



United States House Committee on
Ways & Means
CHAIRMAN JASON SMITH

H.R. 7981 – *Stop China’s Exploitation of Congolese Children and Adult Forced Labor through Cobalt Mining Act*

ABOUT: *Stop China’s Exploitation of Congolese Children and Adult Forced Labor through Cobalt Mining Act* is legislation to ensure goods containing cobalt mined with the use of child or forced labor in the Democratic Republic of the Congo (DRC) do not enter the U.S. market.

- The *Stop China’s Exploitation of Congolese Children and Adult Forced Labor through Cobalt Mining Act* (H.R. 7981) requires the interagency Forced Labor Enforcement Task Force (FLETF) to identify and address instances of **forced labor** in **cobalt supply chains** from the **DRC**.
- Section 307 of The Tariff Act of 1930 **prohibits the importation** of any products made with forced labor.
- Cobalt is an **essential component** of most lithium-ion batteries - components in smartphones, laptops, and electric vehicles.
- Worldwide demand is expected to increase over **1,000 percent** for lithium and **600 percent** for cobalt by 2040.

PROBLEM: The DRC supplies approximately 70% of the world’s cobalt, which is often controlled by Chinese entities and mined with the use of forced labor.

- **Chinese entities** reportedly have ownership stakes in **15** of the DRC’s **19** cobalt mines.
- **15 to 30 percent** of cobalt produced in the DRC comes from artisanal and small-scale mining. An estimated **40,000** of the **255,000 miners** in artisanal and small-scale mining in the DRC are **children**.

SOLUTION: Pass H.R. 7981 to require effective enforcement to block cobalt mined by forced labor in the DRC.

- The *Stop China’s Exploitation of Congolese Children and Adult Forced Labor through Cobalt Mining Act* will identify what **products** and priority **sectors** the U.S. government should apply its **Section 307 prohibition** and will consider the risk of transshipment or downstream products that potentially reenter the U.S. through a third country.
- H.R. 7981 also requires **transparent information sharing** with Congress on what actions U.S. Customs and Border Protection has taken to enforce section 307 and if additional improvements are needed.