

11.

From: [4.1(b)]
Sent: 01 April 2014 19:25
To: [4.1(b)]
Cc: [4.1(b)]
Subject: Conflict minerals

Dear both,

Thanks a lot for your time last week. It was very helpful for us to be able to exchange with you.

Reviewing our notes, we would have 2 outstanding questions :

- Could you confirm to us that "importer" means "direct importer" ? or could you let us know who we should contact so that Pascal get this confirmation for his legal analysis?
- Let us know if we can join the industry working group. As exchanged with [4.1(b)], we would be very interested in contributing.

Kind regards,

[4.1(b)]

[4.1(b)]
AIRBUS
GROUP

SVP, Head of Europe and NATO Affairs

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[4.1(b)]

From:

[4.1 (b)]

Sent:

02 April 2014 12:12

To:

[RATSQ Signe]

4.1 (b)

Cc:

[4.1 (b)]

Subject:

Flash report Roundtable 8 on Raw Materials EU-Africa Business Forum

5th EU-Africa Business Forum - Roundtable 8 – Raw materials and governance: managing natural resources for inclusive development in Africa.

01 April 2014, 14:30-16:00

Keynote speakers: Commissioner Karel de Gucht, Commissioner of the African Union H.E. Mrs. Fatima Haram Acyl

Cochairs: EuroGeoSurveys, Organisation of African Geological Surveys, AngloAmerican, BusinessEurope

Discussants: Council for Geoscience of South Africa, National Direction of Geology, Geological and Mining Institute Mozambique, Bureau des Mines et de la Géologie du Burkina Faso, Conseil d'Administration de l'Institut Africain de la Gouvernance, Nigerian Geological Survey Agency, UNESCO, African Minerals Development Centre, Antwerp World Diamond Centre, UNECA, Geological Survey of Denmark and Greenland, China Europe International Business School, Azoty Group

In his keynote speech, **Commissioner de Gucht** presented the integrated EU approach on responsible sourcing of minerals from conflict affected and high-risk areas. **Commissioner Acyl** stressed in her speech the need for inclusive and sustainable growth, with a focus to increase value-added exports. She indicated that dependency on raw materials exports may cause instability on the long run for Africa and advocated an approach to foster industrialization and innovation, by means of local content policy improving the competitiveness and capacities of African SMEs. Thus, she stressed the importance of value addition to exports for structural transformation and development.

AngloAmerican gave an overall positive presentation on the African Mining Vision but stressed that any regulation should not hinder the security of supply of raw materials, e.g. platinum. **BusinessEurope** reacted to the presentation of Commissioner de Gucht with an overall positive note on the proposal of the conflict minerals regulation. However, he emphasized that all stakeholders should take responsibility under this initiative, that resource diplomacy needs to be ensured and that the geographical impact in relation to China needs to be assessed. Moreover, he stressed that BusinessEurope can only approve the proposal if the definition of conflict, the implementation by the MS authorities and the relation to other certification schemes (such as US Dodd-Frank) are clarified. Generally, he stated that WTO rules on export restrictions should be respected.

The different **African stakeholders and civil society** agreed on the need of more value added exports from Africa, by means of improved technological skills and skills-transfer, human resources, industrialization and infrastructure. These stakeholders argued that mining activities in Africa should be linked to the development of national industries in order to foster industrial development. **Commissioner Acyl** stressed that better contracts on raw materials should be negotiated and that local stakeholders should be involved.

Further, the topic of geological surveys was addressed, in which the need for reliable data to foster investment was emphasized. However, the African Union expressed some reluctance to share sensitive data with third parties. DG ENTR and DG DEVCO are working on these issues. Geological survey organizations from the EU stressed the need of reliable data for investment decisions.

