

Why GAO Did This Study

The Dodd-Frank Wall Street Reform and Consumer Protection Act, enacted in 2010, noted that the trade of conflict minerals was helping to finance violent conflict in the DRC. Section 1502 of the act required SEC to promulgate regulations containing disclosure and reporting requirements for companies that use these minerals. SEC finalized this rule in 2012, requiring companies to begin annually filing disclosure reports in 2014. According to SEC, in requiring it to promulgate the rule, Congress sought to promote peace and security in the DRC by reducing non-state armed groups' revenue from the mining and trade of conflict minerals.

The act includes a provision for GAO to assess, among other things, the SEC rule's effectiveness in promoting peace and security in the DRC and adjoining countries. This report examines, among other things, (1) what can be determined about the SEC disclosure rule's effectiveness in promoting peace and security in the DRC and adjoining countries and (2) how companies responded to the rule when filing with SEC in 2023. GAO conducted statistical analyses of the SEC rule's effect on violence in the DRC and adjoining countries. GAO also analyzed a generalizable sample of 100 company filings from 2023. GAO interviewed DRC and U.S. government officials; UN officials; experts from nongovernmental and academic institutions; and industry stakeholders and representatives of companies that filed disclosures.

SEC disagreed with some of GAO's findings and raised concerns about some of its methodology and analyses. In response, GAO made certain adjustments that did not materially affect its findings.

View [GAO-25-107018](#). For more information, contact Kimberly M. Gianopoulos at (202) 512-8612 or gianopoulosk@gao.gov

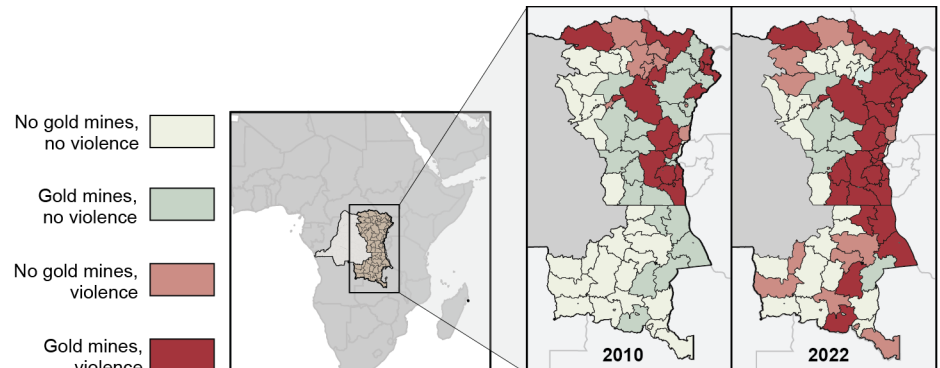
CONFLICT MINERALS

Peace and Security in Democratic Republic of the Congo Have Not Improved with SEC Disclosure Rule

What GAO Found

The U.S. Securities and Exchange Commission's (SEC) 2012 conflict minerals disclosure rule has not reduced violence in the Democratic Republic of the Congo (DRC) and has likely had no effect in adjoining countries. The rule requires certain companies to file reports on their use of tantalum, tin, tungsten, and gold, which are mined in the DRC. GAO found no empirical evidence that the rule has decreased the occurrence or level of violence in the eastern DRC, where many mines and armed groups are located. GAO also found the rule was associated with a spread of violence, particularly around informal, small-scale gold mining sites. This may be partly because armed groups have increasingly fought for control of gold mines since gold is more portable and less traceable than the other three minerals. Further, GAO found that the number of violent events in the adjoining countries did not change in response to the SEC rule.

Locations of Violent Events and Informal Gold Mining Sites in Eastern Democratic Republic of the Congo, 2010 and 2022



Sources: GAO, based on United Nations map and analysis of data from the Armed Conflict Location & Event Data and the International Peace Information Service. | GAO-25-107018

The SEC disclosure rule has encouraged companies to improve reporting of conflict minerals' sources by tracking the minerals' chain of custody, according to experts and industry stakeholders. In addition, though many factors contribute to conflict, stakeholders and experts said the rule has raised international awareness about the risks that minerals will benefit armed groups and thus support violence. Yet efforts to trace the origin of conflict minerals, especially gold, face obstacles such as smuggling.

The number of companies filing conflict minerals disclosures in 2023 increased for the first time since 2014, but many companies continued to report being unable to determine their minerals' origins. Companies comply with the SEC rule by submitting a disclosure describing their "reasonable country-of-origin inquiries" about the origin of conflict minerals in their products. In certain circumstances, companies must then conduct due diligence to determine their conflict minerals' source and custody. In 2023, an estimated 63 percent of companies made preliminary determinations, based on their inquiries, about their conflict minerals' origins. Of those that then performed due diligence, an estimated 62 percent reported being unable to determine the minerals' source.