



EUROPEAN PARLIAMENT

2014 - 2019

*Committee on Development*

29/01/2015

**AMENDMENTS 1 - 122**

**Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

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# EUROPEAN PARLIAMENT

*Committee on Development*

29/01/2015

## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 1**

**Judith Sargentini, Kostas Chrysogonos, Lola Sánchez Caldentey, Seb Dance, Norbert Neuser, Helmut Scholz, Ignazio Corrao, Anne-Marie Mineur, Doru-Claudian Frunzulică, Fabio Massimo Castaldo, Sabine Lösing, Louis Michel**

## **Proposal for a regulation**

### **Title 1**

*Text proposed by the Commission*

*Amendment*

Proposal for a

REGULATION OF THE EUROPEAN  
PARLIAMENT AND OF THE COUNCIL

setting up a Union system for supply chain  
due diligence *self-certification of  
responsible importers of tin, tantalum and  
tungsten, their ores, and gold* originating  
in conflict-affected and high-risk areas

Proposal for a

REGULATION OF THE EUROPEAN  
PARLIAMENT AND OF THE COUNCIL

setting up a Union system for supply chain  
due diligence *for natural resources*  
originating in conflict-affected and high-  
risk areas

Or. en

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 2**

**Judith Sargentini, Lola Sánchez Caldentey, Seb Dance, Norbert Neuser, Helmut Scholz, Ignazio Corrao, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Fabio Massimo Castaldo, Sabine Lösing, Kostas Chrysogonos, Louis Michel**

## **Proposal for a regulation**

### **Recital 1**

*Text proposed by the Commission*

(1) **Natural mineral** resources in conflict-affected or high risk areas – although holding great potential for development – can be a cause of dispute where their revenues are fuelling the outbreak or continuation of violent conflict, undermining national endeavours towards development, good governance and the rule of law. In these areas, breaking the nexus between conflict and illegal exploitation of **minerals** is critical to peace and stability.

*Amendment*

(1) **(1) Natural** resources in conflict-affected or high risk areas – although holding great potential for development – can be a cause of dispute where their revenues are fuelling the outbreak or continuation of violent conflict, undermining national endeavours towards development, good governance and the rule of law. In these areas, breaking the nexus between conflict and illegal exploitation of **natural resources** is critical to peace and stability.

Or. en

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 3**

**Judith Sargentini, Sabine Lösing, Kostas Chrysogonos, Lola Sánchez Caldentey, Seb Dance, Norbert Neuser, Helmut Scholz, Ignazio Corrao, Anne-Marie Mineur, Doru-Claudian Frunzulică, Louis Michel, Patrizia Toia, Enrique Guerrero Salom, Fabio Massimo Castaldo**

**Proposal for a regulation**

**Recital 1 a (new)**

*Text proposed by the Commission*

*Amendment*

*(1 a) Disputes over oil, gas, minerals, timber and other natural resources rank second as a source of conflicts worldwide; competition over resources, such as land and water, is on the rise, and exacerbating existing conflicts or triggering new ones; the mismanagement of land and natural resources is compounded by environmental degradation, population growth and climate change.*

Or. en

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 4**

**Judith Sargentini, Seb Dance, Norbert Neuser, Helmut Scholz, Ignazio Corrao, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Fabio Massimo Castaldo, Sabine Lösing, Kostas Chrysogonos, Lola Sánchez Caldentey, Louis Michel, Patrizia Toia, Enrique Guerrero Salom**

**Proposal for a regulation**

**Recital 1 b (new)**

*Text proposed by the Commission*

*Amendment*

*(1 b) Human rights abuses are common within the extractive industry and include child labour, sexual violence, the disappearance of people, violation of the right to a clean environment, loss of land and livelihoods without negotiation and without adequate compensation, forced resettlement and the destruction of ritually or culturally significant sites.*

Or. en

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 5**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Patrizia Toia**

## **Proposal for a regulation**

### **Recital 3**

*Text proposed by the Commission*

(3) The Union has been actively engaged in an Organisation for Economic Co-operation and Development (OECD) initiative to advance the responsible sourcing of minerals from conflict regions, which has resulted in a government-backed multi-stakeholder process leading to the adoption of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Due Diligence *Guidance*<sup>5</sup>) *including supplements on tin, tantalum and tungsten, and on gold*. In May 2011, the OECD Ministerial Council recommended to actively promote the observance of this Guidance.

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<sup>5</sup> OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk

*Amendment*

(3) The Union has been actively engaged in an Organisation for Economic Co-operation and Development (OECD) initiative to advance the responsible sourcing of minerals from conflict regions, which has resulted in a government-backed multi-stakeholder process leading to the adoption of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Due Diligence *Guidance*<sup>5</sup>). In May 2011, the OECD Ministerial Council recommended to actively promote the observance of this Guidance.

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<sup>5</sup> OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk

Areas: Second Edition, OECD Publishing  
(OECD (2013)).  
[http://dx.doi.org/10.1787/9789264185050-  
en](http://dx.doi.org/10.1787/9789264185050-en).

Areas: Second Edition, OECD Publishing  
(OECD (2013)).  
[http://dx.doi.org/10.1787/9789264185050-  
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Or. en

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## **Amendment 6**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo**

**Proposal for a regulation**

**Recital 6**

*Text proposed by the Commission*

*Amendment*

*(6) The Commission in its 2008 Communication<sup>8</sup> recognised that securing reliable and undistorted access to raw materials is an important factor for the EU's competitiveness. The Raw Materials Initiative (RMI) is an integrated strategy aimed at responding to different challenges related to access to non-energy non-agriculture raw materials. The RMI recognises and promotes financial as well as supply chain transparency, and the application of corporate social responsibility standards.*

*deleted*

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<sup>8</sup> *The Raw Materials Initiative – meeting our critical needs for growth and jobs in Europe, COM(2008) 699.*

Or. en



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## **Amendment 7**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Sabine Lösing, Ignazio Corrao, Kostas Chrysogonos, Fabio Massimo Castaldo**

**Proposal for a regulation**

**Recital 7 a (new)**

*Text proposed by the Commission*

*Amendment*

*(7 a) On 26 February 2014, the European Parliament adopted a resolution on promoting development through responsible business practices, including the role of extractive industries in developing countries, in which the European Commission is requested to bring forward binding legislation on conflict minerals; (EP 2013/2126(INI))*

Or. en

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## **Amendment 8**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Ignazio Corrao, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Enrique Guerrero Salom**

## **Proposal for a regulation**

### **Recital 8**

*Text proposed by the Commission*

(8) Union citizens and civil society actors have raised awareness with respect to companies operating under the Union's jurisdiction for not being held accountable for their potential connection to the illicit extraction and trade of *minerals* from conflict regions. The consequence is that such *minerals*, potentially present in consumer products, link consumers to conflicts outside the Union. To this end, citizens have requested, notably through petitions, that legislation be proposed to the European Parliament and the Council holding companies accountable under the Guidelines as established by the UN and OECD.

*Amendment*

(8) Union citizens and civil society actors have raised awareness with respect to companies operating under the Union's jurisdiction for not being held accountable for their potential connection to the illicit extraction and trade of *natural resources* from conflict regions. The consequence is that such *natural resources*, potentially present in consumer products, link consumers to conflicts outside the Union. To this end, citizens have requested, notably through petitions, that legislation be proposed to the European Parliament and the Council holding companies accountable under the Guidelines as established by the UN and OECD.

Or. en

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## **Amendment 9**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Enrique Guerrero Salom, Louis Michel**

## **Proposal for a regulation**

### **Recital 9**

*Text proposed by the Commission*

(9) In the context of this Regulation, supply chain due diligence is an on-going, proactive and reactive process through which business operators monitor and administer their purchases and sales with a view to ensuring that they do not contribute to conflict and adverse impacts thereof.

*Amendment*

(9) In the context of this Regulation, ***and in line with the OECD Due Diligence Guidance***, supply chain due diligence is an on-going, proactive and reactive process through which business operators monitor and administer their purchases and sales with a view to ensuring that they ***respect human rights and*** do not contribute to conflict and adverse impacts thereof.

Or. en

*Justification*

*To better reflect the OECD Guidance provisions.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 10**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Louis Michel**

**Proposal for a regulation**  
**Recital 9 a (new)**

*Text proposed by the Commission*

*Amendment*

*(9 a) The Regulation reflects the need for due diligence along the entire supply chain from the sourcing site to the final product, by requiring all companies who first place covered resources—including products that contain those resources—on the European market to conduct and publicly report on their supply chain due diligence.*

*In line with the nature of due diligence, the individual due diligence obligations contained in this Regulation reflect the progressive and flexible nature of due diligence processes, and the need for obligations that are appropriately tailored to enterprises' individual circumstances. Obligations are tailored to a company's size, leverage, and position in its supply chain.*

*Certain companies are recognised to*

*have great influence over the due diligence that is conducted along the supply chain in the sourcing countries, due to their position in the supply chain. These actors, commonly referred to as choke points, are subject to more extensive obligations than other enterprises. Due diligence obligations duly reflect these difference.*

*Downstream companies are required to make reasonable and good faith efforts to identify the relevant choke points in their supply chains, and do their best to assess the due diligence of these companies, for instance on the basis of the audited reports of said actors.*

Or. en

#### *Justification*

*The OECD Guidance recognises the complexity of supply chains and the need for proportionate due diligence requirements tailored to companies individual circumstances. Concrete obligations contained in this regulation only include language that speaks to proportionality and best efforts, but they are tailored to individual segments of enterprises in the different supply chains.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 11**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Patrizia Toia**

**Proposal for a regulation**  
**Recital 9 b (new)**

*Text proposed by the Commission*

*Amendment*

***(9 b) Consistently with OECD Guidance, companies should take reasonable steps and make good faith efforts to conduct due diligence to identify and prevent or mitigate any risks of adverse impacts associated with the conditions of access to natural resources and the relationship of suppliers operating in conflict-affected or high-risk areas.***

Or. en

*Justification*

*The OECD Guidance recognises the complexity of supply chains and the difficulties of companies to exercise due diligence. That is why the Guidance follows an approach based on flexibility depending on several factors including the size of a company. This also entails that due diligence obligations will be applied in a more flexible and gradual manner if a company is an SME.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 12**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Louis Michel**

**Proposal for a regulation**

**Recital 10**

*Text proposed by the Commission*

*Amendment*

*(10) Third-party auditing of a company's supply chain due diligence practices ensures credibility for the benefit of downstream companies and contributes to the improvement of the upstream due diligence practices.*                      *deleted*

Or. en

*Justification*

*According to the OECD Guidance, auditing obligations should fall on choke-point operators only. This recital reflects the company scope of the COM proposal which only covers importers of minerals and metals. Parts of this recital are merged with recital 13 on chokepoints for consistency reasons.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 13**

**Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Judith Sargentini, Louis Michel**

## **Proposal for a regulation**

### **Recital 12**

*Text proposed by the Commission*

(12) Union companies have expressed their interest through the public consultation in the responsible sourcing of minerals and reported on current industry schemes designed to pursue their corporate social responsibility objectives, customer requests, or the security of their supplies. *However, Union companies have also reported countless difficulties in the exercise of supply chain due diligence because of lengthy and complex global supply chains involving a high number of operators that are often insufficiently aware or ethically unconcerned. The cost of responsible sourcing and their potential impact on competitiveness notably on SMEs should be monitored by the Commission.*

*Amendment*

(12) Union companies have expressed their interest through the public consultation in the responsible sourcing of minerals and reported on current industry schemes designed to pursue their corporate social responsibility objectives, customer requests, or the security of their supplies. *Consistent with the OECD Guidance it is recognized that due diligence in conflict-affected and high-risk areas presents practical challenges and that flexibility is therefore needed in the application thereof. The nature and extent of due diligence that is appropriate for an enterprises' individual circumstances depend on a number of factors, including its size and position in the supply chain, fully taking account of the challenges faced by SMEs.*

