

Minutes

Standards Committee Face-to-Face Meeting and Teleconference

Arundel House
13-15 Arundel Street
Temple Place
London WC2R 3DX

Friday 16 May 2014

9.00am – 1.00pm

1.00pm – 2.00pm - Lunch



Teleconference dial-in times :

City	Local Time (24 hr)
Vancouver/Carlsbad/Seattle	0100
Salt Lake City	0200
Mexico City	0300
New York/Toronto/Ottawa	0400
London	0900
Milan/Antwerp/Paris	1000
Johannesburg	1000
Nairobi	1100
Mumbai	1330
Melbourne	1800

Participants: Ryan Taylor, David Bouffard, Claus Teilmann-Petersen, Steven Oates, Eva Carlson, Marylyn Carrigan, Ngomesia Mayer-Kechom, Ferial Zerouki, Estelle Levin, Marianna Smirnova, Philip Hunter, Jennifer Horning, Assheton Stewart Carter, Andrew Parsons (dial-in), Fiona Solomon, Maria Mursell, Marieke van der Mijn.

Apologies: Fátima Castelán, Wilfried Horner, Alan Martin, Stephane Fischler, Cecilia Gardner, Jon Hobbs, Felix Hruschka, John Lee, Angelo Palmieri, Susan Thea Posnock, Didier Backaert.

Documents circulated:

- Minutes of Standards Committee teleconference, 6 February 2014
- Draft RJC 2014 Impacts Report
- Draft RJC Theory of Change
- Draft list of RJC M&E Indicators
- Dalberg report

Attendees are kindly reminded that the RJC is committed to complying with all relevant antitrust and competition laws and regulations and, to that end, has adopted an [Anti-trust Policy Statement](#), compliance with which is a condition of continued RJC membership. Failure to abide by these laws can potentially have extremely serious consequences for the RJC and its members, including heavy fines and, in some jurisdictions, imprisonment for individuals. You are therefore asked to have due regard to this Policy today and indeed in respect of all other RJC activity.

1. Welcome (Chair/s)

- Anti-trust statement.
- Welcome to new Committee Members:
 - Marylyn Carrigan, Professor of Marketing at Coventry University and Co-Director of The Centre for Trust and Ethical Behaviour (CETEB)

- Fátima Castelán, CEO and founder of Fatima Castelan
- John Lee, Metal Control Manager Americas, Metalor Technologies USA Corporation
- Feriel Zerouki, Best Practice Principles Manager, De Beers Group of Companies
- Link to Biographies document of RJC Standards Committee 2014 on RJC website:
<http://www.responsiblejewellery.com/files/RJC-Standards-Committee-May-2014-incl-bios1.pdf>
- Welcome back to the following re-elected Committee Members:
 - Eva Carlson, GIA
 - Stéphane Fischler, IDMA
 - Wilfried Hörner, Argor-Heraeus
 - Ryan Taylor, the Fair Trade Jewellery Company
- Since the meeting, Hiren Vipari from Venus Jewel in India has successfully nominated for the Diamond Trader and/or Cutter and Polisher forum, filling all available positions on the RJC Standards Committee.

2. Minutes of previous meeting

- Minutes of the Standards Committee teleconference on 6 February 2014 were accepted and will be posted on the RJC website at:
<http://www.responsiblejewellery.com/rjc-standards-committee/>

3. COP 2013 Roll-out

- Maria Mursell joined the RJC as Training Coordinator on 1 May 2014. Her role focuses on the training opportunities offered to RJC Members on a range of jewellery supply chain areas, as well as the mandatory training for RJC Accredited Auditors. She will also coordinate the new Topic Expert accreditation program and the Human Rights working group model with Members. Maria has a background in sustainable development evaluations and responsible sourcing. She previously worked at EcoVadis where she worked on supplier CSR assessments and managed the training of client buyers on the EcoVadis solution, methodology and sustainable sourcing facilitation.
- RJC delivered 4 half-day training sessions on COP 2013 in Mumbai and Surat in April – 3 to Members and 1 to Auditors. The sessions were comprehensive in coverage of key changes and issues relevant to Members in India and received good feedback from participants.
- RJC Code of Practices 2013 core documents are currently being translated into French, Italian, Spanish, Portuguese, Gujarati and Chinese (simplified). The progress so far is:

