RMI invited all RMAP-participating smelters and refiners and upstream members to complete **RMI's COVID-19 Industry Impact Survey**.

**Survey Intention:**

- To track the impact of the virus on 3TG and Cobalt producers and other upstream companies and to understand current response measures.

**Survey Time period: April 6 – 13, 2020**

53 respondents:

- 31% Tin
- 15% Tantalum
- 23% Tungsten
- 29% Gold
- 9% Cobalt
- 17% Other (Silver, Platinum, Palladium, Copper, Nickel, Molybdenum, Zinc)

If you have any questions, please contact [Diana Trigo](mailto:).
Q: Which of the following materials are processed by your facility (select all that apply)?

- Tin
- Tantalum
- Tungsten
- Gold
- Cobalt
- Other (please specify)

Answered: 51    Skipped: 2

<table>
<thead>
<tr>
<th>ANSWER CHOICES</th>
<th>RESPONSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tin</td>
<td>31.37%</td>
</tr>
<tr>
<td>Tantalum</td>
<td>15.69%</td>
</tr>
<tr>
<td>Tungsten</td>
<td>23.53%</td>
</tr>
<tr>
<td>Gold</td>
<td>29.41%</td>
</tr>
<tr>
<td>Cobalt</td>
<td>9.80%</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>17.65%</td>
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</tbody>
</table>

Total Respondents: 51

- We received a well-rounded amount of SOR’s responding from all material types.
Q: Which of the following sources provides materials to your company (select all that apply)?

- 36% or respondents are ASM, while 60% are LSM.
Q: Has the COVID-19 pandemic affected your raw material availability?

Answered: 44   Skipped: 9

- Approximately 47% of SOR’s reported their raw material availability has been effected.
Q: Are you aware of impacts on Artisanal and Small-Scale Mining production and processing? Please explain.

36% of SOR’s reported they are aware of impacts to ASM.

**ASM Impacts:**
- Production delays, longer delivery time, not sufficient staff to operate business, decreased production from small miners
- Rwanda/Burundi/DRC and other countries in Central Africa are either fully closed at the border, or miners are being told to stay away from mines. Certain countries (Rwanda and Bolivia) have shutdown export.
- Difficulty of transportation. With limited time of work due to movement control by the local government, there will be a disruption of mineral produced.
- Traceability program could not perform as usual in Central Africa.
Q: Are you aware of impacts on Large Scale Mining production and processing? Please explain.

46% of SOR’s reported they are aware of LSM Impacts.

**LSM Impacts:**
- Some smelters interrupted the production line for a few days, transportation lockdown, production delaying.
- Metals market price drop down, that would limit their operation.
- Two tungsten mines in Spain have been forced to close.
- All large-scale mining activity in Bolivia have stopped due to difficulty to transport the minerals and receive supplies.
- The outbreak of COVID-19 significantly reduces factory occupancy, and further impact could lead to long-term factory shutdowns, which could lead to suspension of payroll and massive layoffs.
Q: Have you experienced any transportation delays to you or delays in shipping of materials?

Answered: 46    Skipped: 7

64% of SOR’s reported transportation delays.

Types of Transportation delays:
- Delays with limited choices, increased costs, borders closures and increased transportation tariffs
- Truck drivers in China are forced to stay at home for two weeks after the long-distance delivery.
- Reduced availability of inland freight services, especially in EU region - resulting in increased delays in delivering finished goods to customers.
- In Bolivia there is a mandatory quarantine, where only medical, security and food personal can move around. This has been the difficulty.
- Transport of raw materials, lack of containers, other problems at the port.
Q: What is the current delay in production to your customers?

Answered: 45    Skipped: 8

- Despite the 47% of SOR’s reported their raw material availability has been affected in an earlier slide, about half reported they do not have any delays with customer’s production.
Q: Have you experienced operational impacts with staffing or supplies (e.g., PPE Supplies)? Please explain.

45% of SOR’s reported operation impacts.