Or. en



### *Justification*

*The OECD Guidance recognises the complexity of supply chains and the need for proportionate due diligence requirements tailored to companies individual circumstances. That is why the Guidance follows an approach based on flexibility depending on several factors including the size of a company. This also entails that due diligence obligations will be applied in a more flexible and gradual manner if a company is an SME.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 14**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Louis Michel**

## **Proposal for a regulation**

### **Recital 13**

*Text proposed by the Commission*

(13) Smelters and refiners are *an important point in global mineral* supply chains *as they are typically the last stage in which due diligence can effectively be assured by collecting, disclosing and verifying information on the mineral's origin and chain of custody. After this stage of transformation it is often considered unfeasible to trace back the origins of minerals. A Union list of responsible smelters and refiners could therefore provide transparency and certainty to downstream companies as regards supply chain due diligence practices.*

*Amendment*

(13) Smelters and refiners are *recognised choke points in their respective* supply chains *with substantial influence over the due diligence that is conducted along the supply chain in the sourcing countries. A Union list of responsible choke-point actors could therefore provide transparency and certainty to companies in the downstream with a view to carrying out supply chain due diligence practices. Consistently with OECD Guidance, choke-point actors should undergo independent third-party audit of their supply chain due diligence practices, also with a view to being included in the list of responsible actors. Choke point actors based outside the European Union should also have a possibility for being included in the list to ensure its global scope.*

Or. en

*Justification*

*In order to better reflect the OECD Guidance approach on choke points and on third-party auditing.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 15**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Anne-Marie Mineur, Sabine Lösing, Kostas Chrysogonos, Helmut Scholz, Louis Michel, Enrique Guerrero Salom, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

### **Recital 14**

*Text proposed by the Commission*

(14) The Member State competent authorities are responsible to ensure the uniform compliance *of the self-certification of responsible importers* by carrying out appropriate ex-post checks *so as to verify whether the self-certified responsible importers of the minerals and/or metals within the scope of the Regulation comply with the supply chain due diligence obligations*. Records of such checks should be kept for at least 5 years. Member States are responsible to lay down the rules applicable to infringements of the provisions of this Regulation.

*Amendment*

(14) The Member State competent authorities are responsible to ensure the uniform compliance *with the obligation of operators to carry out due diligence* by carrying out appropriate ex-post checks. Records of such checks should be kept for at least 5 years. Member States are responsible to lay down the rules applicable to infringements of the provisions of this Regulation.

Or. en

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 16**

**Judith Sargentini, Seb Dance, Doru-Claudian Frunzuliță, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Norbert Neuser**

**Proposal for a regulation**  
**Recital 14 a (new)**

*Text proposed by the Commission*

*Amendment*

*(14 a) With a view to enhancing the effective implementation of this regulation, and addressing development needs directly linked to the exploitation of natural resources originating in conflict-affected and high-risk areas, accompanying measures will be implemented. The European Commission and the European External Action Service will apply and further develop an integrated EU approach to responsible sourcing as initiated in the Joint Communication to the European Parliament and the Council "Responsible sourcing of minerals originating in conflict-affected and high-risk areas. Towards an integrated EU approach" (JOIN (2014) 8). In particular, the promotion of responsible sourcing of natural resources originating from conflict-affected and high-risk areas and*

*the establishment of national and international due diligence frameworks for responsible sourcing will be integrated into internal and external policies and in particular into political and policy dialogues with partner countries, local authorities and private stakeholders. Particular attention will be given to addressing the contribution and challenges of the artisanal and informal mining sector for local livelihoods and sustainable development.*

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## **Amendment 17**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

### **Recital 15**

*Text proposed by the Commission*

(15) In order to *ensure the proper implementation of* this Regulation, *implementing powers should be conferred on* the Commission. *The implementing powers relating to the list of responsible smelters and refiners and the list of Member State competent authorities should be exercised in accordance with Regulation (EU) No 182/2011<sup>11</sup>.*

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<sup>11</sup> Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

*Amendment*

(15) In order to *amend Annex I and Annex II to* this regulation, the Commission *shall be empowered to adopt delegated acts in accordance with Article 290 TFEU, following the provisions lined out in this* regulation.

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<sup>11</sup> Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

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## **Amendment 18**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Doru-Claudian Frunzulică**

## **Proposal for a regulation**

### **Recital 16**

*Text proposed by the Commission*

(16) The Commission should report regularly to the Council and the European Parliament on the effects of the scheme. No later than three years after entering into force and every six years thereafter, the Commission should review the functioning and the effectiveness of this Regulation, *including as regards the promotion of responsible sourcing of the minerals within its scope from conflict-affected and high-risk areas. The reports may be accompanied, if necessary, by appropriate legislative proposals, which may include mandatory measures,*

*Amendment*

(16) The Commission should report regularly to the Council and the European Parliament on the effects of the scheme. No later than three years after entering into force and every six years thereafter, the Commission should review the functioning and the effectiveness of this Regulation,

Or. en



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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 19**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Louis Michel**

**Proposal for a regulation**  
**Article 1 – paragraph 1**

*Text proposed by the Commission*

1. This Regulation sets up a Union system for supply chain due diligence *self-certification in order to curtail opportunities for armed groups and security forces<sup>12</sup> to trade in tin, tantalum and tungsten, their ores, and gold. It is designed to provide transparency and certainty as regards the supply practices of importers, smelters and refiners sourcing from conflict-affected and high-risk areas.*

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<sup>12</sup> 'Armed groups and security forces' as defined in Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Second Edition, OECD Publishing (OECD (2013)). <http://dx.doi.org/10.1787/9789264185050-en>.

*Amendment*

1. This Regulation sets up a Union system for supply chain due diligence designed to:

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<sup>12</sup> 'Armed groups and security forces' as defined in Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Second Edition, OECD Publishing (OECD (2013)). <http://dx.doi.org/10.1787/9789264185050-en>.



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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 20**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Louis Michel, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 1 – paragraph 1 – point a (new)**

*Text proposed by the Commission*

*Amendment*

***(a) Increase certainty and transparency as regards the supply practices of companies sourcing from conflict-affected and high-risk areas,***

Or. en

*Justification*

*These objectives build on the Commission's proposed objectives and incorporate additional objectives and language from the Commission's Impact Assessment and the OECD Guidance.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 21**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Louis Michel, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 1 – paragraph 1 – point b (new)**

*Text proposed by the Commission*

*Amendment*

***(b) Curtail opportunities for the sourcing, transport and trade of natural resources to fund conflict and/or fuel human rights violations or abuses,***

Or. en

*Justification*

*New objective (b) revises the COM's language regarding the opportunities that the system is designed to 'curtail'. The purpose of the EU system for supply chain due diligence should be broader than the COM proposal, which limits the purpose to curtailing opportunities for specific actors to trade in covered minerals. The purpose should be broader: to break links between sourcing, transport, trade, handling and export of natural resources, and conflict and human rights violations.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 22**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Patrizia Toia, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 1 – paragraph 1 – point c (new)**

*Text proposed by the Commission*

*Amendment*

***(c) Help companies respect human rights and avoid contributing to conflict through their activities and sourcing decisions.***

Or. en

*Justification*

*New objective (c) incorporates the underlying purpose of due diligence, as defined in the OECD Guidance, page 13. The OECD Guidance states “Due diligence is an on-going, proactive and reactive process through which companies can ensure that they respect human rights and do not contribute to conflict... Risk-based due diligence refers to the steps companies should take.... In order to prevent or mitigate adverse impacts associated with their activities or sourcing decisions”.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 23**

**Judith Sargentini, Seb Dance, Doru-Claudian Frunzuliță, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Fabio Massimo Castaldo, Sabine Lösing, Ignazio Corrao, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 1 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

*2. This Regulation lays down the supply chain due diligence obligations of Union importers who choose to be self-certified as responsible importers of minerals or metals containing or consisting of tin, tantalum, tungsten and gold, as set out in Annex I.*

*deleted*

Or. en

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 24**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Louis Michel**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point a**

*Text proposed by the Commission*

*Amendment*

*(a) 'minerals' means ores and concentrates containing tin, tantalum and tungsten, and gold as set out in the Annex I;*

*deleted*

Or. en

*Justification*

*This definition is no longer needed due to the proposed broader scope of 'covered resources'*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 25**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Ignazio Corrao, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Patrizia Toia**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point a a (new)**

*Text proposed by the Commission*

*Amendment*

***(a a) 'OECD Due Diligence Guidance' means the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Second Edition, OECD Publishing (OECD (2013)) including all Council Recommendations, Annexes and Supplements, as may be amended or replaced periodically.***

Or. en

## *Justification*

*A definition of OECD Due Diligence Guidance has been included for legal certainty and to ensure that the definition includes all future amendments and replacements. The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas was adopted in 2010. It provides specific due diligence guidance for companies at all stages of the minerals supply chain. It has emerged as the leading global due diligence standard in this sector and beyond, and forms the basis for similar legislation in the US and the African Great Lakes Region. It was developed in a multi-stakeholder forum, with extensive participation from business and industry, designed to ensure the Guidance is practical and feasible for companies. The*



*Guidance is flexible, and includes considerations tailored to a company's size, leverage, and position in the supply chain. It is subject to amendment, and ongoing multi-stakeholder dialogues ensure that it remains current and adaptable.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 26**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Sabine Lösing, Kostas Chrysogonos, Anne-Marie Mineur, Ignazio Corrao, Fabio Massimo Castaldo, Helmut Scholz, Patrizia Toia**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point a b (new)**

*Text proposed by the Commission*

*Amendment*

***(a b) 'covered resources' means all natural resources as set out in Annex I, as may be amended periodically in accordance with this Regulation;***

Or. en

## *Justification*

*The Proposal for a Regulation by the European Commission only applies to 'tin, tantalum, tungsten, their ores, and gold' (3TG). In reality, however, other minerals, metals and natural resources sourced in conflict-affected and high-risk areas also fund conflict and human rights abuses. With the aim of achieving the objectives as set out in Article 1 new and as explained in the summary justification, the Regulation should apply to resources other than 3TG. At the same time, supply chain due diligence, as reflected in the OECD Due Diligence Guidance and this Regulation as amended, is well suited to apply across a variety of different supply chains. This amendment, read in conjunction with amendments concerning covered products and regarding Annex I aims at expanding the scope accordingly. Instead of specifying the resources individually, however, this amendment read in conjunction with the amendments regarding Annex I, broadens the scope of the Regulation to a number of resources specified in an Annex to this Regulation (Annex I). At the moment Annex I specifies that covered resources means 'all minerals, metals, semi-precious and precious stones'. The advantage of this technical set up is that further resources may be added over*

*time as relevant and appropriate. A mechanism further details how the scope of the Annex I may be reviewed and amended (under Article 13 bis 2). At the same time the use of the term 'covered resources' and related terms throughout the amended Regulation ensures that the substantive and procedural obligations are designed in a manner that they may be applied to these additional resources.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 27**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Patrizia Toia**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point a c (new)**

*Text proposed by the Commission*

*Amendment*

***(a c) 'covered products' means all covered resources and products comprising or containing covered resources;***

Or. en

## *Justification*

*The COM proposal only applies to raw materials of the covered resources and to certain processed metals. As a consequence there would be no guarantee that the minerals in products entering the European market have been sourced responsibly. Due diligence is not the responsibility of a single link in the supply chain and is not designed to be effective if implemented in this way. This amendment broadens the scope to products containing covered resources and, hence to companies further downstream.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 28**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point a d (new)**

*Text proposed by the Commission*

*Amendment*

*(a d) 'recycled resources' means reclaimed end-user or post-consumer products, or scrap processed resources created during product manufacturing, including excess, obsolete, defective, and scrap materials which contain refined or processed resources that are appropriate to recycle in the production of any material. Minerals partially processed, unprocessed or a bi-product from another ore are not recycled resources.*