	Certification Handbook	Code of Practices	Assessment Manual	Standards Guidance	Assessment Workbook
French	√	√	√	In progress, finalised by June 30	In progress, finalised by June 30
Italian	√	√	√	√	In progress, finalised by June 30
Gujarati	√	√	√	In progress	
Chinese	√	√	√	In progress	
Portuguese	√	√	In progress		
Spanish	√	√	√	In progress	

- RJC received a grant from Richemont to finalise the translation of the Code of Practices 2013 core documents this year. French and Italian have been identified as priority and the deadline for finishing the Standards Guidance and Assessment Workbook is 30 June 2014. Translated of these documents in the other languages is also continuing in the coming months.
- All translations can be found on the RJC website: <http://www.responsiblejewellery.com/rjc-certification/code-of-practices-certification13/>

4. Human Rights working group / exchange

- The Human Rights Working Group (HRWG) was introduced during the RJC CSR Conference session on Human Rights and Responsible Supply Chains on 16 May 2014, calling for interest for Members and stakeholders to join the informal Working Group.
- Next steps will be: (to be carried out by Training Coordinator):
 - Continue to build interest via newsletter articles, outreach etc
 - Develop webinar session with panel of speakers
- Discussion evolved around the Working Group not being prescriptive on what Human Rights are but the focus needs to be on the explanation of Human Rights in different contexts and conditions.
- It was identified that it could be useful to invite government representatives to the Working Group's future webinars.
- The Working Group is a tool that people can choose to use, therefore it was noted that the Human Rights Working Group should perhaps instead be called the 'Human Rights Forum' or 'Human Rights Exchange'.
- Human Rights are a very new topic and the Working Group can tap into its networks such as the UN Global Compact. It was noted that industry champions will be useful, as will sharing RJC Member's experience, to help reach wider into supply chains. The initiative will also provide a different model of capacity building for RJC and a space for RJC Members to ask questions and share good practice.
- The Shift report 'Business and Human Rights Impacts: Identifying and Prioritizing Human Rights Risks' was mentioned which maps human rights risks.

5. RJC Impacts Report and RJC M&E Indicators

- RJC will publish an Impacts Report annually to comply with ISEAL Alliance Full Membership requirements. RJC noted that it also prepares and publishes an Impacts Report for its own benefit to examine progress to date and review challenges ahead, identify training needs and barriers to entry.
- It was suggested whether to consider merging the Annual Progress Report and Impacts Report, however it was noted that the two documents have different purposes, the latter being a more detailed review against identified indicators. RJC will submit the Impacts report to further support its communication on progress with the UN Global Compact.
- The 2014 Impacts Report compiles aggregate data for Members across the whole supply chain and also focus on three areas in more detail: mining in Honduras and Peru; diamond trading, cutting and polishing in India; and small-to-medium enterprises (SMEs). RJC's progress on responsible sourcing/due diligence frameworks is also reviewed.
- It was clarified that RJC will have more quantitative and qualitative data for its Impacts report next year and in future years, resources permitting, aims to expand to more areas and forums other than mining, diamond cutting and polishing, and SMEs.
- There was a recommendation to expand the focus and research on SMEs beyond the UK to North America and elsewhere. Issues around SMEs are universal and SMEs have a very big collective impact on the jewellery supply chain. RJC clarified that it is working with Richemont and the Graduate Institute of Geneva to conduct a complementary research project on SMEs in the second half of 2014, focussing on the uptake, access and impact of

certification in the jewellery supply chain, mainly looking at Switzerland, Germany and Italy. Additional research would also be useful.

