

Summary Notes
RJC Standards Committee Teleconference
25 November 2016, 13.00-14.30 GMT

Participants: Ainsley Butler, Claus Teilmann Petersen, Estelle Levin, Alan Martin, Assheton Carter, Camille Querleu, Claire Piroddi, Chintan Mehta (for Tehmasp Printer), Michelle Brulhart Banyiyezako.

Apologies: Felix Hruschka, Jennifer Hillard, Cecilia Gardner, Jennifer Horning, Jon Hobbs, Purvi Shah, Marco Quadri, Tim Carter, Stephane Fischler, Charles Chaussepied, Eleonora Rizzuto

RJC Management Team: Anne-Marie Fleury, Bethan Herbert, Peter Dawkins, Andrew Bone

Background Material: Overview of proposed changes to RJC's Theory of Change (in annex of this document)

1. Opening remarks

The co-chairs opened the meeting and reminded that participants of the RJC anti-trust statement and asked for approval of the notes from the committee meeting on 24/10/2016. Approval was motioned by Claus and seconded by Camille and approved by all.

It was noted that an update on EU legislation on conflict sourcing material will be added to the agenda for the next meeting in December.

2. Updating RJC's Theory of Change

The RJC Management Team presented an overview of the ISEAL Alliance Code on impact measurement and RJC's compliance with this code. The 4 key components of RJC's Monitoring and Evaluation programme and the proposal to 'refresh' the RJC's Theory of Change (ToC) were outlined. The RJC Management Team described the need to update the existing ToC to better define what performance data to collect and what issues to focus on in future in-depth studies. A 'refresh' is proposed at this stage, with a full review anticipated after the release of the new Code of Practices in 2018.

An outline of the proposed changes were presented to the committee (as described in the background paper in the annex below).

One committee member asked about the inclusion of 'strategies' in the ToC diagram. The RJC Management Team described this as the first step of the 'causal pathways' for achieving long term impacts and invited comments on better ways to illustrate the TOC. It was noted by one committee member that the 'strategies' defined in the ToC are better described as 'activities'. It was agreed that 'strategies' would be changed to 'activities'.

A suggestion to add a layer on short-medium term outcomes to the diagram was discussed and this was supported by a number of committee members.

The title 'Theory of Change' was discussed with some committee members commenting that this title is unclear, particularly for those individuals who are not familiar with the ToC concept. A suggestion was put forward by the committee that the diagram is in fact a graphic version of a strategy. It was agreed to rename the ToC diagram to 'Achieving our long term impacts'.

The committee questioned the difference between core and supporting strategies as outlined in the diagram, suggesting that communications and collaboration (currently listed as supporting strategies) are in fact core. The RJC Management Team described the difference as core strategies directly

involving member activities and noted that for the purpose of the diagram they could all be considered 'strategies' or 'actions' with further information provided in the supporting text.

It was suggested by one committee member that certification be a standalone 'strategy' in the ToC, as it's one of the key activities for members.

A committee member noted that the outcomes resulting from the 'supporting strategies' were not obviously linked and suggested reviewing this section of the ToC. The reference to 'improved market access' was challenged, and it was suggested that the outcome 'increased demand for responsibly sourced materials' be extended to consider supply as well as demand in line with the results of the recent Chain of Custody study commissioned by the RJC.

It was also noted by the committee that the numerous layers of information in the ToC, and the multiple arrows were potentially confusing to external stakeholders and suggested it be simplified where feasible. A suggestion was put forward by the committee that the outcome 'RJC Members catalyse broader supply chain change and promote the uptake of certification amongst business partners via the "role model" effect' be revised, adding that the RJC has many ambassadors beyond its members who promote RJC certification.

There was also a discussion about the medium-term outcome 'Long term RJC certification leads to positive economic, social and environmental outcomes for the Member', and whether RJC certification could result in more than just performance improvements for the members, and stimulate motivation and empowerment of members leading to cultural shifts in the industry and potentially innovation.

Next steps were discussed and it was agreed that further work was required to the ToC and that the proposed timeframe would be reviewed.

