



Ethical  
Trading  
Initiative



# Mining of metals & minerals: A rapid assessment

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# Glossary

- ▶ **Human rights due diligence (HRDD):** A process undertaken by businesses and organisations to identify, prevent, mitigate, and account for how they address their impact on human rights. HRDD is a key principle of the UN Guiding Principles on Business and Human Rights (UNGPs) and involves ongoing risk assessment, stakeholder engagement, and remedial actions.
- ▶ **Human rights risk assessment (HRRRA):** A systematic process of identifying, analysing, and evaluating potential human rights risks associated with an organisation's operations, supply chains, and business relationships. The assessment helps organisations understand their exposure to human rights violations and prioritise mitigation measures.
- ▶ **Human rights impact assessment (HRIA):** A structured approach to evaluating the actual or potential human rights impacts of an organisation's activities, policies, projects, or business relationships. An HRIA typically involves stakeholder consultation, data analysis, and recommendations for mitigating negative impacts and enhancing positive contributions to human rights.
- ▶ **Downstream companies:** Companies or entities involved in the later stages of the mining supply chain, such as processing, distribution, and manufacturing end-use products from mined materials. Downstream activities include manufacturing products from raw minerals and selling to end consumers. Example: A company that uses refined lithium inputs into battery-grade lithium for use in electric vehicle batteries or a jewellery manufacturer that uses processed gold.
- ▶ **Tier one suppliers:** These are direct suppliers of the final product.
- ▶ **Tier two suppliers:** These are suppliers or subcontractors for a company's tier one suppliers.
- ▶ **Tier three suppliers:** These are suppliers or subcontractors for a company's tier two suppliers.
- ▶ **Upstream companies:** Companies or entities engaged in the earlier stages of the mining supply chain, including exploration, extraction, and initial processing of raw materials. Upstream activities focus on locating and mining minerals or metals before they are refined or processed further. Example: A mining company that extracts iron ore from the ground or a company that conducts geological surveys to identify potential mining sites.



# 1. Introduction

A wide range of human rights and workers' rights violations have been documented in the mining industry. From land grabs and environmental degradation to forced, child and indentured labour, unsafe working conditions, exploitation and denial of freedom of association. For many years, civil society has worked to highlight these abuses and apply pressure on companies sourcing mined materials to address abuse in their supply chains, particularly where these are critical to a green transition. Regulations are also pushing companies to conduct due diligence on human rights and environmental risks in their supply chains.

As the climate crisis persists, the urgent need to develop and scale technical solutions reliant on 'critical minerals' is driving extraction. Yet a 'just' transition cannot be possible without an equitable shift to sustainable energy and technologies that ensures workers and communities affected aren't left behind.

Companies have a responsibility to identify, prevent and mitigate actual and potential human rights impacts in their supply chains under the [UN Guiding Principles](#) and [OECD Guidelines](#), by conducting HRDD. By conducting a rapid assessment of HRDD in metals and minerals industries, this research aims to identify the challenges and opportunities at play, drive action towards a just transition and inform an improved HRDD response that goes beyond compliance.

## Background and scope

This research was conducted in response to the [Ethical Trading Initiative's \(ETI\) Responsible purchasing practices in manufacturing industries \(RPP MI\)](#) initiative. Established to explore the applicability of the [Common Framework for Responsible Purchasing Practices \(CFRPP\)](#) beyond the garment and footwear sector, the RPP MI initiative promoted collaboration between companies and suppliers to identify and mitigate purchasing practices related human rights risks in their supply chain. By doing so, gaps in the effectiveness of HRDD practices among downstream companies in metals and minerals industries were also uncovered.

The initiative surveyed suppliers about the purchasing practices of participating purchasing companies, to evaluate their impact on both suppliers and workers. However, some companies struggled with this due to several limiting factors, such as weak supplier relationships, limited internal influence, minimal external leverage, and a lack of understanding of risk mitigation in higher tiers of the supply chain. These challenges were particularly evident in the renewable energy, electric vehicle, construction, steel, and outdoor furniture sectors.

