

RJC Standards Recognition and Harmonization

ISEAL Conference 2013

Real Recognition: ISEAL Member Case Studies in Coordination

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Agenda

1. Brief overview of RJC and its Standards
2. Overview and Drivers for Collaboration
3. Recognised Responsible Mining Standard
4. Conclusions





Responsible Jewellery Council (RJC)

Mission

“To advance responsible ethical, social and environmental practices, which respect human rights, throughout the diamond, gold and platinum group metals jewellery supply chain, from mine to retail.”

- **Member based** organisation: businesses large and small, and across the jewellery supply chain, are eligible to become Members of the RJC; includes miners, refiners, traders, cutters and polishers, manufacturers, wholesalers, retailers.
 - RJC will support Members in meeting its standards through training, guidance and toolkits.
 - Independent auditors carry out audits.
 - 450 Members, 270 Certified Members as of 1 June 2013

- **Standard-setting and certification** organisation: RJC sets standards for the jewellery supply chain covering responsible ethical, social and environmental practices.

- **Accreditation:** RJC accredits auditors who can independently verify a company’s practices against RJC standards.



RJC Standards

RJC Code of Practices (CoP)

- ✓ Responsible business practices
- ✓ Claim about the Member **company** – how it runs itself
- ✓ *Compulsory* for RJC Members
- ✓ Code in a review process for 2013



Chain-of-Custody Standard (CoC)

- ✓ Responsible supply chain
- ✓ Claim about the **material** – where does it come from, how was it made
- ✓ Controls for conflict-sensitive sourcing AND for responsible business practices in the supply chain
- ✓ *Voluntary* for RJC Members





Overview of RJC Collaboration



MOU's:

- Artisanal and Small-Scale Mining (ASM): Alliance for Responsible Mining (ARM); Diamond Development Initiative (DDI)
- Italian Government: promote uptake of RJC Certification in jewellery sector

Collaboration:

- Responsible gold sourcing: Solidaridad and Swiss Better Gold Initiative

Standards Recognition (under Chain-of-Custody Standard):

- Recognised Responsible Mining Standard:
 - Part A of Fairtrade and Fairmined Standard
- Supports implementation of regulatory / normative initiatives
 - OECD Due Diligence Guidance
 - Section 1502 of Dodd Frank Act
- Cross-recognition of gold refinery audits:
 - London Bullion Market Association (LBMA) Responsible Gold Guidance
 - Electronics Industry Citizenship Coalition (EICC) Conflict-Free Smelter/Refiner
- Conflict-Free Due Diligence for Mining Companies
 - World Gold Council (WGC) Conflict Free Gold Standard



Drivers for Recognition & Collaboration

Why is recognition important:

- RJC formed by supply chain participants to reduce duplication and multiple initiatives
- RJC covers whole supply chain from mine to retail, acknowledgement of other actors in supply chain
- Due diligence driven by legislation (US Dodd-Frank Act) and other initiatives (OECD) – collaborative approach essential to harmonise with and support parallel initiatives
- Reduce unnecessary duplication of audits in the supply chain
- Inter-operability between standards extends their reach and collective uptake through complex supply chains
- RJC will continue to work with interested standards and initiatives on harmonisation efforts



Building bridges with Artisanal and Small-Scale Mining (ASM)

Enhanced focus on due diligence in gold supply chains (through legislation, OECD) is raising concerns for possible consequences for ASM producers through lower tolerance of risks.

The RJC CoC Standard aims to build bridges with legitimate ASM production with the following under the CoC Standard:

- Mines certified under a **Recognised Responsible Mining Standard** that has been deemed by the RJC to be comparable to the Code of Practices: Part A of the Fairtrade and Fairmined Standard has been formally recognised
- Providing scope for ASM operating on the mining concessions of CoC Certified Entities, as part of an initiative to support professionalisation and formalisation of ASM



Process for Recognition ‘Recognised Responsible Mining Standard’

- Any mining Standard with a comparable scope to the RJC Code of Practices is eligible to become a ‘Recognised Responsible Mining Standard’ under RJC CoC
- RJC undertakes a formal, technical review in cooperation with the other standard setting organisation
- Results of technical review addressed by RJC’s multi-stakeholder Standards Committee, followed by period of public review and comment
- Outcomes considered by RJC’s Standards Committee and recommendation to RJC Board
- Under the CoC Standard, RJC recognised Part A of the Fairtrade and Fairmined Standard that applies to artisanal miners



Challenges

- Working with two organisations that owned the Standard added some complexity to the recognition process
 - Different market objectives
 - Agreeing external communications to each organisations' stakeholders
- Technical review process relatively straightforward and good faith discussions to clarify respective standards' intent
- While the Fairtrade and Fairmined partnership has recently ended, RJC continues to work with both as they finalise their current review processes



Beyond Recognition

- RJC CoC program still building – several projects are working to implement the recognition through refiner sourcing
- Plan to collaborate with in-region partners to measure impacts of RJC Standards eg mining in Peru
- RJC also active in OECD Due Diligence Guidance forum, working to support ASM-related development projects that connect to responsible sourcing in the jewellery supply chain



Comments and Questions are welcome

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