3. ISEAL Collaborative Project – Research Methodology

The RJC Management Team provided an overview of a collaborative project the RJC is participating in, with another ISEAL member - UEBT (Union for Ethical BioTrade) and ISEAL on developing a common research methodology to evaluate the benefits to companies of implementing sustainability management systems. The project is scheduled to be completed by the end of 2016, and RJC will pilot the methodology with a sample of its members in 2017.

4. Next meetings and any other business

- The next teleconference is scheduled for the 13 December 16:00-17:30, but due to low expected participation, it may be moved.
- A face-to-face meeting is scheduled for the 8-9 February 2017 in London.

Annex: Overview of proposed changes to RJC's Theory of Change

Updating RJC's existing Theory of Change (November 2016)

Objective:

The purpose of this note is to propose improvements to RJC's existing Theory of Change (TOC) for the RJC Management Team and Standards Committee to consider and comment on. The feedback obtained through this internal consultation will feed into producing an updated version of the Theory of Change to be released in 2017.

Background:

RJC's current [Theory of Change](#) (ToC) was published in 2014 after consultation with the Standards Committee and a period of public consultation between February and May 2014.

A ToC enables an organisation to help articulate the answers to questions such as: what is the change we are working towards as an organisation and what needs to happen for that change to come about?

It includes a description of the "pathways of change" or the mini steps to achieve the desired impacts, by showing how the output of our activities lead to medium term outcomes and longer term impacts.

The ToC is a key component of RJC's Monitoring and Evaluation programme (M&E), which also includes:

- an ongoing monitoring system involving continuous data collection from members
- periodic in-depth studies into the impacts of RJC's work
- feedback system for reporting the results of the M&E work to promote transparency, learning and improvements

The ToC is pivotal, as it informs what should be measured by an organisation in order to track progress towards achieving the desired impacts, meaning it defines what data we should collect from our members on an ongoing basis, and what questions our in-depth studies should focus on answering.

Having a fully functional and effective M&E system is a compliance requirement of ISEAL's Impacts Code, and during a recent peer assessment of RJC's system a number of areas for improvement were raised in relation to our TOC (these are included in a table in this document) and the overall M&E programme.

This document provides:

- a summary of proposed changes to the existing ToC
- an updated ToC diagram
- plus supporting narrative that would accompany the ToC diagram to provide further context and clarification

Process:

We propose to update the existing TOC, rather than do a full review/revision which would require significant time and a wide consultative process to be carried out effectively. The changes presented in this document, do not materially alter the content of what was agreed upon for the 2014 version of the TOC, but aim to provide clarification of some aspects of the TOC which were not considered to be clear.

This process will also enable the RJC Management Team to better define what indicators to collect from members for tracking from 2017 onwards, and what issues to focus on in future in-depth studies.

A full review of the TOC will be conducted after the release of the new COP standard in 2018.

