



Responsible Jewellery Council (RJC)

RJC Code of Practices Review

Report on first public comment period and stakeholder consultation – July 2012 to September 2012

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1. Background

From July to September 2012, the RJC sought feedback on the proposal and draft scope of the Code of Practices review from all interested stakeholders. The paper outlines the proposed process, scope and timelines for the COP review. RJC has logged issues and comments received since the publication of the Code of Practices in 2009. These and other issues identified by RJC have been summarised into the following proposed review areas:

Review Areas	Notes and References
General Review	
Incorporate Platinum Group Metals in COP	Platinum Group Metals added to RJC scope in 2010 and Chain-of-Custody Standard in 2012.
Clarity on laboratory-grown diamonds in COP	Glossary definitions and application of general provisions.
All implementation feedback on standard, guidance and assessment questions	Review log of questions and feedback since COP launched in 2009, identify opportunities to enhance clarity, consistency and ease of use of documentation.
Specific Topics in Standard	
Free Prior Informed Consent and Indigenous Peoples	COP 2.13 Indigenous Peoples Review changes to IFC Performance Standards and other implementation of FPIC
Mercury	COP 3.2 Hazardous Substances

	Review progress in UNEP Mercury Programme including the Global Mercury Partnership and negotiations for an global legally binding instrument on mercury
Mining in Conflict Zones	COP 2.12 Use of Security Personnel; COP 4.4 Impact Assessment Review OECD Due Diligence Guidance on Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
Human Rights	COP 2.1 Human Rights Review UN Guiding Principles on Business and Human Rights (2011)
Child Labour	COP 2.2 Child Labour and Young Persons Review recently published good practice guides
India Factories Act and Provident Fund	Review of interpretation issues and development of additional guidance
Grading and Appraising	Review preliminary recommendations of 2010 RJC working group for standards areas, including: use of appraisal reports as a selling tool; and independence between grader / appraiser and client.
Biodiversity	COP 3.5 Biodiversity. Review UNEP-WCMC report on biodiversity-related standards in voluntary certification systems
Standards harmonisation	
SA8000	RJC and SAI aim to increase alignment between the two standards to enable cross-recognition, with particular focus on ILO Standards.
Global Social Compliance Program	RJC will review the GSCP requirements with a view to undergoing the Equivalence Process in 2013.
Assessment and Reporting	
Assessment Questions and Workbook	Consistency of terminology and emphasis, feedback from auditors.
Assessment Manual	Review ISEAL Assurance Code; additional information on sampling requirements.
Require additional information in audit reports to support evaluation of impact of COP	Review ISEAL Impacts Code and M&E programs of other ISEAL Members.
Certification Scope	To increase transparency of Certification Scope and incentivise broader uptake of the Code of Practices, consider requiring Auditors to identify in their verification reports to RJC whether a Member represents all relevant parts of a business, or a subsidiary of a larger parent group. This can then be noted in the published information about the Member's certification.

Table 1 – COP Review – Proposed Scope

The Code of Practices is the cornerstone of RJC's Certification program and sets standards for responsible business practices for companies in the jewellery supply chain. These companies operate in a wide range of sectors – from mining through to retail – and in a wide range of geographies. They include small, medium and large businesses. Any business in the gold, diamond or platinum group metals jewellery supply chain is welcome to join the RJC and seek Certification against the RJC Code of Practices.

The RJC undertook to conduct the first formal review of the Code of Practices in 2012, three years after its publication. The objectives of the Review are to update the Code of Practices, as well as its supporting documents and training. RJC has logged issues and comments received since the publication of the Code of Practices in 2009 and identified key topics that will be reviewed.

In summary, the RJC commits to:

- be open and transparent in its standards development process
- encourage input from a wide range of interested and affected parties
- treat input from interested and affected parties with integrity and respect, and
- report publicly on feedback provided, including how comments have been addressed in subsequent drafting.

2. This Report

This Report summarises the submissions received during the comment period for July – September 2012. A copy of the report is available at:

<http://www.responsiblejewellery.com/standards-development/code-of-practices-review/>

3. Summary of Input Method

A broad range of stakeholders were notified by email and through discussions lists of the opportunity to comment on the RJC discussion paper. Interested parties could respond by fax, post or in an email or were invited to discuss by phone with the RJC team. More than 100 individual comment points were received in emails and as stand-alone submissions from 15 submitters (see Appendix 1 for a list).

4. Comments received

4.1 Summary of Key Points

RJC greatly appreciates the time and insightful contributions from all submitters. Considering the submissions overall:

- Comments were received on all areas identified in Table 1 – Proposed Scope for the COP Review.
- Comments covered a wide range of provisions in each section of the COP (Business Ethics, Human Rights and Social Performance, Environmental Performance, and Management Systems).
- Comments were received from a range of stakeholders, including industry (RJC Members and non-Members), civil society, auditors, and other interested parties.
- Issues raised included:

- **General:** better alignment of the Principles with the COP provisions; role of risk assessments and management systems in evidence conformance and issues for smaller business; communicating the Certification Scope relative to subsidiaries/group company arrangements; how critical breaches could be determined by auditors; proposal to include new requirement to require provenance claims to be evidence-based, as a complement to RJC and other chain-of-custody initiatives.
- **Business Ethics** section: impact of UK Bribery Act on COP bribery provisions; role of EU/US sanctions relevant to the Kimberley Process.
- **Human Rights and Social Performance** section: UN Guiding Principles (Ruggie) for human rights; improvements to the Child Labour provisions; human trafficking and migrant labour issues relevant to forced labour provisions; improvements to freedom of association and collective bargaining; suggestions for additional health and safety issues to address; additional considerations regarding employee discipline; calls for guidance and clarification and suggestions for improvements to requirements for working hours, remuneration and general employment terms; review changes to IFC Performance Standard 5 (2012) on involuntary resettlement; feedback on free prior and informed consent and Indigenous Peoples.
- **Environmental Performance** section: environmental conditions of ASM producers under sourcing arrangements; mining in no-go areas and biodiversity issues generally; suggestions for wastes and emissions provisions, including specific mining issues.
- **Management Systems** section: calls for guidance and suggestions for improvement to legal compliance provisions; scope of business partners provision; suggestions for additional reporting requirements.

Comments by Review Areas

Table 2 below documents the more than 100 individual comments received by September 2012, organised under the proposed COP Review Areas published in the proposal and draft scope document. In developing a draft COP revision for public comment, RJC considers all comments and includes a rationale for all proposed changes, referring to comments received as appropriate.