[9.1(b)]

[9.1(b)]

From: [4.1 (b)]
Sent: jeudi 3 avril 2014 09:54
To: [4.1 (b)]
Subject: Minutes Meeting 02042014 Mission of Japan to the EU and Japanese Companies on Conflict Minerals []

MINUTES

Meeting with Mission of Japan to the European Union and with Toshiba, Panasonic and Hitachi on the integrated EU approach on responsible sourcing of minerals from conflict affected and high-risk areas

02-04-2014 – 10:00-12:00

Participants:

Commission: [4.1 (b)]

Representatives of the Mission of Japan to the European Union, Toshiba, Panasonic and Hitachi

The meeting was held for two purposes: to clarify the due diligence efforts taken by Toshiba, Panasonic and Hitachi and their vision towards their obligations under US Dodd-Frank, and to ask the Commission to give a detailed explanation on its proposals on responsible sourcing of minerals from conflict affected and high-risk areas. Also, the views of the Japanese authorities on a potential due diligence certification scheme were discussed.

Panasonic welcomed the focus of the proposal on upstream companies and stated that it already carries out due diligence as requested by its customers. She raised the difficulties encountered regarding the establishment of an accurate list of smelters, according to its own estimate 80% of the smelters provided by their suppliers are incorrect; either they are wrongly classified as smelters or a wrong name has been given. She stressed that a positive global list of smelters should be created, which facilitates carrying out due diligence obligations. **COM** acknowledged this difficulty and mentioned to establish government-to-government engagement with e.g. Chinese and Indonesian authorities, in order to discuss the potential creation by governments of reliable lists of smelters. Another option is to strengthen the OECD list of known-smelters. Also Toshiba supported the creation of a reliable list of smelters.

Toshiba expressed its wish for a global harmonized system. **COM** stressed that the regulation does not seek substitution of CFS, but is intended to be complementary: adherence to CFS would significantly lessen the auditing process under the EU certification scheme. Both Panasonic and Toshiba criticized the US system for its auditing requirements which influences business decision to a great extent.

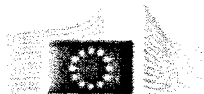
Toshiba enquired about the obligations attached to the signature of the "letters of intent". **COM** clarified that this is rather morally binding than legally binding, it increases the accountability of the companies but also puts them in the spotlight: COM will further detail the letters of intent together with stakeholders and considers the creation of a template.

Panasonic clarified that the ratio of Japanese supplies overseas in China is relatively high. Due diligence efforts are carried out in China by a few companies, but there remains a large grey area of publicly-owned companies that are less cooperating in due diligence and the presence of illegal business raising the problem of double identity.

On the issue of business confidentiality, Japanese companies indicated that this could raise problems that they would seek to bypass the disclosure of information. However, this issue poses more difficulties to upstream companies.

Japanese companies, but it does not exclude the possibility of adopting a legislative framework in the future. COM and Japanese companies stressed the risk that in the absence of a framework the Japanese market may become a primary market for conflict-minerals imported for example from China.

[4.1 (b)]



European Commission

Directorate-General for Trade

Unit G.3 Market Access, Industry, Energy and Raw Materials

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[4.1 (b)]

From: [4.1 (b)]
Sent: vendredi 4 avril 2014 15:40
To: [4.1 (b)]
Subject: Flash Report FTI Consulting Conflict Minerals Event 03-04-2014

Flash report

Conflict minerals – what role for European business? - FTI Consulting & McGuireWoods LLP

03 April 2014 - 14:00- 16:30

Commission participants: [4.1 (b)]
Moderator: [4.1 (b)]
(Digital Europe), [4.1 (b)] (McGuireWoods LLP)

The event took place under the Chatham House rule.

[4.1 (b)] and [4.1 (b)] both introduced the integrated EU approach on responsible sourcing of minerals from conflict areas. In McGuireWoods' introductory remarks, emphasis was given to the idea that EU legislation should not have a deterrent effect on companies, in which the examples were mentioned of TESLA and Metalor declaring that they are not sourcing in the GLR.

[4.1 (b)] emphasized its current due diligence efforts in private initiatives based on the concept "know your supplier". However, he pointed out that the EU approach might lead to relocation of production to unregulated countries. Also, it might be difficult to oblige suppliers to disclose information. Therefore, EU downstream companies should be assisted by the EU to pressure importers to apply the voluntary scheme.

