



Reinforcing confidence in the diamond and gold supply chain

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CRJP Holds AGM and Stakeholder Meeting in London

The Council for Responsible Jewellery Practices (CRJP) explains the implementation of its system, beginning in 2008; the group also hears constructive feedback from stakeholders

London, UK – The Council for Responsible Jewellery Practices (CRJP), which promotes responsible ethical, social and environmental practices throughout the diamond and gold jewellery supply chain, held its annual general meeting (AGM) and a stakeholder meeting in London on 14 May 2007. The stakeholder meeting was attended by nearly 20 organizations, including non-governmental organizations (NGOs) and representatives of the worldwide diamond and gold jewellery industry.

The stakeholder session, arranged by CRJP's leadership team and attended by many CRJP members as well, was held to give stakeholders the opportunity to comment on CRJP's planned introduction of a third-party monitoring system in 2008. CRJP CEO Michael Rae conducted the AGM and facilitated the stakeholder meeting, with input from CRJP Chairman Matthew A. Runci, CRJP committee chairs and secretariat staff.

CRJP member firms have pledged to hire independent, third-party monitoring firms to examine a wide range of their ethical, social and environmental practices. The monitors will assess whether the members are in conformance with the Council's agreed Code of Practices, approved in 2006 [go to www.responsiblejewellery.com to view the CoP].

At the stakeholders' meeting, CRJP Standards Committee Chairman James Evans Lombe explained the complexity of the Council's undertaking, pointing out that no responsible practices initiative had yet attempted to monitor a range of ethical, social and environmental practices across such a complicated supply chain. Evans Lombe stressed that CRJP will introduce the monitoring system in phases, based on the different sections of the CRJP Code of Practices, to ensure that members fully understand their responsibilities and have sufficient time to self assess their practices, as well as to hire independent monitors.

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CRJP Programme Director Santiago Porto explained the current plan for CRJP's implementation system, emphasizing that it will be a system of continuous improvement. "As long as our members are getting better year on year, we will accept their phased approach to changing practices," said Porto.

But CRJP CEO Michael Rae also emphasized that the Council will develop sanctions and enforcement actions, as well as a complaints mechanism, to identify members that, ultimately, do not make progress on adherence to the group's Code of Practices. In response to stakeholder questions, Rae outlined the CRJP's intentions to create a committee that is transparent and credible, to evaluate and, if necessary, discipline member companies that fail to meet the CRJP's standards.

How The CRJP System Will Work

CRJP's working plan is that each member will be required to map its supply chain, self-assess each facility the company runs, and share the self-assessment with an independent monitor and CRJP. CRJP will provide a variety of tools for its members to use in the self-assessment process, including guidance documents that quickly explain:

- 1.) What the member needs to know about each specific section of CRJP's Code of Practices
- 2.) What steps the member needs to take to be in compliance with the Code
- 3.) How the member can evaluate company performance against the Code's standards

Once the self-assessment is complete, members will hire independent monitors. The independent monitors will:

- 1.) Review members' reports
- 2.) Identify facilities to visit
- 3.) Conduct inspections, identify good practices, and offer corrective action plans where needed
- 4.) Prepare summary reports for members, which will be filed with the CRJP secretariat

CRJP will begin to pilot some of its self-assessment tools and systems during the Northern hemisphere's summer, continuing and expanding into the fall, with a volunteer group of members, from all levels of the supply chain. By January 2008, the group aims to require members to start their first self-assessments, based on specific parts of the CRJP Code of Practices, such as those that address adherence to the Kimberley Process and World Diamond Council's System of Warranties, as well as adherence to anti-money-laundering (AML) practices. Members will also begin hiring independent monitors to evaluate their progress in 2008.

Feedback From Stakeholders

Among the feedback given to the Council during the 14 May meeting was the concern that outside stakeholders have not been sufficiently consulted on a formal basis, on the details of the Council's work in developing its implementation and monitoring system. CRJP's secretariat has been regularly consulting, on a one-on-one basis, with individual

NGOs, on various aspects of the system. It also pledged at the meeting to consider a proposal being developed by a group of NGOs, concerning more formal NGO engagement going forward.

Stakeholders also suggested that CRJP consider outside certification of its approved monitors, by organizations completely independent of CRJP, for the greatest assurance to consumers that the system is credible.

In addition, some stakeholders asked questions concerning the specific practices CRJP will require of its large mining members. Rae explained that CRJP is participating in the ongoing Initiative for Responsible Mining Assurance (IRMA), a multi-stakeholder initiative that eventually could allow independent monitors to assure mines are operating responsibly. When the IRMA system is complete, CRJP hopes to recognize a miner's IRMA assurance as credible evidence of its adherence to responsible mining practices. In the short term, however, CRJP will also require that its mining members adopt existing credible codes of responsible practices, such as the "International Cyanide Management Code For The Manufacture, Transport and Use of Cyanide In The Production of Gold."

Finally, other stakeholders also asked questions about CRJP's commitment to improving working conditions among artisanal, small-scale miners (ASM). Rae cited CRJP members' active involvement in Diamond Development Initiative (DDI) projects, which aim to improve conditions among artisanal diamond miners; he also referenced CRJP's founding role in the Madison Dialogue, another multi-stakeholder group seeking to encourage the sourcing of gold, diamonds and other minerals from responsible artisanal and small-scale producers. It is CRJP's plan to continue to liaise with other organizations' efforts to certify small-scale miners, such as the certification system planned by the Association for Responsible Mining (ARM). CRJP hopes to be able to recognize such certification systems as being in accordance with CRJP's Code of Practices, too.

CRJP announced at its AGM and stakeholder meeting that its membership has risen to 70 members, from all parts of the diamond and gold jewellery supply chain. To see the current list of members, or to learn more about CRJP, visit responsiblejewellery.com.

ABOUT CRJP

The Council for Responsible Jewellery Practices has as its objective to promote responsible ethical, social and environmental practices throughout the diamond and gold jewellery supply chain from mine to retail. CRJP encourages all members of the diamond and gold jewellery supply chain to join in its work. Interested parties should contact info@responsiblejewellery.com.

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