

## Mining Supplement

The final piece of the RJC System, the Mining Supplement, is on track for completion in December 2009. The Mining Supplement is developing additional mining-specific standards that, in addition to the existing Code of Practices, will apply to Members with mining facilities. Once these are finalised and incorporated into the RJC System documentation – standards, guidance and assessment questions – the RJC's system will have delivered its goal of a certification system that covers the whole gold and diamond jewellery supply chain, from mine to retail.

### Standards development process

The development of the Mining Supplement is underpinned by a process of stakeholder consultation and engagement. The RJC commits to:

- be open and transparent in its standards development process for the Mining Supplement
- encourage and facilitate 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 submissions received, including how comments have been addressed in subsequent drafting.

Two 60 day consultation periods have been held in September-October 2008 and July-August 2009, and inputs have been used to improve and refine the drafts. A third and final 30 day consultation period on the Mining Supplement opened on 17th September 2009. Members and stakeholders are encouraged to take the final opportunity to review the standards and provide feedback.

Visit the Mining Supplement page at [www.responsiblejewellery.com/supplement.html](http://www.responsiblejewellery.com/supplement.html)

### Consultative Panel

A Consultative Panel for the Mining Supplement was established in July 2009. External participants in the Consultative Panel were invited on the basis of input into the first round of public consultation for the Mining Supplement and/or their past engagement in dialogues about mining-related standards, verification and certification. The Consultative Panel is working closely with the RJC Standards Committee to further develop the draft standards and guidance, as the RJC works towards finalisation of the Mining Supplement for December 2009.

The Panel includes the participation of the following:

- Okyeame Ampadu-Agyei, Corporate Social Responsibility Adviser, Ghana
- Assheton Stewart Carter, Vice President Corporate Community Engagement, Pact
- Christine Charles, Board Member, Aboriginal Enterprise in Mining Energy and Exploration
- Cristina Echavarría, Executive Director, Alliance for Responsible Mining
- Julie Gelfand, Vice President Sustainable Development, Mining Association of Canada
- Dorothee Gizenga, Executive Director, Diamond Development Initiative International
- Felix Hruschka, Standards Co-ordinator, Alliance for Responsible Mining
- Deanna Kemp, Senior Research Fellow, Centre for Social Responsibility in Mining, University of Queensland
- Estelle Levin, Director, Resource Consulting Services
- Georgina Pearman, Post-Mining Alliance, Eden Project
- Gordon Peeling, Chief Executive Officer, Mining Association of Canada
- Andrew Rouse, Resource Conservation Manager, WWF Australia
- Ian Smillie, Chair, Diamond Development Initiative International



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## Mining Supplement Continued

### RJC Members:

- Rob Headley, Chief Operating Officer, Jewelers of America (Co-Chair RJC Standards Committee)
- Andrew Parsons, Environmental Policy Advisor, AngloGold Ashanti (RJC Standards Committee)
- Mick Roche, Global Practice Leader – Stewardship, BHP Billiton (Co-Chair RJC Standards Committee)

### Support:

- Michael Rae, Chief Executive Officer, RJC
- Fiona Solomon, Standards Development Director, RJC

The RJC is very grateful for the time, expertise and valuable contributions of the Consultative Panel participants. A series of teleconferences have been convened on key issues which have been very effective at improving the Mining Supplement drafts.

Some NGOs involved in the Initiative for Responsible Mining Assurance (CAFOD, Earthworks, Great Basin Resource Watch, Center for Science in Public Participation and Oxfam Australia) were also invited to participate in the Panel but declined in a public letter to the RJC. The RJC remains open to engaging with these stakeholders during the remainder of the Mining Supplement process and as the RJC moves into implementation of its system in 2010.

Contact: [fiona.solomon@responsiblejewellery.com](mailto:fiona.solomon@responsiblejewellery.com)

## Traceability and chain of custody

Tracing of jewellery components such as gold and diamonds, also known generally as 'chain of custody', is an issue of keen interest to many RJC Members and stakeholders.

It is not currently addressed by the RJC system, which is focused on the certification of responsible business practices of its Members, but it is an avenue that the RJC could look into in order to provide additional services and benefits to its Members. The RJC proposes to further investigate this issue in 2010.