DigitalEurope welcomed the EU initiative because it improves traceability of businesses operating between downstream and mines in the supply chain. She pointed out that the number of compliant smelters under CFS has recently doubled. However, she noted that companies may need guidance to determine "conflict areas", for example by a scheme. Also, alignment with Dodd Frank needs to be ensured in order to avoid a high administrative and diverging burden. Additionally, she enquired about the effectiveness of the public procurement scheme for small downstream purchasers and stressed the need to involve more sectors (e.g. tungsten industry) in the scheme to leverage their suppliers to conduct due diligence. **COM** stated that the scheme can also be extended to Member States' schemes. **COM** indicated that further guidance on conflict definition will be given and a Member States advisory committee could potentially play a role, as well.

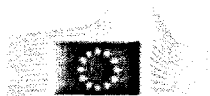
McGuireWoods praised the EU approach for its compatibility with existing schemes, its global scope, its focus on smelters and refiners and cautious about unintended consequences. He referred to the emerging trend established by the EU-Korea FTA on the self-certification on rules of origin, for which companies are already increasingly required to apply due diligence on their supply chain. However, he emphasized that the weakness of the proposal is the lack of financial incentives and the lack of sanctions in the case of non-compliance. In this respect, the system of preferential origin could serve as an example to establish financial incentives under a voluntary scheme, since preferential tariffs could financially reward responsible players sourcing from a conflict area.

BusinessEurope views the EU scheme as a "voluntary obligation", under which companies are actually required to carry out due diligence in the light of the possibility the scheme becoming mandatory after three years. He nevertheless stated that a voluntary scheme could bring a disadvantage for those companies willing to engage vis-à-vis their competitors. He also noted that business efforts should be combined with solid raw materials diplomacy which is the weakness of the current Raw Materials Strategy. **ACEA** enquired about the role of the EEAS to improve

situation on the ground besides industry efforts. **Eurométaux** enquired about the role of the Commission in relation to the Member States carrying out checks and controls as well as about outreach and cooperation with major processing countries (e.g. China, Malaysia). **COM** responded that this will be further detailed in the Guidelines.

[4.1 (b)]

Trainee



European Commission

Directorate-General for Trade

Unit G.3 Market Access, Industry, Energy and Raw Materials

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[4.1 (b)]

From: [4.1(b)]
Sent: lundi 7 avril 2014 13:48
To: [4.1(b)]
Subject: Meeting report DigitalEurope on conflict minerals 4/5/2014

[4.1(b)] and [4.1(b)] presented the EU approach on conflict minerals in a meeting with members of DigitalEurope.

No new questions to the table, below a short summary for our file:

1. Is it possible for other EU companies (i.e. not importers) to be eligible for the self-certification scheme: not eligible under the scheme but downstream companies could implement the requirements. Member States authorities would not carry out checks etc. but such companies could advertise this on their websites.
2. Which products will be target under the PPP: our intention is to target all products procured by the EU that contain 3TG. A handbook will be drawn up to this end.
3. How to define conflict zones and is the CFSI satisfying the EU criteria?
4. What kind of product label should Member States develop? Reference to MS labelling has to be seen in the context of possible MS action on conflict minerals. Probably PPP incentives would qualify first in this case but it is not excluded that MS would want to look into labelling.
5. Is scrap included in the scope: scrap and waste is not in Annex I so excluded. It is highly unlikely that importers exclusively work on the basis of scrap but use also virgin material; Also, scrap is not included in the OECD Guidance



CIVIL SOCIETY DIALOGUE

EU INTEGRATED APPROACH TO A RESPONSIBLE TRADING STRATEGY FOR MINERALS FROM CONFLICT AREAS

Date: 07/04/2014

Time: 14:30 – 16:00

Location: Centre Albert Borschette, room AB – 1C, 36 Rue Froissart, 1040 Brussels

Lead participants:

Mr Michelangelo Margherita, Deputy Head of Unit Market Access, Industry, Energy and Raw Materials, Directorate-General for Trade

Ms Enikő Blaszauser, Policy Officer, Market Access, Industry, Energy and Raw Materials, Directorate-General for Trade

Panel Presentation

DG Trade (MM) opened the meeting by welcoming civil society and encouraging them to raise questions on the EU approach. He briefly described the international context of the UN, OECD, G8, and the US on which this approach is built upon. He highlighted that stakeholders were associated to the preparation of the proposal through stakeholder initiatives, public consultations and bilateral discussions. He explained the three goals of the initiative: first, it aims to break the link between minerals extraction, minerals trading and the financing of armed conflicts; second, it has an objective to support and further develop a market in the EU for responsibly traded minerals that originate in conflict regions; third, it envisages to improve the ability of EU operators wherever they are in the supply chain to comply with existing due diligence frameworks by allowing for more transparency.