Name	Date	Comments
General Comments		
Anonymous	6 September 2012	10 Harmonization: I am very impressed by the list of international programs that were considered in the design of the RJC Codes. Could you increase harmonization by also working with national programs (such as the Towards Sustainable Mining program, run by the Mining Association of Canada)?

2. References: Perhaps this is off-base given the nature of your work, but I would be interested in seeing a list of references that have been used to support Code development (I come from a research background and we love to have rigorous research documents to back up our work! An industry bias, perhaps...)

3. Embedded links: It may be helpful to embed links to documentation referenced in the Code, such as the Kimberly Process, the UN Universal Declaration of Human Rights, ILO conventions, etc. I'm sure most of your members already participate in many of these programs, but having the information at their fingertips through the RJC documentation might make it easier to learn about programs with which they are not familiar.

10 Business ethics: I noticed that "shipment security" and "data privacy" appear in your business ethics principles, but I don't see any Codes that specifically support those principles.

10 Community development: Having worked in a developing country, I love that the Code requires companies to support development in the communities in which they operate (Code 2.11.1). The other Codes in section 2.11 focus on engaging the community in business decisions, but I'm wondering if more detail could be added regarding how to "support the development" of communities?

10 Stakeholder engagement: The Code sets loose guidelines for engaging indigenous peoples and other stakeholders. In my experience, ensuring balanced representation of stakeholder groups in this type of consultation is quite challenging. Perhaps a Code describing how companies should identify all relevant stakeholder groups and appropriate stakeholder communication mechanisms may be of value.

7. Hazardous substances: I believe lists of chemicals defined as "Hazardous Substances" are updated fairly regularly and I suspect the culprits on these lists will differ slightly between organizations. Would it be helpful to provide a living document stating exactly which chemicals members should not use?

8. Biodiversity: Do most members have biodiversity expertise in house? If not, what resources exist to support them in determining exactly how their activities will impact local flora and fauna?

		<p>9. This is more of a question: I'm learning that most sustainability standards have to balance the need for flexibility (so that the standard is relevant to a diverse range of companies) with the need for specificity (to encourage members to make concrete improvements). For my own curiosity, how do auditors determine whether a standard such as the following has actually been met: "Members will seek to decrease emissions to air, water and land relative to production output"?</p>
Human Rights Watch	28 August 2012	<p>Relevant Standards and Initiatives</p> <p>The Code draws on and makes reference to certain standards and initiatives, and in several cases these references require updating to address new developments. The revisions required relate to numerous aspects of the Code, from business ethics to management systems.</p> <p><i>Recommendation 7: Take into account the adoption of new or improved standards and key ongoing debates seeking to address problems identified in certain existing initiatives. Ensure consistency with and full adherence to the Guidelines on Multinational Enterprises of the Organization for Economic Co-Operation and Development (OECD), as updated in 2011, and the IFC Performance Standards, as they relate to information disclosure, human rights, worker rights, community engagement, the environment, anti-bribery and anti-corruption, and consumer interests. Reflect developments in relation to the United States law (and similar rules being considered in the EU) mandating that mining companies publicly disclose their resource revenue payments to governments for each project they operate. To address the particular concerns arising from the use of private security contractors, the Code should require members to adopt and implement the International Code of Conduct for private security contractors (www.icoc-ppsp.org). The Code should incorporate and require compliance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Another point of reference is provided by the UN Guiding Principles' effectiveness criteria for non-judicial grievance mechanisms, although it is important to stress that companies also should be required under the Code to cooperate fully with formally established mechanisms to provide recourse for victims and accountability for violations, including judicial avenues as appropriate. The Code also should incorporate changes to respond to lessons learned from existing standards and initiatives that are undergoing review but that may not be reformed before the Code revision is finalized. As an example, the requirements of the Code drawn from the Kimberley Process should be widened in the Code to address and compensate for known weaknesses in that initiative, including its overly-narrow definition of "conflict" and lack of explicit consideration of human rights.</i></p>

Damian Gagnon, Lazare Kaplan International Inc.	29 August 2012	<p>My comment concerns the Risk Assessment item under Section (D), Suggested Management Approach, for each Code of Practice in the “Standards Guidance” document. Although a Business Partners Risk Assessment “Template” is included in Appendix (3) of the document, my concern is the lack of uniform direction provided by the RJC to member candidates for certification on this point.</p> <p>While a risk assessment appears to be only a suggestion in the Suggested Management Approach to compliance, in my experience with the third party auditor, a risk assessment is required for certification. Indeed, the auditor focused more on how this company’s risk assessment is designed, executed and communicated to our global subsidiaries than on any other part of the COP audit. Perhaps this was because the SGS auditor who visited our New York headquarters facility for the combined RJC/BPP audit in 2011 was the same person who undertook the BPP audit in 2010, and she was already convinced of the company’s compliance with the other ethical, social and environmental standards of the program. Nevertheless, we were obliged to present a great deal of evidence during the audit and in several days of post-audit follow-up emails before the auditor was satisfied that we do indeed conduct detailed risk assessments, and she recommended our three year certification.</p>
Anonymous	10 September 2012	<p>Code of Practice</p> <p>The wording of the Code of Practice is fairly general and so can encompass the requirements of the International Standards referred to.</p> <p>The one area that stands out as not being aligned to the reference standards is Human Rights & Social Performance 2.8 which only compliance to national law or industry standards but makes no reference to the potentially living wages or to upper limits on working hours. This is then contradicted within the questions and guidance which refers to limits of 48 + 12 for working hours.</p> <p>On the other hand Management Systems 4.2 does not specify what is required in terms of risk assessment and the need to engage business partners, implying that it is only the business/reputational risk to the Member that is to be assessed.</p>
De Beers (via the Diamond CoC subcommittee)	24 July 2012	<p>As an alternative to developing a separate Chain of Custody (CoC) standard specifically for diamonds the De Beers Group propose that <i>all</i> members of the RJC are required to substantiate any significant provenance claims they make as a requirement for certification. This requirement would form part of the core RJC Code of Practices (CoP) standard and the RJC would provide specific guidance on the type of evidence required to substantiate any particular provenance claims.</p>

