RMAP Risk-Based Assessment Program
Revised February 2020

The Responsible Minerals Assurance Process (RMAP) implements a risk-based assessment program for smelting and refining facilities in 3TG and cobalt supply chains. Smelter and refiner facilities that meet specified program criteria will be eligible for reduced on-site assessment frequency.

What is the Responsible Minerals Assurance Process?

The RMAP is a voluntary initiative in which an independent third party validates facility due diligence management systems, in line with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas Third Edition (OECD Guidance). The RMAP assessment validates that the facility has developed and implemented required due diligence procedures by first verifying the facility management processes, then evaluating implementation of those processes with spot checks, reviews of purchasing practices, and interviews with relevant employees. Facilities that meet all RMAP requirements are identified as a RMAP Conformant, with a standard assessment frequency of one year.

Some materials types are not in scope for the OECD Guidance and related regulation. Additionally, there are some scenarios where the likelihood of triggering an OECD ‘red flag’ is exceedingly low, namely:

1 Metals reasonably assumed to be recycled are excluded from the scope of the OECD Guidance. Recycled metals are reclaimed end-user or post-consumer products, or scrap processed metals created during product manufacturing. Recycled metal includes excess, obsolete, defective, and scrap metal materials which contain refined or processed metals that are appropriate to recycle in the production of tin, tantalum, tungsten and/or gold. Minerals partially processed, unprocessed or a bi-product from another ore are not recycled metals.

2 Where a Union importer can reasonably conclude that metals are derived only from recycled or scrap sources, it shall, with due regard for business confidentiality and other competitive concerns: (a) publicly disclose its conclusion; and (b) describe in reasonable detail the supply chain due diligence measures it exercised in reaching that conclusion.

3 1) The minerals originate from or have been transported via a conflict-affected or high-risk area;
   2) The minerals are claimed to originate from a country that has limited known reserves, likely resources or expected production levels of the mineral in question (i.e. the declared volumes of mineral from that country are out of keeping with its known reserves or expected production levels);
   3) The minerals are claimed to originate from a country in which minerals from conflict-affected and high-risk areas are known to transit;
   4) The company’s suppliers or other known upstream companies have shareholder or other interests in companies that supply minerals from or operate in one of the above-mentioned red flag locations of mineral origin and transit;
   5) The company’s suppliers’ or other known upstream companies are known to have sourced minerals from a red flag location of mineral origin and transit in the last 12 months.
1. Facilities located outside of CAHRAs that purchase only domestic materials (for example, from their own mines).
2. Facilities that source 100% recycled or scrap materials, and such sourcing is externally validated by an independent third party auditor.

How does the RMAP Risk-Based Assessment Program work?

For the purposes of the Risk-Based Assessment Program (RBAP), ‘risk-based’ refers to adjusting the frequency of the on-site assessment based on the sourcing profile of the smelting/refining facility. The RBAP extends the conformance term to a maximum of three (3) years between on-site assessments, provided that the sourcing profile remains the same and the facility conforms to annual reporting and training requirements.

If at any time any of the following occur, the facility will be required to undergo an RMAP on-site assessment in accordance with the assessment standard in effect at the time of the change in classification. In this event, RMAP staff shall notify the facility and allow appropriate time for scheduling the annual assessment, not to exceed 90 days after the notification is made.

- The facility sources non-domestic primary materials;
- The facility identifies OECD ‘red flags’ in its supply chain⁴;
- The facility is located in a CAHRA;
- The facility violates the agreements, policies, or procedures of RMI, inclusive of the RMI grievance mechanism.

Who is eligible?

Facilities that meet all the following eligibility requirements will be eligible for the RMAP Risk-Based Assessment Program.

1. Conformance: completed (2) annual successive RMAP assessments⁵, with both assessments resulting in a RMAP Conformant status⁶
2. Location: facility operates outside a CAHRA

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⁴ Ibid. Additionally, for Gold: The company has identified a red flag during the review of the gold supplying counterparty, the gold origin or transportation; and for Cobalt: If the company identifies a warning sign or red flag in the cobalt supply chain or is unable to reasonably exclude one or more of the warning signs or red flags defined in Table 3 of the Standard.
⁵ Assessments must be completed for the Responsible Minerals Assurance Process, Revised Standard (2017)
⁶ RMAP will only deem a facility as conformant when all corrective actions have been fulfilled.
3. Sourcing: results of both RMAP assessments confirm that sourcing practices are low-risk (no OECD red flags identified) and are limited to the following conditions for both assessment years:
   a. Materials originate from mines or RMAP conformant smelters/refiners located in the same country in which the eligible facility operates
   b. Facility is validated to only process recycled or scrap materials.
      i. If the facility processes gold, then recycled or scrap materials are only sourced from the low-risk country in which the facility operates
   c. Facility does not purchase jewelry from non-commercial entities (i.e., private parties)

