



Committee on International Justice and Peace

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February 23, 2017

Mr. Michael S. Piwowar
Acting Chairman
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Dear Mr. Piwowar:

As Chairman of the Committee on International Justice and Peace of the United States Conference of Catholic Bishops, I write to urge the SEC to keep the Conflict Minerals Rule related to Section 1502 of the Dodd-Frank Act fully intact and enforced.

Congolese die every day in the illegal mines and at the hands of the armed groups that destroy communities in order to expel them from potential mining sites. The estimated death toll in the Congo is the highest since the end of World War II. The international community, including our own nation, non-governmental agencies and the Church, provides emergency assistance to displaced and traumatized persons and families—assistance that has real financial costs that do not appear on the balance sheets of corporations.

In order to protect human life and dignity in the Democratic Republic of the Congo (DRC), the Church in the United States and in the DRC publicly supported the passage of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. In October 2011, Bishop Nicolas Djomo, the President of the Catholic Bishops' Conference of the Democratic Republic of the Congo, came to the United States to testify to the House Subcommittee on Monetary Policy and Trade. In order to defend the Congolese people, he argued for strong and effective regulations that would respect the intent of Section 1502 of the Dodd-Frank Act. He met with State Department officials, Members of Congress, and then-Chair Mary Schapiro of the Securities and Exchange Commission (SEC).

Church leaders established 20 monitoring units in Eastern Congo to study mining operations. They have seen the unsafe, dangerous and deplorable conditions under which many people, including children, work. With armed guards standing over them, laborers are little more than slave labor. Church leaders have also seen the terrible environmental damage caused by these mines, leeching toxins into the soil and water so that villagers have no safe drinking water and their farmlands are destroyed. These social costs are simply unacceptable.

For too many decades Africa's export of oil, diamonds, precious metals, and minerals has been more of a curse than a blessing, but over the last 20 years this situation has taken a turn for the better. The international movement to ban "blood diamonds," which created the Kimberley Process, was a great global success story. The "Publish What You Pay" initiative is another global movement that empowered people in developing countries to hold their governments accountable for the income that they receive from natural resource extraction.

Section 1502 of the Dodd-Frank Act opened yet another chapter in the effort to delink conflict, violence, and the resultant suffering from the international trade in minerals. It was a bold move that showed U.S. global leadership. This Act was duly noted by other countries and by international businesses. It displayed the willingness of the U.S. government, in its foreign policy, to place the moral values that Americans hold dear above a search for profit that is blind to social costs. The people of the Congo saw this legislation as a true expression of solidarity with the women, families, and villages who have suffered at the hands of those who destroy their communities to mine their resources.

Since promulgation, a number of organizations report that there has been a major reduction in the number of conflict mines for tungsten, tantalum, and tin in eastern DRC. More than 70 percent of the world's smelters and refiners for these minerals have now passed conflict-free audits.¹ Trade in these minerals is now significantly less lucrative for armed groups because the price for certified minerals is higher than for illegal, illicit minerals. Thus, the free market is now working to offer the right incentives to encourage safe and legal mining activities. American and international companies have done great work to weed out minerals that come from illegal and illicit mines. Many companies are avid supporters of this effort as it enhances their reputations and social capital in the United States.

In light of this experience, I strongly urge you to allow the Congo Conflict Minerals Rule to remain intact and enforced. It is a true example of the United States acting as a global "Good Samaritan" to the millions of people in Eastern Congo. In addition, this act of global solidarity and good will enhances American security, as it reduces conflict overseas that creates instability for the entire world.

My Committee staff are ready and willing to meet with you at a time and date of your convenience to discuss this vitally important issue in more depth.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Oscar Cantú". The signature is fluid and cursive, with a large initial "O" and a stylized "C".

Most Reverend Oscar Cantú
Bishop of Las Cruces
Chair of the Committee on International Justice and Peace

¹ *Analysis of the Interactive Map of artisanal mining areas in eastern DR Congo*, October 2016, <http://ipisresearch.be/publication/analysis-interactive-mapartisanal-mining-areas-eastern-dr-congo-2/>.