		<p>Members not wishing to make specific provenance claims other than those already required by the RJC CoP (i.e. disclosure and Kimberly Process compliance) would be automatically compliant to this requirement. Likewise, adding this requirement to the CoP standard would not impact the use and adoption of the metals CoC by any members.</p> <p>(See link to full proposal in Appendix 1)</p>
Specific Topics in Standard		
1.1 Bribery and Facilitation Payments		
Anonymous	13 September 2012	<p>Please find below our suggestions for discussion during the Code of Practices review for the Bribery Section in the RJC standards.</p> <p>This document is for discussion purposes only and does not contain a detailed or comprehensive analysis of, or mark-up to, the RJC bribery standards. In the event that changes are made to the bribery standards, it is anticipated that consequential changes will be necessary to RJC Principles and Assessment Questions and potentially other RJC system documentation.</p> <p>The inclusion of a revision to the RJC bribery standards is desirable because of increasing legislation that seeks to prevent acts of bribery on a global basis and require corporates to take more rigorous action to effectively manage anti-corruption compliance, in particular the UK Bribery Act 2010 (which entered into force in July 2011). We would encourage the RJC to seek expert input on the RJC bribery standards to ensure that they remain credible, effective and reflect evolving best practice.</p> <p>For the RJC's information, in July 2011, the UK Institute of Business Ethics (IBE) welcomed the publication of Principles for an Anti-Corruption Programme under the UK Bribery Act 2010 for the Energy and Extractives Sector (the Principles). The Principles have been developed by a group of leading energy and mining companies and draw on their considerable experience of managing potential bribery and corruption. They represent a sharing of best practice and are intended to provide assistance to organisations operating in these areas on the key issues to consider as they seek to prevent bribery in their organisations. The IBE provided assistance in the development of the Principles. The key Principles are based on those that the contributor companies employ in their own businesses. It is anticipated that the Principles will be used as a helpful reference to assist organisations to develop or enhance their own policies and procedures. The Principles may also be of benefit to companies in other sectors who are considering policies and procedures to help prevent bribery in their own organisations.</p>

Anonymous	10 September 2012	While the programme is clear that companies should meet local legislation in addition to any specific requirements. However, this section permits facilitation payments to continue as long as these are recorded. This goes against the latest requirements in e.g. the UK Anti-Bribery Act which are also being considered for inclusion into other legislation.
1.3 Kimberly Process		
Anonymous	10 September 2012	Given that the Kimberley Process now allows diamonds to enter the supply chain from sources that are on the US and EU sanctions lists it would be useful to cross-reference this in some way in the guidance. Whilst this should still be picked up under compliance with legislation it is possible that less experienced auditors might not be aware of the checks required. It would also be useful to provide guidance on the level of checks of invoices and certificates that should be undertaken rather than relying on individual auditors to make a judgement.
1.5 Product Integrity		
Anonymous	10 September 2012	<p>Queries have arisen relating to the need to identify smaller diamonds by the 4 “C”s and there has been confusion over whether there is a requirement to do this for very small stones (e.g. 0.1ct and below) particularly in the mass market. General guidance on what constitutes acceptable disclosure would be useful.</p> <p>The topic of treated diamonds is also one that has arisen on a few occasions, in particular, in relation to “black diamonds”. Given the potential impacts of some of the treatments that might be used a solution to ensuring consistent description and disclosure would be of use.</p>
2.1 Human Rights		
Human Rights Watch	28 August 2012	<p>Scope of Human Rights Issues Covered</p> <p>The Code of Practices classifies a certain limited number of issues—such as labor conditions—as human rights issues. Human rights are dealt with in one of the Code’s four subsections, but are not approached broadly as a set of internationally agreed principles that should underlie all areas covered in the Code of Practices. The Code states that all members of the RJC respect the Universal Declaration of Human Rights, and references several conventions of the International Labor Organization (ILO). However, it fails to name key international human rights treaties, such as the International Covenant on Civil and Political Rights (ICCPR), the International Covenant on Economic, Social, and Cultural Rights (ICESCR), the Convention on the Rights of the Child (CRC), or other highly pertinent international instruments, such as the Declaration on Rights of Indigenous Peoples.</p>

Recommendation 1: Upholding fundamental human rights should be identified as one of the core purposes of the Code, thus, international human rights law should be clearly acknowledged as a framework for the Code. The Code should explicitly acknowledge that its scope encompasses all internationally recognized human rights and take care to specifically reference highly relevant international human rights treaties—including the ICCPR, the ICESCR, and the CRC, which do not currently appear. In addition to the ILO Conventions referenced in the current Code, ILO Convention 182 on the worst forms of child labor should be explicitly mentioned and adherence required (see below for details).

Human Rights Responsibilities for Businesses

The current Code of Practices fails to spell out overarching human rights responsibilities for businesses. In particular, the Code of Practices does not provide detail on the policies and procedures that businesses must have in place. Although governments have primary responsibility for promoting and ensuring respect for human rights, the responsibilities for businesses in relation to human rights are increasingly recognized by international law and other norms, most recently with the adoption of the Guiding Principles on Business and Human Rights by the UN Human Rights Council in June 2011. Given the purpose of the Code, it should set a high standard of conduct for how members uphold their human rights responsibilities.

Recommendation 2: The Code should clearly acknowledge the responsibility of all businesses to respect all human rights, everywhere, and to avoid complicity in abuses by others. It should require members to take proactive steps to meet this responsibility, namely by requiring them to exercise human rights due diligence to identify, prevent, mitigate, and account for their impact on human rights, including in connection with their business relationships, and remedy abuses if they arise. To the extent that mitigation and remediation efforts fail to adequately address grievances that may arise, companies must cooperate fully with formally established mechanisms to provide recourse for victims and accountability for violations, including judicial avenues as appropriate. It is also essential that company due diligence processes cover business activities abroad, outside the home State, when businesses operate transnationally.

One element of due diligence processes is a human rights impact assessment. Although the Code calls for members with mining facilities to undertake social and environmental assessments that take human rights into account, this provision requires further elaboration. Of relevance is this explanation from the Commentary to the UN Guiding Principles: “While processes for assessing human rights impacts can be incorporated within other processes such as risk assessments or environmental and social impact

