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SBGA SWISS **BETTER** GOLD
ASSOCIATION

 **Better Gold Initiative**
Oro Responsable



FAIRTRADE
MAX HAVELAAR



Responsible
Jewellery
Council

October 5th, 2018 For Immediate Release

MEMORANDUM OF UNDERSTANDING MARKS A SHARED COMMITMENT TO SCALE THE SUPPLY OF RESPONSIBLE GOLD FROM ARTISANAL SMALL-SCALE MINES TO SWITZERLAND FROM PERU, BOLIVIA AND COLOMBIA

The public-private partnership bound by the agreement will support capacity development for artisanal small-scale mine operators, bringing 5 tons of responsibly produced gold to ethical gold markets by 2020

(GENEVA OCTOBER 5th, 2018)

A Memorandum of Understanding (MoU) has been signed by the Swiss Better Gold Association (SBGA), the Better Gold Initiative for ASM (BGI), Max Havelaar-Foundation (Switzerland) (MHCH) for Fairtrade, and the Responsible Jewellery Council (RJC). By acting together, the parties are embracing the opportunity to significantly increase the volume of Artisanal Small-scale Mined (ASM) gold to the market, and thus advance the economic and social wellbeing of ASM miners and mining communities in Peru, Bolivia and Colombia. The positive impact of the collaboration far exceeds that which any one organisation could achieve acting alone. The agreement recognises that greater co-operation is in the best interests of all parties, including the ASM operators.

When carried out responsibly, the potential for the ASM gold sector to be a powerful driver of community based and environmentally sound development in some of the poorest places in the world has been clearly demonstrated. A necessary step towards a socially responsible and ecologically sound industry is the legalisation/formalisation of mining operations to improve their efficiency and productivity and to meet social and environmental operating standards.

Wanting to improve the situation of ASM miners, the BGI for ASM was set up in 2013 with support from the Swiss State Secretariat for Economic Affairs (SECO). In a statement from SECO, Monica Rubiolo, Head of Trade Promotion, congratulated the parties' signing of the MOU saying, "I am convinced that this is an important step towards a more strengthened collaboration in the field, which will benefit the artisanal and small-scale miners in Peru, Colombia and Bolivia."

PRESS RELEASE

Collectively the parties will support the production of five (5) tons of responsibly produced gold and its entry into 'ethical' gold markets by 2020. The public-private partnership has developed compelling incentives for responsible ASM operators to participate in certification for at least half (2.5 tons) of the gold produced while the SBGA/BGI programme of work will support the formalisation of up to 50 artisanal mining operators.

Fabian Waldmeier, Director of International Cooperation at MCHC, working to promote Fairtrade products to the Swiss market, also commended the agreement saying, "The signing of the MOU marks an important cornerstone for our work in gold as we believe that collaboration is needed to expand the reach and hence the impact of all the different initiatives working in the ASM gold sector including ourselves."

The agreement will enable the parties to communicate a coherent and collective vision to the "downstream" market of the importance of, and means by which, to develop responsible ASM suppliers.

Laurent Favre, SBGA President added his endorsement saying, "This agreement sets a solid basis for dialogue and collaboration both on the corporate and the field levels; a collaboration which will primarily benefit artisanal and small-scale miners, the ultimate beneficiaries of all our efforts".

Andrew Bone, Executive Director of the RJC said, "We are pleased to have signed this MoU with SBGA, the Better Gold Initiative for ASM and Max Havelaar-Foundation (Switzerland) for Fairtrade. Through this collaboration, we will work closely with these organisations to promote sustainability and ethical business practices in the jewellery supply chain. Together we can leverage each other's knowledge and expertise regarding the challenges and issues the industry faces to instil a responsible supply chain and promote consumer confidence in the watch and fine jewellery industry. We are looking forward to a rewarding and mutually beneficial collaboration between our organisations."

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About the Parties:

SBGA., Chemin des Coulevres 8B,1295, Tannay, Switzerland

The SBGA is a not-for-profit association created by Swiss representatives of the gold supply chain, from refiners to retailers. It is an open initiative for interested and committed members. SBGA's aim is to create a simple market driven mechanism that enables formalized gold mining entities to adopt more socially inclusive and better environmental practices. To achieve its goals, the SBGA collaborates closely with key stakeholders:

- the BGI and the Swiss Government
- through BGI, central and regional governments in the gold producing countries
- through BGI, a number of local actors active in promoting goals similar to those of SBGA
- mines certification partners, i.e. ARM, Fairtrade and the Responsible Jewellery Council, and
- selected/relevant Non-Governmental Organisations (NGOs) in key markets.

PRESS RELEASE

BGI., Project Consult, Eulenkrogstrasse 82, 22359 Hamburg, Germany

Arising from a wish to improve the situation of ASM miners, the BGI for ASM was set up in 2013 as a private-public partnership between the Swiss Better Gold Association (SBGA) and the State Secretariat for Economic Affairs (SECO). The initiative relies on the importance of the Swiss market, brings together leading players in the gold sector and creates sustainable and transparent conditions along the gold value chain. It supports the implementation of a number of international initiatives, such as the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, which guide companies to ensure that their mineral sourcing does not finance conflicts. In addition, the BGI for ASM supports the implementation of the Minamata Convention on Mercury, which aims at minimizing mercury emissions. Peru was the first country to implement the BGI for ASM. The results of this pilot implementation between 2013 and 2016 are considered successful and an increasing interest of the ASM gold sector and public institutions in the initiative's approach and the increasing demand of Better Gold from the Swiss industry was crucial to expand the BGI for ASM from Peru into Bolivia and Colombia as new implementation countries.

Max Havelaar-Foundation (Schweiz), Limmatstrasse 107, 8005 Zurich, Switzerland

MHCH is the Swiss National Fairtrade Organisation and a member to Fairtrade International. The aim of Fairtrade is to empower small producers and workers through trade, primarily in agriculture but more recently also in the ASM gold sector. Fairtrade aims to achieve this through standards and certification, market development, producer support programmes, campaigning and advocacy as well as through networks and alliances with likeminded organizations.

MHCH works to promote Fairtrade products in the Swiss market, to sensitize the Swiss public on matters of sustainability and fairness in trade and to represent Fairtrade with stakeholders in Switzerland. Moreover, MHCH represents a key market in the Fairtrade system and thus plays a key role in various commodities including gold. Specifically, in gold, MHCH together with the Fairtrade Foundation in the UK as well as Fairtrade Africa and CLAC – the African and Latin American Networks of Fairtrade-certified producers – coordinates the development of the Fairtrade gold category.

Responsible Jewellery Council, 9 Whitehall, London, SW1A 2DD, United Kingdom

The Responsible Jewellery Council (RJC) is an international not-for-profit standards and certification organisation. It has more than 1,100-member companies that span the jewellery supply chain from mine to retail. RJC members commit to and are independently audited against the RJC Code of Practices (COP) – an international standard on responsible business practices for diamonds, gold and platinum group metals. The COP addresses human rights, labour rights, environmental impact, mining practices, product disclosure and many more important topics in the jewellery supply chain. The RJC is a Full Member of the ISEAL Alliance –the global association for sustainability standards.

RJC works with multi-stakeholder initiatives on responsible sourcing and supply chain due diligence. The RJC's Chain of Custody (CoC) certification for precious metals supports these initiatives and can be used as a tool to deliver broader member and stakeholder benefit, with both certified Fairmined and Fairtrade gold recognised as eligible CoC mined material.

PRESS RELEASE

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