

The Responsible Jewellery Council

Standard-Setting Code System Report

June 2016

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 not carried out any standard setting or review in 2015, and this report is very similar to the 2015 report.

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Standard

Scope

Sectors or products covered, who it applies to and geography (where the standard is applied)

RJC Standards cover the following scope:

- **Sectors:** exploration and mining; diamond supply chain; precious metals supply chain; jewellery manufacturing; jewellery retailing; related service industries.
- **Materials:** diamonds, gold and platinum group metals
- **International** application

Sustainability outcomes

Hotspots and key sustainability issues included in the standard

The RJC Code of Practices addresses:

- **Responsible Supply Chains and Human Rights:** To increase the use of due diligence in supply chains of diamonds, gold and platinum group metals in order 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.

See: <http://www.responsiblejewellery.com/rjc-certification/code-of-practices-certification13/>

The RJC Chain-of-Custody standard provides a platform for responsible sourcing, building on the Code of Practices. It promotes supply chain due diligence and conflict-sensitive sourcing practices for gold and platinum group metals.

See: <http://www.responsiblejewellery.com/chain-of-custody-certification/>

Why is it needed (justification)

RJC standards provide 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, on the above issues through its Code of Practices. RJC carries out certification through membership and all member companies must be certified against the Code of Practices within two years of becoming members. RJC also sets the performance requirements for a voluntary Chain-of-Custody standard for precious metals (gold and platinum group metals).

In 2007, when RJC commenced standards-setting, there was no third-party certification system tailored to the jewellery supply chain from mine to retail, and today there is still no other standard with this breadth of application. During Standards Setting processes, RJC has worked to collaborate with parallel initiatives, including:

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

As at June 2016, RJC has grown from an initial 14 Founding members to more than 800 members across the supply chain.

Performance level

Description of intent and structure (e.g. baseline standard with continual improvement/ standard for top performers, supply chain standard/metric-based, etc.)

The RJC Code of Practices is a baseline standard that encourages continual improvement. RJC aims to encourage as many businesses as possible in the jewellery supply chain to work towards certification against the Code of Practices, regardless of what conditions may have been present for those businesses prior to certification.

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 in order 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.

See: RJC Assessment Manual: <http://www.responsiblejewellery.com/files/RJC-Assessment-Manual.pdf>

Adaptations

How the standard is made locally applicable (e.g. international standard may be interpreted or adapted to apply to local context), considerations for SMEs, recognition of existing standards as equivalent etc.

The RJC Code of Practices is an international standard that is applicable in a wide range of businesses (large and small), types of business, and geographies. A detailed Standards Guidance document has been developed, that provides a guidance chapter for each of the 40 provisions.

During the most recent review of the Code of Practices (2013), logged questions from implementation of the 2009 Code of Practices, and input from successive consultation rounds during the revision process was used to frame guidance development on applicability issues as part of the formal standards-setting process. These included: small businesses (SMEs), applicability in India (where there is a large diamond cutting and polishing sector), 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.

See: RJC Standards Guidance

http://www.responsiblejewellery.com/files/RJC_Standards_Guidance_2013_eng.pdf

Standard-Setting and Revision Process

When standard was first written and by whom

Dr Fiona Solomon, RJC Director Standards Development (2007-2015) was the principal author of the versions below.

Code of Practices

- 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 standards 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.

Chain-of-Custody Standard

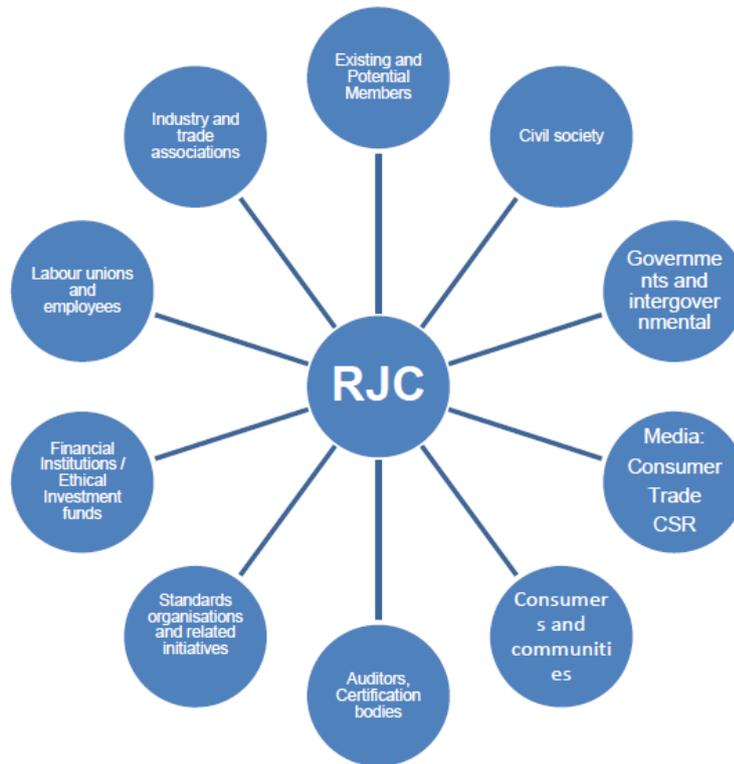
- March 2012: First version developed from January 2010 to March 2012, site visit research, an initial consultation paper, followed by three public comment periods on successive drafts of the standard and guidance.

Stakeholder categorization and geography

What interest sectors have been identified and who are key stakeholder groups within those sectors

The figure below maps 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 standards and programs. This list receives regular communications, including notice of opportunities to comment on standards, newsletters and press releases. To join this general list, contact communications@responsiblejewellery.com



Summary of revision

the process

When and how stakeholders engage in the consultation and overall revision process, what type of mechanisms (e.g. workshop, comment form, survey, field testing pilot, etc.), how under-represented and disadvantaged stakeholders are included/ proactively approached, where consultations are held, etc.

In the 2012-2013 revision of the RJC Code of Practices:

- There were three public comment periods on the scope of the proposed revision, then the first draft standard, and finally the second draft standard plus first draft guidance.
- Webinars and teleconferences were convened during each comment period.
- Open invitation workshops were held during the second comment period in 5 countries (UK, US, Belgium, India and Switzerland).
- Comments were accepted in any form (during workshops/webinars/teleconferences, by email, by phone, in a track changes version of the draft standard, or via stand-alone submission).
- India was identified as an under-represented geography, and ongoing liaison between a group of Indian stakeholders and the Standards Committee was established as a means to address this.

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

Governance

What does the governance look like (e.g. Standards Committee) and who participates

The RJC [Standards Committee](#) is a multi-stakeholder group of 28 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 14 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

How balance of interests is maintained, decision-making thresholds, rules for alternative decision making where consensus cannot be reached

A balance of interests in the standards decision-making process is maintained in the 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 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 Committee members to help facilitate a consensus outcome.

In the event that a consensus cannot be reached on a decision of significance, a vote will be taken amongst the 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.

See: [Governance Handbook](#)

Review and Revision process

How to submit complaints and how stakeholders can provide ongoing input (including proposals for revisions or clarifications) on the standard in between revisions, the date of the next review, etc.

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 2018, and the next planned revision of the Chain-of-Custody standard is 2017.

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

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