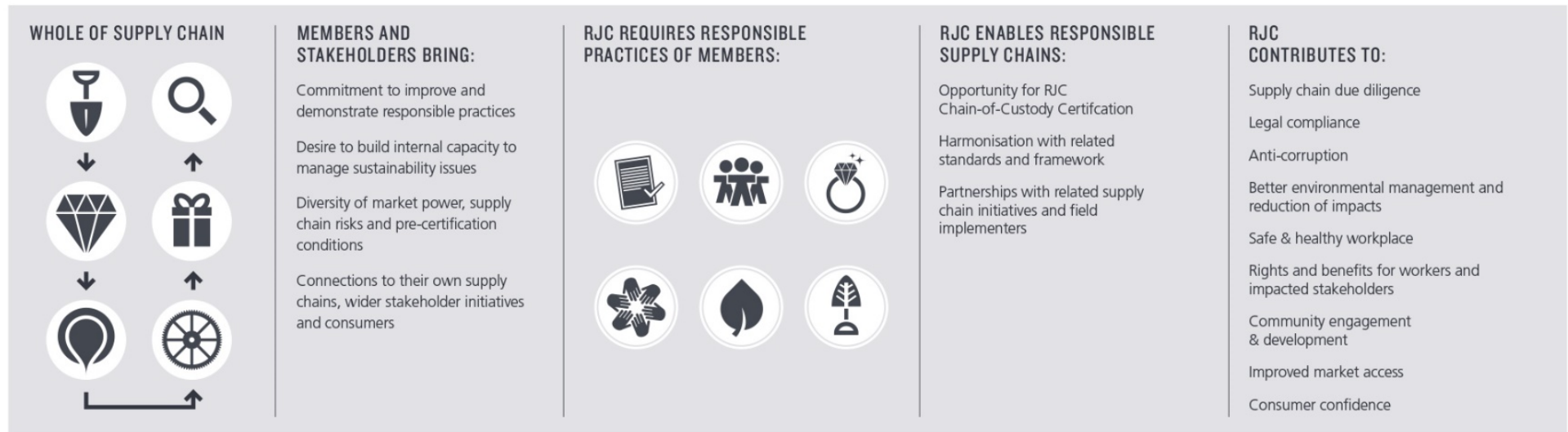
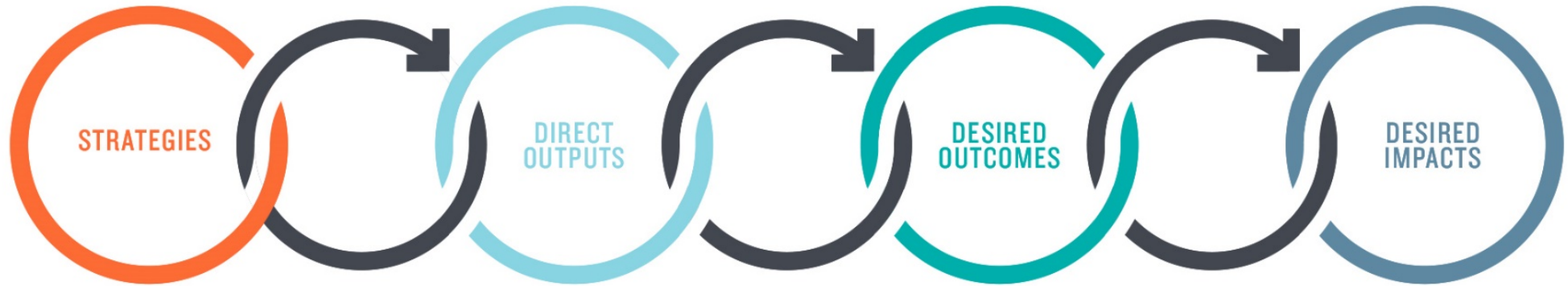
An outline of the process:

1. Changes have been proposed to the ToC based on feedback from the ISEAL peer review of the M&E programme
2. Management Team and Standards Committee to review the proposed changes and provide feedback (November)
3. A detailed editorial review will be carried out with Comms, including the design and artwork (December/January)
4. Final version submitted to the Standards Committee for approval (January)
5. Updated ToC will be published on the website and an appropriate communications plan developed (February)
6. Data requirements defined by the RJC Management team (January/February)
7. Data collection to be implemented in (March)

2014 Theory of Change:

The current version of RJC's Theory of Change is included for information:

