

International Tin Supply Chain Initiative: ITSCI Membership Programme



What is the ITSCI Membership Programme?

The ITSCI Programme is a joint industry project designed to address conflict mineral concerns in the Democratic Republic of Congo (DRC), Rwanda and other Great Lakes Region countries. The Programme establishes traceability in the upstream mineral chain for cassiterite, columbo-tantalite and wolframite by working with local Governments and their field agents, and assists companies to establish due diligence through regular independent risk assessments and audits.

The Programme has Memoranda of Understanding in place with the Governments of the DRC, Rwanda and Burundi, as well as the International Conference on the Great Lakes Region (ICGLR). It has over 230 Full and Associate Members spanning 46 countries, and operates at around ~2,250 mine sites in Burundi, DRC, Rwanda and Uganda, shipping 100's of tonnes of minerals per month, and involving ~80,000 miners, supporting around 5 million people with their activities.

Building a supply chain of responsible companies

The Programme supports the practical implementation of the OECD's Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (see <http://tinyurl.com/7sqpths>) as well as the UN Security Council Resolution 1952 (2010) due diligence recommendations (see [https://undocs.org/S/RES/1952\(2010\)](https://undocs.org/S/RES/1952(2010))). Members are expected to recognise all aspects of these guidelines and cooperate with risk assessment and audits as required, as well as working on their own company policies and contracts to influence the supply chain in a positive way. The Programme also aims to aid compliance with the US Dodd Frank law, section 1502 on conflict minerals, in relation to the Rules published by the SEC.



The Programme complements other initiatives, including the Responsible Minerals Assurance Process (RMAP), the ICGLR's Regional Certification Initiative, and BGR's Certified Trading Chains Initiative (CTC).

Management and Partners in the Programme

The Governance Committee is responsible for reviewing membership matters and making a variety of key decisions, as well as liaising with Government representatives in each operating location. Current Committee members are the Tantalum-Niobium International Study Center (T.I.C) and International Tin Association Ltd, with tungsten and other expert representative places not yet filled. As a not-for-profit organisation, International Tin Association also administers, financially manages and assists with implementation and technical improvement of the Programme in the role of Secretariat. Neither International Tin Association nor T.I.C. are directly involved with in-country activities, which are managed by Pact Inc, the US based capacity building NGO, and their selected local partners acting as the Programme Operators.



Selecting and monitoring conflict-free mines in central Africa

All available sources of information on security are taken into account and supplemented by ITSCI mine and transport route baseline reports produced as part of the on-the-ground assessment activities managed by Pact. The local operators also assist with the running of stakeholder committees involving local Government, civil society and defence agencies, who help to report and resolve issues of concern. A clear record of all incidents and risk response actions are maintained in an incident reporting system alerting the supply chain.

Traceability and data management

Government field agents are trained by Pact to directly operate the tagging and data recording system on the ground; this involves use of uniquely numbered plastic tags, and data collection through logbooks recording weight, transporter and other information as required by the OECD guidance. Pact and the companies ensure all data is returned to the Secretariat for entry into the on-line database for further analysis.



Independence and Auditing

In addition to the local stakeholder committees, iTSCI has other measures in place for independence, including an *Ombudsman*, a role undertaken by expert US law firm Foley Hoag LLP, and an *Advisory Panel* which provides an opportunity for NGO's, independent organisations, industry groups and other stakeholders to provide input into various aspects of the Programme. Any concerns can be reported to any partner or advisor to the project.

Synergy Global Consulting Ltd, a company with expertise in evaluation in conflict-related areas, performs independent *Audits*. These checks form part of the three-aspect independent evaluation, comprising of preliminary company audits, field governance assessments and company audits carried out on a regular basis.

Benefits of ITSCI Membership

The Programme assists companies to establish responsible mineral supply chains in the Great Lakes Region, bringing transparency and best practice to the extraction and trade of minerals from the region. By allowing companies to source metals responsibly, total disengagement from the Great Lakes Region can be avoided.

ITSCI brings companies together to work constructively, ensuring efficiency through avoidance of duplication, correctly managing the extensive information generated, and resulting in cost savings throughout the supply chain. This also avoids potential anti-trust/competition law issues.

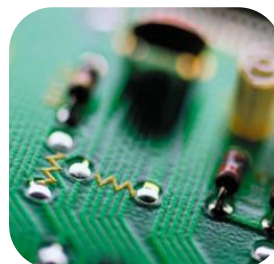
... for upstream companies (Full Membership)

ITSCI assists upstream companies (from mine to smelter) to conform to the OECD DGG at a very practical level. It helps operators ensure that the minerals they supply and purchase have been managed and handled in line with these international expectations. Involvement is not limited to large, multinational companies, but also extends to small and medium size enterprises, co-operatives and artisanal mines.



... for downstream companies (Associate Membership)

ITSCI assists downstream companies to know that participating smelters are purchasing from upstream supply chains with adequate risk assessment, mitigation and management systems in place. The Programme aims to help companies report on their due diligence efforts to the SEC, as required by the Dodd-Frank Act. Membership allows companies to access information on specific mines from which they may wish to source minerals.



Costs of involvement in the Programme

- **Programme levy:** payable by Full Members on mineral tonnage (dependent on mineral being traded and who it is being sold to). The Programme does not operate to make a profit; any excess income derived from the levy is used to reduce future levies. The levy is the major funding source for the Programme.
- **Joining fee:** applies to all Full Members at the time of application in order to cover the cost of initial administration and evaluation. Associate Members do not pay a joining fee.
- **Annual fee:** US\$7,500 (for Associate Members) US\$5,000 (for Full Members classified as a downstream user beyond the point of levy collector) or US\$1,800 (for Full Members classified as being before or at the point of levy collection).

How to become a Full Member *	How to become an Associate Member
Sign the membership agreement	Sign the membership agreement
Provide all relevant company information (legal & company structure, directors, etc) to enable a preliminary audit to be undertaken on conflict links or other issues	Provide a short company description for publication
Pay the applicable joining and annual fees	Pay the annual fee

* A company is not permitted to trade under the Programme until all steps are completed and membership has been approved.

Further Information, newsletters and public reports can be found on the ITSCI website <http://www.itsci.org>

For enquiries regarding membership, please contact the ITSCI Secretariat:

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