Or. en

## *Justification*

*All materials and products that are excluded from the definition of “recycled metal” in the OECD Guidance due to the fact that it is difficult if not impossible to determine the origin of recycled materials, thus not allowing companies to determine whether they were extracted and handled by responsible companies. As a consequence these resources should be excluded from the substantive due diligence obligations contained in this Regulation. The proposed definition incorporates the OECD Guidance definition but, where appropriate, replaces references to ‘minerals’ and ‘metals’*

*to 'resources' to reflect the broader scope of the Regulation as amended and the language used elsewhere.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 29**

**Judith Sargentini, Seb Dance, Doru-Claudian Frunzuliță, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao, Norbert Neuser, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point a e (new)**

*Text proposed by the Commission*

*Amendment*

***(a e) 'operator' means any natural or legal person that places any covered product on the market for the first time;***

Or. en

## *Justification*

*The use of the well-defined term 'operator' in conjunction with the term 'first placing on the market' ensures that a variety of different economic operators are covered while not requiring individual identification or description. The term also covers economic operators irrespective of their size, while additional specifications in individual Articles can nonetheless provide for differential treatment for certain groups, if needed.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 30**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point a f (new)**

*Text proposed by the Commission*

*Amendment*

*(a f) 'placing on the market' means the supply by any means, irrespective of the selling technique used, of products for the first time on the internal market for distribution or use in the course of commercial activity whether in return for payment or free of charge, including the supply by means of distance communication as defined in Directive 97/7/EC. 'Placing on the market' also includes the supply on the internal market of products derived from covered products already placed on the internal market.*

Or. en

## *Justification*

*In conjunction with the amendments above, this definition of 'placing on the market' broadens the scope of companies subject to obligations contained in this Regulation. At the same time it ensures that 'importation' is not the triggering point but 'placing on the internal market'. 'Placing on the market' is different from 'importation' in a number of ways. Firstly, it refers to goods actually*



*entering the market, which by definition excludes goods that are only in transit or that are merely imported for re-exportation. It may also exclude goods that are in storage and those that are imported for 'use' as opposed to marketing. 'Placing on the market' also differs from importation in the very important way that products newly manufactured in the European Union and then marketed on the internal market, are also 'first placed'. As a consequence, producers of new products using raw materials that were previously imported into the European Union are subject to due diligence obligations. At the same time the definition ensures that not every company that sells products containing covered resources are subject to due diligence obligation. The relevant criteria is the action of first placing on the internal market. This ensures that obligations are confined to companies that make supply decisions with a certain degree of power and influence over the upstream supply chain. Small corner shops selling headphones and other equipment after purchasing them from an EU based company, for instance, would not be covered. The use of 'placing on the market' is preferable in the context of this Regulation as there is strong legal precedent for 'placing on the market', see for instance the EU Timber Regulation, the EU Seals Regulation, the EU Medical Equipment Directive.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 31**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzuliță, Lola Sánchez Caldentey, Anne-Marie Mineur, Fabio Massimo Castaldo, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Helmut Scholz**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point b**

*Text proposed by the Commission*

*Amendment*

*(b) 'metals' means metals containing or consisting of tin, tantalum, tungsten and gold as set out in the Annex I;*

*deleted*

Or. en

*Justification*

*This definition is no longer needed due to the proposed broader scope of 'covered resources'.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 32**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Patrizia Toia, Louis Michel**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point c**

*Text proposed by the Commission*

(c) '**mineral** supply chain' means the system of activities, organisations, actors, technology, information, resources and services involved in moving and processing the **minerals** from the **extraction** site to their incorporation in the final product;

*Amendment*

(c) '**resources** supply chain' means the system of activities, organisations, actors, technology, information, resources and services involved in moving and processing the **resources** from the **sourcing** site to their incorporation in the final product;

Or. en

*Justification*

*This change reflects the broader resources scope of the Regulation. See the new definition of 'covered resource'.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 33**

**Judith Sargentini, Seb Dance, Doru-Claudian Frunzuliță, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Kostas Chrysogonos**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point c a (new)**

*Text proposed by the Commission*

*Amendment*

*(c a) 'supply chain due diligence' refers to the obligations of operators in relation to their management systems, risk management, third-party audits and disclosure of information with a view to identifying, addressing and publicly reporting on actual and potential risks linked to conflict-affected and high-risk areas to prevent or mitigate adverse impacts associated with their sourcing activities;*

Or. en

*Justification*

*The use of 'operators' reflects the broader company scope, and ensures that the supply chain due diligence obligations apply to all covered companies. A reference to 'reporting' is included to reflect the reporting obligations already contained in the Regulation.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 34**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Sabine Lösing, Kostas Chrysogonos, Ignazio Corrao, Fabio Massimo Castaldo**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point c b (new)**

*Text proposed by the Commission*

*Amendment*

***(c b) 'model supply chain policy' means the model supply chain policy in Annex II of the OECD Due Diligence Guidance;***

Or. en

*Justification*

*All references to the model supply chain policy should be to the model policy set out in the OECD Due Diligence Guidance. The additional language in the COM proposal is redundant and has been deleted.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 35**

**Judith Sargentini, Seb Dance, Doru-Claudian Frunzuliță, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Sabine Lösing, Kostas Chrysogonos, Anne-Marie Mineur, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point d**

*Text proposed by the Commission*

(d) 'chain of custody or supply chain traceability system' means a **record of** the sequence of entities which have custody of **minerals and metals** as they move through **a** supply chain;

*Amendment*

(d) 'chain of custody or supply chain traceability system' means a **system to identify and record** the sequence of entities which have custody of **resources** as they move through **the** supply chain;

Or. en

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## **Amendment 36**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Anne-Marie Mineur, Helmut Scholz, Ignazio Corrao, Fabio Massimo Castaldo, Kostas Chrysogonos, Sabine Lösing, Louis Michel**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point d a (new)**

*Text proposed by the Commission*

*Amendment*

*(d a) 'risk management plan' means an operator's written responses to the supply chain risks identified under Article 5 in accordance with its supply chain policy;*

Or. en

*Justification*

*Changes reflect the broader company scope and the meaning of 'risk management plan' used in the OECD Guidance (see 3T Supplement, Step 3, B.)*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 37**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Ignazio Corrao, Anne-Marie Mineur, Fabio Massimo Castaldo, Sabine Lösing, Kostas Chrysogonos, Patrizia Toia, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point e**

*Text proposed by the Commission*

(e) 'conflict-affected and high-risk areas' means areas *in a state* of armed conflict, *fragile post-conflict as well as areas witnessing weak or non-existent governance and security, such as failed states, and widespread and systematic violations of international law, including human rights abuses;*

*Amendment*

(e) *(e)* 'conflict-affected and high-risk areas' means areas *identified by the presence* of armed conflict, *widespread violence or other risks of harm to people and, for these purposes, it is recognized that:*

*(i) armed conflict may take a variety of forms, such as a conflict of international or non-international character, which may involve two or more states, or may consist of wars of liberation, or insurgencies, civil wars, etc; and*

*(ii) high--risk areas may include areas of political instability or repression, institutional weakness, insecurity, collapse of civil infrastructure and widespread violence, both of which areas*



*are often characterized by widespread human rights abuses and violations of national or international law;*

Or. en

*Justification*

*For consistency with international standards, changes reflect the definition of 'conflict-affected and high-risk areas' used in the OECD Due Diligence Guidance.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 38**

**Judith Sargentini, Seb Dance, Helmut Scholz, Ignazio Corrao, Doru-Claudian Frunzuliță, Anne-Marie Mineur, Fabio Massimo Castaldo, Sabine Lösing, Kostas Chrysogonos, Norbert Neuser, Lola Sánchez Caldentey**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point f**

*Text proposed by the Commission*

*Amendment*

*(f) 'downstream' means the metal supply chain from the smelters or refiners to the end use;*

*deleted*

Or. en

## *Justification*

*This definition is redundant in light of the broader resources scope. Many minerals and other resources that fuel conflict financing and human rights abuses are not smelted or refined (eg. coal). Where appropriate, supply chain choke points such as smelters and refiners are instead referred to as: “Annex II operators”, “Annex II actors”. See comments on those definitions.*

# EUROPEAN PARLIAMENT

*Committee on Development*

29/01/2015

## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 39**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point g**

*Text proposed by the Commission*

*Amendment*

*(g) 'importer' means any natural or legal person declaring minerals or metals within the scope of this Regulation for release for free circulation within the meaning of Article 79 of Council Regulation (EEC) No 2913/1992<sup>13</sup> ;*

*deleted*

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<sup>13</sup> Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code (OJ L 302, 19.10.1992, p. 1).

Or. en

## *Justification*

*This definition is no longer needed due to the introduction and use of the terms 'operator' and 'placing on the market'. These two terms jointly effectively replace the concept of the 'importer' for being the triggering point of the obligations contained in this Regulation.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 40**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Sabine Lösing, Anne-Marie Mineur, Kostas Chrysogonos, Ignazio Corrao, Fabio Massimo Castaldo**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point h**

*Text proposed by the Commission*

*Amendment*

*(h) 'responsible importer' means any importer who chooses to self-certify according to the rules set out in this Regulation;*

*deleted*

Or. en

*Justification*

*The concepts of a 'responsible importer' and 'self-certification' are redundant if companies are subject to mandatory requirements.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 41**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Doru-Claudian Frunzulică, Anne-Marie Mineur, Helmut Scholz, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Kostas Chrysogonos**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point i**

*Text proposed by the Commission*

*Amendment*

*(i) 'self-certification' means the act of declaring one's adherence to the obligations relating to management systems, risk management, third-party audits and disclosure as set out in this Regulation;*

*deleted*

Or. en

*Justification*

*The definition of self-certification is now redundant.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 42**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Kostas Chrysogonos, Sabine Lösing, Anne-Marie Mineur, Fabio Massimo Castaldo, Ignazio Corrao, Helmut Scholz**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point j**

*Text proposed by the Commission*

(j) 'grievance mechanism' means an early-warning risk awareness mechanism allowing any interested party or whistleblower to voice concerns regarding the circumstances of ***mineral extraction***, trade, handling and export in conflict-affected and high-risk areas;

*Amendment*

(j) 'grievance mechanism' means an early-warning risk awareness mechanism allowing any interested party or whistleblower to voice concerns regarding the circumstances of ***resource sourcing***, trade, handling and export ***in respect of resources originating*** in conflict-affected and high-risk areas;

Or. en

*Justification*

*Changes reflect the broader resources scope of the Regulation.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 43**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Kostas Chrysogonos, Lola Sánchez Caldentey, Sabine Lösing, Helmut Scholz, Fabio Massimo Castaldo, Anne-Marie Mineur, Ignazio Corrao**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point j a (new)**

*Text proposed by the Commission*

*Amendment*

***(j a) 'Annex II operator' refers to any operator of the type identified in Annex II;***

Or. en

## *Justification*

*The Proposal only focuses on smelters and refiners. To ensure that the supply chain due diligence obligations contained in this Regulation can also effectively apply to supply chains with choke points other than smelters and refiners, it is necessary that new choke point operators can be added, as they become available. For that reason this amendment refers to a list of them into an Annex (Annex II) and calls them Annex II operators.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 44**

**Judith Sargentini, Seb Dance, Doru-Claudian Frunzuliță, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Kostas Chrysogonos**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point j b (new)**

*Text proposed by the Commission*

*Amendment*

***(j b) 'Annex II actor' refers to any natural or legal person of the type identified in Annex II;***

Or. en

## *Justification*

*This definition groups together all persons that act as choke points in the supply chains of covered resources. It includes global smelters, refiners and other supply chain choke points listed in Annex II. It differs from 'Annex II operators'. The definition ensures that certain downstream obligations concern all global Annex II actors. These obligations call for the identification of all Annex II actors globally, not only those based in the EU.*



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Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 45**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Sabine Lösing, Anne-Marie Mineur, Ignazio Corrao, Fabio Massimo Castaldo, Kostas Chrysogonos**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point j c (new)**