There are three main dimensions to a chain of custody approach. First, whether the practices are responsible at the source. Second, whether the material can be tracked. Third, whether the practices between the source and the end consumer are also responsible. There are a range of attempts at tackling chain of custody which usually involve claims of origin and the tracking dimension.

The RJC may be unique in potentially being able to cover all three dimensions. Today, the RJC is building a certification system that certifies responsible practices of its Members. A Member business can individually decide to assemble a supply chain of other RJC Members whose certifications will provide evidence of practice at each step of the chain. So the Code of Practices (including the Mining Supplement when it is complete) will address the first and third issues above. The piece RJC does not currently offer is the tracking dimension, i.e. the ability to certify a claim

concerning a chain of custody.

The RJC's role could focus on certification of the validity and effectiveness of the tracking systems, in addition to claims as to the practices at the source. RJC would not offer its own product tracking system to the industry. Such systems are already commercially available from various providers, in the form of software-driven platforms. For example, the Walmart 'Love, Earth' jewellery range uses a product and component tracking system that enables individual jewellery pieces to be tracked back to the mine, refinery and manufacturer from which they were made. In a case like this, RJC could certify both the business practices of the different companies (RJC Members) in the chain, and the validity of the actual chain of custody.

The current work on the Mining Supplement will finalise the standards of responsible practice at the source of the jewellery supply chain. In 2010, the RJC would like to investigate the feasibility and attractiveness of a chain of custody certification to complement RJC certification against the Code of Practices. We would welcome the contributions of interested Members and stakeholders to this program.

**To express interest in engaging in this process, please contact Fiona Solomon at [fiona.solomon@responsiblejewellery.com](mailto:fiona.solomon@responsiblejewellery.com)**

## JCK Las Vegas

The Responsible Jewellery Council was represented at the most recent JCK Las Vegas Show by John Hall, Vice Chairman, and Catherine Sproule, Chief Operations Officer, who participated in several events, delivering presentations on the RJC System on the Panel "The Burma Bill, Irradiated Stones, Cultured Pearls: How to Be Compliant"; at the JA Education Panel "What Jewellers can do for the future?"; attending the Round Table "The Evolution of Our Industry" and addressing at The

Rapaport Fair Trade Jewelry Conference. John Hall and Catherine Sproule held successful interviews with many trade media Members.

## JA International Jewellery Show

Catherine Sproule attended the JA International Jewellery Show in New York. Catherine made a presentation on the implementation of the RJC System and its future steps.



Catherine Sproule

# Preparing for Self Assessment under the RJC Certification System

This is a good time for Members to start making plans for conducting their Self Assessments, as the first step in achieving RJC Certification. The Self Assessment provides Commercial Members of the RJC with the opportunity to review their business practices against the Code of Practices and to identify and address any areas of non-conformance, prior to engaging auditors to conduct the Verification Assessment. Members can begin Self Assessments at any time.

The Self Assessment can be divided into three major components:

- 1) Planning and Preparation;
- 2) Review of Business Practices; and
- 3) Developing and Implementing Corrective Actions.

## 1. Planning and Preparation

Members should begin by assigning a senior manager to be the coordinator who oversees the overall certification process, including the Self Assessment, the engagement of the auditors, and liaison with the RJC. For larger organisations, a small team of employees may need to be organised to assist the coordinator in organising and conducting the Self Assessment. All should be familiar with the Applicable Law and the RJC core system documents, which are available on the RJC website, and should take advantage of the web-based training sessions that will begin in October 2009.

The Self Assessment must cover all of the applicable provisions of the Code of Practices for all of the Certification Scope – those parts of the Member's business that actively contribute to the diamond and gold jewellery supply chain. (By comparison, the Verification Scope, which is determined by the Auditor, covers those parts of the business, and those provisions of the Code of Practices, that are to be formally audited).

For more complex businesses, the coordinator should develop a plan for when different facilities

or business units may be visited, by whom and for how long, and for the assembly of documents and other relevant information, and for the monitoring and evaluation of corrective actions.

Internal communications should also be considered to ensure that employees are aware of the Self Assessment and its role in the certification process. Such communications should come from as senior a level of the company as possible.

## 2. Review of Business Practices

Members should use the RJC Assessment Workbook, in conjunction with the RJC Assessment Manual, to assess their conformance with the Code of Practices. The same documents will also be used by the auditors to carry out their Verification Assessment.

