

José Manuel Barroso
President of the European Commission

March 4, 2014

Re: The EU Proposal on Conflict Minerals Due Diligence

Dear President Barroso,

I am writing with regard to a matter that I understand will be discussed by European Commissioners tomorrow (5 March), and which has only just come to my attention: namely, a legislative proposal for company reporting on their due diligence regarding conflict minerals. My interest in this matter is as the author of the UN Guiding Principles on Business and Human Rights, which were adopted unanimously by the UN Human Rights Council in 2011, at the close of my tenure as the UN Secretary-General's Special Representative on this issue.

The UN Guiding Principles are today strongly reflected in the European Commission's 2011 Communication on Corporate Social Responsibility. This articulates an expectation that "all European enterprises ... meet the corporate responsibility to respect human rights, as defined in the UN Guiding Principles" and "invites EU Member States to develop ... national plans for the implementation of the UN Guiding Principles". The Guiding Principles are also mirrored in the OECD Guidelines for Multinational Enterprises, the ISO 26000 Social Performance standard, and the Performance Standards of the International Finance Corporation, to give just a few examples.

The Guiding Principles allow that there are different forms of communication through which companies may account for how they address their human rights impacts. However, they make clear that those companies "whose operations or operating contexts pose risks of severe human rights impacts should report formally on how they address them". Where minerals or metals mined in conflict situations through forced labor, child labor and similarly abusive practices may be part of a company's value chain, this naturally becomes a relevant issue for formal reporting.

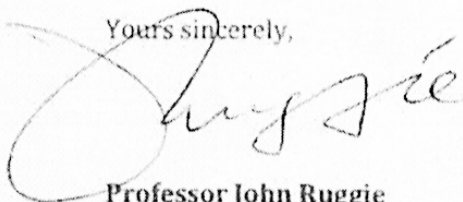
My concern is therefore that the legislative proposal before the Commission may view such reporting as merely optional. There is no doubt that reporting – not least for companies many tiers removed from the abusive practices – needs to be targeted, manageable and proportionate. The excellent work conducted through the OECD in this regard, in collaboration with industry groups and supported by EU Member States, provides well-respected guidance in this regard.

By contrast, a move to make reporting entirely optional risks leaving the most responsible companies exposed while those least attentive to their human rights responsibilities continue their current

practices undeterred. It is surely through requiring the same reporting standards across companies that the Commission can help drive improvements where they are most needed and advance corporate respect for human rights in practice. I respectfully hope the Commission will take this into account in its deliberations.

Please don't hesitate to let me know if I can assist further in any way.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'John Ruggie', written in a cursive style.

Professor John Ruggie

Chair of Shift

Berthold Beitz Professor in Human Rights and International Affairs, Harvard Kennedy School