DG Trade (MM) presented the draft Regulation, which sets up a voluntary self-certification scheme for EU importers of tin, tantalum, tungsten and gold, who choose to import responsibly, requiring EU importers of these metals and their ores to exercise due diligence by monitoring and administering their purchases and sales in line with OECD standards. Also, the EU aims to publish an annual list of EU and global responsible smelters and refiners, in order to increase public accountability of smelters/refiners. He stressed the need to highlight smelters and refiners that continue to source responsibly from conflict areas.

Additionally **DG Trade (MM)** presented the joint Communication (EC and the High Representative) on an integrated EU approach on responsible sourcing of minerals originating in conflict-affected and high-risk areas. In this Communication, additional incentives are included, which are inter alia: a public procurement requirement for European institutions focusing on downstream companies, raw materials diplomacy and financial support for SMEs and the OECD.

DG Trade (MM) stressed that the initiative is based on the OECD Due Diligence Guidance and largely compatible and complementary to the US Dodd-Frank Act Section 1502 and existing business initiatives. Moreover, it aims to encourage the continuation of responsible sourcing from conflict-affected areas and is global in scope. He stressed the importance to facilitate business' efforts to carry out supply chain due diligence by focusing on upstream companies. Finally, he stressed the planned review of the Regulation taking place after three years of entry into force on the basis of an impact assessment.

Discussion Highlights / Questions and Replies

Amnesty International asked if the Commission could clarify whether the draft Regulation could be in breach of WTO rules and wondered if the draft Regulation was part of TTIP discussions with the US. Furthermore, **AI** enquired about the reaction of the Member States in the Council to the proposal and asked if the public procurement requirement could be extended to Member States level.

DG Trade (MM) explained that there is no expected conflict with WTO rules and that the draft Regulation does not include a discriminatory approach. Further, he informed that this topic does not form an element of the TTIP negotiations even though information exchanges have taken place. Additionally, he informed that the Member States have reacted positively to the proposal in preliminary discussions. Finally, he acknowledged that the public procurement incentive only concerns EU institutions, but referred to the recommendation for Member States to adopt a similar public procurement framework on conflict minerals.

The **Central Belgian Confederation of Christian Trade Unionists** questioned the competence of the Member States to carry out the implementation of the Regulation and wondered whether this approach could lead to regulatory differences on the EU internal market. Also, **CBCCTU** expressed its doubts on the effectiveness of third-party auditing and informed about bad experiences with such auditing in the textile sector in South-East Asia.

BusinessEurope asked which criteria will be used under the review clause of the Regulation.

The **European Automobile Manufacturers Association** asked how the public procurement incentive establishes a link between upstream and downstream companies. Also, he wondered how the Commission wants to ensure that the situation on the ground will be improved and the role of the EEAS therein.

DG Trade (MM) replied that the envisaged implementation of the Regulation by the Member States will build on their experience in the implementation of the Timber Regulation. He confirmed that reference will be made in the guidelines that will be prepared in the course of the legislative process. Furthermore, he acknowledged that auditing processes are not always independent but referred to a number of guarantees developed under OECD Due Diligence Guidance, which includes frameworks for reviews and evaluation of auditing procedures.