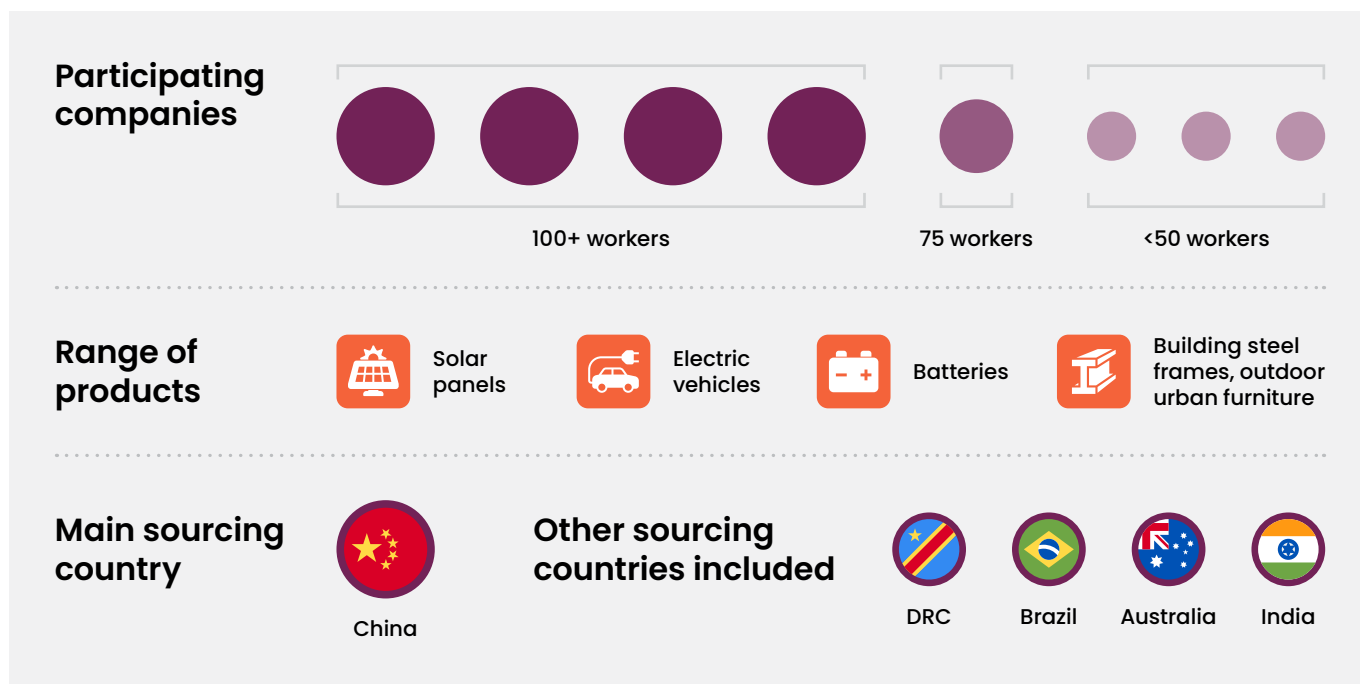


All these industries rely on mined minerals and metals, and despite an awareness that these are frequently sourced from regions with well-documented human rights risks, many companies reported challenges that hinder their ability to conduct comprehensive and meaningful supply chain due diligence. These challenges include limited supply chain visibility beyond tier one suppliers, limited perceived leverage in supplier relationships, insufficient supply chain mapping, and a lack of internal capacity to manage HRDD processes. This rapid assessment aims to advance HRDD support to these companies.

## Methodology and limitations

The scope of this rapid assessment includes eight downstream companies – which are members of either [ETI](#), [Ethical Trade Norway](#), [Ethical Trade Denmark](#) or [ETI Sweden](#) – and looks specifically at their maturity and capacity to identify and mitigate risks upstream in their supply chain. Interviews were limited to these companies and six external stakeholders. Anonymised quotes from interviewees have been included throughout. Based on this light touch approach, this research is also limited and focused on understanding **the challenges and opportunities described by downstream companies and external stakeholders in addressing upstream risks.**

This report is not intended to provide a comprehensive assessment of the industries' HRDD processes. Instead, it reviews various companies' approaches to HRDD, identifying recurring trends that warrant further exploration.



Due to the diversity in company size, product offerings, and sourcing locations the companies engaged represent varying levels of resources and capabilities available for managing upstream risks.

## 2. Context

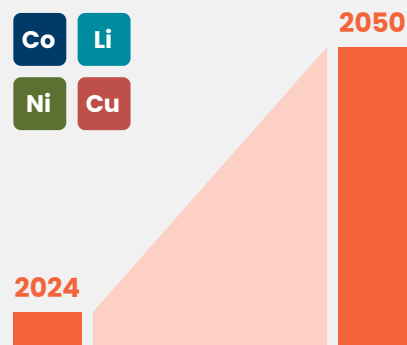
Human rights abuses in mineral mining have been under scrutiny from civil society, Indigenous communities, and global policymakers for many years. Organisations like the [Business & Human Rights Resource Centre](#) (BHRRC)<sup>1</sup> and [Amnesty International](#)<sup>2</sup> are contributing to growing pressure on businesses to adopt stronger human rights protections in mining operations. With ongoing concerns over labour rights violations, environmental degradation, and conflicts linked to mineral extraction, downstream companies are facing rising expectations to enhance their due diligence efforts and take more proactive measures to address these systemic issues in the mining sector.

