

GAO Highlights

Highlights of [GAO-17-733](#), a report to congressional committees

Why GAO Did This Study

Over the past decade, the United States and the international community have sought to improve security in the DRC, the site of one of the world's worst humanitarian crises. In the eastern DRC, armed groups have committed severe human rights abuses, including sexual violence, and reportedly profit from the exploitation of "conflict minerals," particularly gold. Congress included a provision in the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act that, among other things, required the Securities and Exchange Commission (SEC) to promulgate regulations regarding the use of conflict minerals from the DRC and adjoining countries. The SEC adopted these regulations in 2012. The act also included a provision for GAO to annually assess the SEC regulations' effectiveness in promoting peace and security and report on the rate of sexual violence in the DRC and adjoining countries. In April 2017, GAO reported on companies' disclosures, in response to the SEC regulations, of conflict minerals they used in calendar year 2015 (see [GAO-17-517R](#)).

In this report, GAO provides information about (1) the supply chain for ASM gold in the DRC; (2) efforts to encourage responsible sourcing of ASM gold; and (3) sexual violence in eastern DRC and neighboring countries published since August 2016, when GAO last reported on this topic. GAO reviewed U.S., UN, and nongovernment and international organizations' reports; interviewed U.S., DRC, and United Arab Emirates (UAE) officials and other stakeholders; and conducted fieldwork in Dubai, UAE.

GAO is not making any recommendations.

View [GAO-17-733](#). For more information, contact Kimberly M. Gianopoulos at (202) 512-8612 or gianopoulosk@gao.gov.

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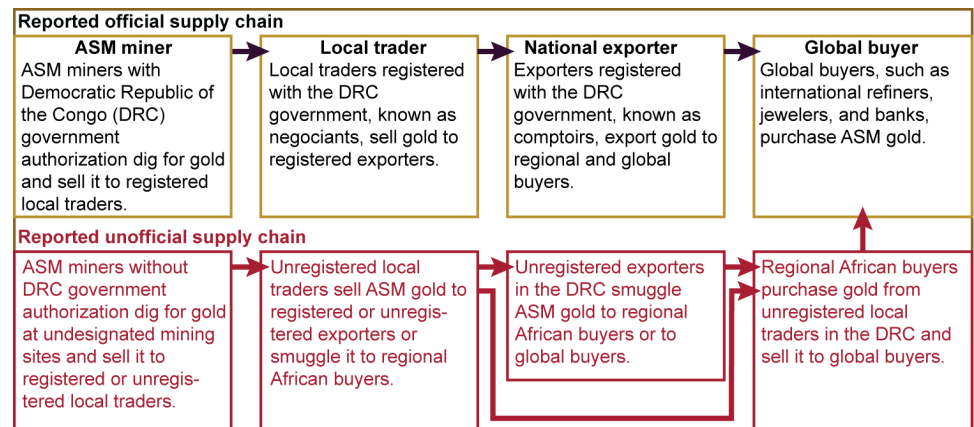
CONFLICT MINERALS

Information on Artisanal Mined Gold and Efforts to Encourage Responsible Sourcing in the Democratic Republic of the Congo

What GAO Found

The supply chain for artisanal and small-scale mined (ASM) gold—a significant driver of the Democratic Republic of the Congo (DRC) economy—involves multiple actors, according to reports GAO reviewed and stakeholders interviewed (see figure). Officially, these actors are required to obtain DRC government authorization and pay provincial or national taxes to mine, trade, or export ASM gold, according to these sources. However, almost all DRC-sourced ASM gold is produced and traded unofficially and smuggled from the country, according to reports and stakeholders. Further, elements of the Congolese army as well as illegal armed groups, frequently exploit ASM gold, often through illegal taxes on its production and transport, according to reports and stakeholders.

Illustration of Reported Official and Unofficial Supply Chains for Artisanal and Small-Scale Mined (ASM) Gold in the Democratic Republic of the Congo



Sources: GAO analysis of reports by U.S. agencies, the United Nations (UN), and nongovernmental and international organizations and of interviews with government and nongovernment stakeholders. | [GAO-17-733](#)

The DRC government, the U.S. Agency for International Development (USAID), and international organizations have undertaken several initiatives to encourage the responsible sourcing of ASM gold—that is, the production and traceability of gold that has not financed conflict or human rights abuses such as sexual violence. For example, since 2015, USAID has worked with the DRC government to implement a traceability scheme for ASM gold and has worked with Tetra Tech and Partnership Africa Canada to scale up pilot initiatives for the production and sale of conflict-free ASM gold. However, the limited number of mines validated as conflict free and the relatively high mining-related official provincial taxes in the DRC, compared with taxes in neighboring countries, provide few incentives for responsible sourcing of ASM gold, according to reports GAO reviewed.

In 2016, a USAID-funded, population-based study of the rate of sexual violence in parts of the eastern DRC estimated that 32 percent of women and 33 percent of men in these areas had been exposed to some form of sexual and gender-based violence in their lifetime. According to the United Nations, the DRC government has taken some steps to address sexual violence in the eastern region.