*Text proposed by the Commission*

*Amendment*

*(j c) 'responsible Annex II actor' refers to any Annex II actor that complies with this Regulation or the OECD Due Diligence Guidance and has submitted audited reports as set out in Article 6 to a member state authority in accordance with Article 7 (3) or 7 (7);*

Or. en

*Justification*

*All references to 'responsible smelters or refiners' have been replaced with 'responsible Annex II actor[s]'. See comments on 'responsible Annex II actor' and Article 8 below.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 46**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Sabine Lösing, Helmut Scholz, Kostas Chrysogonos, Anne-Marie Mineur, Fabio Massimo Castaldo, Ignazio Corrao, Patrizia Toia**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point j d (new)**

*Text proposed by the Commission*

*Amendment*

*(j d) 'business confidentiality and other competitiveness concerns' means price information and supplier relationships without prejudice to subsequent evolving interpretation.*

Or. en

*Justification*

*This term should be defined to avoid uncertainty. The definition used is the definition in the OECD Due Diligence Guidance.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 47**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Anne-Marie Mineur, Sabine Lösing, Kostas Chrysogonos, Ignazio Corrao, Fabio Massimo Castaldo, Helmut Scholz**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point k**

*Text proposed by the Commission*

*Amendment*

*(k) 'model supply chain policy' conforms to Annex II of the OECD Due Diligence Guidance outlining the risks of significant adverse impacts which may be associated with the extraction, trade, handling and export of minerals from conflict-affected and high risk areas;*

*deleted*

Or. en

*Justification*

*due to change of order*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 48**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Anne-Marie Mineur, Kostas Chrysogonos, Helmut Scholz, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point 1**

*Text proposed by the Commission*

*Amendment*

*(1) 'risk management plan' means the importers' written response to the identified supply chain risks based on Annex III to the OECD Due Diligence Guidance<sup>14</sup> ;*

*deleted*

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<sup>14</sup> *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Second Edition, OECD Publishing (OECD (2013), <http://dx.doi.org/10.1787/9789264185050-en>.*

Or. en

*Justification*

*Due to change of order*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 49**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao, Doru-Claudian Frunzulică**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point n**

*Text proposed by the Commission*

*Amendment*

*(n) 'upstream' means the mineral supply chain from the extraction sites to the smelters or refiners, included;*      *deleted*

Or. en

## *Justification*

*This definition is redundant in light of the broader resources scope. Many minerals and other resources that fuel conflict financing and human rights abuses are not smelted or refined (eg. coal). Where appropriate, supply chain choke points such as smelters and refiners are instead referred to as: “Annex II operators”, “Annex II actors”.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 50**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Doru-Claudian Frunzuliță, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

**Article 2 – paragraph 1 – point q**

*Text proposed by the Commission*

(q) 'Member State competent authorities' means the designated one or more authorities with auditing competences and knowledge as regards raw materials and industrial processes.

*Amendment*

(q) 'Member State competent authorities' means the designated one or more authorities with auditing ***and investigation*** competences and knowledge as regards raw materials and industrial processes.

Or. en

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 51**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Kostas Chrysogonos**

**Proposal for a regulation**

**Article 3 – title**

*Text proposed by the Commission*

*Amendment*

*Self-certification as a responsible importer*

*Operator obligations*

Or. en

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 52**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Ignazio Corrao, Sabine Lösing, Kostas Chrysogonos, Fabio Massimo Castaldo, Patrizia Toia**

**Proposal for a regulation**  
**Article 3 – paragraph 1**

*Text proposed by the Commission*

*1. Any importer of minerals or metals within the scope of the Regulation may self-certify as responsible importer by declaring to a Member State competent authority that it adheres to the supply chain due diligence obligations set out in this Regulation. The declaration shall contain documentation in which the importer confirms its adherence to the obligations including results of the independent third-party audits carried out.*

*Amendment*

*1. In accordance with the OECD Guidance, operators shall take all reasonable steps and make good faith efforts to conduct their due diligence obligations pursuant to Article 4 and 5. Each operator shall ensure that they make progressive, measurable and timely improvement in complying with its obligations. The nature and extent of specific due diligence that is appropriate depends on individual circumstances and is affected by factors such as an operator's position in the supply chain, the size of the operator, the location of the operator's activities, the situation in a particular country, the sector and nature of the products or services involved.*

Or. en



### *Justification*

*New paragraph 1 reflects the language set out in the OECD Due Diligence Guidance, including the expectation that companies make measurable and progressive improvement in carrying out due diligence.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 53**

**Judith Sargentini, Seb Dance, Doru-Claudian Frunzuliță, Norbert Neuser, Lola Sánchez Caldentey, Anne-Marie Mineur, Ignazio Corrao, Sabine Lösing, Kostas Chrysogonos, Fabio Massimo Castaldo, Helmut Scholz**

**Proposal for a regulation**  
**Article 3 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

*2. The Member State competent authorities shall carry out appropriate ex-post checks in order to ensure that self-certified responsible importers of the minerals or metals within the scope of this Regulation comply with their obligations pursuant to Articles 4, 5, 6, and 7 of this Regulation.*

*deleted*

Or. en

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 54**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

**Article 4 – paragraph 1 – introductory part**

*Text proposed by the Commission*

***The responsible importer of the minerals or metals within the scope of this Regulation shall:***

*Amendment*

***Each operator shall, in accordance with the OECD Due Diligence Guidance:***

Or. en

*Justification*

*The reference to “operator” reflects the broader company scope. The words “in accordance with the OECD Due Diligence Guidance” are necessary to ensure that the detail set out in the Guidance is incorporated into the Regulation, and that operators comply with the standards in the Guidance.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 55**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao, Doru-Claudian Frunzulică, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 4 – paragraph 1 – point a**

*Text proposed by the Commission*

(a) adopt and clearly communicate to suppliers and the public its supply chain policy for *the minerals and metals* potentially originating from conflict-affected and high-risk areas,

*Amendment*

(a) adopt and clearly communicate to suppliers and the public its supply chain policy for *covered resources* potentially originating from conflict-affected and high-risk areas,

Or. en

*Justification*

*Change reflects the broader resources scope. See the definition of ‘covered resources’ above.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 56**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Anne-Marie Mineur, Helmut Scholz, Kostas Chrysogonos, Ignazio Corrao, Fabio Massimo Castaldo, Sabine Lösing**

## **Proposal for a regulation**

**Article 4 – paragraph 1 – point b**

*Text proposed by the Commission*

(b) incorporate in its supply chain policy the standards against which supply chain due diligence is to be conducted consistent with the standards set forth in the model supply chain policy *in Annex II to the OECD Due Diligence Guidance,*

*Amendment*

(b) incorporate in its supply chain policy the standards against which supply chain due diligence is to be conducted consistent with the standards set forth in the model supply chain policy

Or. en

*Justification*

*See the amended definition of ‘model supply chain policy’. The reference to Annex II of the OECD Guidance is now redundant.*

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Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 57**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Sabine Lösing, Doru-Claudian Frunzuliță, Kostas Chrysogonos, Ignazio Corrao, Fabio Massimo Castaldo**

## **Proposal for a regulation**

**Article 4 – paragraph 1 – point c**

*Text proposed by the Commission*

(c) structure its internal management systems to support supply chain due diligence by assigning responsibility to senior staff to oversee the supply chain due diligence process as well as maintain records for a minimum of 5 years,

*Amendment*

(c) structure its internal management systems to support supply chain due diligence, *inter alia*, by assigning responsibility to senior staff to oversee the supply chain due diligence process as well as maintain records for a minimum of 5 years,

Or. en

*Justification*

*The words “inter alia” are included to ensure that the detail in the OECD Guidance is incorporated. Companies are expected to structure their internal management systems in other ways, and not only by assigning responsibility to senior staff. For example, see the Supplement on Tin, Tantalum and Tungsten, Step1.B. (page 45).*

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Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 58**

**Judith Sargentini, Seb Dance, Norbert Neuser, Sabine Lösing, Doru-Claudian Frunzuliță, Fabio Massimo Castaldo, Kostas Chrysogonos, Anne-Marie Mineur, Helmut Scholz, Ignazio Corrao, Lola Sánchez Caldentey**

## **Proposal for a regulation**

**Article 4 – paragraph 1 – point c a (new)**

*Text proposed by the Commission*

*Amendment*

*(c a) establish a system of controls and transparency over the resources supply chain, including the identification of Annex II actors in the supply chain, which may be implemented through participation in industry-driven programmes,*

Or. en

*Justification*

*See the definition of 'model supply chain policy' in Article 2.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 59**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Sabine Lösing, Kostas Chrysogonos, Anne-Marie Mineur, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

**Article 4 – paragraph 1 – point d**

*Text proposed by the Commission*

(d) strengthen its engagement with suppliers by incorporating its supply chain policy into contracts and agreements with suppliers consistent with *Annex II to the OECD Due Diligence Guidance*,

*Amendment*

(d) strengthen its engagement with suppliers, *inter alia*, by incorporating its supply chain policy into contracts and agreements with suppliers consistent with *the model supply chain policy*,

Or. en



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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 60**

**Judith Sargentini, Seb Dance, Norbert Neuser, Anne-Marie Mineur, Lola Sánchez Caldentey, Helmut Scholz, Kostas Chrysogonos, Doru-Claudian Frunzulică, Ignazio Corrao, Fabio Massimo Castaldo, Sabine Lösing**

## **Proposal for a regulation**

**Article 4 – paragraph 1 – point e**

*Text proposed by the Commission*

(e) establish a company-level grievance mechanism as an early-warning risk-awareness system *or provide such mechanism through collaborative arrangements with other companies or organisations, or by facilitating recourse to an external expert or body (e.g. ombudsman),*

*Amendment*

(e) establish a company-level, *or industry-wide*, grievance mechanism as an early-warning risk-awareness system,

Or. en

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 61**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Fabio Massimo Castaldo, Ignazio Corrao, Sabine Lösing, Kostas Chrysogonos**

## **Proposal for a regulation**

**Article 4 – paragraph 1 – point f**

*Text proposed by the Commission*

*Amendment*

*(f) as regards minerals, operate a chain of custody or supply chain traceability system that provides, supported by documentation, the following information:*

*deleted*

*(i) description of the mineral, including its trade name and type,*

*(ii) name and address of the supplier to the importer,*

*(iii) country of origin of the minerals,*

*(iv) quantities and dates of extraction, expressed in volume or weight,*

*(v) when minerals originate from conflict-affected and high-risk areas, additional information, such as the mine of mineral origin; locations where minerals are consolidated, traded and processed; and taxes, fees, royalties paid, in accordance with the specific recommendations for*

*upstream companies as set out in the  
OECD Due Diligence Guidance.*

Or. en

*Justification*

*Due to change of ordering. See next paragraph.*

# EUROPEAN PARLIAMENT

*Committee on Development*

29/01/2015

## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 62**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Sabine Lösing, Kostas Chrysogonos, Doru-Claudian Frunzulică, Ignazio Corrao, Fabio Massimo Castaldo**

## **Proposal for a regulation**

**Article 4 – paragraph 1 – point g**

*Text proposed by the Commission*

*Amendment*

*(g) as regards metals, operate a chain of custody or supply chain traceability system that provides, supported by documentation, the following information:*

*deleted*

*(i) description of the metal, including its trade name and type,*

*(ii) name and address of the supplier to the importer,*

*(iii) name and address of the smelters or refiners in the importers' supply chain,*

*(iv) record of the smelters' or refiners' third-party audit reports,*

*(v) countries of origin of the minerals in the smelters' or refiners' supply chain.*

*(vi) when metals are based on minerals originating from conflict-affected and high-risk areas, additional information shall be provided in accordance with the*

*specific recommendations for downstream companies set out in the OECD Due Diligence Guidance.*

Or. en

*Justification*

*No longer required as the amended subparagraph f now addresses both issues together, in accordance with the OECD Guidance.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 63**

