

US law has helped limit 'conflict minerals', study says

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A US law, and efforts by technology firms, have helped limit the use of "conflict minerals" from Africa for consumer electronics, according to a report released Tuesday.

The report by the Enough Project activist group said that armed groups responsible for atrocities in the Democratic Republic of Congo and surrounding areas have now ceded control of two-thirds of mines in the region producing tantalum, tin, and tungsten.

"Our research found that electronics companies are expanding their responsible minerals sourcing from Congo, and Congolese miners are now able to earn 40 percent more from those mines," said Sasha Lezhnev of the Enough Project.

Lezhnev said mines formerly controlled by warlords "are now part of peaceful supply chains.

The report said that as a result of these efforts it is "much less economically viable for armed groups and Congo's army" to profit from these minerals.

But the researchers said that more efforts are needed "to address conflict gold and close loopholes on the other minerals" which can be used by armed factions.

The report credits market changes spurred by the 2010 Dodd-Frank law



on conflict minerals, which required many US firms to audit and report the use of these minerals.

According to Enough Project, these minerals were previously generating an estimated \$185 million per year for armed groups and the army.

The report said the Dodd-Frank law and electronics industry audits have created a "two-tier market" for the "3T" minerals—tin, tantalum, and tungsten—which means that minerals that do not go through conflict-free programs now sell for 30 to 60 percent less.

"As businesses begin to comply with Dodd-Frank, they are requiring suppliers to conduct conflict-free audits and trace the sources of their minerals much more carefully," the report said.

"This has shrunk markets for untraceable conflict minerals. Minerals that are not from verified conflict-free 3T mines sell for less than conflict-free minerals."

The report pointed out that Apple has certified its supply of tantalum—a key mineral for mobile electronics—as conflict-free and that Intel "is producing the world's first fully conflict-free product that contains clean Congolese minerals."

The <u>report</u> noted that a handful of companies such as Intel, Hewlett-Packard, Apple, and around a dozen others led industry efforts before the passage of the law, setting up auditing systems to weed out conflict minerals from their supply chains, but that the Dodd-Frank <u>law</u> helped hundreds of others reduce or eliminate the use of <u>conflict minerals</u>.

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