RJC THEORY OF CHANGE

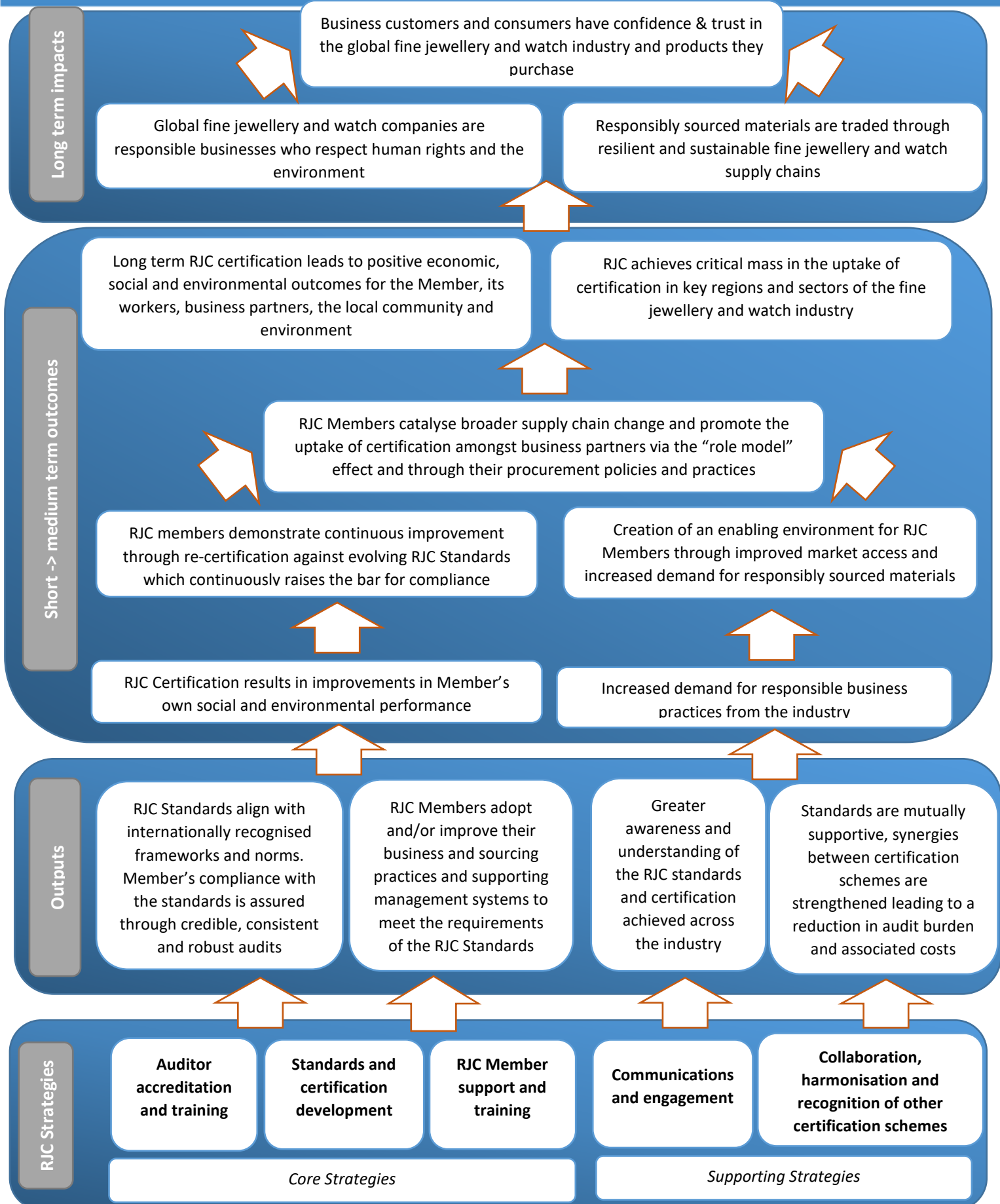


Key changes proposed to the current TOC

Comments on the 2014 TOC from the peer review	Proposed changes to the 2014 TOC
1. Lack of clarity of the difference between the RJC mission and vision and the long term impacts defined in the TOC, and the link between them	Mission and vision added to the top of the TOC, and narrative added to describe the link between the long term impacts and the overall mission of the RJC
2. The strategies defined in the 2014 TOC don't reflect the current activities of the RJC, for example capacity building	Strategies updated to reflect better current practice, for example capacity building has been changed to member support and training. Auditor training and accreditation was missing from the 2014 TOC but is a key workstream of the RJC, therefore this has been added.
3. The link/relationship between the information presented in the grey box and that outside it in the 2014 TOC is unclear.	Removal of the grey box from the TOC, and pertinent information moved to the supporting one page narrative.
4. Use of icons in the grey box without any supporting narrative makes interpretation by external stakeholder difficult. Similarly the term "responsible business practices" is considered vague.	Addition of supporting narrative to the icons to explain what RJC considered to be responsible business practices.
5. The causal pathways (pathways of change) between each of the desired outcomes and impacts are not well articulated. At present all three outcomes contribute to all three impacts.	Specific causal pathways between each outcome and impact have been defined. Supporting information about the causal pathways and their contribution to outcomes and impacts articulated further in the supporting narrative.
6. TOC refers to "key regions and sectors", however these are not defined.	RJC's key regions and sectors for membership and certification growth are defined in the supporting narrative.
7. The assumptions made within the TOC should be better articulated	The assumptions are defined in the supporting narrative.
8. Desired outcomes and impacts are not clearly described, and are very broad statements: "industry respects human rights, the environment and stakeholder expectations" and "build commitment to, and reward responsible business practices" – need to be more specific (eg no child labour, improved worker H&S)	No action taken as the COP requirements and membership base is so broad
9. Some outcomes can be considered outputs	The sequencing of expected results has been reviewed and revised.
10. Lack of clarity around what constitutes "stakeholder expectations" in the first desired impact	This has been removed.

Our mission: to strive to be the recognised standards and certification organisation for supply chain integrity and sustainability in the global fine jewellery and watch industry.

Our vision is a responsible world-wide supply chain that promotes trust in the global fine jewellery and watch industry



***This call out box will be added to the illustrative TOC when formally formatted:

Responsible business practices as defined by the RJC Code of Practices:

-  *Compliance with legal requirements*
-  *Respect for labour rights and provision of good working conditions*
-  *Promotion of sustainable supply chains that uphold human rights*
-  *Provision of safe and healthy workplaces and management of environmental risks*
-  *Truthful claims are being made about their products*

Supporting narrative to the Illustrative ToC

