

**Industry launches first integrated Conflict Minerals and RoHS,
REACH web database for suppliers**



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BOMcheck.net

 **ENVIRON**

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The SEC's conflict mineral rule requires US-listed companies to disclose whether their products contain certain metals (tin, tantalum, tungsten, or gold) and whether these metals originate from rebel-held mines which are funding armed conflict in the Democratic Republic of the Congo (DRC) region. As most SEC reporting companies prepare to file "DRC conflict undeterminable" on 31 May 2014 for the 2013 reporting period, the BOMcheck Industry Steering Group has launched the world's most advanced conflict minerals web database system to prepare for the 2015 reporting period when large SEC reporting companies must file "DRC conflict free" or "Not DRC conflict free". Extensive feedback on data management challenges with other web platforms has helped industry develop the first web database which:

- ✓ Provides one integrated tool for suppliers to upload their [EICC GeSI Conflict Minerals Reporting Templates](#) at the part level or company level at the same time as they publish materials declarations for RoHS, REACH and other regulated substances. No need to re-type data into another web tool.
- ✓ Validates the data in the supplier's EICC GeSI Conflict Minerals Reporting Template and provides immediate detailed feedback to help the supplier correct any data validation errors which are preventing upload. This saves time and cost for suppliers and manufacturers.
- ✓ Works in partnership with the [Conflict-Free Sourcing Initiative](#) to validate any new smelters which suppliers identify so that they can be added to the smelter list and invited to join the [Conflict-Free Smelter Program](#).
- ✓ Enables manufacturers to leverage the Conflict-Free Smelter Program and the upcoming EU Responsible Sourcing Regulations to work towards "DRC conflict free" status by 2015.

BOMcheck is an industry collaboration led by Philips, Siemens, GE, Osram, Sony Mobile, Schneider Electric, Toshiba, Agfa, Texas Instruments and TE Connectivity to share one web database to manage supply chain compliance. BOMcheck is highlighted in corporate videos produced by [Siemens](#) and [Philips](#) and is currently used by over 560 manufacturers to gather materials declarations from over 3,500 suppliers worldwide for more than 1.6 million parts. The system is supported by SGS which uses BOMcheck to provide [EN 50581 RoHS compliance assessment services](#).

One integrated tool for Conflict Minerals and RoHS, REACH and other regulated substances

As highlighted by Jared Connors, Intel at the IPC conflict minerals conference summer 2013, many companies piloted their conflict minerals supply chain programs last year by using basic, stand-alone systems so that they could identify the data management challenges and define their requirements for a comprehensive software solution. In July 2013 the Conflict-Free Sourcing Initiative also published a new version 2.03a of its Conflict Minerals Reporting Template which provides greater accuracy for identifying and rolling up the list of smelters in a company's supply chain. These industry requirements have been addressed in BOMcheck to produce a mature, integrated system which enables suppliers to use one tool to upload their EICC GeSI Conflict Minerals Reporting Templates at the part level or company level at the same time as they publish materials declarations for RoHS, REACH and other regulated substances. Manufacturing customers can use the BOMcheck tools to roll-up conflict minerals data and smelter lists for a BOM parts list or at the supplier company level, and download these data as a new EICC GeSI Conflict Minerals Reporting Template.

Data validation and immediate detailed feedback to suppliers

An important lesson learned from company pilot programs was that it took an average of 3 or 4 interactions with suppliers to achieve complete and coherent EICC GeSI Conflict Minerals Reporting Templates. Manufacturers spent considerable time and effort to review each Conflict Minerals Reporting Template and manually communicate the data validation errors back to suppliers. The BOMcheck Industry Steering Group shared the results from their pilot programs to develop a comprehensive set of validation checks and error messages. The new BOMcheck tools carry out these validation checks automatically and provide immediate detailed feedback to the supplier on how to correct any errors before the reporting template is uploaded and shared with their manufacturer customers. This saves time and cost for suppliers and manufacturers.

Working in partnership with Conflict-Free Sourcing Initiative to validate ‘new smelters’ identified by suppliers

The biggest data management challenge for a company that wants to work towards “DRC conflict free” status by 2015 is to roll-up an accurate, complete list of the smelters which are used by suppliers in their supply chain. Early pilot programs found that some of the smelters used by suppliers were not included in the smelter list published in older versions of the EICC GeSI Conflict Minerals Reporting Template, and so the supplier had to manually add these entries into their smelter list. In many cases, the supplier included incorrect entries for organizations which are not smelters (for example, London Bullion Market Association) in their smelter list. In both cases, the manufacturer expended significant resources to check whether these entries were for valid smelters and if not, to establish what smelters the supplier should have listed. If the entries were included by first tier suppliers then the manufacturer could leverage their contractual relationships to ask these suppliers to investigate. However, if the entries were rolled-up from second tier suppliers’ smelters lists then it was virtually impossible for the manufacturer to get them investigated and corrected. These entries represent data gaps in the manufacturer’s due diligence program which prevent them from working towards “DRC conflict free” status by 2015.

To avoid these data management issues, industry has worked hard to ensure that version 2.03a of the EICC GeSI Conflict Minerals Reporting Template now includes > 99% of the world’s Conflict Minerals smelters, each identified with a unique Smelter ID. Today, almost all suppliers should be able to identify all of their smelters by carefully checking the Version 2.03a EICC GeSI published smelter list. The new BOMcheck system works in partnership with the Conflict-Free Sourcing Initiative to support this industry approach. If the supplier believes they have identified a potential new smelter then BOMcheck contacts the company and works with the Conflict-Free Sourcing Initiative to collect and check the necessary information to add the new smelter to the smelter list in the EICC GeSI Conflict Minerals Reporting Template. The Conflict-Free Sourcing Initiative will then invite the new smelter to participate in the Conflict-Free Smelter Program.

