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The Honourable Mary L Schapiro
Chairman
Securities and Exchange Commission,
100F Street, NE
Washington DC 20549
United States of America

1 August 2011

Dear Chairman Schapiro

We are aware of a letter recently sent to you by a number of stakeholders involved in the development of the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas. The letter was drafted by organisations primarily involved in the OECD's working group on tin, tantalum and tungsten. We are engaged in the working group tasked with drafting a supplement to the guidance as it relates to the specific complexities and challenges of the gold supply chain.

We would like to express our support for the central contention of the 'OECD letter', namely that it would be helpful for companies planning the due diligence activities necessary to underpin their compliance with section 1502 of the Dodd-Frank Act to be able to reference and depend upon a single, authoritative source of guidance. Given the work that has been put in to developing the OECD guidance over the last two years and the established links between it and the recommendations of the United Nations Group of Experts and the framework adopted by the International Conference of the Great Lakes Region (ICGLR), we believe that the OECD's guidance should constitute a global framework and be relied upon by the SEC in its implementing rules. We welcome the statement from the State Department on 19 July also endorsing the OECD framework.

We would, however, respectfully note that whilst the OECD's framework for tin, tantalum and tungsten is now relatively well developed and has informed the work of the ICGLR Regional Initiative against the Illegal Exploitation of Natural Resources, the OECD's framework for gold has not yet been completed and will not be until November 2011 at the earliest. In addition, the applicability of the ICGLR's Regional Certification Mechanism has been tested in relation to tin, tantalum and tungsten but little attention has, to date, been given to the specific challenges of gold. We would, therefore, urge the Commission to be mindful of this when considering the timetable for the introduction of the final Rule.



The gold supply chain is more complex than that for the three other so-called 'conflict minerals' (for reasons outlined in our submission of 28 February) and due diligence mechanisms for the sector have received a lower priority in the work of the relevant international organisations. This reinforces our argument for the Rule to be applied to gold no earlier than the end of 2013 – by which time the necessary management systems and controls should be in place.

On 20 June, we wrote to the Commission with details of the consultation that the World Gold Council has launched on its draft 'conflict free gold' standards. We will, of course, in parallel, be continuing to work within the OECD's gold working group to produce a gold supplement that commands broad stakeholder support.

Whilst we support the 'OECD letter', and in particular their approach to the approach taken for not labelling products as 'not DRC conflict free' when reasonable steps have been taken to conduct due diligence in accordance with the OECD Guidelines, we remain concerned about the potential unintended consequences of the final Rule. We continue, in particular, to be concerned about the impact of the Rule upon the formal gold mining sector in Tanzania and would urge you to differentiate the compliance requirements in such situations. As evidenced by the recent submission to the SEC by the Tanzanian Government, we know that this is a pressing concern for them.

We trust that the US Securities and Exchange Commission will give positive consideration to the above comments as it develops the final Rule to implement section 1502 of the Dodd-Frank Act.

Yours sincerely

A handwritten signature in black ink that reads "Aram ES".

Aram Shishmanian
Chief Executive Officer

cc: Kathleen L. Casey, Commissioner
Elisse B. Walter, Commissioner
Luis A. Aguilar, Commissioner
Troy A. Paredes, Commissioner
Elizabeth Murphy, Secretary
Meredith Cross, Director, Division of Corporation Finance
Felicia Kung, Chief, Office of Rulemaking, Division of Corporation Finance
Steven Hearne, Special Counsel, Division of Corporation Finance
John Fieldsend, Special Counsel, Division of Corporation Finance