**Judith Sargentini, Seb Dance, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Norbert Neuser, Fabio Massimo Castaldo, Kostas Chrysogonos, Ignazio Corrao, Sabine Lösing**

## **Proposal for a regulation**

**Article 4 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

*In addition to the obligations set out in paragraph 1, Annex II type operators, shall operate a chain of custody or supply chain traceability system that provides, supported by documentation, the following information:*

- (i) description of the resource including its trade name and type,*
- (ii) name and address of the supplier to the Annex II actors,*
- (iii) country of origin of the resource,*
- (iv) quantities and dates of extraction, expressed in volume or weight,*
- (v) when resources originate from conflict-affected and high-risk areas listed in Annex V, additional information, such as extraction site; locations where resources are consolidated, traded and processed; and taxes, fees, royalties*

*paid, in accordance with the OECD Due Diligence Guidance.*

Or. en

*Justification*

*The changes to this paragraph reflect the broader company and resources scope, and ensure that the obligations listed in subparagraphs (i) to (v) apply to all smelters, refiners and other operators that can act as supply chain choke points identified in Annex II.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 64**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Anne-Marie Mineur, Helmut Scholz, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

**Article 4 – paragraph 1 b (new)**

*Text proposed by the Commission*

*Amendment*

*Where an operator can reasonably conclude that covered products are derived only from recycled resources, it shall:*

*(a) publicly disclose their determination; and*

*(b) describe in reasonable detail the due diligence measures they exercised in making that determination.*

Or. en

*Justification*

*See definition on recycled materials contained in Article 2.*



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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 65**

**Judith Sargentini, Seb Dance, Norbert Neuser, Helmut Scholz, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Kostas Chrysogonos, Sabine Lösing, Anne-Marie Mineur, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

**Article 5 – paragraph 1 – introductory part**

*Text proposed by the Commission*

**1. The responsible importer of the minerals or metals within the scope of this Regulation shall:**

*Amendment*

**1. Each operator shall, in accordance with the OECD Due Diligence Guidance, identify and assess the risks in its resources supply chain in accordance with Article 4, and:**

Or. en

*Justification*

*The reference to the ‘responsible importer of the minerals or metals’ at the top of paragraph 1 has been replaced by ‘Each operator’. This extends the obligations listed in subparagraphs (i) to (iv) to all ‘operators’, reflecting the broader company scope. All other changes reflect the language in the OECD Due Diligence Guidance.*

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**Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

**Amendment 66**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Sabine Lösing, Kostas Chrysogonos, Anne-Marie Mineur, Ignazio Corrao, Doru-Claudian Frunzulică, Fabio Massimo Castaldo, Helmut Scholz**

**Proposal for a regulation**

**Article 5 – paragraph 1 – point a**

*Text proposed by the Commission*

*Amendment*

*(a) identify and assess the risks of adverse impacts in its mineral supply chain on the basis of the information provided pursuant to Article 4 against the standards of its supply chain policy, consistent with Annex II and the due diligence recommendations of the OECD Due Diligence Guidance,*

*deleted*

Or. en

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## **Bogdan Brunon Wenta**

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 67**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Doru-Claudian Frunzuliță, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 5 – paragraph 1 – point b – introductory part**

*Text proposed by the Commission*

(b) implement a strategy to respond to the identified risks *designed so as to prevent or mitigate adverse impacts by*

*Amendment*

(b) implement a strategy to respond to the identified risks, *in accordance with the OECD Due Diligence Guidance, including by,*

Or. en

*Justification*

*To reflect the language in the OECD Due Diligence Guidance.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 68**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Sabine Lösing, Kostas Chrysogonos, Ignazio Corrao, Fabio Massimo Castaldo, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 5 – paragraph 1 – point b – point i**

*Text proposed by the Commission*

(i) reporting findings of the supply chain risk assessment to its designated senior management,

*Amendment*

(i) reporting findings of the supply chain risk assessment to its designated senior management *of the operator*,

Or. en

*Justification*

*To reflect the language in the OECD Due Diligence Guidance.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 69**

**Judith Sargentini, Seb Dance, Norbert Neuser, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Lola Sánchez Caldentey, Fabio Massimo Castaldo, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 5 – paragraph 1 – point b – point ii – introductory part**

*Text proposed by the Commission*

(ii) *adopting risk management measures consistent with Annex II and the due diligence recommendations of the OECD Due Diligence Guidance*, considering its ability to influence, and where necessary take steps to **put pressure** on suppliers who can most effectively prevent or mitigate the identified risk, by making it possible either to

*Amendment*

(ii) *devising and adopting a risk management plan*, considering its ability to influence, and where necessary take steps to **build leverage** on suppliers who can most effectively prevent or mitigate the identified risk, by making it possible either to

Or. en

*Justification*

*To reflect the language in the OECD Due Diligence Guidance.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 70**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Anne-Marie Mineur, Helmut Scholz, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao, Doru-Claudian Frunzulică, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 5 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***1 a. Each operator other than an Annex II operator shall identify and assess the risks in its resources supply chain in accordance with paragraph 1 by:***

***(a) identifying, to its best efforts, the Annex II actors in its resources supply chain;***

***(b) assessing, to its best efforts, the due diligence practices of those Annex II actors identified under paragraph 2(a) above on the basis of any available audited reports and/or, as appropriate, other relevant information;***

Or. en

## *Justification*

*This amendment aims to qualify how risk identification and assessment may be conducted by operators further down in the supply chain, which is particularly relevant for SMEs. The amendment ensures that for smaller companies who are not Annex II operators, due diligence*

*under Article 5 may be conducted by obtaining audited reports from the identified choke points, as they are available, and to check these. For larger companies it would be appropriate to also use other information.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 71**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Doru-Claudian Frunzuliță, Ignazio Corrao**

## **Proposal for a regulation**

### **Article 5 – paragraph 2**

*Text proposed by the Commission*

2. *If a responsible importer* pursues risk mitigation efforts while continuing trade or temporarily suspending trade, it shall consult with suppliers and affected stakeholders, including local and central government authorities, international or civil society organisations and affected third parties, and agree on a strategy for measurable risk mitigation in the risk management plan.

*Amendment*

2. *If an Annex II operator* pursues risk mitigation efforts while continuing trade or temporarily suspending trade, it shall, ***in accordance with the OECD Due Diligence Guidance***, consult with suppliers and affected stakeholders, including local and central government authorities, international or civil society organisations and affected third parties, and agree on a strategy for measurable risk mitigation in the risk management plan.

Or. en

*Justification*

*The change restricts this obligation to smelters, refiners and other choke points identified by the Commission ('Annex II operators'). The obligations for Annex II operators are substantially wider than those for other operators which reflects their position in the supply chain and their ability to conduct due diligence up to the sourcing site. Reference to the OECD Due Diligence Guidance requires the operator to consult the entities listed, and agree on a strategy for risk mitigation.*





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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 72**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Kostas Chrysogonos, Anne-Marie Mineur, Helmut Scholz, Fabio Massimo Castaldo, Ignazio Corrao, Doru-Claudian Frunzuliță, Sabine Lösing, Enrique Guerrero Salom**

**Proposal for a regulation**  
**Article 5 – paragraph 3**

*Text proposed by the Commission*

3. **A responsible importer** shall, in order to design conflict and high-risk sensitive strategies for mitigation in the risk management plan, **rely** on the measures and indicators under Annex III of the OECD Due Diligence Guidance and measure progressive improvement.

*Amendment*

3. **Each Annex II operator** shall, in order to design conflict and high-risk sensitive strategies for mitigation in the risk management plan, **draw** on the measures and indicators under Annex III of the OECD Due Diligence Guidance and measure progressive improvement **in accordance with the OECD Due Diligence Guidance**.

Or. en

*Justification*

*As above. Changes reflect the OECD Guidance and the change in company scope. These obligations are now limited to smelters, refiners and other choke points identified by the Commission (see the definition of Annex II operator).*

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Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 73**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Doru-Claudian Frunzulică, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 5 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

***3 a. If an operator other than an Annex II operator pursues risk mitigation efforts while continuing trade or temporarily suspending trade it shall, as appropriate and in accordance with the OECD Due Diligence Guidance, consult with suppliers and affected stakeholders, including local and central government authorities, international or civil society organisations and affected third parties, and agree on a strategy for measurable risk mitigation in the risk management plan.***

Or. en

## *Justification*

*This new paragraph sets out downstream operator relevant obligations that correspond to the Annex II operator specific obligations contained in paragraphs 5 and 6. The separation of those obligations reflects the different expectations for downstream and upstream due diligence in the OECD Due Diligence Guidance. The requirement which further specifies that these requirements*

*only apply to operators of large size and with sufficient leverage over the upstream supply chain, as it would be appropriate for them to conduct these actions. The additional reference to 'as appropriate' ensures that these requirements would not apply to smaller companies or those with no leverage over the upstream supply chain due diligence.*

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## **Bogdan Brunon Wenta**

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 74**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Sabine Lösing, Doru-Claudian Frunzuliță, Kostas Chrysogonos, Ignazio Corrao, Fabio Massimo Castaldo, Enrique Guerrero Salom**

## **Proposal for a regulation**

### **Article 6 – paragraph 1**

*Text proposed by the Commission*

*The responsible importer of the minerals or metals within the scope of this Regulation shall carry out audits via an independent third-party.*

*Amendment*

*Annex II operators shall have their due diligence practices audited by an independent third-party in accordance with the OECD Due Diligence Guidance.*

Or. en

*Justification*

*Reflects broader company scope, and differentiated auditing requirements, as per OECD Guidance. Not all covered operators must conduct third-party audits. This is a requirement only on choke points as designated in Annex II. It also ensures that smaller companies which are now included in the scope of the Regulation are nonetheless not subject to the auditing requirements unless they are Annex II operators, i.e. smelters and refiners.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 75**

**Judith Sargentini, Seb Dance, Norbert Neuser, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Sabine Lösing, Kostas Chrysogonos, Ignazio Corrao, Fabio Massimo Castaldo, Lola Sánchez Caldentey, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 6 – paragraph 2 – introductory part**

*Text proposed by the Commission*

The independent third-party audit shall

*Amendment*

***In accordance with Article 6.1 and the OECD Due Diligence Guidance, the independent third-party audit shall:***

Or. en

*Justification*

*This ensures that all audits are to the standard and specifications outlined in OECD Guidance.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 76**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Doru-Claudian Frunzulică, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Helmut Scholz**

## **Proposal for a regulation**

**Article 6 – paragraph 2 – point a**

*Text proposed by the Commission*

(a) include in the audit scope all of the ***responsible importer's*** activities, processes and systems used to implement supply chain due diligence regarding ***minerals or metals within the scope of the Regulation***, including the ***responsible importer's*** management system, risk management, and disclosure of information,

*Amendment*

(a) include in the audit scope all of the ***operator's*** activities, processes and systems used to implement supply chain due diligence regarding ***covered resources***, including the ***operator's*** management system, risk management, and disclosure of information,

Or. en

*Justification*

*Reflects broader company scope and broader material scope, as above.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 77**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Doru-Claudian Frunzuliță, Sabine Lösing, Kostas Chrysogonos, Anne-Marie Mineur, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

**Article 6 – paragraph 2 – point b**

*Text proposed by the Commission*

(b) determine as the objective of the audit the conformity of the **responsible importer's** supply chain due diligence practices with Articles 4, 5 and 7 of this Regulation,

*Amendment*

(b) determine as the objective of the audit the conformity of the **operator's** supply chain due diligence practices with Articles 4, 5 and 7 of this Regulation,

Or. en

*Justification*

*Reflects broader company scope, as above.*



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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 78**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Doru-Claudian Frunzulică**

## **Proposal for a regulation**

**Article 6 – paragraph 2 – point c**

*Text proposed by the Commission*

(c) respect the audit principles of independence, competence and accountability as set out in the OECD Due Diligence Guidance.

*Amendment*

(c) respect the audit principles of independence, competence and accountability ***and any applicable audit scope, criteria and activities***, as set out in the OECD Due Diligence Guidance.

