

Vision

Responsible sourcing of 3T minerals from conflict-affected and high-risk areas (CAHRA) lessens the risk of unfounded disengagement by businesses. Supporting companies and promoting due diligence best practices and improved governance through an industry scheme not only reduces risks of serious abuses but also creates opportunities for economic and social development in extracting countries, while contributing to the formalisation of the mining sector.

By being able to benefit from their natural resources, local communities, civil society, governments and businesses, including artisanal miners (ASM), are enabled to reinvest in their respective communities, institutions, and supply chains, leading to improved livelihoods, better governance practices and increased peace and stability.

	Industry	Government	Mining communities
Outcome	<p>Companies participating in ITSCI demonstrate progress in business practices through improved company standards, management systems, and procedures that translate into ongoing due diligence in their supply chain.</p> <p>Due diligence requirements and expectations are cascaded to all levels of the supply chain, from miners to smelters, including through training and capacity building of suppliers.</p> <p>Common understanding of due diligence requirements and expectations further leads to efficiency in due diligence practices throughout the supply chain.</p> <p>Best due diligence practices unlock investment in the mining sector, while reducing financial, legal and reputational risks for companies.</p>	<p>Governments have data and information collection mechanisms in place including transparent tax regimes, enabling increased tax collection on minerals.</p> <p>Governments also demonstrate increased accountability in the mining sector and lead regular local multi-stakeholder discussions resulting in risk mitigation, better control of the mining sector and increased accountability of actors overall.</p>	<p>Mining communities maintain and expand livelihood activities, engage in more formalised ASM activities, and reinvest in mining and/or in other businesses, thus resulting in the creation of new income-generating activities and in supporting their families.</p> <p>Mining communities benefit from a more secure and safer environment, with improved infrastructure, directly (through company investments e.g. in roads) or indirectly (through government taxes collected on minerals and reinvested in communities).</p>

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Outputs</p>	<p>Companies review credible information from ITSCI, understand risks, conduct their own risk assessment, support risk mitigation and stakeholder engagement, and encourage progress including by training their own suppliers.</p>	<p>Governments & local authorities are directly informed of risks in the mining sector.</p> <p>Governments & local authorities regularly chair multi-stakeholder committees, lead discussions to agree and support risk management plans and follow-up on their implementation, thus resulting in reinforced local authority.</p> <p>Government agents are deployed in all mine areas to implement mineral traceability.</p>	<p>Mining communities have access to a whistleblowing mechanism to report risks anonymously and free of charge, as well as to community monitoring networks to discuss risks and their mitigation.</p> <p>Mine sites are integrated into the ITSCI programme, benefiting from more responsible trading and ongoing monitoring by ITSCI teams.</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Activities</p>	<p>ITSCI conducts pre-audits and audits on companies and makes improvement recommendations to members regarding their policies, procedures, and management systems.</p> <p>ITSCI identifies new mine areas and facilitates evaluation of conditions on site.</p> <p>ITSCI facilitates traceability and verifies mineral production and trading information.</p> <p>ITSCI provides first-hand information for company review and due diligence decision making, inc. for smelter audit purpose.</p> <p>ITSCI collects, verifies, records, follows-up and communicates information on risks in the supply chain.</p> <p>ITSCI trains companies and develops due diligence tools for companies, based on their position in the supply chain and on risks.</p>	<p>ITSCI sets up and trains local committees chaired by local government on traceability, DD, risk assessment and mitigation, as well as local laws where relevant.</p> <p>ITSCI develops and rolls out improved data collection tools, inc. data digitalization.</p> <p>ITSCI develops procedures adapted to specific risk context, e.g., joint tag management and due diligence lists, among others.</p> <p>ITSCI conducts regular trainings of governments and state services on traceability and due diligence.</p>	<p>ITSCI conducts baseline studies at mine sites for their integration into the ITSCI programme and monitors mining areas regularly, based on risks.</p> <p>ITSCI puts in place a whistleblowing mechanism, advertise it in mining communities, and follow-up on risks reported by whistle-blowers.</p> <p>ITSCI facilitates committee meetings with local mining communities, enabling safe space for discussion with local stakeholders, supporting discussions about ITSCI incidents and providing guidance for their mitigation.</p> <p>ITSCI conducts checks to ensure there are no ITSCI sites in protected areas; while promoting awareness and monitoring of protected areas such as national parks.</p> <p>ITSCI encourages funding for environmental, social, and governance (ESG) and projects such as combatting child labour, promoting environmental and health protection, etc.</p>

Assumptions	Businesses are incentivised to engage with ITSCI, recognise the relevance of due diligence, and therefore allocate appropriate (human, time, and financial) resources to invest in training of suppliers, engage with authorities and suppliers to follow-up on risks, and support risk mitigation.	Governments' and state services' aims are aligned with ITSCI and drive support to learn and use ITSCI procedures. They positively engage with ITSCI teams, enabling trusted relationship and commitment to follow ITSCI recommendation on risk mitigation.	Thanks to the right level of support, awareness-raising and capacity-building received from ITSCI, mining communities understand the value of, and adhere to the principles of, due diligence. They actively participate in traceability and due diligence and in programme activities.
Risks	<p>Price fluctuation at the international level, driving businesses away from CAHRAs.</p> <p>Negative image of ASM and perception of risks in CAHRAs, leading to industry disengagement.</p> <p>Lack of engagement from companies to support local, long-term activities, professionalisation of the ASM sector and improved responsible practices.</p> <p>Confusion around international standards, topics related to alignment and recognition, and expectations for conflict-free minerals.</p>	<p>Political instability resulting in responsible sourcing topics moving to the background of political agendas.</p> <p>Lack of institutional memory due to absence of appropriate mechanisms within government services and to frequent turn-over of agents and/or authorities.</p> <p>Lack of law enforcement on the ground resulting in additional risks.</p> <p>State services, security forces, and other government stakeholders are not regularly and/or adequately paid, leading to demotivation and resulting in corruption risks.</p>	<p>Lack of understanding about, and acceptance of, legal requirements and local laws, including formalised tax payment.</p> <p>Local community and/or ethnic disputes or conflict erupt, leading to disruption in mining activities.</p> <p>Higher insecurity due to non-state armed groups result in increased militarisation at local level, inc. mining areas. This in turn result in more high risks related to armed groups involved or interfering in mining.</p>

Problem or situational analysis

3T mineral supply chains in CAHRAs may be impacted by significant risks involving both armed and unarmed actors and relating to multiple risk categories (security, human rights, corruption, fraud, lack of transparency, among others). Any lack of mitigation processes and/or overall responsible sourcing practices meeting international expectations may result in de-risking in supply chains. This in turn would prevent risks in supply chains from being addressed, reinforce the negative image of the 3T sector in CAHRAs, including a significant number of ASM, and contribute to perpetuating cycles of instability, insecurity, exclusion or even conflict.

Implementing due diligence programmes are only likely to have meaningful impact if operated at scale, whatever the size of mines, their remoteness, and their activity level, and with a long-term approach. This is most likely to be possible through joint efforts with the support from multiple stakeholders from industry, government, and civil society/ NGOs. This not only helps to work towards the goal of leaving no one behind, but also supporting cost and implementation efficiencies; while maximising impacts and positive transition.