		<i>assessments, they should include all internationally recognized human rights as a reference point, since enterprises may potentially impact virtually any of these rights.” The Code should also make clear reference in this regard the Revised Guide to Human Rights Impact Assessment and Management.</i>
Verité	3 September 2012	<p>2.1 Human Rights</p> <ul style="list-style-type: none"> - This section could be strengthened with a reference to the newly adopted UN Guiding Principles on Business and Human Rights. Consistency with these principles under “Section II. The Corporate Responsibility to Respect Human Rights” is strongly advised. - This could include language reflecting that business enterprises should “avoid infringing the human rights of others and should address adverse human rights impacts with which they are involved”. - Business enterprises are also advised to avoid causing or contributing to adverse human rights impacts; to address such impacts when they occur; and to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts.
Human Rights Watch	28 August 2012	<p>Involuntary Resettlement</p> <p>While the Code of Practices recognizes that members will avoid or otherwise minimize involuntary resettlement, this does not sufficiently protect the right to adequate housing. Governments can carry out forced evictions only in "the most exceptional circumstances," and even then only in accordance with human rights principles requiring the government to consult with the affected individuals or communities, identify a clear public interest requiring the eviction, ensure that those affected have a meaningful opportunity to challenge the eviction, and provide appropriate compensation and adequate alternative land and housing arrangements.</p> <p>Recommendation 6: The Code of Practices should explicitly reference the right to adequate housing and other human rights principles essential to resettlement, state that involuntary resettlement should be limited to the most exceptional circumstances. The Code should apply the UN Basic Principles and Guidelines on Development-Based Evictions and Displacement and International Finance Corporation (IFC) Performance Standard 5.</p>
2.2 Child Labour and Young Persons		
Human Rights	28 August	Child Labor

Watch	2012	<p>The glossary of the Code of Practices defines a child as “any person less than 15 years of age, unless local national / local minimum age law stipulates a higher age for work or mandatory schooling[.]” This definition is inconsistent with international law, which defines a child as anyone under the age of 18.¹</p> <p>The Code of Practices requires members to protect children from work which, by its nature or the circumstances in which it is carried out, is likely to jeopardize their health, safety, or morals. This language on hazardous labor stems from ILO Convention 182 on the Worst Forms of Child Labor, which prohibits the worst forms of child labor for anyone under the age of 18. However, the Convention is not explicitly referenced, and its relation with ILO Convention 138 Concerning Minimum Age for Admission to Employment is not explained. The focus of the Code’s child labor section is on ILO Convention 138, which stipulates that the minimum age for child labor is 15. The Code does not make sufficiently clear that children aged 15, 16, and 17 are not allowed to perform work that is classified as among the worst forms of child labor.</p> <p>The Code allows members to make certain exceptions to the general principles set out by the ILO Conventions, when they take place in accordance with national laws and procedures. In particular, under the Code children may be employed from the age of 14 if the law of the country permits, and children may be employed from the age of 16 in hazardous labor if national laws allow and the children have received adequate specific instruction or vocational training. While these requirements are not against international law, they essentially use the lowest common denominator available. Since the Code of Practices aims to set a high standard for the industry, it should go beyond this lowest common denominator approach.</p> <p><i>Recommendation 3: The Code of Practices should use the internationally accepted definition of the child. It should explicitly reference ILO Convention 182 and explain that the minimum age of 15, as set out in ILO Convention 138, only applies to types of work that are not classified as worst forms of child labor. Furthermore, the Code of Practice should require that all companies treat age 15 as the absolute minimum age for employment, and that they not subject anyone under the age of 18 to the worst forms of child labor.</i></p>
Verité	3 September 2012	<p>2.2 Child Labour and Young Persons</p> <p>- This section would benefit from a direct reference to the worst forms of child labour and the related ILO</p>

¹ Convention on the Rights of the Child (CRC), adopted November 20, 1989, G.A. Res. 44/25, annex, 44 U.N. GAOR Supp. (No. 49) at 167, U.N. Doc A/44/49 (1989), entered into force September 2, 1990, art. 1.

		<p>Convention 182 and Recommendation 190.</p> <ul style="list-style-type: none"> - It should explicitly prohibit the WFCL (in particular, those most-relevant to the jewellery supply chain), as defined by ILO to include all forms of child slavery and practices similar to slavery, debt bondage, the trafficking of children and forced child labour, among others. - RJC members should be encouraged to take immediate and effective measures to prevent and eliminate the WFCL. As above, this can apply to “adverse human rights impacts” that they have not necessarily contributed to but that they may be linked to in their communities of operation, for example WFCL including the recruitment of children for use in armed conflict or the procuring of a child for prostitution. - The section would benefit from directly referencing “hazardous child labour” under Point 4. This is a key worst form of child labour, and the one most likely relevant in the jewellery supply chain. The principle could be supported by technical and background material on how to identify hazards in the workplace, guidance on how to eliminate hazardous child labour, and a list of common forms of hazardous child labour found at various stages of the jewellery supply chain. - Both WFCL and hazardous child labour should be included in the Glossary, consistent with definitions developed by ILO.
2.3 Forced Labour		
Verité	3 September 2012	<p>This provision can be significantly expanded to improve consistency with ILO standards, jurisprudence and guidance on the subject. The following presents some recommendations to this effect:</p> <ul style="list-style-type: none"> o A direct reference to ILO Convention 29 would be welcome. Its definition of forced labour should be included, in particular the key defining features of forced labour, namely (1) work or service performed under the <i>menace of a penalty</i> and (2) the <i>involuntary nature</i> of employment. o From this, in order to support the reference to different forms of forced labour, the section should integrate reference to the freedom to terminate employment at any time without penalty, given notice of reasonable length. o The reference to freedom of movement of employees is welcome. You may also consider clarifying that such freedom should neither be unreasonably restricted in the workplace nor in related premises such as employer-operated residences. o Threats of physical or sexual violence, harassment and intimidation should also be explicitly prohibited. This includes acts targeting the worker, his or her family and/or close associates. The workplace should be free from any form of inhumane treatment.

o Other provisions to strengthen protections against forced labour are integrated below under other headings of the RJC Code.

- It will also be important to recognise **human trafficking** as a key emerging issue for business across jewellery supply chains. This can be done by integrating it under this provision on forced labour (e.g. by referencing it directly in point 2) or, preferably, by creating a new provision titled Human Trafficking. The definition of human trafficking found in the UN Protocol on the subject should be included. (see: *Protocol to Prevent, Suppress and Punish the Trafficking in Persons, especially Women and Children*)

o Under a new section on Human Trafficking, the standard could be strengthened with references complementing and expanding upon the existing focus on employee documentation, deposits, recruitment fees and advances.

o This could include direct reference to deception in the recruitment process and prohibition of so-called “contract substitution”, key features of human trafficking. Clearer language prohibiting the charging of recruitment fees to workers, either directly or indirectly, in whole or in part, would be significant, since this is key factor leading to debt bondage.

o A separate category on “regulating” or monitoring business relationships with recruitment agencies may also be advisable because of the role such agencies can play in increasing the risk of trafficking in supply chains. This could include language that RJC members should ensure such agencies do not engage in fraudulent or coercive practices and that they prevent the abuse of employees contracted by such agencies by ensuring they receive full protection in relation to wage-related matters, hours of work and other employment conditions.

