advance existing initiatives to drive due diligence and meaningful improvement of conditions in the cobalt supply chain. Toward that end, the RRMI has developed a comprehensive stakeholder map to identify priority areas where a positive impact can be made, actively engaging with external stakeholders along the entire cobalt supply chain, to build leverage, promote and support existing initiatives or programs.

The RRMI continues to prioritize engagement with the following initiatives and organizations, among others:

- The Responsible Cobalt Initiative (RCI)
- World Economic Forum (WEF)

Recognizing this is the beginning of a complex process of due diligence, the RRMI will continue to provide updates on this risk area and others, including during the [EICC Responsible Electronics and Conflict-Free Sourcing Initiative Conferences](#), Oct. 16–20, 2017 in Santa Clara, California.

Please contact [Michele Bruelhart](#) ([mbruelhart@eiccoalition.org](mailto:mbruelhart@eiccoalition.org)) for more information on the RRMI and its efforts on cobalt.

## Additional Resources

- 1<sup>st</sup> RRMI Progress Report: <https://www.eiccoalition.org/media/docs/RRMI-Progress.pdf>
- RCI Statement: <http://www.ccmcc.org.cn/docs/2016-11/20161121141502674021.pdf>
- AI Report: <https://www.amnesty.org/en/documents/afr62/3183/2016/en/>
- Huayou Cobalt: Due Diligence and Audit of Responsible Cobalt Supply Chain: <http://en.huayou.com/downloadRepository/cfd6baf6-6aba-4846-9f2c-5ea7bf852e16.pdf>
- Samsung SDI: 2016 Progress Report on Responsible Cobalt Supply Chains: [http://www.samsungsdi.com/upload/download/sustainable-management/Samsung\\_SDI\\_-\\_2016\\_Progress\\_Report\\_on\\_Responsible\\_Cobalt\\_Supply\\_Chain\\_V12.pdf](http://www.samsungsdi.com/upload/download/sustainable-management/Samsung_SDI_-_2016_Progress_Report_on_Responsible_Cobalt_Supply_Chain_V12.pdf)
- RCS Global: The Emerging Cobalt Challenge: <http://www.rcsglobal.com/wp-content/uploads/rcs/pdfs/The-Emerging-Cobalt-Challenge.pdf>
- RCS Global: The Battery Revolution: <http://www.rcsglobal.com/wp-content/uploads/rcs/pdfs/RCS-Global%20The-Battery-Revolution.pdf>
- Responsible Mining – Cobalt: <https://www.somo.nl/responsible-mining-cobalt/>