

Responsible Jewellery Council

Standard-Setting Code System Report - August 2017

The following report is annually updated as part of the Responsible Jewellery Council’s (RJC) compliance with the ISEAL Code on Setting Social and Environmental Standards. The goal of this Public System Report is to provide a simplified overview of RJC’s standard setting system.

The RJC has begun its revision of the 2013 Standard in Q2 2017. Due to the limited time between commencement of the standards revision process and the submission of this document, this report is similar to the 2016 report.

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Standard

Scope

The RJC’s mandatory Code of Practice (COP) standard covers the following materials internationally: diamonds, gold and platinum group metals (which only includes platinum, palladium and rhodium). The sectors that this standard can be applied to are the following: gold & platinum group metal and diamond mining; platinum and gold metal refining / hedging & trading; diamond trading / cutting & polishing; jewellery manufacturing / wholesale; jewellery retail; service sector associated with the jewellery supply chain (i.e. gem labs, secured transport, assaying)

Sustainability outcomes

- **Responsible Supply Chains and Human Rights:** To increase the use of due diligence in supply chains of diamonds, gold and platinum group metals to support respect for human rights, community development, anti-corruption efforts, and to manage sourcing risks.
- **Labour Rights and Working Conditions:** To increase the level of compliance with international labour conventions and the implementation of responsible working conditions in the jewellery supply chain.

- **Health, Safety and Environment:** To ensure implementation of responsible practices for health, safety and environmental management.
- **Gold, Diamond and Platinum Group Metal Products:** To ensure use of appropriate disclosure and controls for information about diamond, gold and platinum group metal products, including to consumers.
- **Responsible Mining:** To increase the implementation of responsible exploration and mining practices, as the starting point for the supply of diamonds, gold and platinum group metals for jewellery products.
- **General requirements:** To improve legal and regulatory compliance, reporting and promotion of responsible business practices to business partners.

Why is it needed (justification)

RJC standard provides an international third-party verification platform for businesses along the jewellery supply chain to continually improve performance in their own business and with their business partners, through its Code of Practices. When RJC began development of the COP standard, there was no third-party certification system tailored to the jewellery supply chain from mine to retail. During the standards development process, RJC has worked to collaborate with parallel initiatives, including:

- Social Accountability International and SA8000
- Fairtrade and Fairmined gold standards
- Diamond Development Initiative
- OECD Due Diligence Guidance initiatives, including London Bullion Market Association (LBMA), Conflict Free Sourcing Initiative (CFSI), and the Dubai Multi Commodities Centre (DMCC)

Performance level

The Code of Practice standard is a baseline supply chain standard, which encourages continual improvement. The Code of Practices contains 40 provisions, with 12 of those applicable only to mining activities. The provisions set out the mandatory expectations for the establishment, implementation and maintenance of policies, procedures and practices to manage issues within a company's control. The provisions are designed to be independently audited for the granting of RJC certification. Any identified non-conformances require a corrective action plan reviewed by the auditor, designed to drive improvement of business practices.

Adaptations

To date the review of the COP (2018), has logged questions from implementation of the 2013 COP and input from consultation rounds during the revision process will be used to frame guidance development on applicability issues as part of the formal standards-setting process. These included: small businesses (SMEs), applicability in key geographic regions and recognition of existing initiatives (such as ISO standards and SA8000, artisanal mining programs and parallel due diligence programs on conflict minerals). As a result, the RJC Standards Guidance and Assessment Manual include specific guidance on these matters, following discussion and agreement through the RJC Standards Committee.

Standard-Setting and Revision Process

When standard was first written and by whom

The RJC was created by 14 jewellery companies in 2005, who saw the need for an external industry body to address sustainable and ethical business practices within the jewellery supply chain.

Dr Fiona Solomon, RJC Director Standards Development (2007-2015) was the principal author of the first mandatory standard that was issued in 2009 and subsequent revision in 2013.

- December 2008: First version developed from October 2007 to December 2008 that did not include mining-specific standards.
- December 2009: Second version that incorporated additional mining-specific standards that were developed through a formal multi-stakeholder standard setting process called the 'Mining Supplement', carried out during calendar year 2009.
- November 2013: Third version released after a full standards revision process carried out from April 2012 to November 2013.

Stakeholder categorization and geography

The illustration below shows the RJC's key stakeholder groups. These include those directly impacted by the standard, such as implementing businesses, their workers and affected communities and customers, as well as those with interests in the impacts of voluntary standards, including civil society, governments, and financial institutions. Auditors and certification bodies have important expertise with regards to conformity assessment. Engagement with related standards organisations allows us to identify opportunities for standards harmonisation and alignment. And media and trade associations can help play an important outreach role, facilitating a further tier of consultation with their readers and constituencies.

RJC maintains a comprehensive list of interested parties, which continues to grow with increasing interest in the RJC's standard and programs. This list receives regular communications, including notice of opportunities to comment on standards, newsletters and press releases.



Summary of the revision process

The RJC has started to engage with stakeholders for our fourth revision of our COP standard. This initial consultation is to hear from our stakeholders to highlights areas and topics, which they feel need to be examined as part of the revision. They will be engaged further to consult on proposed changes and finalisation of the standard. One of our key geographies to engage is India, it is also where stakeholders who may be disadvantaged to engage with the consultation process are located, therefore we have conducted two workshops in India earlier in 2017, one in Mumbai and one in Surat. The RJC has also

conducted workshops in Switzerland and Belgium. There are more events planned for later in 2017 to be held in key geographies.

The RJC has also opened its first public consultation on the COP standard revision, this has been sent to all RJC stakeholders, around 4000 contacts, it has been published in our members newsletter and is publicly available on the RJC website. If you wish to participate in the public consultation, please see further information available on the RJC website: [here](#)

Governance

The RJC Standards Committee is a multi-stakeholder group of 26 participants. There are 14 representatives of members, 2 elected from each part of the supply chain (according to the 7-member fora of RJC), and 12 external representatives from civil society, related standards initiatives, and other experts. A list of the Standards Committee and bios are maintained on the RJC website. The Standards Committee works on a consensus basis on the content of the standard. The RJC Board approves the standard, but does not decide on content of the standard in the approval process.

Decision-making process

A balance of interests in the standards decision-making process is maintained in the Standards Committee structure, which distributes industrial representation evenly along the supply chain (whose respective interests are not homogenous), along with a diversity of external interests.

To work towards consensus on significant decisions, the Co-Chairs of the Standards Committee (one industry, one non-industry) will ensure that all participants in meetings are invited to express their views. Sufficient time to discuss and debate decisions of significance should be allocated. Additional time and/or information may be requested by Standards Committee members to help facilitate a consensus outcome.

If consensus cannot be reached on a decision of significance, a vote will be taken amongst the Standards Committee members. This may be taken during the meeting, if a balance of interests are present, otherwise it will be conducted by electronic poll following the meeting. The Executive Director or a delegate will act as the returning officer. The electronic poll will require a quorum of ballots cast, and will be deemed to have passed by a simple majority. Further explanation of these processes are available via the: [Governance Handbook](#).

Review and Revision process

Stakeholders are welcome to submit ongoing input, proposals for revisions, or requests for clarification at any time. Please email consultation@responsiblejewellery.com

The next planned revision of the Code of Practices is to be finalised in 2018.

RJC has a Complaints Mechanism, and details can be found at:

<http://www.responsiblejewellery.com/contact-us/rjc-complaints-mechanism/>