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**INTERNATIONAL TRADE &
CUSTOMS UPDATE****Public Companies Using Certain Imported Raw Materials from Africa to Face Burdensome SEC Reporting Mandate**

The Dodd-Frank Wall Street Reform and Consumer Protection Act—the law overhauling and reforming the U.S. financial regulatory system that President Obama signed into law July 21—contains a little-publicized corporate social responsibility (CSR) mandate targeting publicly traded companies. Specifically, those public companies that traffic in certain “conflict minerals” or use them in components for various consumer and industrial products will face new due diligence and disclosure requirements, which the Securities and Exchange Commission (SEC) will issue within the next nine months.

The provision focuses on columbite-tantalite (coltan), cassiterite, gold, wolframite or their derivatives from the Democratic Republic of Congo (DRC) and its adjoining countries—Angola, Burundi, Central African Republic, Republic of the Congo, Rwanda, Sudan, Tanzania, Uganda and Zambia. Proceeds from the sale of “conflict minerals” in these countries have been used to fund armed militias. These raw minerals are commonly used to make components for multiple electronics products (e.g., cell phones, computers, televisions, PDAs, DVD players and video game systems), medical equipment, high-speed tools, machine parts, glass and lamps.

Companies likely affected by this provision can act now to protect and promote their interests by participating in the drafting and review process of the SEC regulations and by auditing their own supply chains to identify the sourcing and chain of custody of any of these “conflict minerals.” Companies should determine in advance whether they are likely to be subject to these reporting requirements so they may institute internal controls to capture this information.

FOR MORE INFORMATION

Please contact **Matthew R. Nicely** or any member of our **International Trade & Customs** practice group for more information.

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