- Linked to human trafficking, you may wish to consider integrating a new provision on the **Rights of Migrant Workers**. Beyond the focus on trafficking risks, this would establish protective measures for a category of workers that is highly vulnerable in global supply chains. The provision should follow ILO and UN Conventions guaranteeing that migrant workers, irrespective of their legal status, are treated fairly and that measures are taken by RJC Members to prevent abusive or fraudulent practices that can lead to coercion or exploitation in recruitment and employment. The provision could further state that migrant workers should benefit from conditions of work no less favourable than those available to local workers and that migrant workers in an irregular situation will not be threatened with denunciation to authorities.

2.4 Freedom of Association and Collective Bargaining		
Verité	3 September 2012	<ul style="list-style-type: none"> • Provisions under Freedom of Association and Collective Bargaining would be strengthened by clarifying that employees have the freedom to form or join a union or worker association of their own choosing without interference from employers. A further guarantee that unions have the right to carry out their activities freely should be considered. • Furthermore, discrimination against employees based on their union membership should be explicitly prohibited, including forms of union or individual blacklisting. RJC members should be prohibited from considering union activities when hiring or terminating employees. • Under Point 2, RJC Members should be encouraged to negotiate and bargain in good faith, exhibiting willingness to discuss, compromise and reach a mutually agreed solution.
2.6 Health & Safety		
David Wofford, RAISE Health Initiative for Workers, Companies and Communities	7 September 2012	<p>2.6 Health and Safety</p> <p>Sections for comment: 2.6.1.h.</p> <p>How it currently reads: maintaining adequate workplace hygiene at all times by conducting regular routine cleaning, providing safe and accessible potable drinking water and sanitary facilities for food storage, and clean and hygienic washing and toilet facilities commensurate with the number and gender of staff employed.</p> <p>Suggested changes: maintaining adequate workplace hygiene at all times by conducting regular routine cleaning, providing safe and accessible potable drinking water and sanitary facilities for food storage, clean and hygienic washing and toilet facilities, and providing sanitary napkins for women commensurate with the number and gender of staff employed.</p> <p>2.6.6. How it currently reads:</p>

Members will provide access to adequate on-site Health and medical facilities, including clearly marked first aid provisions, and develop procedures for transportation of more serious Health concerns to local hospitals or medical facilities.

Suggested changes:

Members will provide access to adequate on-site Health and medical facilities, including clearly marked first aid provisions and working hours of medical staff, and develop procedures for transportation of more serious Health concerns to local hospitals or medical facilities and policies to enable access to services to address basic health needs if services are not available after work hours. On-site facilities should have educational materials on health accessible to workers, and medical staff should be trained in general and gender-specific health issues and in making referrals to qualified providers as needed.

2.6.9.

How it currently reads:

Members will provide training so that employees are aware of: specific role-related Health and safety Risks and Hazards; and methods for appropriate protection from such Hazards, including proper use of PPE and appropriate action to take in the event of an accident or emergency. Training will include first aid training to designated employee representatives and appropriate training in fire safety and emergency procedures for all employees. Training undertaken must be recorded and repeated for new and re-assigned employees.

Suggested changes:

Members will provide training so that employees are aware of: specific role-related Health and safety Risks and Hazards; and methods for appropriate protection from such Hazards, including proper use of PPE and appropriate action to take in the event of an accident or emergency; and basic health areas, including non-communicable diseases, hygiene, and maternal and reproductive health. Training will include first aid training to designated employee representatives and appropriate training in fire safety and emergency procedures for all employees. Training undertaken must be recorded and repeated for new and re-assigned employees. Medical personnel must also participate in training of employees as well as training of proper medical techniques to treat such an emergency

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4. Management

		<p>4.4.1 How it currently reads: ...Social impact assessments and management plans should include assessment of human rights, gender and conflict.</p> <p>Suggested changes: ...Social impact assessments and management plans should include assessment of human rights, health, gender and conflict.</p> <p>GENERAL POINTS</p> <p>Worker health has been an under-valued concern in codes and principles even when they emphasize their adherence to human rights. Health has long been recognized a basic human right, with a range of formulations. And reproductive health has also been recognized as a human right. Thus, under a rights-based approach, as indicated in the code's adherence to international human rights, the language on health should go beyond the narrowly defined area of occupational health and safety.</p> <p>From a business case perspective, there is also a strong case to be made for companies and their supply chains addressing health concerns beyond occupational health and safety. Studies undertaken by Business for Social Responsibility and others indicate a strong return on investment from reduced absenteeism and turnover and a wide range of other qualitative benefits to a firm that views the health of its workers, particularly women's health, as integral to effective operations. The RJC new principles and codes need to recognize the broader responsibility for companies and their suppliers to respect the broad health needs and rights of their workers. Language that does not make broader health issues, including women's health, explicit will cause those firms that comply with these principles to do little more than address occupational health.</p>
2.7 Discipline and Grievance Procedures		
Verité	3 September 2012	<ul style="list-style-type: none"> • Disciplinary measures should not include compulsory labour as a punishment for participating in a strike. The provision should also prohibit the levying of financial penalties as a form of discipline. • Point 3 can be strengthened by indicating that any employee, acting individually or with other workers, should be free to submit a grievance without suffering any prejudice or retaliation of any kind. Grievance procedures should function effectively and ensure a rapid and mutually agreed settlement.

2.8 Working Hours		
Verité	3 September 2012	<ul style="list-style-type: none"> • This section would be significantly strengthened with a direct reference prohibiting compulsory or forced overtime. This should reflect that RJC Members will not require employees to work overtime above the limits permitted by national law or collective agreement.
Anonymous	10 September 2012	Consideration needs to be given to providing guidance on implementation where local law permits longer hours than foreseen in this Code e.g. UK, Thailand, USA etc. For example the ETI is in process of providing guidance for their Base Code and something similar could be undertaken here.
India Committee	12 September 2012	<p>2.8.1 Overtime Hours – Seasonality / Market dynamics of the diamond / jewellery industry results in overtime hours exceeding limits during certain periods – This subject needs a suitable guideline</p> <p>2.8.2 Annual Leave – Social and regional factors require the industry to take a break in operations at certain periods of the year - This period of vacation is set off against Annual Leave of workers – This practice needs to be included as a guideline</p>
2.9 Remuneration		
Verité	3 September 2012	<ul style="list-style-type: none"> • This provision could be better aligned with ILO guidance and strengthened in a number of ways. • Provision 2 should prohibit any form of deception in wage payment and indicate that wage payments will not be delayed or deferred in order to prevent accumulation of wage arrears. • Provision 3 should indicate that payment in the form of vouchers, coupons or promissory notes is prohibited. • The section should also regulate the use of in-kind payments. These should be permitted only if authorised under national law and should not deprive the employee of all cash remuneration. • Provision 5 on wage deductions could be strengthened with a clear indication that they will not exceed limits prescribed by national law, and that employees will be duly informed of the terms and conditions surrounding such deductions. Only deductions authorised by national law or collective agreement should be permitted. • A provision regulating wage advances and/or loans should also be included. This would ensure transparency, prohibit deception and guarantee fair terms of interest and repayment. • Finally, a further provision should be included to ensure that employees earning wages calculated on a performance-related basis do not earn less than the legally mandated minimum wage in normal daily working hours.