HRDD is an essential mechanism for companies to manage risks related to human rights violations in their supply chains. Regulatory frameworks such as the EU [Corporate Sustainability Due Diligence Directive](#) (CSDDD) and the Norwegian Transparency Act have placed increasing obligations on businesses to uphold responsible business conduct in line with the UNGPs and OECD Guidelines. While the [EU's Omnibus proposal](#) reduces the scope and scale of European legislation, companies are being increasingly expected to proactively identify, prevent, and mitigate human rights risks, ensuring greater accountability throughout their supply chains.

In addition to regulatory pressures, the global transition to clean energy is significantly driving demand for critical metals and minerals. Governments committed to the [Paris Climate Agreement](#) are accelerating efforts to shift toward renewable energy, which has led the [International Energy Agency](#) (IEA) to project that demand for critical minerals such as lithium, cobalt, nickel, and copper will more than triple by 2030. Demand for minerals used in electric vehicle (EV) batteries alone is expected to increase nearly ninefold between 2024 and 2050. As a result, regulation for companies reliant on these materials is increasing. For example, the [EU Batteries Regulation](#) requires comprehensive supply chain due diligence to address both social and environmental risks associated with upstream mining.

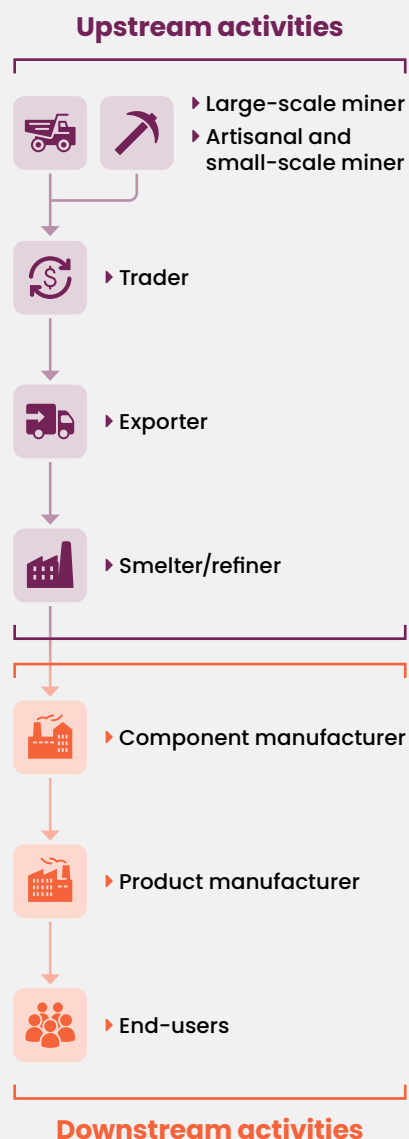
<sup>1</sup> Business and Human Rights Resource Centre, [Extractives & Transition Minerals](#).

<sup>2</sup> Amnesty International, [Time to Recharge Corporate Action and Inaction to Tackle Abuses in the Cobalt Supply Chain](#) (2017)



According to the International Energy Agency, demand for minerals for EV batteries alone will increase **approximately ninefold between 2024 and 2050**

### What is downstream and upstream?



# Integrating just transition into HRDD in mineral mining

The Paris Agreement highlights the urgency of limiting global warming to 1.5°C, requiring an 80% reduction in emissions by 2030 and full decarbonisation by 2050.

To achieve this transition depends on renewable energy, electric vehicles, and battery storage – all of which demand vast quantities of critical minerals. However, if poorly managed, this urgent shift could lead to further ecological destruction and human rights violations, exacerbating already fragile mining regions.

A [just transition](#) aims to ensure that decarbonisation does not come at the expense of vulnerable communities, vital ecosystems or workers' rights. It is both an outcome and a process. The [ILO defines](#) it as *"Greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind."*

A fairer, green economy which is inclusive and offers decent work opportunities, is the outcome. The process includes a very deliberate strategy to place 'social dialogue' with workers at its heart.<sup>3</sup>

When integrating HRDD in mineral mining, companies must:

- ▶ **Respect communities:** Including securing free, prior, and informed consent of Indigenous Peoples and local communities before initiating mining projects.
- ▶ **Protect workers:** Uphold labour rights, ensure safe working conditions, and address issues such as informal employment.
- ▶ **Local economic development:** Support alternative industries and long-term economic resilience in mining-dependent communities.