Or. en

*Justification*

*This ensures that all audits are to the standard and specifications outlined in OECD Guidance.*

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**Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

**Amendment 79**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Enrique Guerrero Salom**

**Proposal for a regulation**

**Article 6 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***All operators may cooperate through their industry organizations to ensure that the independent third-party audit is carried out in accordance with paragraph 2.***

Or. en

*Justification*

*Relevant operators may cooperate with industry organisations in order to carry out third party audits, as per OECD Guidance.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 80**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Sabine Lösing, Kostas Chrysogonos, Enrique Guerrero Salom, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

**Article 7 – paragraph 1 – introductory part**

*Text proposed by the Commission*

1. By 31 March of each year at the latest, ***the responsible importer of minerals or metals within the scope of this Regulation*** shall submit to the Member State competent authority the following documentation covering the previous year's calendar period:

*Amendment*

1. By 31 March of each year at the latest, ***all operators*** shall submit to the Member State competent authority the following documentation covering the previous year's calendar period:

Or. en

*Justification*

*Change reflects the broader company scope. See the definition of 'operator' above.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 81**

**Judith Sargentini, Seb Dance, Norbert Neuser, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Sabine Lösing, Kostas Chrysogonos, Fabio Massimo Castaldo, Ignazio Corrao, Lola Sánchez Caldentey**

## **Proposal for a regulation**

**Article 7 – paragraph 1 – point c**

*Text proposed by the Commission*

*Amendment*

*(c) independent third-party audits carried out in accordance with Article 6 of this Regulation.*                      *deleted*

Or. en

## *Justification*

*This change reflects the broader company scope of the amended regulation. With a broader company scope, not all covered operators are required to carry out independent third-party audits. This is a requirement only on those operators designated in Annex II, as reflected in amendments to Article 6 above.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 82**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Anne-Marie Mineur, Helmut Scholz, Kostas Chrysogonos, Sabine Lösing, Doru-Claudian Frunzulică, Enrique Guerrero Salom, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

### **Article 7 – paragraph 2**

*Text proposed by the Commission*

2. By 31 March of each year at the latest, ***the responsible importer of minerals within the scope of this Regulation*** shall submit to the Member State competent authority ***the*** documentation covering the previous year's calendar period ***as regards the proportion of minerals originating from conflict-affected and high-risk areas relative to the total amount of minerals purchased, as confirmed by independent third-party audits in accordance with Article 6 of this Regulation.***

*Amendment*

2. By 31 March of each year at the latest, ***operators other than Annex II operators*** shall ***also*** submit to the Member State competent authority ***management reports containing the following*** documentation covering the previous year's calendar period:

Or. en

*Justification*

*Justification* With a broader company scope, the reporting obligations of operators differ depending on their positions in the supply chain. As per OECD Guidance, designated choke points, listed in Annex II, are subject to additional reporting requirements in the form of third party audits. The reporting requirements in this article, on the other hand, apply to other operators. These requirements reflect those set out in OECD Guidance:



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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 83**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Doru-Claudian Frunzulică, Sabine Lösing, Kostas Chrysogonos, Helmut Scholz, Fabio Massimo Castaldo, Ignazio Corrao, Anne-Marie Mineur, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 7 – paragraph 2 – point a (new)**

*Text proposed by the Commission*

*Amendment*

***(a) The operator's supply chain due diligence policy, including the operator's management structure responsible for its due diligence and the person directly responsible;***

Or. en

*Justification*

*Reflects the OECD's five-step framework for risk-based due diligence in the mineral supply chain, as described in Annex I of the OECD Guidance.*

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*Committee on Development*

29/01/2015

## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 84**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Anne-Marie Mineur, Helmut Scholz, Sabine Lösing, Kostas Chrysogonos, Fabio Massimo Castaldo, Ignazio Corrao, Lola Sánchez Caldentey, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 7 – paragraph 2 – point b (new)**

*Text proposed by the Commission*

*Amendment*

***(b) The operator's system of control and transparency over the resources supply chain, including the steps taken to identify upstream actors in the supply chain and to assess their due diligence practices;***

Or. en

*Justification*

*Reflects the OECD's five-step framework for risk-based due diligence in the mineral supply chain, as described in Annex I of the OECD Guidance.*



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Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 85**

**Judith Sargentini, Seb Dance, Norbert Neuser, Anne-Marie Mineur, Doru-Claudian Frunzulică, Kostas Chrysogonos, Lola Sánchez Caldentey, Fabio Massimo Castaldo, Helmut Scholz, Ignazio Corrao, Sabine Lösing, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 7 – paragraph 2 – point c (new)**

*Text proposed by the Commission*

*Amendment*

*(c) Name and address of each of the Annex II actors in its supply chain, as identified by the operator in accordance with Article 4 and 5;*

Or. en

*Justification*

*Reflects changes to Articles 4 and 5 above, and the OECD's five-step framework for risk-based due diligence in the mineral supply chain, as described in Annex I of the OECD Guidance.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 86**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Doru-Claudian Frunzuliță, Fabio Massimo Castaldo, Ignazio Corrao, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 7 – paragraph 2 – point d (new)**

*Text proposed by the Commission*

*Amendment*

***(d) Independent third-party audits regarding each of the Annex II actors in its supply chain carried out in accordance with the scope, objective and principles set out in Article 6 of the Regulation, as identified by the operator in accordance with Article 4 and 5;***

Or. en

*Justification*

*Reflects changes to Articles 4, 5, and 6, and the OECD's five-step framework for risk-based due diligence in the mineral supply chain, as described in Annex I of the OECD Guidance. Operators not listed in Annex II are not required to conduct independent third-party audits. As part of their due diligence, they are, however, required to identify all relevant choke-points in their supply chains designated in Annex II, and obtain and review the third party audits carried out on their due diligence.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 87**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Sabine Lösing, Kostas Chrysogonos, Ignazio Corrao, Fabio Massimo Castaldo, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 7 – paragraph 2 – point e (new)**

*Text proposed by the Commission*

*Amendment*

***(e) Potential or actual risks identified by the operator and action taken by the operator to manage risks during the reporting period in accordance with Article 5;***

Or. en

## *Justification*

*Reflects changes to Article 5 above, and the OECD's five-step framework for risk-based due diligence in the mineral supply chain, as described in Annex I of the OECD Guidance. It is critical that companies publicly report on the risks they have identified in their supply chains, as well as what they have done to mitigate against these. This information is crucial to the due diligence efforts of other companies, as well consumers, investors, and other parties.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 88**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Sabine Lösing, Anne-Marie Mineur, Helmut Scholz, Kostas Chrysogonos, Fabio Massimo Castaldo, Ignazio Corrao, Lola Sánchez Caldentey, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 7 – paragraph 2 – point f (new)**

*Text proposed by the Commission*

*Amendment*

***(f) Action taken by the operator to strengthen its due diligence efforts during the reporting period.***

Or. en

*Justification*

*Due diligence is an ongoing and flexible process. As such, it allows for operators to improve their due diligence processes over time. This may involve developing better systems, building leverage and relations with suppliers, and cooperating with other companies or industry schemes. It is, however, crucial, that companies are required to state clearly how they plan to make timely improvements in cases where their due diligence is found wanting.*

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Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 89**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Anne-Marie Mineur, Sabine Lösing, Kostas Chrysogonos, Doru-Claudian Frunzuliță, Helmut Scholz, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

**Article 7 – paragraph 3 – introductory part**

*Text proposed by the Commission*

3. By 31 March of each year at the latest, ***the responsible importer of metals within the scope of this Regulation*** shall submit to the Member State competent authority the following documentation covering the previous year's calendar period:

*Amendment*

3. By 31 March of each year at the latest, ***Annex II type operators*** shall ***also*** submit to the Member State competent authority the following documentation covering the previous year's calendar period:

Or. en

*Justification*

*Reflects broader company scope and differentiated reporting requirements, as above. This amendment is also essential to ensure that the proposed White List contained in Article 8 actually only covers those actors and operators that have complied with their due diligence obligations as proven by the third party audit reports.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 90**

**Judith Sargentini, Seb Dance, Norbert Neuser, Helmut Scholz, Lola Sánchez Caldentey, Doru-Claudian Frunzuliță, Sabine Lösing, Kostas Chrysogonos, Ignazio Corrao, Fabio Massimo Castaldo, Anne-Marie Mineur**

## **Proposal for a regulation**

**Article 7 – paragraph 3 – point a**

*Text proposed by the Commission*

*Amendment*

*(a) name and address of each of the responsible smelters or refiners in its supply chain,*

*deleted*

Or. en

*Justification*

*Redundant as this reporting requirement only applies to Annex II operators.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 91**

**Judith Sargentini, Seb Dance, Norbert Neuser, Anne-Marie Mineur, Helmut Scholz, Lola Sánchez Caldentey, Kostas Chrysogonos, Sabine Lösing, Doru-Claudian Frunzuliță, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

**Article 7 – paragraph 3 – point b**

*Text proposed by the Commission*

(b) independent third-party audits *regarding each of the responsible smelters or refiners in its supply chain* carried out in accordance with *the scope, objective and principles set out in* Article 6 of *the* Regulation,

*Amendment*

(b) independent third-party audits carried out in accordance with Article 6 of *this* Regulation; *and*

Or. en

*Justification*

*Reflects broader company scope and differentiated reporting requirements, as above. Annex II operators are required to carry out independent third party audits, as per Article 6 and OECD Due Diligence Guidance. OECD's five-step framework for risk-based due diligence in the mineral supply chain Step 4. It is critical that this information is part of the operator's public reporting.*

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**Bogdan Brunon Wenta**

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

**Amendment 92**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Anne-Marie Mineur, Helmut Scholz, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Doru-Claudian Frunzulică**

**Proposal for a regulation**

**Article 7 – paragraph 3 – point c**

*Text proposed by the Commission*

(c) the proportion of *minerals* originating from conflict-affected and high-risk areas relative to the total amount of *minerals* purchased *by each of those smelters or refiners, as confirmed by independent third-party audits*.

*Amendment*

(c) *information on* the proportion of *covered resources* originating from conflict-affected and high-risk areas relative to the total amount of *covered resources* purchased, *as confirmed by the independent third-party audits in accordance with Article 6 of this Regulation*.

Or. en

*Justification*

*Changes ‘minerals’ to ‘covered resources’ to reflect broader material scope, as above. Also reflects broader company scope and differentiated reporting obligations, as reflected in Article 6.*



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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 93**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Doru-Claudian Frunzuliță, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Anne-Marie Mineur, Fabio Massimo Castaldo**

**Proposal for a regulation**  
**Article 7 – paragraph 4**

*Text proposed by the Commission*

**4. *The responsible importer of minerals or metals within the scope of this Regulation*** shall make available to *its* immediate downstream purchasers all information gained and maintained pursuant to its supply chain due diligence with due regard to business confidentiality and other competitive concerns.

*Amendment*

**4. *Operators*** shall make available to *their* immediate downstream purchasers all information gained and maintained pursuant to its supply chain due diligence with due regard to business confidentiality and other competitive concerns, ***in accordance with the OECD Guidance.***

Or. en

*Justification*

*Reflects broader company scope, and ensures reporting requirements are consistent with OECD Guidance, which accommodates considerations of confidentiality and competitive concerns.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 94**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Sabine Lösing, Kostas Chrysogonos, Ignazio Corrao, Fabio Massimo Castaldo**

## **Proposal for a regulation**

### **Article 7 – paragraph 5**

*Text proposed by the Commission*

**5. The responsible importer of minerals or metals within the scope of this Regulation shall publicly report** as widely as possible, including on the internet and on an annual basis on its supply chain due diligence policies and practices for responsible sourcing. The report shall contain the steps taken by the **responsible importer** to implement the obligations as regards its management system, risk management set out in Article 4 and 5 respectively, as well as **a summary report of the third-party audits, including the name of the auditor**, with due regard to business confidentiality and other competitive concerns.