The Assessment Workbook is organised according to the provisions of the Code of Practices, and includes specific "Assessment Questions" which apply to each of the provisions. For each of the Questions, the Workbook has several sections that will need to be completed:

- Documentation of relevant Objective Evidence
- Record of Observations and Findings
- Identification of the responsible person or office
- The Performance Rating, with reasons

It is important to make sure that evidence used to support the findings is objective, which means that it can be verified, and is clear and unambiguous.

## 3. Developing and Implementing Corrective Actions

Any non-conformances identified during the review of business practices will need to be addressed through corrective actions to eliminate the cause of the non-conformance and prevent it from recurring. Minor non-conformances do not need to be completely resolved before the Verification Assessment, as long as there is evidence that can be provided to the auditors showing that effective corrective actions are being implemented.

If a major non-conformance is found during the verification assessment, a formal Corrective Action Plan must be implemented, and the certification period during the inaugural implementation of the RJC System will be one year instead of three. Major

non-conformances should therefore be resolved before the Verification Assessment to achieve a three year certification.

The time and effort required to complete a Self Assessment will vary widely depending on the scale and complexity of the Member's business, its management systems, its experience with auditing, and the nature of any corrective actions that it may need to develop and implement. Allowing extra time to complete the Self Assessment could be a good strategy for many Members, to ensure that it can be used as an opportunity for learning and improvement, and to reduce the risk of non-conformances being identified during the Verification Assessment.

**For more information about Self Assessment, contact [fiona.solomon@responsiblejewellery.com](mailto:fiona.solomon@responsiblejewellery.com)**



Fiona Solomon

## IJL - International Jewellery London

On Sunday, September 6th, Michael Rae, Chief Executive Officer, RJC, represented the Council at the annual IJL - International Jewellery London Show and delivered a presentation on the RJC System, which aims to begin full operation in December 2009.

On Monday, September 7th, RJC Board Member,

Michael Hoare, and Executive Committee members John Hall, Geoff Field and Mick Roche, together with Michael Rae participated in the "The Great Debate 2009", organized by the Birmingham Assay Office. The theme of the event was "Benefiting from working together to deliver an ethically responsible supply chain".

The debate centred on the challenges of Corporate Social Responsibility and particularly how ethical issues continue to engage the industry, whilst it simultaneously focuses on the

current poor economic climate. Reduced demand for diamonds and gold jewellery will increase stresses throughout the supply chain, with the result that unscrupulous operators may be tempted to resort to unethical and poor practices. A hot topic for discussion was the desirability of finding a credible means of evidencing chain of custody for diamonds and gold.

## Rapaport International Diamond Conference 2009

Rob Headley, Chief Operating Officer, Jewelers of America, represented RJC at the Rapaport International Diamond Conference in New York on Thursday, September 10th. The theme of the Conference was "New Realities... Where do we go from here?"

Rob participated in a multi-stakeholder panel discussing the importance of human rights in the jewellery industry.



Rob Headley, Chief Operating Officer, Jewelers of America.

## New appointed Members to the Board of Directors

The RJC is delighted to announce that in July the RJC Board unanimously appointed Donna Baker, President and Chief Executive Officer of the Gemological Institute of America and Michael Allchin, Chief Executive and Assay Master of the Birmingham Assay Office as Directors to represent the Service Industries Forum. Their skills, long industry experience and enthusiasm will be invaluable to the Council.



Michael Allchin, Donna Baker

## New RJC Staff Member, Anna Leach

Ms Anna Leach has joined the RJC as our new Administrative Services Coordinator. In her new role, Anna is responsible for the daily administrative support to the Council and is the primary contact for the RJC Members and public inquiries.

Anna can be reached at the RJC London office:  
Anna Leach, Administrative Services Coordinator,  
Responsible Jewellery Council, First Floor,  
Dudley House, 34-38 Southampton Street,  
London WC2E 7HF  
T +44 (0)20 7836 6376  
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Anna Leach

## RJC Accreditation of Conformity Assessment Bodies and their Auditors

The RJC is now open for applications from prospective conformity assessment bodies (auditing organisations) to become accredited under the RJC System. Accredited auditors will be able to carry out third party verification assessments against the Code of Practices for Members, and make recommendations on RJC certification. This process is illustrated in the figure, right.