Additionally, **DG Trade (MM)** explained that both the uptake of the business community of due diligence procedures and improvement on the ground will be taken into consideration in the review of the Regulation. **DG Trade (EB)** further specified that these criteria include the

inclusion of responsible smelters/refiners on the list and the level of continuation of trading in conflict-affected areas. **DG Trade (MM)** stressed that the public procurement incentive creates a link between upstream and downstream due diligence efforts, e.g. performance clauses can be integrated in the public procurement framework, requiring those who bid successfully to comply with contractual due diligence requirements. Finally, he clarified that the EU integrated approach aims at improving the situation on the ground, of which the development policy and raw materials dialogues form an integral part.

The European Chemical Industry Council noted that the public procurement incentive covers a broader range of companies than the Regulation. Further, he asked for an explanation of the Timber Regulation and its preliminary results.

The German Electrical and Electronic Manufacturers' Association asked for clarification on how the proposal for an EU Regulation could benefit SMEs and on receiving support under COSME. Additionally, she wondered if the Commission foresees guidance on linking upstream companies to downstream companies in the supply chain. Finally, she asked if recycled products would also fall under the scope of the draft Regulation.

DG Trade (MM) recognized that the Regulation and the public procurement scheme target different segments but are mutually reinforcing. Further, he stressed that due to the differences between the markets targeted by the draft Regulation on conflict minerals and the Timber Regulation, their results cannot be compared. He clarified that DG ENV is in charge of the evaluation of the Timber Regulation.

The European Automobile Manufacturers Association referred to IMPEL as an example of how Member States can cooperate in the enforcement of environmental legislation. He expressed his doubts on whether Member States are competent to enforce the due diligence certification scheme.

DG Trade (MM) stressed that practices will be reviewed and that guarantees for Member States will be implemented. He emphasized that audits should be OECD compliant. Further, he explained that carrying out due diligence of the supply chain by SMEs will be facilitated by the publication of the white list of smelters/refiners and the self-certification of EU importers. He pointed out that DG ENTR made commitments to assist SMEs to comply with the draft Regulation under the COSME programme, by providing financial means and technical assistance. He clarified that recycled products do not fall under the scope of the proposed Regulation.

Amnesty International noted that a voluntary approach could be ineffective in terms of outcome. Furthermore, **AI** asked to what extent companies' due diligence reports will be made public on the website. Additionally, she enquired how many EU producers affected by the regulation will deliver end-products to the EU-market.

The Confederazione Generale dell'Industria Italiana enquired about the responsible groups for the legislation in the EP and the Council. Further, he asked whether COM could provide a timeline of the proposal.

DG Trade (MM) informed that the voluntary approach was chosen on the basis of an impact assessment, in which it was recommended as the most effective approach. He stressed however that the public procurement incentive is mandatory for successful bidders. Moreover, he explained that part of the information disclosed will be made public by companies via the internet on an annual basis. However, business secrets need to be taken into account. Additionally, he clarified that the regulation covers already 35% of overall imports of 3ts and gold that enter the EU market and that the public procurement incentive also targets the

minerals that enter the EU market as parts of components, finished products etc.

DG Trade (MM) indicated that the proposal will not be adopted before 2015 in view of the political calendar. In the EP, the INTA committee is expected to be responsible; in the Council, it will be the Working Party on Trade Questions.

The German Electrical and Electronic Manufacturers' Association enquired what type of implementing guidelines is foreseen. Also, she asked about the timeline within the OECD on the work on auditing standards. Additionally, she pointed out that there is no fixed definition of conflict regions included.

DigitalEurope asked if the Conflict-Free Smelter (CFS) list will be coordinated with the EU white list of smelters/refiners.

The European Automobile Manufacturers Association pointed out that the public procurement would actually be mandatory for his clients, because they are all selling to MS and EU institutions.

DG Trade (MM) acknowledged that the due diligence requirements are obligatory for those willing to participate under the scheme. He clarified that implementing guidelines will refer i.a. to the identification of conflict, the implementation by Member State authorities, and the public procurement scheme. Furthermore, he clarified that the process within the OECD on auditing is ongoing. Also, he explained that the EU white list of smelters/refiners will probably differ from the CFS list since it concerns the EU market. **DG Trade (EB)** answered that the implementing guidelines will be drafted in parallel with the legislative process.

