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THE IPSA AUDIT

CONTINUOUS COMPLIANCE IMPROVEMENT FROM SOURCE TO STORE
World leading advisory, audit and training in responsible sourcing of natural resources

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THE IPSA AUDIT

It has been nearly five years since Section 1502 of the Dodd-Frank Act (DF1502) was finalised by US lawmakers. For SEC issuers producing products containing gold, tin, tungsten and tantalum (3TG) the law requires them to make efforts to determine if those materials came from the Democratic Republic of Congo (DRC) or an adjoining country.

The law affects approximately 6000 SEC Issuers, specifically manufacturers who produce or contract to produce anything containing 3TG. Contract manufacturers include the large brands consumers see on the high street.

The Independent Private Sector Audit (IPSA) is the specific audit process designed to fulfill a company's reporting obligations under Dodd-Frank 1502. However, due to a ruling by the US Court of Appeals, the law is currently not mandatory. However, businesses that want to proactively certify their products as "conflict free" must still carry out an IPSA.

Why carry out an IPSA audit with RCS Global

Since the inception of Dodd-Frank, RCS Global have become one of the leading suppliers of IPSA Audits including for clients who decided not to declare conflict free – and preferred to use the process to provide insight and drive improvement in their due diligence program.

And while stagnation in the legal imperative for IPSAs continues there are several key reasons why the audit remains hugely beneficial to businesses. The most reason being that it gives companies an independent 3rd party review of their due diligence design against the OECD Due Diligence Guidance - the global standard for all responsible sourcing regulation and practice.

To help you understand more about the IPSA process and the current status of the audit and Dodd-Frank 1502 more generally we've created an RCS Global Industry Guidance Note that you can access [here](#).