Manufacturers can leverage the Conflict-Free Smelter Program and the upcoming EU Responsible Sourcing Regulations to work towards Conflict Free Status by 2015

The Conflict-Free Smelter Program is the leading industry initiative on conflict minerals and offers companies and their suppliers an independent, third-party audit tool with a compliance protocol that determines which smelters and refiners can be validated as “conflict-free,” in line with current best practices. On 5 March 2014 the European Commission published a proposal for new EU

Responsible Sourcing Regulations. The Commission's proposal includes the following key objectives:

- Focus on the upstream smelters – no new requirements on downstream suppliers
- Self-certification system for EU importers of metals and ores of tin, tantalum, tungsten and gold, to demonstrate due diligence by monitoring and administering their purchases and sales in line with OECD standards. With more than 400 importers of such ores and metals into its territory, the EU is among the largest markets (about 35% of global trade) for tin, tantalum, tungsten and gold
- EU plans to publish an annual list of EU and global responsible smelters and refiners. This aims to increase public accountability of smelters and refiners, enhance supply chain transparency and facilitate responsible mineral sourcing

In other words, the Commission proposal is designed to support and increase the implementation of initiatives such as the Conflict-Free Smelter Program.

BOMcheck is designed to support the Commission proposal and to help manufacturers to leverage the Conflict-Free Smelter Program and the upcoming EU Responsible Sourcing Regulations to work towards “DRC conflict free” by 2015. When new smelters are validated as “conflict-free” they are automatically included in BOMcheck so that the manufacturer can re-calculate whether the complete list of all smelters used by their suppliers is now “conflict-free”.

Business benefits for suppliers to use BOMcheck for RoHS, REACH and other regulated substances

BOMcheck is designed by industry to provide a [low cost, easy-to-use system](#) for suppliers to publish material declarations for RoHS, REACH and other regulated substances which meet [EN 50581 Clause 4.3.4 quality and trustworthiness requirements](#). The quality of materials declarations in BOMcheck is significantly higher compared to many [third party data resellers](#). Each declaration has the same format and is [signed electronically](#) by an Authorised Individual at the supplier to meet the quality and trustworthiness requirements in clause 4.3.4 of the [EN 50581 standard for RoHS2 technical documentation](#). Product Stewardship Manager at Umicore AG & Co. KG said “*We receive a lot of individual questionnaires about REACH SVHC, RoHS, etc. BOMcheck provides a user friendly tool to create standardized declarations which our customers are more and more happy to accept*”. BOMcheck also has a tried and tested integration process with leading software solution providers, including [ENOVIA MCC](#) and [PTC WPA](#), which enables automated data download in [IPC 1752A XML](#) format and accurate loading of supplier declarations without the need for any editing of supplier company names or IDs – another essential due diligence requirement for RoHS2.

Suppliers use the detailed training videos published on [www.BOMcheck.net](#) to quickly learn the [data entry tools](#) and rely on the [expert chemicals guidance](#) to identify which materials and parts are at risk of containing regulated substances, and any exemptions that apply. This risk management approach saves time and reduces testing costs for suppliers. If the BOMcheck guidance indicate that a substance is not found in the supplier's parts (for example, because the substance is used as a plasticizer in certain types of materials and the parts do not contain these materials) then the supplier can follow the guidance and claim compliance for their parts for this substance. Senior Product Development Engineer at Belden Wire & Cable B.V said “*BOMcheck helps me to respond to the rapidly increasing list of REACH Candidate List substances and to keep my declarations up-to-date*”.

Most suppliers choose to make their Regulatory Compliance Declarations available to all customers in BOMcheck and so these data are available immediately to new customers who decide to join BOMcheck. If a supplier has chosen to make their Full Materials Declarations confidential to certain customers, then the supplier can [add new customers to these confidentiality settings](#) in one step so that all these existing Full Materials Declarations can also be made available immediately. Environmental Compliance Engineer at Würth Elektronik said *“We appreciate the standardized Full Material Declaration and Regulatory Compliance Declaration, the option to add evidence documents (for example, MSDS’s, lab analysis reports, etc.) to support the material declaration, and the automatic updates to our Regulatory Compliance Declarations.”*

BOMcheck provides [communication tools for customers](#) to request certain supplier parts or customer parts, and ‘wizard’ tools to guide suppliers to make declarations for REACH, RoHS and other regulated substances around the world, or to [map the customer part number to their supplier part number](#) in BOMcheck. Customers can use BOMcheck to send parts lists and request messages to their suppliers for action in BOMcheck. Suppliers receive reminder emails from BOMcheck if the required dates in the customer requests are exceeded. Suppliers can review the customer requests and send response messages in BOMcheck to accept or reject the parts lists. If a supplier accepts a request, the ‘wizard’ tools guide the supplier to download the parts list and make declarations for the part numbers and/or to map the customer part numbers to the supplier’s part numbers. Material Data Manager at WAGO Kontakttechnik GmbH & Co. KG said *“BOMcheck is a very important tool for WAGO that makes it possible to answer the ever-increasing number of customer requests quickly and efficiently.”*

About ENVIRON

BOMcheck is managed by leading international consultancy ENVIRON which also co-chairs the [IPC 1752A materials declaration standard](#) and serves as EMEA regional coordinator for the [IEC 62474 materials declaration standard](#). The firm offers environmental, health, safety and sustainability services through an interdisciplinary network of more than 1,500 consultants operating from 88 offices in 19 countries worldwide. www.vironcorp.com.