By embedding these elements into HRDD processes, companies can contribute to a fair and sustainable transition that honours both environmental goals and human rights.

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<sup>3</sup> Ethical Trading Initiative, [Just Transitions](#).





# 3. Challenges

Downstream companies face significant obstacles in ensuring supply chain due diligence, including limited supply chain visibility, inconsistent regulations, and challenges in tracing raw materials. Commercial pressures, internal company capacity constraints, and lower consumer demand for HRDD downstream further complicate efforts. This section outlines these key challenges collected through desk-based research and interviews.

## Limited transparency beyond tier one

Downstream companies typically maintain direct commercial relationships with their immediate suppliers (tier one). However, they often have little to no visibility of suppliers practices further upstream, such as tier two, tier three, and beyond – including mines, smelters, and refiners. Without direct commercial ties with these upstream entities, downstream companies face significant challenges accessing critical information about human rights risks within these operations.

This lack of transparency limits their ability to monitor and address human rights abuses, that are particularly prevalent in upstream mining operations. Without direct commercial relationships, downstream companies also have minimal leverage to influence these suppliers.

## Limited leverage over upstream mining operations

Downstream companies often have limited direct influence over upstream mining operations, particularly when they are several tiers removed from the source. Suppliers at different tiers face contractual constraints in assessing lower-tier operations, as their own leverage depends on the commercial relationship. Key opportunities – such as integrating responsible sourcing requirements during supplier onboarding – are often missed, particularly when buyers lack sufficient knowledge or capacity for HRDD. Even when human rights abuses are identified, companies may struggle to enforce meaningful changes due to limited commercial leverage. In some cases, upstream suppliers may resist transparency or improvements due to cost concerns, insufficient infrastructure, or regulatory gaps in their countries.

Ensuring human rights compliance across supply chains requires significant resources, expertise, and investment at multiple levels. Smaller upstream and downstream companies may lack the capacity to conduct thorough due diligence across their operations and entire supply chains.

**Suppliers are still adjusting to the cost and time required for HRDD compliance.**



## Difficulty in supply chain mapping

Downstream companies are expected to map their supply chains beyond tier one, this can require robust data collection, management, and accessibility. Effective mapping is hindered because of several factors:

- ▶ **Data fragmentation among multiple suppliers** – information is often siloed within different companies at different tiers, making it difficult to compile a complete and accurate picture of the supply chain.
- ▶ **Lack of standardised reporting** – different countries and industries follow varying reporting standards for supply chain transparency, leading to inconsistencies in the type and availability of data collected.
- ▶ **Limited supplier disclosure** – many upstream suppliers, particularly in mining and raw material processing, may not voluntarily disclose sourcing details, either due to competitive secrecy or a lack of regulatory pressure.

**Cultural perspectives on risk vary across geographies – while external observers may perceive certain regions as high-risk, Chinese producers often do not share this view within their local operating context.**

## Geographic fragmentation

Industrial manufacturing supply chains involve multiple tiers across various countries. For example, an electric vehicle transportation provider in Europe might source finished products from a company in China, which relies on intermediate parts from suppliers in other countries. These parts, in turn, depend on minerals and metals processed by refineries and smelters elsewhere, which ultimately source raw materials like cobalt, lithium, or gold from mines in yet another location. To conduct comprehensive supply chain mapping of all these tiers of suppliers requires robust data collection, management, and access.



## Limited traceability

Downstream companies often struggle to trace the origin of raw materials used in their products. Minerals are frequently mixed from multiple sources, making it difficult to determine whether they originate from mines linked to human rights violations. For example, it is estimated that 70–75% of the world’s cobalt comes from the Democratic Republic of Congo (DRC), and about 20–30% of that comes from artisanal and small-scale mining (ASM) sources. To put this into perspective, this means ASM in DRC is estimated to produce about 10–12% of the world’s cobalt where small-scale miners extract materials and sell them through undocumented or unregulated channels, bypassing formal oversight, harbouring significant human rights issues including forced and child labour.<sup>4</sup> But human rights issues are not specifically exacerbated in the ASM mining sector, many of the ethical concerns regarding cobalt (and other minerals) sourced from the DRC are equally applicable to formal industrial mining as artisanal.<sup>5</sup>

**“It is important for downstream companies reliant on copper and cobalt from DRC to engage in addressing issues in ASM as well as formal mining operations.”**

Similarly, in the platinum supply chain, over 90% of platinum reserves are in Southern Africa, primarily South Africa.<sup>6</sup> This high concentration in a specific region creates vulnerabilities and challenges for traceability. Weak governance structures in the platinum supply chain involves numerous actors across different countries, from extraction to processing and trading, making it difficult to track the metal’s journey. While aggregation points such as at smelters and refineries, involve platinum being mixed from several mines. These supply chain-specific characteristics that affect traceability in mineral supply chains requires downstream companies to conduct HRDD without access to information at the mine level and to address HRDD from a country and sector risk level.

