On-the-ground due diligence, in line with the OECD Due Diligence Guidance for Responsible Mineral Supply Chains, helps companies throughout the supply chain respect human rights and avoid contributing to conflict, bribery, money-laundering or financial crime associated with the production and trade of minerals. It also enables responsibly sourced minerals to access global markets, reduces risk for users of minerals, enhances brand potential and supply chain security and integrity, and as a result, adds significant value to mineral supply chains. Failure to source minerals responsibly has significant costs and negative impacts on people in mining communities.

Due diligence for responsible mineral supply chains should be considered as the cost of doing business. Still, in the spirit of the Guidance, efforts should be taken to help companies that responsibly operate in, or source directly from Conflict Affected and High-Risk Areas (CAHRAs) maximize the commercial benefits of implementing on-the-ground due diligence, while minimizing the commercial opportunities for companies that are not producing or sourcing responsibly. In particular, this is relevant for auditors, financial service providers, and market makers.

All stakeholders are urged to cooperate on this issue through transparent discussions and having due regard for competition law (please refer the OECD paper on Competition Law and Responsible Business Conduct). Stakeholders are encouraged to support development of concrete solutions in different mineral supply chains to address market barriers for responsibly produced or sourced minerals.

Proposed solutions to lower costs of due diligence, increase market incentives or better recognize the value of due diligence in the mineral supply chain could include:

- Introduce cost-recovery with levies or premiums along the supply chain to help finance upstream due diligence efforts.
- Factor the costs of compliance in bilateral price negotiations with suppliers.
- Reduce duplication of costs by supporting mutual recognition and alignment, including between industry initiatives and relevant national efforts, where possible.
- Introduce commercial incentives or forms of compensation, including possibly through the use of new technologies, for miners and other entities to provide personal data and due diligence information.
- Implement mechanism to strengthen ASM bargaining power so that miners get fair value.
- Strengthen global implementation of smelter & refiner auditing requirements.
- Address structural barriers to finance and services that may exist in the market in particular for artisanal and small-scale miners.
- Provide technical assistance for miners to increase production yield so more funds may be allocated to due diligence implementation.
- Address barriers for companies wishing to access finance in order to source materials responsibly from conflict-affected and high-risk areas.
- Enhance the incentives for responsible upstream companies, such as through outreach and awareness to the downstream industry, to increase market access incentives including recognition of due diligence leaders and positive marketing of due diligence efforts.
- Work towards strengthening law enforcement and customs capacity to detect and disrupt mineral-related crimes.

The OECD would conduct a study on these options. Stakeholders are encouraged to cooperate and share information to support this.