Operational Impacts:
- Employees must use a mask and we improve our cleaning supplies and provide hand sanitizer in every corner.
- Some reported mines being operated by expat workforce on a fly-in/fly-out basis. Due to the closure of airports and border control, there are difficulties with transport.
- Some reported relying on foreign experts for certain maintenance tasks at the mines and plants, and are currently unable to access these skilled workers.
- Due to effective government segregation, more than half of employees cannot return. List of workers must be provided to the government for approval. Once approved, the list must be given to district police for records and for monitoring purposes.
- Government issued Stay-At-Home order has limited our on-site staffing levels.
Q: In light of the COVID-19 pandemic, have your customers provided additional flexibility (i.e. delivery time) for your products/services?

Answered: 45    Skipped: 8

- 62% of SOR’s reported their customers have been flexible with their delivery times.
Q: In light of the COVID-19 pandemic, have your customers provided flexibility for audit/assurance reports, conclusions, certificates, and/or disclosures.

Answered: 46    Skipped: 7

34% of SOR’s reported having asked or been provided with flexibility for audit/assurance reports, conclusions, certificates, and/or disclosures.

Yes responses:
- Customers have agreed with delaying audits
- They all understand the situation and have replied that we will continue as soon as we start producing again.
- They are understanding and know they can expect delays in receiving/sending information or data from/to our suppliers/customers.
- Cancel site audit
Q: Have you seen, or do you expect to see, a negative impact to revenue?

- Approximately 88% of SOR’s have reported a negative impact on revenue to some degree.
Q: What percentage of your operations is functioning as normal?

- Approximately 72% of reporting SOR’s are operating at a 50% capacity rate or higher of their normal operating levels.

Answered: 46  Skipped: 7

<table>
<thead>
<tr>
<th>ANSWER CHOICES</th>
<th>RESPONSES</th>
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<tbody>
<tr>
<td>0-10%</td>
<td>6.52%</td>
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<tr>
<td>11-25%</td>
<td>8.76%</td>
</tr>
<tr>
<td>26-50%</td>
<td>10.87%</td>
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<tr>
<td>51-75%</td>
<td>15.22%</td>
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<tr>
<td>76-99%</td>
<td>34.78%</td>
</tr>
<tr>
<td>100%</td>
<td>23.91%</td>
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<tr>
<td>TOTAL</td>
<td>46</td>
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</table>
Q: What percentage of your employees are working as normal?

- Approximately 75% of reporting SOR’s are operating at a 50% capacity rate or higher of their normal working employees.
Q: When do you expect to be back to full production?

- Approximately 32% of reporting SOR’s are operating full production while 13% will take them one quarter to get back to full production. 19% said it would take them one to three quarters while 28% reported they were unsure how long it would take them to get back to full production.
Q: Which policies have you put in place because of COVID-19 (select all that apply)?

Answered: 44    Skipped: 9

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<tbody>
<tr>
<td>Upgraded sanitation measures</td>
<td>99.91%</td>
</tr>
<tr>
<td>Limited external visitors (e.g. customers or auditors)</td>
<td>99.91%</td>
</tr>
<tr>
<td>Expanded our supplier base to find/obtain additional raw material inputs</td>
<td>20.45%</td>
</tr>
<tr>
<td>None</td>
<td>2.27%</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>16.18%</td>
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</table>

Total Respondents: 44

90% of SOR’s have put new policies in place due to COVID-19.

Other policies put in place to address covid19:

• Flexible workweek
• Working remote
• No travel
• Hire Freeze
Q: Have you had any impacts on your due diligence and responsible sourcing efforts?

Answered: 44  Skipped: 9

25% of SOR’s have had impacts with their due diligence efforts.

Impacts:
- Not able to carry out audits with their suppliers
- Delays with mine site visits
- Mine closures prohibiting due diligence information
- Difficulty connecting with suppliers

**ANSWER CHOICES** | **RESPONSES**
---|---
Yes (Please explain in “other” comment box) | 25.00%  11
No | 72.73%  32
TOTAL | 44
Q: Have you requested or are you seeking RMAP reschedule due to COVID-19? Please explain.