Accreditation reflects RJC review and endorsement of a conformity assessment body's competence, independence, quality control and integrity. Auditors will be required to undergo training on the RJC system before they are accredited to carry out Verification Assessments for RJC Members.

RJC accredited auditors will be listed as such on the RJC website. The publicly available list will contain pertinent contact information about the conformity assessment bodies and their auditors, including which part of the diamond and/or gold jewellery product supply chain they have been granted accreditation for (based on their experience) and in what regions they have resources and capability to operate.

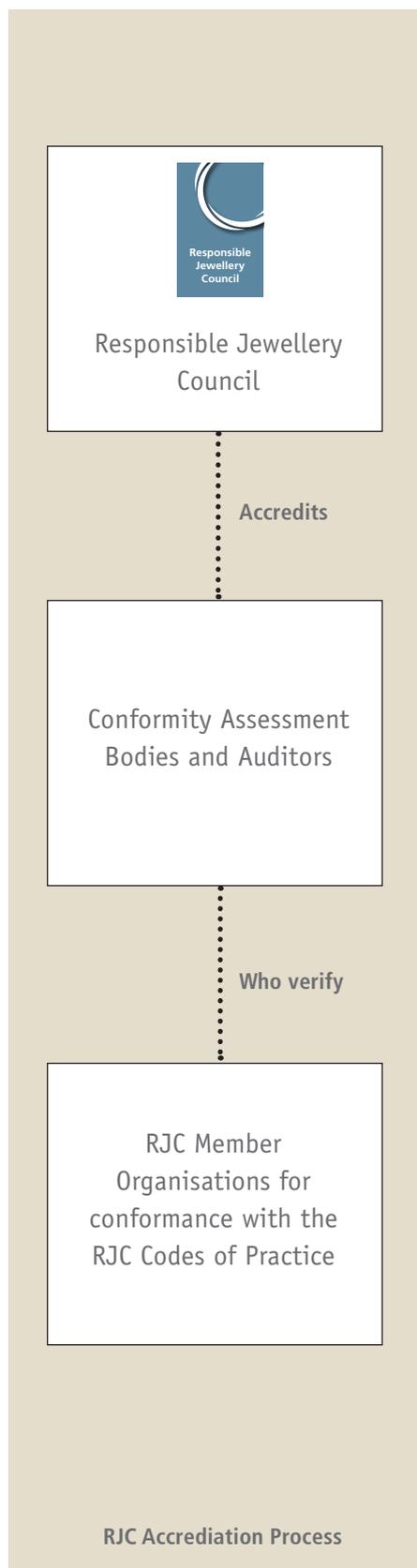
This is a good opportunity for Members to remind the auditors currently used for other third party audits about becoming RJC accredited. As examples, auditing organisations that are currently accredited to conduct certification and surveillance audits against ISO14001 for environment or OHSAS18001 for health and safety, or similar proprietary systems, are likely to be eligible to apply.

The key documents that prospective applicants will need are available on the RJC website at [www.responsiblejewellery.com/involved.html](http://www.responsiblejewellery.com/involved.html)

For background information on the RJC System, see [www.responsiblejewellery.com/certification.html](http://www.responsiblejewellery.com/certification.html)

### Please contact

[accreditation@responsiblejewellery.com](mailto:accreditation@responsiblejewellery.com)  
with any questions and to apply.



## Retail Member Holds Supplier Workshop

The RJC was delighted to participate in the first-ever Member-initiated workshop devoted to informing its suppliers about the RJC System. The Home Retail Group hosted a hands-on workshop on April 28, 2009 with its suppliers to educate them on why being a RJC Member is vital to their business. Michael Rae made a presentation on the RJC System at the workshop held at the company's headquarters in Milton Keynes in April.

## RJC Training Program

Starting in October, 2009, a series of web-based training sessions will be delivered to RJC Members and to auditors seeking accreditation under the RJC System.

The training sessions will be delivered by live "webinars" lasting 60 to 90 minutes, scheduled at convenient times for different locations, and will include presentations and opportunities to ask questions. Each webinar will cover a training module, such as "General Guidance to Auditors on the RJC System"; or "Preparing for and Conducting Self Assessments". In total there will be about 20 training modules, which will allow flexibility for Members and prospective auditors to take a set of training modules that reflects their needs or interests.