4. Commitment: Facility maintains conformance to all applicable RMAP expectations as identified in the relevant RMAP assessment standard and annually provides the following information to RMAP:
   a. Sourcing Declaration: participants submit an annual sourcing declaration stating the facility only sources raw material specified in section 3.7
   b. Notification agreement: participant agrees to notify RMAP immediately of changes to sourcing practices, including:
      i. Identity of red-flags in the supply chain
      ii. Materials originate from outside the facility’s own country / area
      iii. Facility sources from supplying smelters/refiners that are not RMAP-conformant or equivalent
      iv. Facility changes from being a 100% recycler to also receiving primary material
      v. Facility purchases jewelry from non-commercial entities
   c. Facility representative with purchasing authority completes a RMAP-hosted training on an annual basis during non-assessment years, including a completion assessment.
   d. Public Due Diligence Report: Publication of an OECD Step 5 Due Diligence Report (to be reviewed and updated, if needed, on an annual basis).

If the RMI updates its Standard and/or this policy, smelter’s ongoing participation in the RBAP program will be re-evaluated by the criteria in this document.

**Note:** companies that are part of a “group company” are not eligible for the Risk-Based Assessment Program.

**How may a facility enroll?**

Facilities that have met the eligibility requirements can submit a completed enrollment form to RMI via RMI@responsiblebusiness.org. The enrollment application must be signed by the facility’s owner, President or

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7 Attest that there has been no international sourcing of primary containing raw materials.
Managing Director. Facilities that are undertaking their second RMAP assessment may simultaneously apply upon notification that their validation is completed.

The enrollment application includes:

- Agreement to notify RMAP of sourcing changes immediately and provide an annual Declaration of Sourcing Practices
- Commitment to submit a Sourcing Dashboard and / or transaction list (can use Line Item Summary) to RMAP annually
- Commitment to submit a “Step 5” Public Due Diligence Report to RMAP annually
- Commitment to continue ongoing due diligence
- Pledge to have a facility representative with management authority complete either an in-person or online responsible minerals sourcing training course and quiz provided by the RMAP (in non-assessment years). If such staff turnover, then successor staff must also complete the course.

Once the above-listed documents have been filed with RMAP and participation is approved, the participant shall be officially notified of their inclusion to the RMAP Risk-Based Assessment Program and the revised (extended) conformance period. The assessment date on the RMI web site will be maintained as an annual date to note when the appropriate forms and training should be completed.

RMAP will notify participants annually of their duty to submit appropriate forms and complete a training course. Failure to fulfill all annual eligibility requirements will result in a facility no longer being included in the RMAP Risk-Based Assessment Program. In this event, the facility will be removed from the Conformant list and will be required to complete an on-site assessment in accordance with the relevant RMAP assessment standard to maintain its RMAP Conformant Smelter status. (Depending upon reasons for removal, the facility may qualify to be listed on the Extended Corrective Action Plan list.)

Enforcement

RMAP reserves the right to conduct an on-site assessment at any time within the conformance period, including sooner than three (3) years. Examples of how this right may be exercised include and are not limited to the following:

- Facility identifies OECD ‘red flags’ in its supply chain
- Facility no longer meets the RMAP Risk-Based Assessment Program eligibility requirements
- Credible information is reported that suggests possible non-conformance to the OECD Due Diligence Guidance for Responsible Supply Chains or Minerals from Conflict-Affected and High-Risk Areas
- Facility is subject to review and validation under RMI’s Grievance Mechanism as part of a grievance resolution or corrective action plan.
• Facility does not supply the required off-year documentation:
  o Declaration of Sourcing
  o Transaction list / Line Item Summary
  o Public Due Diligence Report meeting the requirements of the relevant Standard
  o Complete the online training and assessment

• Facility has unpaid invoices from past on-site assessments and/or any related corrective action period (CAP) reviews

If the facility had any “conform with continual improvement” findings open at the conclusion of its last on-site assessment, then a top-off assessment must be completed one year after the date of the on-site assessment. This assessment will be either virtual or on-site depending upon the finding noted.

Any concerns, suggestions or improvements to this program’s enforcement may be directed to the RMAP staff. Please write to RMI@responsiblebusiness.org.