

# GAO Highlights

Highlights of [GAO-22-105411](#), a report to congressional committees

## Why GAO Did This Study

In the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act, Congress expressed concern about peace and security in the DRC. Specifically, Congress noted that conflict minerals were helping to finance conflict, including in eastern DRC. Section 1502 of the act required the SEC to promulgate regulations containing disclosure and reporting requirements for companies that use conflict minerals from the DRC and adjoining countries. Required annual filing of specialized disclosure reports began in 2014.

The act also included a provision for GAO to assess the SEC regulations' effectiveness in promoting peace and security in the DRC and adjoining countries, among other things.

This report describes (1) what is known about progress made toward achieving improved peace and security in eastern DRC from 2014 through 2021, and (2) how companies responded to the SEC conflict minerals disclosure rule when filing in 2021, among other objectives.

GAO reviewed U.S. government, UN, and other relevant documents. GAO also conducted 10 interviews with experts on peace and security in the DRC and 10 interviews with conflict minerals industry stakeholders. In selecting experts and industry stakeholders to interview, GAO sought to obtain a range of perspectives from individuals with relevant knowledge and experience. Finally, GAO analyzed a generalizable sample of 100 SEC filings from 2021.

View [GAO-22-105411](#). For more information, contact Kimberly M. Gianopoulos at (202) 512-8612 or [gianopulosk@gao.gov](mailto:gianopulosk@gao.gov).

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## CONFLICT MINERALS

### Overall Peace and Security in Eastern Democratic Republic of the Congo Has Not Improved since 2014

## What GAO Found

Overall peace and security in the eastern part of the Democratic Republic of the Congo (DRC) has not improved since 2014 because of persistent, interdependent factors that fuel violence by non-state armed groups (armed groups). Armed groups continue to commit severe human rights abuses, including sexual violence, and profit from the exploitation of "conflict minerals," according to the Department of State. Battles, fatalities, and attacks on civilians were relatively constant from 2014 through 2016 but steadily increased from 2017 through 2021, according to the Armed Conflict Location & Event Data Project. According to various sources, the main factors that contribute to the conflict include weak governance; corruption; natural resource exploitation; influence from neighboring countries (particularly Burundi, Rwanda, and Uganda); ethnic tensions; and economic pressures. Some of these factors continue to support or give rise to armed groups.

Armed groups and Congolese security forces are the key perpetrators of this violence and create a climate of insecurity for civilians, according to participants in GAO's 10 expert interviews. In 2020, there were an estimated 113 armed groups in the region, according to the Kivu Security Tracker. These groups range from very small militias to well-organized, sophisticated groups with international recruitment, support, and finance networks. According to the United Nations (UN) Group of Experts, many armed groups continue to raise revenue from various sources, such as extortion and natural resources, including gold (see fig.).

#### Mai Mai Militia Combatants Extorting Payment from Fishermen on Lake Edward in the Democratic Republic of the Congo (DRC)



Source: United Nations Group of Experts on the DRC, S/2016/466. | GAO-22-105411

The Securities and Exchange Commission (SEC) disclosure rule broadly requires that certain companies submit a filing that describes their efforts to conduct a reasonable country-of-origin inquiry for necessary conflict minerals used in their products. These minerals include tin, tungsten, tantalum, and gold. Depending on the preliminary determination as to whether these minerals came from the DRC or adjoining countries (covered countries), the rule requires companies to perform due diligence to determine the source of their minerals. In 2021, an estimated 66 percent of companies made preliminary determinations about the origins of their conflict minerals. Of those companies that went on to perform due diligence, an estimated 47 percent reported they could not determine whether the minerals used in their products originated in covered countries.