**“Aligning legislation with import declaration data can enhance transparency and traceability.”**

**“The joint project also aims to increase transparency in the metal value chain. Smelters and traders make it difficult to follow the chain. Refiners and smelters collect metals from various suppliers. But by starting to work with both upstream and downstream and pooling information, it is possible to find the links.”**

## Regulatory inconsistencies across countries

Regulatory inconsistencies across countries also pose a significant challenge. The standards for labour rights, environmental protection, and governance in mining regions often vary widely and may fall short of international norms. This discrepancy makes it difficult for downstream companies, headquartered in countries with stricter regulations, to implement and enforce comprehensive HRDD across their supply chains. Ensuring that suppliers adhere to international human rights standards becomes particularly challenging in regions where local laws are inadequate or poorly enforced.

<sup>4</sup> PACT, [Artisanal and small-scale cobalt mining and the importance of formalization: An explainer with Pact’s Mickaël Daudin](#) (2022).

<sup>5</sup> RAID, [Beneath the Green: A critical look at the cost of industrial cobalt mining in the DRC](#) (2024).

<sup>6</sup> Svenja Schöneich, [Traceability and foreign corporate accountability in mineral supply chains, Regulation & Governance](#) (2023).

## Regulatory uncertainty in key markets

The EU Omnibus proposal risks relaxing due diligence requirements for companies in-scope of the [Corporate Sustainability Reporting Directive](#) (CSRD), CSDDD, and the [EU Taxonomy](#). With this regulatory uncertainty, EU downstream companies should continue to embed HRDD practices in alignment with the UNGPs and the [OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#) and maintain an approach of continuous improvement that goes beyond compliance.

## Commercial pressure to reduce costs

In competitive markets, downstream companies also face commercial pressure to reduce costs, which can lead to sourcing materials from cheaper suppliers who may sell lower cost products at the expense of compliance with robust standards on labour rights and working conditions. This creates a tension between ethical sourcing practices and the need to maintain profitability.

***“Ethical business practices create a cost disparity, making it difficult to compete on equal footing with less responsible competitors.”***





## Lack of internal capacity and executive buy-in

Downstream buyers also face challenges due to a lack of integration between key departments. Multiple departments (procurement, supplier relations, legal, sustainability) need to collaborate and align their work towards responsible sourcing programmes. Bringing departments on board and ensuring a common understanding and approach takes time, resources and leadership.

Many companies lack executive buy-in, making it difficult to prioritise responsible sourcing initiatives, especially when they affect profitability. Some organisations do not have dedicated departments for this, and their existing setup is not equipped to address these challenges.

For example, downstream companies need tools and methods for conducting thorough HRDD screening of their suppliers to assess the risks before entering contracts. Limited company capacity to conduct thorough screenings inevitably leads to situations where buyers lose leverage after engaging with suppliers. Compounding this, the lack of supply chain visibility beyond tier one and frequent supplier changes can lead to ad-hoc supplier relationships which further complicate comprehensive HRDD along the supply chain.

## Lack of consumer and business partner pressure

Many downstream companies in this research and within these sectors sell largely through business-to-business streams. As such, they have not faced the same pressure as regular consumer goods, such as clothes or cellphones. Products like solar panels and EVs are relatively new to consumers and the human rights issues embedded in these supply chains face lower public awareness.

For example, consumers are normally interested in the environmental benefits of solar panels, electric vehicles or green building materials and often do not consider how these get produced from a human rights perspective. Renewable energy industries are largely expected to demonstrate being greener, circular and low carbon but do not face the same pressure to demonstrate how they respect human rights. As a result, addressing human rights in upstream mining is a nascent topic at the leadership level of many downstream companies.

***There is an assumption that if a product is greener then it is also more socially responsible.***





# 4. Opportunities for downstream companies

Downstream companies can strengthen HRDD through industry collaborations, local partnerships, and knowledge sharing initiatives. The following points outline key opportunities for downstream companies to advance their HRDD with research-based examples gathered through discussions with organisations leading in this space.