Auditors seeking accreditation will be required to take part in RJC training, whereas for Members it is voluntary. Detailed information about the schedules and module outlines will be forwarded to Members in October.

## How is the RJC supporting the UN Global Compact?



On July 27th Catherine Sproule, Chief Operations Officer, RJC, met with Olajobi Makinwa, Civil Society Coordinator, United Nations Global Compact, at the United Nations Headquarters in New York City to report on the latest activities of the Responsible Jewellery Council.

The RJC Code of Practices (COP) sets standards of responsible business practices for its Members. The Global Compact has ten principles in the areas of human rights, labour, the environment and anti-corruption.

The following table highlights the RJC's support of the Global Compact through its standards, with which its Members must comply. Furthermore, the RJC Code of Practices addresses additional consumer confidence issues such as accurate product disclosure; employee health and safety, working hours and remuneration; and community development.

**For more information on joining the Global Compact as a business, see: [http://www.unglobalcompact.org/HowToParticipate/Business\\_Participation/index.html](http://www.unglobalcompact.org/HowToParticipate/Business_Participation/index.html)**

Global Compact Principle	RJC Code of Practices – Related Provisions
<b>Human Rights</b>	
1. Businesses should support and respect the protection of internationally proclaimed human rights; and	COP 2.1 Human Rights COP 2.4 Freedom of association and collective bargaining COP 2.5 Discrimination COP 2.8 Working Hours COP 2.9 Remuneration COP 2.11 Community Development
2. make sure that they are not complicit in human rights abuses.	COP 1.3 Kimberley Process COP 2.2 Child labour COP 2.3 Forced labour COP 2.7 Discipline and Grievance Procedures COP 2.12 Use of Security Personnel COP 4.3 Business Partners
<b>Labour</b>	
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	COP 2.4 Freedom of Association and Collective Bargaining
4. the elimination of all forms of forced and compulsory labour;	COP 2.3 Forced Labour
5. the effective abolition of child labour; and	COP 2.2 Child Labour and Young Persons
6. the elimination of discrimination in respect of employment and occupation.	COP 2.5 Discrimination
<b>Environment</b>	
7. Businesses should support a precautionary approach to environmental challenges;	COP 3.1 Environmental Protection COP 3.2 Hazardous Substances
8. undertake initiatives to promote greater environmental responsibility; and	COP 3.3 Wastes and Emissions
9. encourage the development and diffusion of environmentally friendly technologies.	COP 3.4 Use of Energy and Natural Resources
<b>Anti-Corruption</b>	
10. Businesses should work against corruption in all its forms, including extortion and bribery.	COP 1.1 Bribery and Facilitation Payments COP 1.2 Money Laundering and Finance of Terrorism

## Mining Company EUROCANTERA makes commitment to responsible business practices

RJC Member Goldlake Group is the first Italian business to invest in the mining industry in Honduras. They aim to operate to the very highest ethical, environmental and social standards, and guarantee traceability from mine of origin through their internally controlled chain of custody.

Eurocantera, a subsidiary of Goldlake, is a Honduran company which holds exploration concessions over 10,500 hectares in the valley of Lepaguare, in the district of Olancho in central Honduras. They extract alluvial gold deposits using an innovative process which requires only water. They also work in partnership with artisanal miners using traditional mercury-free methods. Two thirds of Eurocantera's gold production is from their mine's commercial operations and the balance is extracted by independent local artisanal miners that operate inside their concessions. Since the beginning of the operation, Eurocantera's relationship with the artisanal miners has been based on sharing a common goal for the growth of the mine and collaborating on achieving mutually agreed production targets.

The gold is refined in Arezzo, Italy, where the Goldlake Group have a precious metals refinery. This refinery is dedicated to processing only gold from its mine in Honduras, thereby ensuring that the final product supplied is fully traceable. The refinery is currently preparing for ISO 9000, ISO 14001 and SA8000 certification in 2010.

Eurocantera is the first new Producer Member to join the Council since RJC welcomed AngloGold Ashanti Limited in 2006.

