DIGITALEUROPE

The Role of a Public Private Partnership in an effective EU Responsible Sourcing Regulation

Brussels, 1 April 2016

As European policymakers debate the merits of a responsible sourcing regulation, DIGITALEUROPE would like to communicate its position that it is important for any effective scheme to address three issues: (1) break the link between sourcing minerals and conflict financing; (2) create conditions that enable responsible in-region sourcing in order to support livelihoods and drive local development; and (3) establish or partner with in-country resources to achieve meaningful and long-standing change.

Regulation alone cannot achieve the three goals outlined above. To have a real impact, deliver positive changes on the ground, and prevent economic boycott of high-risk regions, it is imperative that the Regulation is accompanied by strong supporting measures. In this context, the European Private Public Partnership (EPPP) for Responsible Mineral Sourcing[1] will focus on concrete actions designed to complement existing regulation and initiatives, at the same time helping to implement and enforce the EU scheme. Priorities include fostering knowledge leadership; expanding existing initiatives; securing the commitment of more downstream sectors; planning and implementing effective in-region projects; and collectively defining conflict-affected and high-risk areas.

We strongly believe that the EU proposal for a Regulation on responsible sourcing of minerals is aimed at the right part of the supply chain – upstream mining and refining entities. That is the point in the supply chain where "Red Flags" for non-conflict-free sourcing can effectively be identified.

However, options of risk mitigation on an individual company level (in the downstream, but also in the upstream segment of the supply chain) are very limited. A multi-stakeholder approach involving governments, civil society groups as well as all minerals supply chain actors is required in order to successfully address issues especially in regions with higher risks related to mineral trade.

There might be increased risk of smuggling, tax avoidance, human rights abuses, or involvement of armed groups in such regions. Downstream companies as well as many smelters/refiners have demonstrated a clear commitment to source responsibly. However, this is only possible when supporting frameworks enabling responsible in-region sourcing, such as traceability schemes, have been developed.

If such schemes are not in place, sourcing from volatile regions will be impossible for smelters and other responsible supply chain actors. This in turn could create a de-facto embargo for minerals and metals originating from any volatile region that could be deemed a crisis or conflict area.

We believe that the EPPP would be a good platform for promoting in-region schemes in volatile countries and therefore, creating the conditions for responsible sourcing of minerals. Our goal is to continue to improve our

---

[1] http://www.euandgvc.nl/documents/publications/2016/4/1/eu-ppp-responsible-mineral-sourcing

due diligence activities that are now part of our sourcing processes and to mitigate risks identified upstream as a part of a strong multi-stakeholder coalition offered by the EPPP.

To make the EPPP a success, information, experience and resources are needed. Therefore, we encourage industry across the board, civil society groups, European regulators and other member states to support and actively contribute to the EPPP.

We urge all involved in the trilogue negotiations to take this into consideration and put in place effective and workable rules that have global impact.

DIGITALEUROPE
Rue de la Science, 14 - 1040 Brussels [Belgium]
T. +32 (0) 2 609 53 10 F. +32 (0) 2 431 04 89
www.digitaleurope.org | info@digitaleurope.org | @DIGITALEUROPE
Transparency register member for the Commission: 64270747023-20

2

DIGITALEUROPE

--
For more information please contact:
Sylvie Feindt, DIGITALEUROPE's Policy Director
+32 2 609 53 19 or Sylvie.feindt@digitaleurope.org

ABOUT DIGITALEUROPE

DIGITALEUROPE represents the digital technology industry in Europe. Our members include some of the world's largest IT, telecoms and consumer electronics companies and national associations from every part of Europe. DIGITALEUROPE wants European businesses and citizens to benefit fully from digital technologies and for Europe to grow, attract and sustain the world's best digital technology companies.

DIGITALEUROPE ensures industry participation in the development and implementation of EU policies. DIGITALEUROPE's members include 60 corporate members and 37 national trade associations from across Europe. Our website provides further information on our recent news and activities: http://www.digitaleurope.org

DIGITALEUROPE MEMBERSHIP

Corporate Members

Airbus, AMD, Apple, BlackBerry, Bose, Brother, CA Technologies, Canon, Cisco, Dell, Epson, Ericsson, Fujitsu, Google, Hewlett Packard Enterprise, Hitachi, HP Inc., Huawei, IBM, Ingram Micro, Intel, iQor, JVC Kenwood Group, Konica Minolta, Kyocera, Lenovo, Lexmark, LG Electronics, Loewe, Microsoft, Mitsubishi Electric Europe, Motorola Solutions, NEC, Nokia, Nvidia Ltd., Océ, Oki, Oracle, Panasonic Europe, Philips, Pioneer, Qualcomm, Ricoh Europe PLC, Samsung, SAP, SAS, Schneider Electric IT Corporation, Sharp Electronics, Siemens, Sony, Swatch Group, Technicolor, Texas Instruments, Toshiba, TP Vision, VMware, Western Digital, Xerox, Zebra Technologies, ZTE Corporation.

National Trade Associations

Austria: IOÖ
Belarus: INFOPARK
Belgium: AGORIA
Bulgaria: BAIT
Cyprus: CITEA
Denmark: DI Digital, IT-BRANCHEN
Estonia: ITL
Finland: FFTI
France: AFNUM, Force Numérique, Tech in France
Germany: BITKOM, ZVEI

Greece: SEPE
Hungary: IVSZ
Ireland: ICT IRELAND
Italy: ANITEC
Lithuania: INFOBALT
Netherlands: Nederland ICT, FIAR
Poland: KIGEIT, PIIT, ZIPSEE
Portugal: AGEFE
Romania: ANIS, APDETIC
Slovakia: ITAS
Slovenia: GZS

Spain: AMETIC
Sweden: Foreningen Teknikföretagen i Sverige, IT&Telekomföretagen
Switzerland: SWICO
Turkey: Digital Turkey Platform, ECID
Ukraine: IT UKRAINE
United Kingdom: techUK

DIGITALEUROPE
Rue de la Science, 14 - 1040 Brussels [Belgium]
T. +32 (0) 2 609 53 10 F. +32 (0) 2 431 04 89
www.digitaleurope.org | info@digitaleurope.org | @DIGITALEUROPE
Transparency register member for the Commission: 64270747023-20

3