Shifting Gears
Investor Initiative

Auto Industry Has High Impact & Leverage on Human Rights

With the projected growth of electric vehicles, demand for cobalt, used in lithium-ion batteries, will triple by 2030. Cobalt produced in the DRC may be sourced from mines where child labor is prevalent.

Electronics manufacturing is linked to forced labor in China and Malaysia and child labor in China. Electronic components account for 30-35% of a car’s costs, and this is expected to rise.

The automotive industry accounts for 16% of steel demand globally. Charcoal and iron ore, components of pig iron used to make steel, are associated with risks of forced and child labor.

About 75% of all rubber, which may be produced with forced and child labor in Southeast Asia and Liberia, is used to produce tires.

About 30% of all leather is used in car interiors. Cattle raising is associated with risks of forced and child labor, and leather tanning also relies on child labor.

From metallic paints to brakes, up to 15,000 individual car parts may contain mica, which is mined with child labor in India and Madagascar.

Conflict Minerals: Up to 50% of car parts contain tin, tantalum, tungsten, and/or gold (3TG), which may finance and fuel conflict if sourced from certain regions of the DRC.

Sources: https://iasj.org/shifting-gears-infographic-sources