**[http://www.goldlake.co.uk/Sustainable\\_Development/Code\\_of\\_Practises.aspx](http://www.goldlake.co.uk/Sustainable_Development/Code_of_Practises.aspx) for more information.**

## Welcome to New RJC Members

ABC Diamonds Ltd	-
A.C. Diam BVBA	-
Amadena LLC / Excellent Facets Inc	<a href="http://www.amadena.com">www.amadena.com</a>
Arjav Diamonds NV	<a href="http://www.arjavidiamonds.com">www.arjavidiamonds.com</a>
Aurum Holdings Ltd	<a href="http://www.aurumholdings.co.uk">www.aurumholdings.co.uk</a>
Bhavani Gems	<a href="http://www.bhavanigems.com">www.bhavanigems.com</a>
Bronner Trading Company Ltd	-
Cookson Precious Metals - Retail	<a href="http://www.cooksongold.com">www.cooksongold.com</a>
Diajewel N.V.	-
Dianco Star BVBA	-
Eurocantera	<a href="http://www.goldlake.co.uk">www.goldlake.co.uk</a>
Esskay Gems Inc	<a href="http://www.esskaygems.com">www.esskaygems.com</a>
Gemasia BVBA	<a href="http://www.gemasiaeuropa.com">www.gemasiaeuropa.com</a>
Haim Shworts and Sons Ltd	-
IDH Diamonds	<a href="http://www.idhdiamonds.com">www.idhdiamonds.com</a>
I.D.R.P. BVBA	<a href="http://www.idrp.be">www.idrp.be</a>
International Gemological Institute (IGI)	<a href="http://www.igiworldwide.com">www.igiworldwide.com</a>
Jack Reiss LLC	<a href="http://www.jackreiss.com">www.jackreiss.com</a>
Jonathan Lambert Fine Jewellers	<a href="http://www.jonathanlambert.co.uk">www.jonathanlambert.co.uk</a>
Mikada BVBA	-
M/S Bhansali and Company	<a href="http://www.bhansali.biz">www.bhansali.biz</a>
Niki Kavakonis Designs	<a href="http://www.nikikavakonidesigns.com">www.nikikavakonidesigns.com</a>
Open Source Minerals	<a href="http://www.opensourceminerals.com">www.opensourceminerals.com</a>
Pluczenik Diamond Company NV	<a href="http://www.pluczenik.com">www.pluczenik.com</a>
R.Kantilal & Co.	<a href="http://www.rkantilal.com">www.rkantilal.com</a>
Rebekah Green, Inc.	<a href="http://www.rebekahgreen.com">www.rebekahgreen.com</a>
Sauraj Diamonds NV	-
Shainydiam BVBA	-
Shrenuj and Company Limited	<a href="http://www.shrenuj.com">www.shrenuj.com</a>
Sundiam (Belgium) BVBA	-
Tache Company	<a href="http://www.tachediamonds.com">www.tachediamonds.com</a>
Twinklediam N.V.	-
Venus Jewel	<a href="http://www.venusjewel.com">www.venusjewel.com</a>
Yaelstar BVBA	<a href="http://www.yaelstar.com">www.yaelstar.com</a>
Union Française de la BJOP	<a href="http://www.bjop-france.com">www.bjop-france.com</a>

## RESPONSIBLE JEWELLERY COUNCIL IN INDIA

Mick Roche, Co-Chair Standards Committee and Member of the Executive Committee and Michael Rae, CEO, attended the 26th India International Jewellery Show (IIJS) from August 6th to 10th, 2009.

While in India, Mick and Michael held meetings with many stakeholders and visited diamond factories in Mumbai and Surat, including RJC Members Bhavani Gems and Venus Jewel.

Good cooperation has been developed between RJC and both The All India Gems & Jewellery Trade Federation (GJF), a national trade federation for the promotion and growth of trade in gems and jewellery across India, and the Gem & Jewellery Export Promotion Council (GJEPC), which is

primarily involved in promoting Indian gem and jewellery products to the international market. Both organisations have agreed to assist RJC in the development of India-specific guidance documents for the RJC System.

Mick and Michael were impressed by the high standards evidenced at many of the diamond factories they visited. A strong religious commitment to product stewardship was evidenced at the Hari Krishna Exports factory in Surat, where all the 600 employees pray at the beginning of each day for all the people in the life cycle of the diamonds they are working on that day. They pray that the love, blessedness and energy they put in to their work that day will be transferred through the stone to the final wearer of the diamond.

The Responsible Jewellery Council is aiming to take part in the next India International Jewellery Show in 2010.



An Indian diamond sorting office visited by Mick Roche. Photo credit: Mick Roche

### The RJC Monitor

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