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From: [4.1 (b)]
 Sent: mercredi 9 avril 2014 17:12
 To: [4.1 (b)]
 Cc: [4.1 (b)]
 Subject: Report BOMcheck meeting - 08.04.2014

Participants: [4.1 (b)] (Sony), [4.1 (b)] (Philips), [4.1 (b)] (Siemens), [4.1 (b)] (LightingEurope), [4.1 (b)] (Osram), [4.1 (b)] (BOMcheck) [4.1 (b)]

After the [4.1 (b)] presentation, we retain the following issues for follow-up:

1. **Definition of the importer:** industry indicated that about half of the contracts are secured via the London Metal Exchange (LME) while the other half is directly imported. We still need to check with Eurométaux to what extent this information is correct as tin, tantalum and tungsten are traded on the LME and gold on the London Bullion Market.
2. **Definition of conflict-affected and high-risk areas:** industry expressed concerns that the OECD criteria is very broad and could potentially cover two third of the world, therefore would welcome an independent list to rely on. Clarification was requested whether definition means countries or regions. Industry welcomed the redress possibility under Member States' remedial action but nevertheless stressed that uniform/neutral criteria by MS evaluation will be critical.
3. In reference to our third-party audit, industry suggested that compliance with the **EU Eco-Management and Audit Scheme (EMAS)** which is a management instrument developed by the EC for companies and other organizations to evaluate, report, and improve their environmental performance, could be one way of showing compliance.
4. The **CSFI and EU auditing requirements** were debated and, despite the different geographical scope common sense suggest that both audit requirements should be merged in order to be practical (one audit, two certificates?, or a second level audit). Eventually one CFSI list would cover US and EU requirements. It needs to be further taken up with CFSI.
5. **Extension of Annex I:** industry noted that two tungsten derivatives (APT and AMT) were not in the EU annex despite being relevant smelter outputs. Industry will send the full names and CN codes of the products. Not a critical issue as the same operators also work with the products in annex which makes them eligible for the EU scheme. Industry pointed to potential concerns by the recycling sector which is disadvantaged to participate in the scheme. COM noted that recyclers usually also treat primary raw materials and therefore can qualify in for the EU scheme.
6. **Public procurement: ECO procurement** manual was referred to as a model for our conflict-free handbook. Industry asked whether the procurement incentive can be considered as a de facto trade barrier, contractual due diligence obligation concerns products versus company, and who will be in charge of the performance clause requirement.

On a general note, industry started to realize that the EU public procurement models the US DFA, and that the voluntary self-certification is a tool to achieve their due diligence objectives.

[4.1 (b)]

MISSIONS REPORT – DF-14-901987

Subject: Participation in Dutch German site event on the Hannover Messe, 8 April 20104

Participants: [4.1(b)]

Summary: On 8 April 2014, I participated to a panel discussion on "Geopolitical influences on business and raw material flows" organised by the Ministry of Foreign Affairs of the Netherlands in the context of the Hannover Messe where the Netherlands were this year the guest country. The panel was chaired by Jaime de Bourbon Parme (special Dutch envoy for natural resources) and included also [4.1(b)] from the EEAS, [4.1(b)] from the German Ministry of Foreign Affairs (Head of Division energy and raw materials) and [4.1(b)] from Philips (Head of commodity management).

In my intervention, I explained that raw materials have become during the last few years a central part of EU trade policy and elaborated on the reasons for such a policy shift (growing trade, interdependence, increasing number of export barriers, weak international disciplines) as well as the different actions taken under the EU trade strategy on raw materials (negotiations, enforcement, outreach). Finally, I illustrated with the recent due diligence proposal our ability to factor geopolitical issues such as conflicts in mineral extracting regions in our trade policy actions.

[4.1(b)] started by giving an historical background on raw materials and highlighted that there were now new actors (States, population, public opinion) and new challenges (climate change, water, environment) that required a geopolitical approach to be followed. In this context, he mentioned the importance of keeping free trade functioning, dealing with sustainable development/good governance issues and tackling the conflict elements. On the latter, he referred to the Kimberley process and to the comprehensive approach on conflict minerals. Regarding the EU's role, he emphasised trade and diplomacy making no reference however to the EU raw materials initiative led by DG Entr (which I subsequently did in my intervention).