[Graph showing responses]

Answered: 43  Skipped: 10

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<tbody>
<tr>
<td>Yes (Please explain in &quot;other&quot; comment box)</td>
<td>18.60%</td>
</tr>
<tr>
<td>No</td>
<td>74.42%</td>
</tr>
</tbody>
</table>

18% of SOR’s have already requested extensions for their RMAP. While other expressed the following in their responses:

- Several SORs are planning to request RMAP extensions
- Several RMAP audits already delayed due to covid19
- Some auditors cannot enter the country, so audits have been postponed due to that
Q: What activities is your company engaged in to assist with COVID-19 response for upstream actors (mine and trading operations), mining communities, or supply chain partners?

Answered: 37   Skipped: 16

- We are also seeing many respondents assisting upstream actors (mine and trading operations), and mining communities with COVID-19 response measures. In this critical time, support is very much needed especially in the ASM communities.
- 35% of respondents are supporting community health and sanitation education.
- 29% are supporting community or company level projects sanitation and infrastructure in the upstream.
- Another 29% are providing emergency relief to support community needs and mobile clinics.
- About 10% provide financial support to the upstream to offset losses from mine closures and trade stagnation.
**Q: What other resources (expertise, networks, financial) would be helpful to support vulnerable populations in the mineral supply chain?**

- Awareness and information campaigns.

- Financial support would be helpful to the populations in the mineral supply chain.

- Financial to help with the lack of sales of raw material, and experts to train miners in taking health and sanitation measures for POST Covid-19 work.

- Medical equipment's for the hospitals in small cities.

- Keep mine price stable

- Supply masks

- Network action (if any possible)

- Enhancement of medical technicians, hygiene medical facilities, and hospitals Life security for unemployed and declining income
Q: Please provide any additional feedback regarding RMAP assessment timeline, conformance, or communications that would be helpful for smelters & refiners in connection to COVID-19.

- Using online platform is the best way to communicate and transfer information. Have an online assistance channel to give advice.

- Regarding RMAP, in a situation where it is difficult to predict the exact schedule due to COVID-19, we would like to temporarily suspend activities such as auditing and report submission and resume all activities after COVID-19 stabilizes.

- We should all be part of a communal work to train and give simple knowledge tools to miners both large and small or ASM. If this situation extends for more months, then all RMAP should be flexible to accommodate to each individual situation.

- International benchmarking from actions and situations that other players in the market are facing

- Suggest pushing out all repeat audit for 6 months or maybe to make is simpler for a year.

- Reduce the audit cost and conduct audits using electronic data whenever possible
Next Steps for COVID-19 Survey Results

• Two follow up Surveys will be sent to track impacts and trends over time.

• The surveys will be sent at the beginning of each month with a 2 week turn around time.

• We will be sharing the survey results and trends information on the RMI plenary calls.

• We will dedicate a portion of the RMI website to publishing the survey results and trends.
RMI Call to Action

During this trying time, the RMI encourages companies to take actions that will support their upstream supply chain partners and help safeguard critical due diligence activities and systems, this includes:

• Reach out to see how your supply chains are doing and open the lines of communication with suppliers
• Support supply chain partners – maintain supply chain due diligence expectations and offer support to address issues
• Support small and medium-sized enterprises in mineral supply chains through loan guarantee programs and grants
• Support efforts of on-the-ground initiatives (IMPACT, iTSci, BSP, Artisanal Gold Council, etc.) by allocating funding to maintain due diligence processes and investments
• Support community health and sanitation projects in mining communities
• Foster the sustainable inclusion of responsible ASM projects into global supply chains
• Activate humanitarian and emergency response networks to reduce the potentially devastating impacts of COVID-19 on ASM communities. Please see resources on COVID-19 impact on ASM below for more information.
• Ensure a balance of maintaining integrity and flexibility in due diligence efforts during this period, taking into account government virus containment and mitigation measures, and impacts or delays to on on-the-ground risk assessments and audits
• Help support auditees' assessments and upstream due diligence efforts by contributing to the RMI’s Audit Fund and Upstream Due Diligence fund. For more information please visit our Foundation webpage (ADD HYPERLINK)
• [http://www.responsiblemineralsinitiative.org/about/rba-foundation-rmi-funds/](http://www.responsiblemineralsinitiative.org/about/rba-foundation-rmi-funds/)