

 <p>Council of the European Union General Secretariat</p>	
Working Party on Trade Questions	
m.d. :	47/16 REV 1
source :	NL Presidency
for :	Information
date :	14 - 04 - 2016

Revised Presidency proposal on the way forward in the trilogue on conflict minerals

From the input of Member States during the meetings of the Working Party on Trade Questions on 30 March and 12 April 2016 and input from ongoing bilateral meetings, the Presidency deduces the following principles from the side of the Council on the way forward in the trilogue on conflict minerals:

- The Council is committed to ensuring that minerals extraction and trade do not contribute to financing violent conflicts.
- The Council holds that obligations formulated in the regulation should not undermine OECD due diligence standards.
- The Council emphasizes that early experience with implementation must be properly reviewed before considering any future extension of mandatory due diligence obligations.
- The Council insists on a workable regulation to ensure effective, efficient and uniform implementation.

Bearing in mind those principles and the position taken by the Parliament in the trilogue on 5 April, the Presidency explores agreement within the following framework:

1. A mandatory Union system for supply chain due diligence limited to importers of minerals, whose annual imports exceed a certain threshold [threshold(s) to be determined on the basis of proposals by Member States].
2. A mandatory Union system for supply chain due diligence, limited to importers of metals, whose annual imports exceed a certain threshold [threshold(s) to be determined on the basis of proposals by Member States].
3. Special attention needs to be paid to the needs of SMEs subject to the regulation, for example by offering support through COSME.
4. The task of the Member State competent authorities will be restricted to risk-based ex-post checks. An economic operator shall make available the required information upon request by the relevant authority.

5. A list of conflict- and high risk areas will be developed by an expert body to facilitate operators, as well as the Member State competent authorities, in fulfilling the obligations of the regulation. The list will be regularly updated.
 6. The Council's proposals on grandfathering, recycled metals and by-products will be included in the regulation.
 7. A transition period of four years upon entry-into-force will be required to:
 - a) Recognise existing due diligence schemes, acknowledging that existing schemes may have to be adapted to the needs of the current regulation.
 - b) Provide economic operators with sufficient time to put a due diligence system in place and join recognised due diligence schemes.
 - c) Establish Member State competent authorities.
 - d) Establish the list of responsible global smelters and refiners.
 - e) Develop non-binding guidelines on ex-post checks.
-