[4.1(b)] agreed that there are new challenges. Raw material prices are often very sensitive to political snocks and raw materials are used as "weapons" in today's diplomacy (China/rare earths, Russia/gas, US/LNG). She supported EU initiatives but stressed that ultimately the main responsibility will always lie with industry: as an illustration of this remark she mentioned the fact that some EU companies are for instance buying Canadian energy products which were meant to serve the US market. Against the background of resource producing countries becoming also heavy resource consuming countries, she concluded on the importance of finding a global consensus on the management of raw materials (with no reference though to a specific forum such as the OECD or G20).

[4.1(b)] explained how Philips moved from the linear economy to the circular economy concept (looking at a product globally including its sustainability and recycling aspects) which implies also that the company's more than 7000 suppliers are more closely involved and bring their ideas on innovation. She referred to the conflict free tin initiative which she presented as a good opportunity to combine economic and reputational issues: eventually, it proved cheaper to use this sort of supply chain.

Given time pressure there was eventually no possibility for a Q/A session.

From: [4.1 (b)]
Sent: jeudi 10 avril 2014 18:45
To: [4.1 (b)]

Cc: [4.1 (b)]
Subject: Meeting with the Representation of Hessen and the German precious metals industry, 9 April 2014 - summary report
Attachments: Meeting TRADE with Representation of Hessen, Germany and German precious metal association - 9 April 14.pdf; Edelmetalle [4.1 (b)] - February 14.pdf

Meeting with representation of Hessen and German precious metals industry, 9 April 2014

[4.1 (b)] of the State of Hessen Representation in Brussels, led a delegation of the German precious metals industry to meet [4.1 (b)] Head of Unit G3 and TTIP lead negotiator on energy and raw materials, [4.1 (b)].
 [4.1 (b)] The companies present were Heraeus [4.1 (b)] Umicore [4.1 (b)] and the industry association Fachvereinigung Edelmetalle [4.1 (b)].

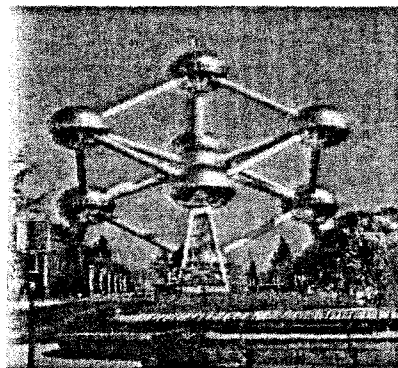
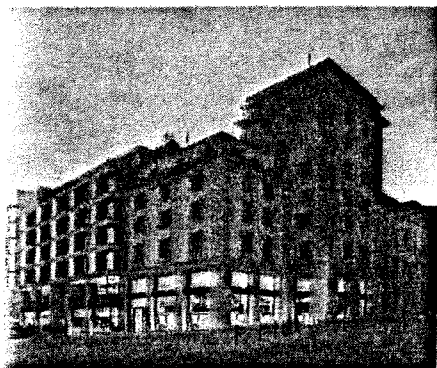
The delegation explained that the German precious metals industry employs around 7,000 people across two main areas: Hanau (in Hessen) and Pforzheim (in Baden-Württemberg). They provided a paper with information about the industry's position on three main issues: raw materials, [4.1 (b)] and REACH. They also provided a presentation describing the value, rarity and various uses of precious metals. Copies of these documents are attached.

Beyond the information in the papers, key points raised by the delegation were as follows:

[out of scope]

- Industry also expressed an interest in the EU conflict minerals initiative and stressed that they depend on a stable supply of raw materials from different third countries.

materials by means of its FTA negotiations. Prohibitions on export duties (notably on raw materials) have for instance been included in the FTAs with Korea, Ukraine, Colombia/Peru and Canada. The EU will follow the same approach when negotiating with the US on TTIP. This approach fits well into the EU Raw Materials Initiative according to which securing a stable and unrestricted supply of raw materials from third countries is one key objective for the EU. Another way to tackle export restrictions is via WTO accessions, the EU has for instance secured respective commitments when negotiating bilaterally with China and Russia ahead of their WTO accessions. Moreover, the EU does not hesitate to use WTO dispute settlement procedures when necessary. Very recently, the EU has won its second WTO dispute settlement case against China on raw materials (namely rare earths, tungsten and molybdenum) at the panel stage; however, the panel report could still be appealed by China.