Below is a short narrative to accompany RJC's illustrative Theory of Change to help contextualise and clarify the theories presented in it.

Responsible Jewellery Council Theory of Change

Who are we?

The Responsible Jewellery Council (RJC) is a sustainability standards and certification initiative for the jewellery supply chain, unique in that organisations at every step in the value chain (from mine to retail) participates. RJC Membership is open to any business, large or small, operating anywhere in the world, which is active in diamonds, gold or platinum group metals jewellery supply chain. All members commit to becoming certified against the RJC Code of Practices, our standard for responsible business practices, within 2 years of joining. The standards requires policies and procedures to be implemented by Members to address the most important issues across the jewellery supply chain such as business ethics, human rights, labour rights and working conditions, responsible sourcing, environment and health and safety.

RJC's voluntary Chain-of-Custody (CoC) standard, complements the Code of Practice, and is designed to build a platform for growth in responsible sourcing, enabling certification of fully traceable supply chains of responsibly mined and sourced precious metals. It serves also to connect responsible businesses along the supply chain, and enables members to make claims about the provenance of their jewellery materials. We strive to be the recognised standards and certification organisation for supply chain integrity and sustainability in the global fine jewellery and watch industry. Our vision is a responsible world-wide supply chain that promotes trust in the global fine jewellery and watch industry.

What does it take to make our vision a reality?

Our illustrative Theory of Change sets out our role in achieving our long term vision, by mapping out how RJC activities and strategies contribute to intermediary outputs and outcomes, and in the longer term, positive impacts across the global fine jewellery and watch industry.

What is RJC's role in creating positive change?

Our core strategies for achieving our vision are:

- *Member support and training* – Members have access to free one-to-one support through the member helpdesk and training provided by dedicated RJC staff, to help them understand their key risk areas and how to address them to achieve conformance with the RJC standards.
- *Continuous evolution and improvement of our standards and supporting certification tools*: The RJC's standards, which are developed through transparent and collaborative multi-stakeholder processes, cover a wide range of sustainability issues which are specific to the jewellery supply chain. Standards are reviewed and updated regularly to ensure it continues to be best practice in line with developments within the industry and international normative frameworks. RJC provides its members with a comprehensive suite of supporting guidance documents and toolkits, designed to help them understand and implement the RJC requirements, and guide them through the certification process.
- *Auditor training and accreditation*: RJC ensures that independent third party auditors conducting RJC audits have the necessary skills, competencies and experience to audit the RJC standards effectively, thus maintaining the integrity and credibility of the RJC certification. RJC provides ongoing auditor training about its standards, emerging industry issues and the jewellery supply chain.