Anonymous	10 September 2012	<p>Piece rate payments are common in the diamond cutting/polishing sector as well as in the manufacture of jewellery. Guidance on the cross-referencing of wages/hours and the calculation of overtime premiums for piece rate workers would be useful for the members so as to ensure that they understand the requirements.</p> <p>Consideration should be given to clearly documenting the requirements for provision of all benefits including maternity benefits, social insurances and the like. In India as well as other countries, the registration and provision of individuals into social insurance schemes may not be common practice – in such cases guidance on what is acceptable and how workers can be protected should be documented.</p> <p>Other examples of where guidance might be useful would be around</p> <ul style="list-style-type: none"> • the provision of crèches and how workers might collectively decide that these are not required • collective agreement to change/swap public holidays where this is allowed • methods of calculating and sharing bonuses and ensuring that these are clearly understood.
India Committee	12 September 2012	<p>2.9.1 Compensation for overtime – There is an ambiguity regarding the basis for calculating overtime amount. IC proposes that the basis for overtime payment should be on applicable minimum wage, which is the general practice and seeks a guidance in this regard</p> <p>2.9.2 Contribution towards Provident Fund (PF) – There is an ambiguity regarding the definition of “basic wage” for calculation of PF. IC proposes that PF deduction / contribution be made as per “basic wage” defined by the respective companies – IC seeks a guidance in this regard.</p> <p>2.9.3 Payment to Piece rate workers – While piece rate system is prevalent in the industry, it is ensured that wages and compensation are in line with time rated workers based on a fixed rate structure and minimum wage requirements are adhered to – IC seeks guidance in this regard.</p>
2.10 General Employment Terms		
Verité	3 September 2012	<ul style="list-style-type: none"> • Integrating a standard on contracts of employment would strengthen this section on General Employment Terms. Written contracts of employment should be provided to all workers, including migrant workers, in language they understand, clearly indicating their rights and responsibilities with regard to wages, working hours and other employment conditions. The use of supplemental agreements and the practice of contract substitution should be strictly prohibited.
Anonymous	10 September	Guidance should be considered on methods of recording working hours in office and retail environments.

	2012	There should also be further emphasis and clarification where companies claim that they are merely renting out facilities to 3rd parties who provide the entire manufacturing process on their facility – especially where there is a buy-back guarantee on finished goods.
India Committee	12 September 2012	2.10.1 Employment of Trainees – There is no legal provision for employment, period of training and compensation payable to trainees in the industry – Besides, there are no institutions that train workers for this industry – This means that the industry has to train persons - IC proposes that trainees may be employed upto a period of 3 years and compensated at 75% of minimum wages and seeks a guidance in this regard.
2.11 Community Engagement and Development		
Anonymous	10 September 2012	<p>Whilst there is a requirement for engagement and support of the local community on the Code of Practice there is no specific requirement on the form or level this should take and it is not clear whether a non-compliance should be raised and at what level if there is no evidence that such support is occurring.</p> <p>Further guidance on effective forms of engagement with indigenous people and communities would be useful as this is currently left very much to individual auditors to assess.</p>
2.12 Use of Security Personnel		
Verité	3 September 2012	<ul style="list-style-type: none"> • This provision would be strengthened with reference to the freedom of movement of employees and the protection of artisanal and small-scale miners from any form of abuse linked to private security personnel.
2.13 Free Prior Informed Consent and Indigenous Peoples		
Rhia Weston, Student	24 July 2012	<p>You mentioned that some time this year the RJC will revise the code, I was wondering if article 2.13 relating to indigenous peoples would change to include a standard on FPIC seeing as the IFC now requires mining companies to obtain FPIC in order to get funding (hence there is a clearer definition of the right to consent)?</p> <p>Although the guidelines do explain that the debate around the term 'consent' is on-going, by committing to processes of 'free, prior and informed consultation' to achieve broad-based community support the RJC appears to have already made a decision as to what 'consent' should entail, to what extent do you agree with this?</p> <p>Article 2.11.2 states that 'broad community support should be sought', does this mean that as long as a</p>

		<p>mining company has proven it has sought support its products will be accepted by the RJC, rather than actually having to obtain support? Will this be revised?</p> <p>There is no mention of the indigenous right to self-determination in either document, yet it is stated that 'engagement must be carried out in an inclusive, equitable, culturally appropriate and rights-compatible manner'.</p> <p>If engagement is to be compatible with rights, doesn't this mean indigenous peoples' right to self-determination should be acknowledged and respected?</p>
Human Rights Watch	28 August 2012	<p>Indigenous Peoples</p> <p>The Code of Practices fails to explicitly mention the Declaration on Rights of Indigenous Peoples, which stipulates that indigenous peoples have rights over the land, territories, and resources they have traditionally owned, occupied, or otherwise used or acquired. Indigenous peoples can only be relocated with their free, prior, and informed consent, after agreement on just and fair compensation of land, property, and livelihood. Where possible, they should be provided with the option of return.</p> <p><i>Recommendation 5: The Code of Practices should explicitly reference the Declaration on Rights of Indigenous Peoples and their right not to be relocated without free, prior, and informed consent, as well as their right to just and fair compensation if they approve such relocation.</i></p>
3.1 Environmental Protection		
WWF	24 September 2012	<ul style="list-style-type: none"> • Insert wording that requires mining/producing companies to conduct an EIA (and ideally an SEA), by independent subject matter experts, prior to developing new mining operations. The EIA process should include: <ul style="list-style-type: none"> ○ Provisions to allow effective stakeholder participation; ○ Baseline environmental and biodiversity data (and be publically reported); ○ Environmental costs, including post closure monitoring and reclamation costs (and provisions to finance this should be articulated). • When sourcing from ASM producers where EIAs were not conducted, members shall take appropriate measures to ensure that the operations are not contributing to environmental damage that would not be accepted under prevailing international standards and best practice.
3.2 Hazardous Substances		
WWF	24	<ul style="list-style-type: none"> • Awaiting wording on Mercury (UNEP Global Mercury Partnership?).