## Build an understanding and knowledge of your supply chain

Companies can begin supply chain mapping using information they have about suppliers. To do this downstream companies should focus on:

- ▶ Mapping their tier one suppliers and prioritising suppliers based on salient risks and business relationships. Companies should prioritise high risk minerals and regions based on comprehensive research on salient risks from industry experts, trade unions and NGOs.
- ▶ Developing supplier relationships to understand your suppliers' practices, capacity and understanding of HRDD.
- ▶ Cultivating a shared responsibility approach with your suppliers to address risks in the supply chain.
- ▶ Invest in tools and partnerships that offer supply chain data to identify and mitigate risks.
- ▶ Mandating public disclosure of your tier one suppliers, as exemplified by the ETI's [Corporate Transparency Framework](#).<sup>7</sup>

## Seek partnership and industry collaboration

One of the most effective strategies for advancing HRDD is pre-competitive collaboration, where companies work together to establish industry-wide initiatives, share knowledge and experience, leverage collective action with suppliers, and pool resources for cost-effective implementation.

Efforts to build more transparent and sustainable supply chains can also foster valuable partnerships with multistakeholder initiatives (MSIs), improve access to critical minerals, and help mitigate future supply disruptions caused by geopolitical events. Emphasising this positive trade-off underscores the strategic benefits of transparency and sustainability in mineral supply chains.

**“Opportunities exist for industry collaboration, but this requires facilitation and signposting to support company engagement**

<sup>7</sup> Amelia Cherry, [ETI's transparency journey and partnership with Open Supply Hub](#) (ETI, October 2024)

## Case study

**Scania** (part of the VW group) participates in an initiative facilitated by [CSR Europe](#) called [Drive Sustainability](#), an automotive partnership between 16 automotive manufacturers.

Drive Sustainability is an industry collaboration working to improve responsible practices in the automotive supply chain by promoting a shared approach to HRDD and integrating ethical standards into the procurement process. The partnership has recently intensified its efforts to uphold human rights within mineral supply chains through several key initiatives:<sup>8</sup>

- ▶ Facilitating sharing and learning on human rights risk assessments and human rights impact assessments. It also monitors external reports on human rights within the automotive value chain and engages with stakeholders such as automotive manufacturers, suppliers, NGOs, governments and local communities to ensure comprehensive oversight and a multistakeholder approach to responsible sourcing.
- ▶ Working with members towards agreeing on and promoting the use of standardised HRDD tools and establishing a grievance mechanism to proactively address issues such as living wages and child labour
- ▶ Developed the [Raw Materials Observatory](#). This toolbox of instruments is designed to identify risks and impacts in mineral supply chains and provides a standardised process to identify opportunities for collective risk mitigation and remediation.

## Adopt a bottom-up rightsholder led approach to HRDD

A bottom-up approach to HRDD prioritises the participation of local communities and aligns strategies with their needs. By leveraging local expertise and Indigenous knowledge, this approach improves risk identification and ensures culturally appropriate solutions. It also promotes long-term sustainability by increasing community ownership and commitment to human rights initiatives. Recognising that communities are best placed to understand and address their own challenges makes HRDD more effective and relevant.

Downstream companies should conduct [meaningful stakeholder engagement](#) with local actors, trade unions, NGOs, experts, and government bodies to address country-specific risks, particularly in high-risk supply chain regions. This approach supports downstream companies to work with organisations that represent the human rights issues of workers and rightsholders who know the challenges downstream companies face and have at the same time an extensive network of unions partners in sourcing countries to offer support for dialogue with affected groups as well as information on the local context.

***Limited traceability is not a valid reason to hinder a company's HRDD efforts; businesses must proactively assess risks and implement effective mitigation strategies.***

<sup>8</sup> Drive Sustainability, [Workforce Wellbeing](#) (2023).



## Case studies

**CNV Internationaal**, in collaboration with mining companies, is leading a joint project to improve occupational health and safety in Peruvian and Bolivian mines. By working with buyers, end users, trade unions, and mining companies, they implement the Fair Work Monitoring tool to address human rights risks through meaningful worker engagement. Their approach brings together diverse stakeholders while centering workers' voices in the process.<sup>9</sup>

Similarly, The **Centre for Child Rights and Business** (The Centre) supports companies in tackling child rights issues in operations and supply chains, including child labour in the extractive industry. In the DRC, The Centre has established a Child Rights Action Hub (Action Hub) to prevent and remediate hazardous child labour at Cobalt and Copper ASM sites. With support from corporates and other stakeholders, the Action Hub has built a strong local network of child rights practitioners in the Kolwezi area to prevent and remediate child labour at ASM sites. The Hub also facilitates multistakeholder dialogue with businesses, local CSOs, communities group and government to implement sustainable solutions. Addressing child labour also serves as a leverage point to improve broader labour rights, including living wages, gender equity, occupational safety, and fair working hours. The Action Hub provides long-term assistance, ensure that children have the necessary resources to return to school or participate in youth entrepreneurship programmes which the Hub also supports. By taking action on child labour, companies can drive systemic labour rights improvements across their supply chains. Companies relying on cobalt and copper from high-risk regions must acknowledge their role in mitigating child labour risks, even with limited supply chain transparency. The CSDDD mandates proactive HRDD, requiring companies to act with available resources while continuously improving.