*Amendment*

**5. Operators shall publicly disclose in accordance with the OECD Due Diligence Guidance and** as widely as possible, including on the internet and on an annual basis on its supply chain due diligence policies and practices for responsible sourcing. The report shall contain the steps taken by the **operator** to implement the obligations as regards its management system, risk management set out in Article 4 and 5 respectively, as well as **any independent third-party audits of responsible Annex II actors in the operators' supply chain**, with due regard to business confidentiality and other competitive concerns.

Or. en

*Justification*

*Reflects broader company scope, and ensures reporting requirements are consistent with OECD*

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*Guidance. This includes a requirement to publish full third-party audits, as described in e.g. Step 5 A.2.1 in the 3T Supplement.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 95**

**Judith Sargentini, Seb Dance, Norbert Neuser, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Sabine Lösing, Helmut Scholz, Kostas Chrysogonos, Lola Sánchez Caldentey, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

**Article 7 – paragraph 6 a (new)**

*Text proposed by the Commission*

*Amendment*

***6 a. Responsible Annex II actors outside the territory of the European Union may, for the purpose of being included in a Member State competent authority's reports under Article 15(1) and the list referred to in Article 8, submit to that authority:***

***(a) documentation in accordance with paragraphs 1 and 3 above; and***

***(b) a written declaration of conformity with the OECD Due Diligence Guidance, also containing its name, address, full contact details and a description of its commercial activities.***

Or. en

*Justification*

*The addition opens the White List referred to in Article 8 to Annex II actors based outside the territory of the European Union. This will allow the EU to leverage its commercial weight to*

*influence the sourcing behaviour of other companies and parts of the supply chain, while facilitating due diligence for European enterprises other than Annex II operators. These companies must provide assurance that they are carrying out due diligence, as required by this regulation.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 96**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Sabine Lösing, Kostas Chrysogonos, Lola Sánchez Caldentey, Anne-Marie Mineur, Helmut Scholz, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

### **Article 8 – title**

*Text proposed by the Commission*

*Amendment*

List of responsible *smelters and refiners*

List of responsible *Annex II actors*

Or. en

### *Justification*

*At present the list is restricted to smelters and refiners. These are the relevant choke points in the supply chains of many metals. They are not, however, the relevant choke points in the supply chains of other minerals that fall within the material scope of the amended regulation. See comments on material scope above. The addition of “Annex II actors” makes it possible to designate other relevant supply chain choke points, and include these in the list.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

**Amendment 97**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Doru-Claudian Frunzuliță, Sabine Lösing, Kostas Chrysogonos, Fabio Massimo Castaldo, Ignazio Corrao, Anne-Marie Mineur, Enrique Guerrero Salom**

**Proposal for a regulation**

**Article 8 – paragraph 1**

*Text proposed by the Commission*

1. On the basis of the information provided by the Member States in their reports as referred to in Article 15, the Commission shall adopt and make publicly available a decision listing the names and addresses of responsible *smelters and refiners of minerals within the scope of this Regulation*.

*Amendment*

1. On the basis of the information provided by the Member States in their reports as referred to in Article 15, the Commission shall adopt and make publicly available a decision listing the names and addresses of responsible *Annex II actors*.

Or. en

*Justification*

*The COM list is defined as a list of all smelters and refiners in the supply chain of a responsible importer irrespective of whether or not those smelters or refiners, in or outside the EU, meet OECD Guidance standards. To make the list a genuine incentive, they should e.g. publicly report on their due diligence and make their audit available, in line with the OECD Guidance. This system should also be open to smelters/refiners that are not currently in the supply chain of European companies.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 98**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Doru-Claudian Frunzulică, Kostas Chrysogonos, Sabine Lösing, Helmut Scholz, Anne-Marie Mineur, Fabio Massimo Castaldo, Ignazio Corrao**

**Proposal for a regulation**  
**Article 8 – paragraph 2**

*Text proposed by the Commission*

2. The Commission shall identify on the list referred to in paragraph 1 those responsible *smelters and refiners* that source – at least partially – from conflict-affected and high-risk areas.

*Amendment*

2. The Commission shall identify on the list referred to in paragraph 1 those responsible *Annex II actors* that source – at least partially – from conflict-affected and high-risk areas.

Or. en

*Justification*

*Reflects broader material scope, as above.*



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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 99**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Kostas Chrysogonos, Sabine Lösing, Helmut Scholz, Anne-Marie Mineur, Fabio Massimo Castaldo, Ignazio Corrao, Doru-Claudian Frunzulică**

**Proposal for a regulation**  
**Article 8 – paragraph 3**

*Text proposed by the Commission*

3. The Commission shall adopt the list in accordance with the template in Annex **II** **and the regulatory procedure referred to in Article 13(2)**. The OECD Secretariat shall be consulted.

*Amendment*

3. The Commission shall adopt the list in accordance with the template in Annex **III**. The OECD Secretariat shall be consulted.

Or. en

*Justification*

*Renumbering of Annexes.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 100**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Kostas Chrysogonos, Sabine Lösing, Enrique Guerrero Salom, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

### **Article 8 – paragraph 4**

*Text proposed by the Commission*

4. The Commission shall update the information included in the list in a timely manner. The Commission shall remove from the list the names of ***the smelters and refiners*** that are no longer recognised as responsible ***importers*** by Member States in accordance with Article 14(3), ***or the names of the smelters and refiners in the supply chain of the no longer recognised responsible importers.***

*Amendment*

4. The Commission shall update the information included in the list in a timely manner ***but no later than every six months.*** The Commission shall remove from the list the names of ***Annex II actors*** that are no longer recognised as responsible ***Annex II actors*** by Member States in accordance with Article 14(3).

Or. en

*Justification*

*References to ‘responsible smelters and refiners’ and ‘responsible importers’ changed to “Annex II actors”, as above. These changes reflect the fact that the list now accommodates other designated choke points in other resource supply chains, and amendments designed to ensure the list does not include smelters or refiners that are not compliant with the due diligence required by this regulation, but which are in the supply chains of compliant companies.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 101**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Sabine Lösing, Kostas Chrysogonos, Fabio Massimo Castaldo, Ignazio Corrao**

**Proposal for a regulation**  
**Article 9 – paragraph 2**

*Text proposed by the Commission*

2. The Commission shall make a decision to publish, including on the internet, a list of competent authorities in accordance with the template in Annex **III and the regulatory procedure referred to in paragraph 2 of Article 13**. The Commission shall update the list regularly.

*Amendment*

2. The Commission shall make a decision to publish, including on the internet, a list of competent authorities in accordance with the template in Annex **IV**. The Commission shall update the list regularly.

Or. en

*Justification*

*Renumbering of Annexes.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

**Amendment 102**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzulică, Sabine Lösing, Kostas Chrysogonos, Ignazio Corrao, Fabio Massimo Castaldo**

**Proposal for a regulation**

**Article 10 – title**

*Text proposed by the Commission*

*Amendment*

Ex-post checks on *responsible importers*

Ex-post checks on *operators*

Or. en

*Justification*

*Change reflects the broader company scope.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 103**

**Judith Sargentini, Seb Dance, Lola Sánchez Caldentey, Norbert Neuser, Doru-Claudian Frunzuliță, Anne-Marie Mineur, Helmut Scholz, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation** **Article 10 – paragraph 1**

*Text proposed by the Commission*

1. The competent authorities of the Member States shall carry out appropriate ex-post checks in order to ensure *whether self-certified responsible importers of minerals and metals* within scope of this Regulation comply with the obligations set out in Articles 4, 5, 6 and 7.

*Amendment*

1. The competent authorities of the Member States shall carry out appropriate ex-post checks in order to ensure *that operators* within scope of this Regulation comply with the obligations set out in Articles 4, 5, 6 and 7.

Or. en

*Justification*

*Change reflects the broader company scope.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 104**

**Judith Sargentini, Seb Dance, Norbert Neuser, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Lola Sánchez Caldentey, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo**

**Proposal for a regulation**  
**Article 10 – paragraph 2**

*Text proposed by the Commission*

2. The checks referred to in paragraph 1 shall be conducted by taking a risk-based approach. In addition, checks may be conducted when a competent authority is in possession of relevant information, including on the basis of substantiated concerns provided by third parties, concerning the compliance by *a responsible importer* with this Regulation.

*Amendment*

2. The checks referred to in paragraph 1 shall be conducted by taking a risk-based approach. In addition, checks may be conducted when a competent authority is in possession of relevant information, including on the basis of substantiated concerns provided by third parties, concerning the compliance by *an operator* with this Regulation.

Or. en

*Justification*

*Change reflects the broader company scope.*

# EUROPEAN PARLIAMENT

*Committee on Development*

29/01/2015

## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 105**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Doru-Claudian Frunzuliță, Kostas Chrysogonos, Sabine Lösing, Anne-Marie Mineur, Helmut Scholz, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

**Article 10 – paragraph 3 – point a**

*Text proposed by the Commission*

(a) examination of the *responsible importer's* implementation of supply chain due diligence obligations including the management system, risk management, independent third-party audit and disclosure,

*Amendment*

(a) examination of the *operator's* implementation of supply chain due diligence obligations including the management system, risk management, independent third-party audit and disclosure,

Or. en

*Justification*

*Change reflects the broader company scope.*

# EUROPEAN PARLIAMENT

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 106**

**Judith Sargentini, Seb Dance, Norbert Neuser, Kostas Chrysogonos, Helmut Scholz, Sabine Lösing, Doru-Claudian Frunzuliță, Anne-Marie Mineur, Fabio Massimo Castaldo, Ignazio Corrao, Enrique Guerrero Salom, Lola Sánchez Caldentey**

## **Proposal for a regulation**

**Article 10 – paragraph 3 – point c a (new)**

*Text proposed by the Commission*

*Amendment*

*(c a) examination of the reporting requirements in accordance with the scope, objective and principles set out in Article 7,*

Or. en

*Justification*

*Reflects changes to the reporting requirements set out in Article 7 above*



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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

**Amendment 107**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Sabine Lösing, Kostas Chrysogonos, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Ignazio Corrao, Fabio Massimo Castaldo**

**Proposal for a regulation**  
**Article 10 – paragraph 4**

*Text proposed by the Commission*

4. **Responsible importers** shall offer all assistance necessary to facilitate the performance of the checks referred to in paragraph 1, notably as regards access to premises and the presentation of documentation and records.

*Amendment*

4. **Operators** shall offer all assistance necessary to facilitate the performance of the checks referred to in paragraph 1, notably as regards access to premises and the presentation of documentation and records.

