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 ASM in the DRC[1]. Cobalt is used in lithium-ion batteries that form an integral part of mobile phones, laptop computers and electric automobiles. Cobalt demand is expected to rise significantly in the coming years.

In the DRC, cobalt is extracted from industrial and artisanal mines. A number of recent civil society and media reports, including 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. These reports, combined with additional factors, made it clear that due diligence on these risks, consistent with international standards, is a priority.

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. In addition to management systems and reporting support, the RRMI will focus on exploring and developing risk assessment, risk mitigation and audit approaches for the cobalt risk context.

To support this, a cobalt sub-team has been operationalized and is currently piloting a standardized reporting template based on the Conflict Minerals Reporting Template (CMRT) for member companies to engage their suppliers to map the downstream cobalt supply chain. The team intends to use the results of the mapping to enable risk assessments of the cobalt supply chain utilizing the RRMI's Risk Readiness Assessment tool.

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[1] Amnesty International Report, « This is what we die for », Executive Summary

In addition, the RRMI is exploring the potential to adopt an audit/assurance system to independently validate that cobalt upstream actors' sourcing practices are aligned with the OECD Due Diligence Guidance.

Working with Key Stakeholders

The RRMI does not intend to duplicate efforts, instead seeking 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 an 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.

Post launch, the RRMI has prioritized initial engagements with the following initiatives and organizations, among others:

- The Responsible Cobalt Initiative (RCI)
- DRC Inter-Ministerial Commission on Child Labor in Mineral Supply Chains
- 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 OECD Multi-Stakeholder Forum on Responsible Mineral Supply Chains.

Please contact Bob Mitchell (bmitchell@eiccoalition.org) for more information on the RRMI and Michele Bruelhart (mbruelhart@eiccoalition.org) for information specific to the RRMI's efforts on cobalt.

Additional Resources
- RCI Statement: http://www.cccmc.org.cn/docs/2016-11/20161121141502674021.pdf
- RRMI Progress Report: url TBD
- AI Report: https://www.amnesty.org/en/documents/afr62/3183/2016/en/
- RCS White Paper: http://www.rcsglobal.com/publications/
- Responsible Mining – Cobalt: https://www.somo.nl/responsible-mining-cobalt/