	September 2012	
3.3 Waste and Emissions		
WWF	24 September 2012	<ul style="list-style-type: none"> • 3.3.1 We have noticed in countries of weak governance, that ‘legal’ permits can be obtained which are not aligned with the interests of the general public or environmental stewardship. Thus, we would suggest revising the wording to capture the concept of complying with Applicable Law or prevailing international standards, whichever are highest. Legal compliance is a very low benchmark, and below the stated aspiration of the RJC to conduct business in an environmentally responsible manner. • Discharge of contaminants to surface and ground water should be publically disclosed in routine, periodic reporting. • Operations which require mine dewatering shall include specific processes for managing contaminants in this discharged water. • Add to 3.3.d Members with Mining Facilities with net acid-generating material shall ensure that this material is segregated and/or isolated in waste facilities. • If an independent EIA finds that perpetual, active remediation treatment of mine waste will be required, the project will not be initiated. (Note, we differentiate between perpetual monitoring and active remediation.) • RJC members with mining operations shall disclose on a routine basis, the nature of discharge and waste disposed and any remediation measures. (Note: this should be done in a format suitable for the general public/stakeholders; GRI probably does not meet those criteria.)
3.5 Biodiversity		
WWF	24 September 2012	<ul style="list-style-type: none"> • 3.5.1 We suggest adding as no-go areas: IUCN Category I-IV protected Areas (including Ramsar sites in this category) and IUCN I-VI Marine Protected Areas and Vulnerable marine Areas. If the EIA demonstrates that the project may have an impact on High Conservation Value Areas (as defined in six categories by the FSC), appropriate measures will be taken to mitigate such impact. • Members with mining facilities will demonstrate that they proactively support measures to minimise the environmental impact of infrastructure (roads, power stations, harbours, employee housing, etc.) created to support mining operations. Such support may include financial, technical, labour, management expertise, bush meat policies, etc. • 3.5.3 More generally, Members demonstrating biodiversity stewardship are encouraged to refer to the

		<p>BBOP Standard as existing best practice in this field, or some other systematic, transparent and rigorous methodology.</p> <ul style="list-style-type: none"> • 3.5.4change from ‘will, or is likely to, lead to the extinction....’ to ‘will, or is likely to lead to a significant decline of a species....’ • 3.5.5 Reclamation and Rehabilitation plans should specifically address the remaining presence of acid generating materials, as well as any likelihood of subsidence.
4. Management Practices		
Verité	3 September 2012	<ul style="list-style-type: none"> • This section could be strengthened by ensuring consistency with the UN Guiding Principles on Business and Human Rights, in particular its “operational principles” in “Section II. The Corporate Responsibility to Respect Human Rights”.
Anonymous	10 September 2012	<p>The requirement for management systems can be very onerous for small companies. It has been noted in auditing smaller companies that while compliance in fact can be seen, formal management systems may be absent. It would be useful to provide further guidance to small companies on how they can meet the requirements for systems in such cases.</p>
4.1 Legal Compliance		
WWF	24 September 2012	<ul style="list-style-type: none"> • 4.1.1 Can we capture the concept that the aspiration is to act in a responsible manner, which will often require exceeding local levels of legal compliance.
India Committee	12 September 2012	<p>RJC COP classifies all legal non compliances as “Major Non Conformances”. This results in insignificant issues being classified as Major Non Conformances. Several of these apply to “The Factories Act 1948”. Some of these are listed below:</p> <p>4.1.1 Engagement of Safety Officer - Factories Act requires “Qualified” Safety Officer if factory strength is above 1000 employees – Considering the hazard free nature of the industry, the requirement of “Qualified” Safety Officer should not be insisted upon – However, safety requirements will be taken care of – IC seeks guidance in this regard.</p> <p>4.1.2 Engagement of Welfare Officer - Factory Act requires “Qualified” Welfare officer if factory strength is above 500. As long as the industry fulfills the welfare needs of the workers, the appointment of “Qualified” Welfare Officer should not be insisted upon. IC seeks guidance in this regard.</p>

		<p>4.1.3 Ambulance Room / Vehicle /Trained Nurse/ Doctor - Factories Act requires Ambulance room / availability of nurse/doctor in premises if factory strength is more than 500 personnel. Most of the factories are generally within city/municipal limits and have hospitals in the vicinity. IC seeks a guidance to take situational factors while evaluating this requirement.</p> <p>4.1.4 Canteen - Factories Act specifies that Canteen is needed if factory strength is above 250. Since most workers prefer home made food or go home during lunch breaks, this requirement should not be insisted upon. The general practice is to consult the workers, conduct a poll and obtain majority opinion on the subject – As long as the majority of workmen do not need the canteen, the requirement should not be insisted upon - IC seeks a guidance to take situational factors while evaluating this requirement.</p> <p>4.1.5 Emergency Exits for each work area - Indian Law requires Emergency Exits to be available for each work area. Industry operates out of owned or leased facilities with limited flexibility to create emergency exit in leased premises. Also, Factory plan is approved by factory inspector before construction and periodic evacuation drills are carried out to check adequacy of evacuation measures. Hence, guidance note is needed on this subject.</p> <p>4.1.6 Creche - Factories Act specifies that Creche is needed if more than 30 female employees are employed. In the Indian context, female workers prefer to leave children in the care of elder family members since most of them are part of a joint family system. Industry Practice is to conduct consultations with working mothers regarding the need for creche. While creche may be set up if mothers express the need for the same, this requirement should not be considered as an essential one.</p>
4.2 Policy		
Verité	3 September 2012	• Company policy should be communicated internally and externally to all personnel, business partners and other relevant parties; and reflected in operational policies and procedures to embed it throughout the enterprise.
4.3 Business Partners – Contractors, Customers, Suppliers and Partners		
India Committee	12 September 2012	4.3.1 Engagement of Contractors in Security / Housekeeping / Canteen etc. – These activities constitute non core activities and the companies employ specialised agencies for these services through documented contracts. The terms of such contracts specify that the contractors are responsible for legal compliances. In view of this, documents relating to contractor should not be insisted during the audit process – IC seeks a guidance in this respect.