Or. en

*Justification*

*Change reflects the broader company scope.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 108**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Doru-Claudian Frunzuliță, Kostas Chrysogonos, Anne-Marie Mineur, Sabine Lösing, Patrizia Toia, Enrique Guerrero Salom, Fabio Massimo Castaldo, Ignazio Corrao**

## **Proposal for a regulation**

**Article 10 – paragraph 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***4 a. The competent authorities of the Member States shall publish a report detailing the full findings of any ex-post checks, together with a reasonable explanation for making those findings and any documentation on which the competent authority based its findings.***

Or. en

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 109**

**Judith Sargentini, Seb Dance, Norbert Neuser, Helmut Scholz, Lola Sánchez Caldentey, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Kostas Chrysogonos**

## **Proposal for a regulation**

**Article 11 – title**

*Text proposed by the Commission*

*Amendment*

Records of checks on *responsible importers*

Records of checks on *operators*

Or. en

*Justification*

*Change reflects the broader company scope.*

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**Bogdan Brunon Wenta**

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

**Amendment 110**

**Judith Sargentini, Seb Dance, Norbert Neuser, Anne-Marie Mineur, Lola Sánchez Caldentey, Doru-Claudian Frunzuliță, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao, Helmut Scholz, Catherine Bearder**

**Proposal for a regulation**

**Article 13 – title**

*Text proposed by the Commission*

*Amendment*

*Committee procedure*

*Delegated Acts*

Or. en

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 111**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Sabine Lösing, Kostas Chrysogonos, Doru-Claudian Frunzuliță, Fabio Massimo Castaldo, Ignazio Corrao, Anne-Marie Mineur, Catherine Bearder, Enrique Guerrero Salom**

## **Proposal for a regulation Article 13 – paragraph 1**

*Text proposed by the Commission*

1. The Commission shall be *assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.*

*Amendment*

**1. 1. 1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.**

**2. The power to adopt delegated acts referred to in Article 13 bis 2 shall be conferred to the Commission for an indeterminate period of time from the date that this Regulation enters into force.**

**3. The delegation of powers referred to in Article 13 bis 2 may be revoked at any time by the European Parliament or by the Council. A decision of revocation shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts**

*already in force.*

*4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.*

*5. A delegated act adopted pursuant to Articles 13 bis2 shall enter into force only if no objection has been expressed by either the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or the Council.*

Or. en

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

**Amendment 112**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo, Doru-Claudian Frunzulică, Catherine Bearder**

**Proposal for a regulation**

**Article 13 – paragraph 2 – subparagraph 1**

*Text proposed by the Commission*

*Amendment*

*Where reference is made to this paragraph, Article 4 of Regulation (EU) No 182/2011 shall apply.*

*deleted*

Or. en

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 113**

**Judith Sargentini, Seb Dance, Norbert Neuser, Helmut Scholz, Lola Sánchez Caldentey, Doru-Claudian Frunzuliță, Sabine Lösing, Anne-Marie Mineur, Kostas Chrysogonos, Ignazio Corrao, Fabio Massimo Castaldo, Catherine Bearder, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 13 a (new)**

*Text proposed by the Commission*

*Amendment*

*Article 13 a*

### *Amending Annex I and Annex II*

- 1. The Commission shall regularly review developments with regard to the contribution of global trade in natural resources to conflict and human rights abuses and violations in conflict-affected and high-risk areas, the development of international responsible sourcing standards and the experience gained in the implementation of this Regulation. In the course of the review, the Commission shall take into account, in particular, the information obtained by the Commission under and for the purposes of Article 15 and information provided by international or civil society organisations and affected third parties.*
- 2. The Commission shall regularly review the scope of Annex I and II, in the*



*light of the information obtained pursuant to paragraph 1 so as to achieve effectively the purpose of this Regulation, as stated in Article 1. Annex I shall be reviewed with a view to expanding the list of covered resources. Annex II shall be reviewed with a view to identifying additional choke points of transformation and traceability in covered resources supply chains with a view to strengthening supply chain due diligence with regard to all Annex I resources. Such a review shall take place not less than every 6 months.*

*3. The Commission may adopt delegated acts in order to expand the list of covered resources as stated in paragraph 2.*

*4. Delegated acts adopted under this Article shall enter into force without delay and shall apply as long as no objection is expressed in accordance with paragraph 5.*

*5. The notification of a delegated act adopted under this Article to the European Parliament and to the Council shall state the reasons for the use of the urgency procedure.*

*5. Either the European Parliament or the Council may object to a delegated act in accordance with the procedure referred to in Article 13 bis<sup>1</sup>. In such a case, the Commission shall repeal the act without delay following the notification of the decision to object by the European Parliament or the Council.*

Or. en

#### *Justification*

*These amendments read in conjunction with those relating to covered resources and covered products, while keeping in mind the need for specifying the recipients of choke point due diligence obligations, effectively introduce a mechanism whereby resources and choke point actors can be added to the scope of this regulation by means of delegated acts, instead of an entire ordinary legislative procedure.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 114**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Sabine Lösing, Kostas Chrysogonos, Fabio Massimo Castaldo, Ignazio Corrao**

**Proposal for a regulation**  
**Article 14 – paragraph 2**

*Text proposed by the Commission*

2. In case of an infringement of the provisions of this Regulation, the competent authorities of Member States shall issue a notice of remedial action to be taken by the *responsible importer*.

*Amendment*

2. In case of an infringement of the provisions of this Regulation, the competent authorities of Member States shall issue a notice of remedial action to be taken by the *operator*.

Or. en

*Justification*

*The use of ‘operators’ reflects the broader company scope, and ensures that the supply chain due diligence obligations apply to all covered companies.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 115**

**Judith Sargentini, Seb Dance, Norbert Neuser, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Lola Sánchez Caldentey, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao**

**Proposal for a regulation**  
**Article 14 – paragraph 3**

*Text proposed by the Commission*

3. In case of inadequate remedial action by the **responsible importer**, the competent authority shall issue to the **importer** a notice of **non-recognition of its responsible importer certificate as regards the minerals or metals within the scope of this Regulation** and inform the Commission.

*Amendment*

3. In case of inadequate remedial action by the **operator**, the competent authority shall issue to the **operator** a notice of **non-compliance** and inform the Commission.

Or. en

*Justification*

*Change reflects the broader company scope. References to the responsible importer certificate are redundant under a mandatory regulation.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 116**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Anne-Marie Mineur, Sabine Lösing, Doru-Claudian Frunzulică, Helmut Scholz, Kostas Chrysogonos, Fabio Massimo Castaldo, Ignazio Corrao**

**Proposal for a regulation**  
**Article 15 – paragraph 1**

*Text proposed by the Commission*

1. Member States shall submit to the Commission by 30 June of each year at the latest, a report on the implementation of this Regulation during the previous calendar year, including any information on responsible *importers* as set out in Article 7(1) (a), 7.2 and 7.3 (a) and (c).

*Amendment*

1. Member States shall submit to the Commission by 30 June of each year at the latest, a report on the implementation of this Regulation during the previous calendar year, including any information on responsible *Annex II actors*, as set out in Article 7(1)(a), 7(3) (a)-(b) and 7(7) (a).

Or. en

*Justification*

*Change reflects the broader company scope. See the definition of ‘operator’ above. The addition of ‘responsible Annex II actors’ reflects amendments to reporting requirements set out in Article 7 above. See also comments on ‘responsible Annex II actor’ and Article 8 above.*

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 117**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Doru-Claudian Frunzuliță, Sabine Lösing, Kostas Chrysogonos, Anne-Marie Mineur, Fabio Massimo Castaldo, Ignazio Corrao**

**Proposal for a regulation**  
**Article 15 – paragraph 3**

*Text proposed by the Commission*

3. Three years after the entry into force of this Regulation and every six years thereafter, the Commission shall review the functioning and effectiveness of this Regulation, including on the promotion and cost of responsible sourcing of the *minerals* within its scope from conflict-affected and high-risk areas. The Commission shall submit a review report to the European Parliament and to the Council.

*Amendment*

3. Three years after the entry into force of this Regulation and every six years thereafter, the Commission shall review the functioning and effectiveness of this Regulation, including on the promotion and cost of responsible sourcing of the *resources* within its scope from conflict-affected and high-risk areas. The Commission shall submit a review report to the European Parliament and to the Council.

Or. en

*Justification*

*Change reflects the broader resources scope.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 118**

**Judith Sargentini, Seb Dance, Norbert Neuser, Doru-Claudian Frunzulică, Lola Sánchez Caldentey, Helmut Scholz, Kostas Chrysogonos, Sabine Lösing, Anne-Marie Mineur, Fabio Massimo Castaldo, Ignazio Corrao, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 15 a (new)**

*Text proposed by the Commission*

*Amendment*

*Article 15 a*

### *Accompanying measures*

**1. In order to effectively break the link between the exploitation of natural resources and conflict and to ensure their responsible sourcing, the Commission and the External Action Service shall implement accompanying measures to this Regulation aimed at the enhancement of responsible sourcing, the effective establishment of national and international due diligence frameworks and related support systems, including reliable certification and traceability systems, and the addressing of development needs linked to**

**(i) the exploitation and trade in natural resources originating from conflict-affected and high-risk areas and**

***(ii) the implementation of this Regulation, including:***

***a. Support to companies to responsibly source from conflict-affected and high risk areas providing technical and other assistance and guidance to operators, taking into account the situation of small and medium-sized enterprises and their position in the supply chain, in order to facilitate compliance with the requirements of this Regulation.***

***b. Targeted, rights-based development cooperation, particularly addressing the challenges of implementing responsible sourcing in the local context of conflict-affected and high risk areas, including poverty reduction, good governance and the security sector;***

***c. Meaningful policy dialogues on responsible sourcing with third countries and other stakeholders.***

***d. Close cooperation with the Member States, in particular complementary initiatives in the area of consumer, investor and customer information and when providing technical and other assistance according to paragraph 1 (a).***

***2. The European Commission and the European External Action Service shall, as appropriate, implement the objectives of accompanying measures through political and policy dialogues, programming, and relevant internal and external policies. Where appropriate, legislative proposals should be presented to the European Parliament and the Council.***

***3. The European Commission shall present to the European Parliament and to the Council an annual report of the accompanying measures implemented pursuant to this Article and their impact and effectiveness.***

*Justification*

*To enhance effective implementation of this regulation, and address development needs directly linked to exploitation of natural resources originating in conflict-affected and high-risk areas, accompanying measures need to be implemented. COM and EEAS shall apply and further develop an integrated EU approach to responsible sourcing as initiated in the Joint Communication "Responsible sourcing of minerals originating in conflict-affected and high-risk areas. Towards an integrated EU approach".*



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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 119**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Kostas Chrysogonos, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 16 a (new)**

*Text proposed by the Commission*

*Amendment*

*Article 16 a*

*Annex I: List of resources within the scope of the Regulation*

*Minerals*

*Metals*

*Precious stones*

*Semi-precious stones*

Or. en

*Justification*

*Change reflects the broader resources scope. See the definition of ‘covered resources’. Note that the Commission now reviews Annex I with a view to expanding the list of covered resources (see Article 13 bis 2).*

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Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 120**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Kostas Chrysogonos, Anne-Marie Mineur, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao, Doru-Claudian Frunzulică, Enrique Guerrero Salom**

## **Proposal for a regulation**

**Article 16 b (new)**

*Text proposed by the Commission*

*Amendment*

*Article 16 b*

*Annex II: List of choke points identified  
in the supply chains of covered resources*

*- 'smelters'*

*- 'refiners'*

Or. en

*Justification*

*The new Annex II is relevant to the definition of 'Annex II operators', 'Annex II actors' and 'responsible Annex II actors'. Specific obligations apply to operators that act as choke points in the relevant supply chains, including smelters and refiners.*

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**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 121**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Kostas Chrysogonos, Doru-Claudian Frunzulică, Sabine Lösing, Ignazio Corrao, Fabio Massimo Castaldo**

## **Proposal for a regulation**

**Article 16 c (new)**

*Text proposed by the Commission*

*Amendment*

*Article 16 c*

*Annex III: List of responsible Annex II actors*

*Column A: Name of Annex II actor in alphabetical order*

*Column B: Address of Annex II actor*

*Column C: Annex II category of the actor*

*Column D: (\*) indicator, if the Annex II actor engages in responsible sourcing of resources originating from conflict-affected and high-risk areas*

Or. en

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## **Bogdan Brunon Wenta**

Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas

**Proposal for a regulation** COM(2014)0111 - C7-0092/2014 – 2014/0059(COD)

## **Amendment 122**

**Judith Sargentini, Seb Dance, Norbert Neuser, Lola Sánchez Caldentey, Helmut Scholz, Anne-Marie Mineur, Doru-Claudian Frunzuliță, Sabine Lösing, Fabio Massimo Castaldo, Ignazio Corrao, Kostas Chrysogonos**

**Proposal for a regulation**  
**Article 16 d (new)**

*Text proposed by the Commission*

*Amendment*

*Article 16 d*

*Annex IV: List of Member State  
competent authorities template referred to  
in Article 9*

*Column A: Name of Member State in  
alphabetical order*

*Column B: Name of the competent  
authority*

*Column C: Address of the competent  
authority*

Or. en

*Justification*

*Change in numbering reflects additional Annex above.*