

**Summary Notes**  
**RJC Standards Committee Teleconference**  
**2 August 2016 - 16:00-17:30 BST**

**Participants:** Ainsley Butler, Charles Chaussepied, Claus Teilmann Petersen, Roberta Zita (representing Eleonora Rizzuto), Inga Van Nuffle, Purvi Shah, Tim Carter, Chintan Mehta (representing Tehmasp Printer), Jennifer Hillard, Marco Quadri, Assheton Stewart Carter, Jennifer Horning

**RJC Management team:** Anne-Marie Fleury, Bethan Herbert, Maria Mursell, Peter Dawkins, Andrew Bone

**Apologies:** Cecilia Gardner, Camille Querleu (representing Claire Piroddi), Michele Brülhart, Felix Hruschka, Jon Hobbs, Michael Geelhand De Merxem, Alan Martin, Tuesday Reitano, Estelle Levin, Hiren Vepari, Didier Backaert, Katrien De Corte, Stephane Fischler, Catherine Sproule (RJC)

### **1. Opening remarks**

Andrew Bone warmly welcomed the new members of the Committee personally, noting the voluntary nature of participation and expressing appreciation of their time and input.

Claus Petersen Teilmann presented himself as representative of RJC Member Pandora, as well as Co-Chair of the Committee. Ainsley Butler also introduced herself as Interim Co-Chair of the Committee, and her organisation the Diamond Development Initiative (DDI), which works on an artisanal and small scale mining (ASM) for diamonds and is currently developing a related standard.

Claus outlined the RJC's anti-trust statement and asked for approval of the minutes from the April 2016 Standards Committee meeting. Ainsley approved the minutes, with Charles seconding.

### **2. Standards Committee membership renewal**

Bethan welcomed the new Committee members as below.

- Industry: Inga Van Nuffel (Dominion Diamond Corporation), Purvi Shah (De Beers), Marco Quadri (Argor-Heraeus SA), Tim Carter (Metalor Technologies SA), Tehmasp Printer (International Gemological Institute India Pvt Ltd, IGI)
- Non-industry: Michele Brulhart (RCS – an accredited RJC auditor), Tuesday Reitano (Global Initiative against Transnational Organized Crime), Jennifer Hillard (Canadian Diamond Code of Conduct, CDCC).

**Action: To share the biographies of the Committee members via the RJC website.**

The Committee still has three vacancies for non-industry individuals, with current expertise gaps on human rights and labour issues.

Bethan formally thanked the resigned Members of the Committee for all their work: Steven Oates, Philip Hunter, Ferial Zerouki, John Lee, Wilfried Horner, Eva Carlson, Marylyn Carrigan and Marianna Smirnova.

Ainsley outlined the role and remit of the Standards Committee which is to review and make recommendations on the RJC standards, including on the design and content, the design and implementation of the public consultation process and review and make recommendations on the RJC Monitoring and Evaluation (M&E) programme.

### **3. Standards Review**

Anne-Marie also welcomed the new Committee members before outlining the overall timeline for the CoC and COP standard reviews.

### **Overall timeline for CoC and COP reviews**

Anne-Marie outlined the main areas of work for the Committee in the next few years: review of the Chain of Custody (CoC) Standard and Code of Practices (COP) Standard, as well as issues relating to streamlining the two standards, and inclusion of coloured stones into RJC's scope.

ISEAL requires a review of standards every 5 years, which means the review of the CoC is due by the end of 2017 and the COP by the end of 2018. The review of the CoC has begun and will continue into 2017, with public consultation on a draft expected to begin in early 2017.

The COP review will begin in earnest in the second quarter of 2017, though some pre-review assessment of issues has already begun. Work on the feasibility of including coloured stones into RJC's scope has also been underway since the beginning of the year in consultation with a task force which has been convened by the RJC management team. Resulting recommendations from this work will be brought to the Standards Committee for consideration, probably in Q4 of this year.