Meeting with Representation Hessen, Brussels, 9 April 2014

4.1 (b) Fachvereinigung Edelmetalle | 9 April 2014

Page 1

PARTICIPANTS

Fachvereinigung
Edelmetalle

Head of Unit REACH	GD Unternehmen und Industrie	Belgium
CEO	Umicore AG & Co. KG	Germany
Chairman	Fachvereinigung Edelmetalle	
Trade Affairs Manager	GD Handel	Belgium
Managing Director	Heraeus Precious Metals GmbH & Co. KG	Germany
Vice-Chairman	Fachvereinigung Edelmetalle	
Unit Economics and Traffic	Representing the state Hessen in Brussels	Belgium
Managing Director	Fachvereinigung Edelmetalle	Germany
Head of Representation Hessen	Representing the state Hessen in Brussels	Belgium

- ↳ was founded in 1948
- ↳ has 30 member companies with 6.600 employees
 - internationally operating companies like Heraeus or Umicore in Hanau
 - medium sized companies mainly located in Pforzheim
- ↳ represents the interests of producers and manufactures of precious metals
 - vis-à-vis Federal Government and Parliament, German Members of European Parliament and Permanent Representatives in Brussels, national and international organizations, regional and local governments in Germany
 - via European Precious Metals Federation (EPMF) vis-à-vis European Commission and European Parliament, international authorities (f.e. ECHA), international governments and organizations like
 - World Gold Council, London
 - International Platinum Group Metals Association, Munich
 - London Bullion Market Association, London
 - Responsible Jewellery Council, London
 - International Precious Metals Institute, Pensacola, USA

[4.1(b)]

Fachvereinigung Edelmetalle | 9 April 2014

Page 3

THE GERMAN PRECIOUS METALS FEDERATION

Fachvereinigung
Edelmetalle

- via membership in
 - German Jewellery and Watches Association, Pforzheim
 - German Industry Federation BDI, Berlin

The Precious Metals (PM) industry manufactures and produces materials that are essential to a variety of industries with considerable economic relevance such as the automotive, electronics, health care, jewellery, and medical or dental sectors.

[4.1(b)]

Fachvereinigung Edelmetalle | 9 April 2014

Page 4

General Assembly

Managing Director: Wilfried Held
Personal Assistant: [4.1 (b)]**Board**

Chairman: Dr. Beuers, Umicore

Vice Chairman: Dr. Gerner,
Heraeus Precious Metals

Treasurer: Dr. Reisert, C. Hafner

Members:

- > Becker, Allgemeine Gold- und Silberscheideanstalt
- > Maus, DODUCO
- > Dr. Landau, vormals Aurubis

Committee on Precious Metals Economy
Chairman: Dr. Dörner, Heimerle + MeuleEnvironment Committee
Chairman: Dr. Kabs, Heraeus HoldingTax Committee
Chairman: Probst, Heraeus HoldingCommittee on Contact Materials
Chairman: Dr. Peter Braumann

MEMBERS FACHVEREINIGUNG EDELMETALLE

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[out of scope]

Trade: [out of scope]

Tax: [out of scope]

Environment: [out of scope]

[

out of scope

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[4.1 (b)]

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[

out of scope

[4.1 (b)]

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3. [out of scope]

4. Conflict Minerals and Responsible Sourcing

- EU and U.S. should recognize the effectiveness of industry-led initiatives (World Gold Council, London Bullion Market Association, Responsible Jewelry Council).
- The U.S. – and EU-authorities should ensure that the requirements of Dodd Frank Act and the upcoming EU-regulation do not result in unnecessary burdens or inconsistent compliance requirements.
- Companies fulfilling the requirements under one regulatory regime should be de facto recognized as having complied with the second regime too.

[4.1 (b)]