- It was recommended to describe/visualise the context and timeline of RJC and RJC Certification in the Impacts report, to more clearly demonstrate where the RJC is at the moment and where it aims to be in the future. This will be implemented for the 2015 report, after further discussion with the Standards Committee.
- It was recommended to include more case-studies and success stories of RJC Members in the Impacts report – an additional case study in India has been added.
- There was discussion around attribution, and whether the impact of RJC Certification on the business can be acknowledged to RJC, the Member or other external factors. These issues are further explored in the report.
- It was emphasized that RJC needs to highlight that the Impacts report is a requirement for ISEAL compliance – additional context has been added.
- Other feedback included that the report was well written and meets ISEAL requirements. Impacts reporting is a new requirement for all members of the ISEAL Alliance and only a handful have published an Impacts report so far. It is a learning process for all ISEAL Members.
- The Standards Committee recognised the need for industry education of stakeholders, and also bringing lessons to the jewellery sector from external stakeholders.
- There was discussion about the need for broader ‘producer support’ in terms of training, building the business-case for RJC Certification and to document on training outcomes. The impact of stakeholders and Members of RJC Certification needs to be made explicit. Lessons can be learnt from other industries such as the apparel and construction industry.

6. Update on other initiatives

The following two initiatives had provided the following updates in advance to share, but there was insufficient time to table them during the meeting.

- **Initiative for Responsible Mining Assurance (IRMA)**: update from Susan Posnock (Jewelers of America)
In an important milestone, the IRMA Steering Committee has voted to release the IRMA Draft Standard for the first round of public consultation/stakeholder engagement in June. None of the participating organizations have yet “signed on” to the standard and the release does not mean that all parties are comfortable with all of the current content. However, they have agreed the standard is ready to share with others for review and comment, which will be critically important to the process. More information will be included at the time of release.
- **Alliance for Responsible Mining – Fairmined Standard**: update from Felix Hruschka, ARM
Standards
 - Following a second round on consultation in 2013 of the Fairmined Standard as a stand-alone standard, a Release Candidate version in English was published in December 2013 to allow for Spanish translation and the incorporation of minor clarification issues.
 - In March the final English and Spanish versions were published together with the Consultation synopsis documents.
 - French publication is underway, aiming to publish it before the end of May.
 - ARM is currently prioritizing the development of the most relevant explanatory documents and will work throughout 2014 to finalize and publish all explanatory documents.
 - As of May ARM will begin working with RJC in a Comparability Study of the Fairmined and CoC RJC Standard. Our expectation is that Fairmined certified gold maintains its eligibility status under the new Standards.

Key changes are focused at enabling greater market access for miners and markets. In the producer side one of the most relevant changes is allowing for the certification of systems of production within a mining organization. In the market side the most relevant changes are

the development of 2 additional sourcing models to the existing labelled or track and trace model: incorporated and certificates.

Certification and Auditing

- ARM now has a contract in place with IMO Control for the auditing and certification of miners' organizations, traders and licensees.
- A first trial audit was carried out in Peru in November 2013 and two more are expected to take place in Colombia in July 2014.
- ARM has a contract in place with SCS for auditing of operators and licensees.
- Operators and licensees are in the process of signing agreements with SCS to have their audits (most of which will be documental audits).

System Infrastructure

- ARM has selected a service provider for the development of the Fairmined information system. We will start working with INTACT in June to set it up and expect the process to last around 7 months.
- ARM is working towards applying for ISEAL membership by the end of the year. They have finalized a Fairmined Business Plan and are working on the general application documents and in the implementation of a Evaluation and Monitoring System within ARM.

ASMOS – Certification and Pipeline

- There are currently 3 certified mines, one of them being Oro Verde who currently faces big challenges to its financial sustainability with the aggravated difficult situation of conflict and criminal mining in its land.
- In Colombia ARM is working with 10 organizations towards certification and seeking funding for another 10 that have been identified.
- In Peru they are working with 3 directly towards Fairmined and Solidaridad is working with 8 more that could become Fairmined certified if the market opportunities exist.
- In Bolivia ARM is working with three mines and an additional one is currently being considered.
- In Burkina Faso, Mali and Senegal there are 3 pilots, ARM still does not know when to expect them to be certified.
- In Mongolia they continue collaborating with SAM to test standards in 6 sites.

Market Uptake

Fairmined currently has 40 licensees and 5 operators. Most are small jewellers and two luxury houses have committed to Fairmined. ARM estimates that 35 kilos of Fairmined gold have been sold in 2014 and expect this year to be one of significant growth in sales following the flexibility in the market models.

7. Any other business

8. Standards Committee schedule –2014 dates:

- Teleconference in September, date tbc
- Teleconference in December, date tbc