## Build internal capacity for HRDD and strengthen supplier engagement

Downstream companies should continue to build their internal capacity, resources, strategic leadership and awareness of how to conduct HRDD in the context of mineral and metal supply chains. The salience of human rights abuses and the nature of the upstream mineral and metal supply chains require companies to deliberately focus on their continuous improvement, knowledge building and find opportunities to engage suppliers across the supply chain. Companies should establish clear strategies for engagement or disengagement, including escalation procedures for addressing identified risks and issues. It is equally important to develop systems that ensure consistent and effective responses, such as strategies for addressing supplier limitations to conduct their own HRDD.

Downstream companies collaborating with multistakeholder initiatives such as Ethical Trade Norway, Ethical Trade Denmark, Ethical Trade Sweden and the Ethical Trading Initiative are finding avenues to build their capacity through access to their support, HRDD expertise and the leverage that comes with collaboration.

<sup>9</sup> CNV Internationaal, [Improving Occupational Health and Safety in Andean Mines: An IRBC covenant collective project for the metals sector to address health and safety risks in the mines of Bolivia and Peru \(2023\)](#),

One critical way that downstream companies can demonstrate their commitment to implementing HRDD is by embedding responsible purchasing practices within their company's business approach to sharing responsibility with suppliers for addressing human rights risks. The [Common Framework on Responsible Purchasing Practices in Manufacturing Industries](#) outlines five key principles that constitute a buying company's responsible purchasing. Companies can use this guidance to assess their current practices and identify gaps to conduct capacity enhancement and training.

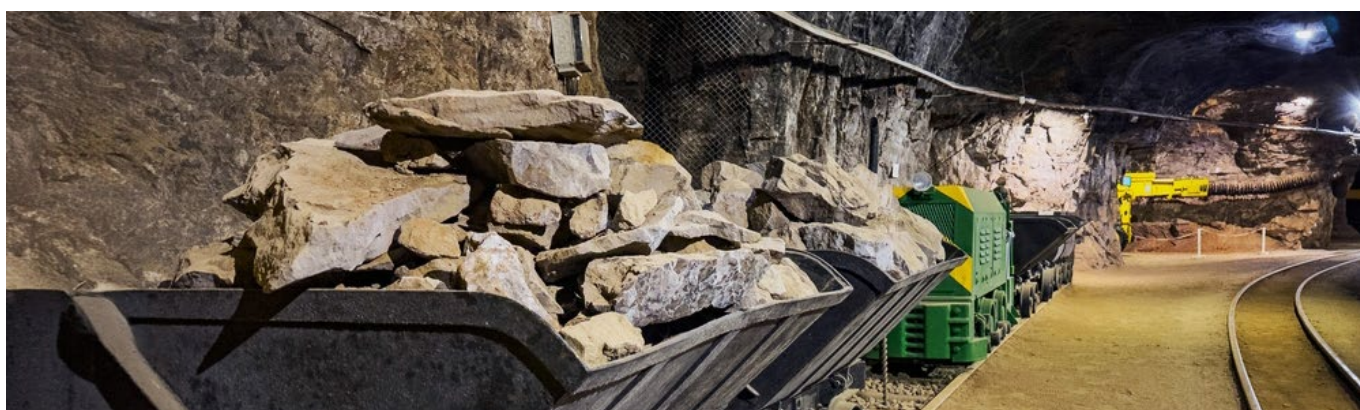
Recent insights from the completed ETI initiative on responsible purchasing practices include:

- ▶ The importance of having **clear governance and responsibility mechanisms**. RPP responsibility should be shared across functions, not just sustainability or human rights teams.
- ▶ The need for **cross-functional engagement**. Engaging commercial teams and leadership is crucial. Companies with cross-functional teams (sales, buyers, sustainability, logistics) trained and responsible for the implementation of RPP were able to do so more effectively. Senior leadership involvement accelerates progress in a company's practices.
- ▶ **Mapping procurement responsibilities** helps engage internal teams and improve practices. Additionally, supplier feedback on negative impacts of purchasing practices is a key driver for change as it communicates the real world negative impacts of poor purchasing practices and encourages leadership and commercial teams within downstream companies to mature their RPP.