### **CoC gap analysis**

Anne-Marie gave a brief outline of the CoC standard. Conflict-sensitive sourcing is a large component of the Standard, and applies to all material sourced by the entity, not just eligible CoC material. She discussed the alignment with the OECD guidelines on due diligence, and the cross-recognised gold refinery audit programmes: the Conflict Free Smelter Initiative (CFSI) and the London Bullion Market Association (LBMA). A summary was provided of the main issues that have been identified through the gap analysis which is based on consultation with current CoC users, and through an internal review of the standard.

### **CoC review – developing the work plan**

Anne-Marie outlined the main elements of the work plan to review the issues identified in the CoC standard gap analysis (see slides for Committee meeting for the full list).

Participants supported the proposed work areas. Specific comments on the identified issues were:

- The issue of Artisanal and Small Scale (ASM) mining and ability to support this sector was emphasised as being a key issue. There was strong support to continue recognising ASM certification schemes. Anne-Marie noted that the RJC is working on recognition of Fairtrade certification. The RJC is also looking at audit cross-recognition with the International Conference on the Great Lakes Region (ICGLR) system. It was noted however that all these schemes are currently producing low volumes. Further consultation will need to take place to further investigate what else could be considered in this area
- The low demand for CoC material may be driven by low availability of CoC material to purchase. It was suggested that downstream companies are reluctant to make commitments to sourcing CoC material when they don't know that they will be able to access sufficient quantities.
- On the question of actual data on quantity of CoC material, the RJC does not currently gather this data, but has commissioned a study to estimate current quantities. The findings from this study should be ready to share by the October Committee meeting.
- Members supported the gap analysis finding not to pursue the introduction of a mass balance approach.
- It was suggested that consumers do not understand some FSC labelling (such as the label 'Mixed Sources') and that it is not a useful label. An approach that has a percentage included would be more specific.

- OECD Due Diligence Guidelines – require public reporting on company’s due diligence systems, which the RJC does not. A Committee member added that they thought it would be worth working directly with the OECD to seek alignment

Anne-Marie outlined the studies which are currently underway:

- **Cross recognition:** This study involves a comparative assessment of RJC’s standard with the OECD and other conflict sensitive sourcing standards and will make recommendations
- **ASM:** This study will identify successful approaches from other industries for positively impacting small and artisanal producers and make practical recommendations to the RJC. This study is funded by the Better Gold Initiative (carried out by Assheton Carter’s Dragonfly Initiative), supported by RJC through a peer review (being carried out by ISEAL).

The RJC management team will hold a workshop to review findings, estimated to take place in September.

#### **CoC review – public consultation**

Committee approval of the Public Summary was requested. A Committee member suggested that the timeline be clearly indicated as tentative in case there are any changes, and for stakeholders to refer to the website for the latest version. A Committee member argued that the CoC is a short standard and therefore should be completed within a shorter timeframe than presented by the RJC management team.

It was suggested that a template for feedback and solutions be developed and included and this was agreed.

#### **Actions: changes to be made to the Public Summary before proceeding with its release**

Committee members were asked to provide feedback on the target stakeholder list.

#### **4. Next meeting and any other Business**

21<sup>st</sup> September is the next planned committee meeting, however a number of other interim meetings are planned for 2016:

- **Extraordinary meeting on Monitoring and Evaluation (M&E)** – earlier this year when the Committee was presented the outcomes of a study on RJC’s impact in India, a request was made for more time to discuss this in more detail. An extraordinary is being planned to review the study and the M&E programme overall.
- **ASM Study findings:** A teleconference/workshop is being planned to discuss the findings of study. This is currently planned for early September and the date and workshop details will be shared with the committee shortly.
- **Face-to-face meeting:** The annual face to face meeting of the Committee is being considered, potentially to be held in Europe (UK or Switzerland), and possibly in November. The exact timing of this meeting will be dependent on the progress in drafting the revised CoC standard.

No other business was discussed.