Through training and guidance, the RJC aims to encourage and support as many businesses as possible in the jewellery supply chain, from mine to retail, to achieve Certification against the Code of Practices, regardless of what conditions may have been present for those businesses prior to certification. This recognises the important role that every supply chain actor can play in improving practices and also creates business to business incentives

This approach is also based on the premise that the greatest opportunities for aggregate positive change to social, human rights, ethical and environmental conditions in the jewellery supply chain can be realised through widespread uptake of an international standard that encourages continual improvement. The RJC Certification process results in improvements to RJC Members' management systems and business practices, leading to improvements to their own social and environmental performance, and providing assurance to stakeholders and business partners that responsible business practices are being followed.

In order to meet the long term goals, the RJC has also adopted the following supporting strategies to create an enabling environment for RJC Members and enhance the uptake of the RJC standards across the industry:

- *Collaboration, harmonisation and cross-recognition with other certification schemes:* RJC collaborates with a number of relevant supply chain standards and certification schemes to advance shared objectives of improving social, environmental, labour practices and good governance in the jewellery supply chain. Under various Memorandum of Understanding set up with key partners, such as ARM, DDI, CFSI, LBMA, we collaborate to ensure our standards and the modalities of our respective activities are mutually supportive and work to strengthen the synergies between our certification systems. RJC also recognises these schemes, as well as others such as ISO 14001, OSHAS 18001, SA 8000) as providing equivalent assurance of certain parts of RJC's standards without the need for additional RJC audit, reducing audit burden and associated costs.
- *Communication and Engagement:* RJC engages with the industry through a number of channels, including RJC website, press releases, direct email campaigns, presentations at industry events, publishing articles trade press and participation in industry working groups.

Through these supporting strategies, awareness on sustainability issues specific to the jewellery industry is raised, including the role that standards such as the RJC's, can play in addressing these issues. In turn this leads to increased awareness and uptake of RJC certification, and increased demand for responsibly sourced materials. These changes in the industry will help to create an enabling environment to empower RJC members to catalyse broader supply chain change and promote the uptake of certification amongst business partners via the "role model" effect and through their procurement policies and practices. Continued growth of RJC certification will have a beneficial effect on underlying social, human rights, ethical and environmental conditions found within the jewellery supply chain in general, providing positive impacts for workers, communities, business partners, the environment and broader stakeholders.

RJC aims to achieve critical mass in the industry, by driving uptake of certification in the following key sectors and regions of the jewellery supply chain: diamond cutting and polishing in India, manufacturing in China, the USA and Europe, precious metals refining in Switzerland, diamond trading centres in London, New York, Antwerp, mining in Africa and Latin America.

Achievement of the long term impacts, and consequently of our vision is dependant of achievement of the outputs and outcomes as described above.

Are there any potential negative impacts?

The implementation of RJC Standards can directly or indirectly result in outcomes that can be both positive and negative. Unintended outcomes arising from RJC's activities could include:

- Poor practices being displaced to sub-contractors and other non-certified entities in the supply chain
- Potential barriers to a company's certification including uneconomic compliance costs in some markets or sectors
- Disincentives to certification for small to medium enterprises, due to perception or reality of challenges of achieving certification

How do we know if we are achieving the desired results?

Impact takes time to achieve and measure. To understand the effectiveness of our strategies and the impact of our work, both intended and unintended, we have designed and implemented a monitoring and evaluation programme, in which we:

- Collate and monitor conformance information from all certification audit reports
- Seek feedback from Members following their Certification experience and from all stakeholders during standards development
- Develop case studies on individual Members and their outcomes from the Certification process
- Commission and evaluate independent research on an ongoing basis to assess impacts for specific sectors and issues

The outcomes of RJC's monitoring and evaluation program highlights where improvements to RJC strategies are required to help improve outcomes for all stakeholders.