*Identify suppliers for capacity-building projects and ensure a collaborative, shared responsibility approach with suppliers to drive success.*

## Engaging at a multistakeholder level on responsible mining initiatives

Multistakeholder Initiatives (MSIs) bring together diverse groups – including governments, businesses, trade unions, civil society, and affected communities – to address complex social and environmental challenges. In the mining industry, many initiatives have developed voluntary due diligence standards. However, it is crucial that these initiatives move beyond a compliance-based, audit-style approach to implementing these standards. To be truly multistakeholder and effective, MSIs must adhere to key principles that promote inclusivity, equity, and accountability. Downstream companies should seek to engage in MSIs focused on responsible mining that demonstrate these principles and respect international norms and standards.





# 5. Recommendations for downstream companies to enhance their HRDD

- ▶ **EU downstream companies should embed HRDD practices** in line with the UNGPs and OECD Guidelines, prioritising continuous improvement over mere legal compliance.
- ▶ **Start simple** – Focus on small, tangible changes to build knowledge and scale up.
- ▶ **Understand your supply chain** – Gather information and insights into your suppliers beyond tier one as much as possible. Build a picture with increased supplier engagement.
- ▶ **Screen suppliers during the onboarding stage** to assess potential human rights risks and engage with them to ensure responsible sourcing commitments are clearly communicated. This involves setting clear, mutually agreed, and transparent expectations in the contract, fostering shared values between both parties.
- ▶ **Map and assess supply chain risks** – Conduct thorough risk assessments of suppliers at all levels. Apply risk-based due diligence, prioritising high-risk minerals and regions using expert insights and industry collaboration.
- ▶ **Prioritise action over complexity** – Do not let the complexity of multi-component supply chains hinder action. Focus on high-risk minerals, high-risk regions, purchasing volumes, and accessibility. Prioritise and act.
- ▶ **Assess HRDD maturity** – Conduct an internal assessment of your company's HRDD practices to identify gaps and areas needing development.
- ▶ **Utilise HRDD tools** – Implement tools to assess suppliers, conduct HRDD screenings, and improve responsible procurement processes.
- ▶ **Improve data management** – Develop in-house data collection and enhance access to supplier data for better oversight.
- ▶ **Collaborate with industry peers** – Engage with sector initiatives, sustainability platforms, and multistakeholder collaborations to strengthen leverage, improve efficiency, and reduce audit fatigue.
- ▶ **Engage with artisanal and small-scale miners (ASM)** – Develop programmes to formalise and support ASM where prevalent in your supply chain. Collaborate with trade unions, CSOs and local communities to do this.
- ▶ **Prioritise engagement over disengagement** – Instead of disengaging from suppliers, focus on remedy, followed by knowledge sharing, training, and long-term collaboration to drive continuous improvement when rights abuses are found.

# 6. Conclusion

The push for stronger HRDD in mineral and metal supply chains is not simply about compliance – it is about taking corporate responsibility for the people and communities impacted by mining regardless of whether a company is directly or indirectly linked to the cause of the adverse impacts. Downstream companies in industries like renewable energy, electric vehicles, and construction rely on materials sourced from high-risk regions, where issues like child labour, forced labour, unsafe working conditions, and environmental damage are common. But despite access to extensive information on the risks, companies often struggle to take meaningful action at a supply chain level due to limited supply chain visibility, weak leverage over suppliers, and regulatory inconsistencies across a global supply chain.

That said, these challenges should not slow down or hamper companies from seeking ways to advance and mature their HRDD practices. Downstream companies have opportunities to make progress by working together, whether through multistakeholder initiatives, industry collaborations, partnerships with local organisations, or investing in building their capacity and knowledge to conduct HRDD. Engaging with suppliers and building internal capacity – rather than treating HRDD as just another box to tick – can lead to meaningful impact. Even small steps, like better supplier assessments or targeted risk mapping, can lay the groundwork for tackling bigger, more complex challenges down the line. In other words, companies should start with what they have and can do and continue to improve over time based on a commitment to respecting human rights.

The UN Guiding Principles and mandatory regulations for HRDD make it clear that expectations are rising. Instead of seeing HRDD as a compliance cost, companies should approach it to strengthen their business, build resilience, and drive ethical change in their supply chains. Companies that commit to continuous improvement, collaboration, and proactive engagement will be in the best position to navigate this evolving landscape and advance ethical practices in their own operations and wider supply chain.

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**Ethical  
Trading  
Initiative**

ETI is a leading alliance of NGOs, trade unions, and companies advancing human rights in supply chains.

Our vision is of a world of work that protects human rights, ensures dignity for all, provides opportunity and is free of exploitation and abuse.



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