4.4 Impact Assessment		
Verité	3 September 2012	<ul style="list-style-type: none"> • Impact assessment is only one aspect of broader human and labour rights due diligence. You may wish to create a new provision on Due Diligence that integrates concerns for impact assessment, among other things. • Due diligence should include assessing actual and potential human and labour rights impacts, integrating and acting on the findings of such assessments, tracking responses, and communicating how these impacts are addressed. Such due diligence, as a process, should be on-going, draw on internal and/or external expertise, and involve meaningful consultation with stakeholders.
WWF	24 September 2012	<ul style="list-style-type: none"> • 4.4 Risk assessment and monitoring systems do not prevent the unexpected natural disaster of catastrophic failure of man or equipment. Member should also have robust strategies for disaster management that are reviewed by external experts.
4.6 Sustainability Reporting		
Verité	3 September 2012	<ul style="list-style-type: none"> • This is a key measure in due diligence. Businesses, and not only RJC Members with Mining Facilities, should be prepared to communicate externally, particularly when concerns are raised by or on behalf of affected stakeholders. According to the UN Guiding Principles, communication should provide information sufficient to evaluate the adequacy of the enterprise's response to the particular human or labour rights impact involved. • A further key aspect of due diligence is remediation. A separate provision should be included in the Code of Practice encouraging RJC Members to provide for or cooperate in the remediation of adverse impacts where they have caused or contributed to them.
Glossary		
Verité	3 September 2012	<ul style="list-style-type: none"> • Definitions of the Worst Forms of Child Labour, Hazardous Child Labour and Human Trafficking should be included in the glossary, drawing on those found in relevant ILO and UN Conventions. • The definition of Forced Labour should be aligned closely with the internationally-agreed definition found in ILO Convention 29.
Standards Harmonisation		
Dialogue was continued with these initiatives:		

GSCP	28 June 2012	RJC and GSCP convened a briefing on the GSCP Equivalence Process and potential timing for RJC.
SAI		RJC and SAI continued to increase alignment between the two standards to enable cross-recognition and collaborate on training and engagement in India. Meetings with SAI were held in London and by teleconference.
Assessment and Reporting		
Damian Gagnon, Lazare Kaplan International Inc.	28 June 2012	<p>My comment pertains to Clause 6. Issues and Topics Identified – Assessment and reporting. Specifically:</p> <p>Certification Scope To increase transparency of Certification Scope and incentivise broader uptake of the Code of Practices, consider requiring Auditors to identify in their verification reports to RJC whether a Member represents all relevant parts of a business, or a subsidiary of a larger parent group, or simply the group headquarters/parent office. This can then be noted in the published information about the Member’s certification.</p> <p>I suggest that you add the language inserted in red font, above (or something similar), at a very minimum. There is currently at least one certified member that has diverse global, vertically integrated operations who has elected to certify only the group’s headquarters office in Antwerp. It is very difficult for the general public to distinguish between an RJC certified member such as this one and the RJC member who has certified his/her entire global pipeline of companies.</p> <p>Ideally, RJC would require a member with diverse operations sector to certify the entire group operations in the precious minerals. In the meantime, some prominent public distinction should be made to showcase members which have gone the extra mile, a distinction beyond the obscure notice in the verification report that few are aware exists.</p>
Anonymous	10 September 2012	<p>Certification Scope</p> <p>Many members have joined through a subsidiary rather than at a group level. This means that in general it is lower risk, office environments that have joined and are being audited rather than the high risk operations. As a result the risk assessment and business partners section should carry greater weight and this requires some emphasis.</p>

		<p>It is difficult for the auditors to verify whether the Member has correctly identified all the operations that are owned or under their control especially as these can be in different territories.</p>
Anonymous	10 September 2012	<p>Audit Process</p> <p>The process requires the provision of 2 months records. If a company has been established for less than this time or the systems to support RJC COP have only been more recently implemented such records do not exist. This should be clarified.</p> <p>There is little guidance on the level of sampling that needs to be undertaken to establish confidence, thus leaving it for individual certification bodies to set their own processes and guidance. Defining the need for each activity to be reviewed within each region as a minimum and to have a formal documented risk assessment to define what needs to be assessed should be included.</p> <p>In general the man-day table can provide some level of guidance but the time required, especially for smaller operations is over-generous in our experience.</p>
Anonymous	10 September 2012	<p>Rating of Non-Compliances</p> <p>There have been instances where a non-compliance has needed to be raised against a parallel clause in order to avoid this being automatically rated as a Critical finding. This has included:</p> <ul style="list-style-type: none"> • Young workers being employed for longer hours than allowed by law • Discriminatory behaviour by peers in a UK environment <p>and other such situations where eventually the issue has been raised under compliance to law rather than the specific area it relates to.</p> <p>Whilst it is useful to have a listing of findings that would be rated as critical I am not sure that a blanket linkage of a Major finding in a particular section being treated as such is not too blunt an instrument and I believe that there should be the potential for an auditor to explain a rating rather than this being an automatic escalation.</p>

India Committee	12 September 2012	Assessment Manual – As mentioned earlier, there should be a provision for classifying certain legal non compliances as “Minor non conformances” to ensure that insignificant legal non compliances do not vitiate the audit process.
India Committee	12 September 2012	<p>Statutory Approvals in India:</p> <ul style="list-style-type: none"> • Statutory approvals in India generally require interlinking approvals from multiple regulators/authorities/ govt. agencies and hence take time • Approval for certain matters take long time even up to 6-8 months in case of engagement of multiple authorities • As such, RJC Auditors should not insist on approval-in-hand and should accept pending applications for approval as valid. E.g. Application for change in factory approved plan under the Factories Act, 1948 should be accepted and actual approval memo should not be insisted upon.
India Committee	12 September 2012	<p>Legal Inspection</p> <ul style="list-style-type: none"> • Companies are subject to numerous legal/regulatory inspections & approval under Laws. The objective is to verify/confirm the compliance as part of regulatory mechanism. • Auditors should accept the report of the legal authorities (in the form of remarks in visit books/inspection memo) confirming the compliances as-is and should not go into detailed audit.

Appendix 1 – Submissions received

- Human Rights Watch – [\[link – will include submission as stand-alone document on RJC website as well\]](#)
- Verite – [\[link\]](#)
- India committee – [\[link\]](#)
- De Beers – [\[link\]](#)
- WWF – [\[link\]](#)
- Damian Gagnon, Lazare Kaplan International – 2 emails
- Rhia Watson, student – email
- David Wofford, RAISE Health Initiative for Workers, Companies and Communities – email
- 7 submissions where anonymity was requested