



# **RJC Code of Practices review - consultation**

*Antwerp, 20 April 2018*

# Agenda

1. Introduction, COP background
2. Due diligence for responsible sourcing
3. Know your Counterparty - money laundering and finance of terrorism
4. Undisclosed synthetic diamonds
5. Working hours
6. Other

## RJC vision and mission

Our **vision** is a responsible world-wide supply chain that promotes trust in the global fine jewellery and watch industry.

Our **mission** is to be the recognised standards and certification organisation for supply chain integrity and sustainability in the global fine jewellery and watch industry.



## RJC stats – March 2018



1093 MEMBERS



739 COP CERTIFIED MEMBERS

59 CoC CERTIFIED MEMBERS



8,900 FACILITIES COVERED BY  
COP CERTIFICATION

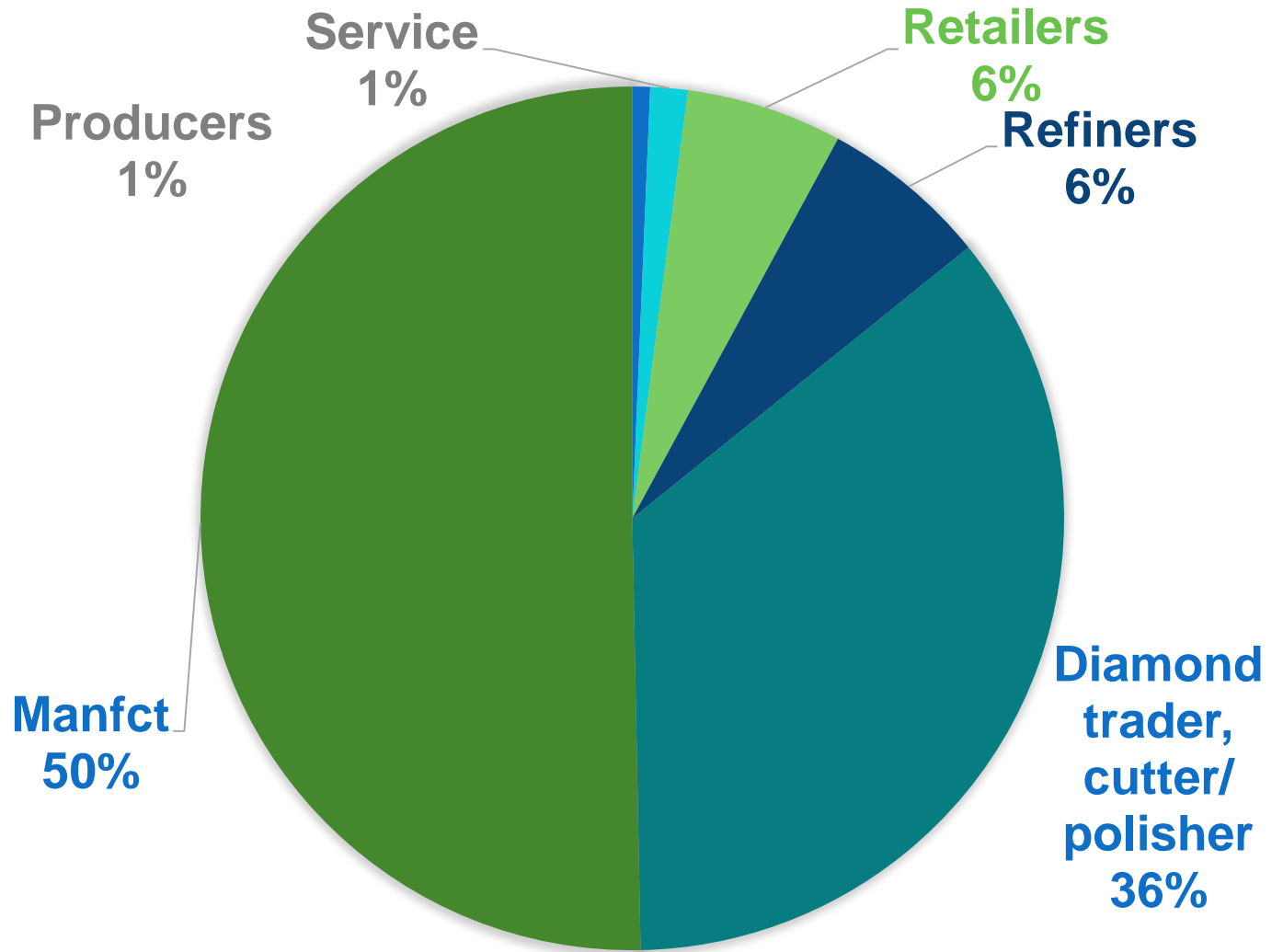


457,462 EMPLOYEES COVERED  
BY COP CERTIFICATION

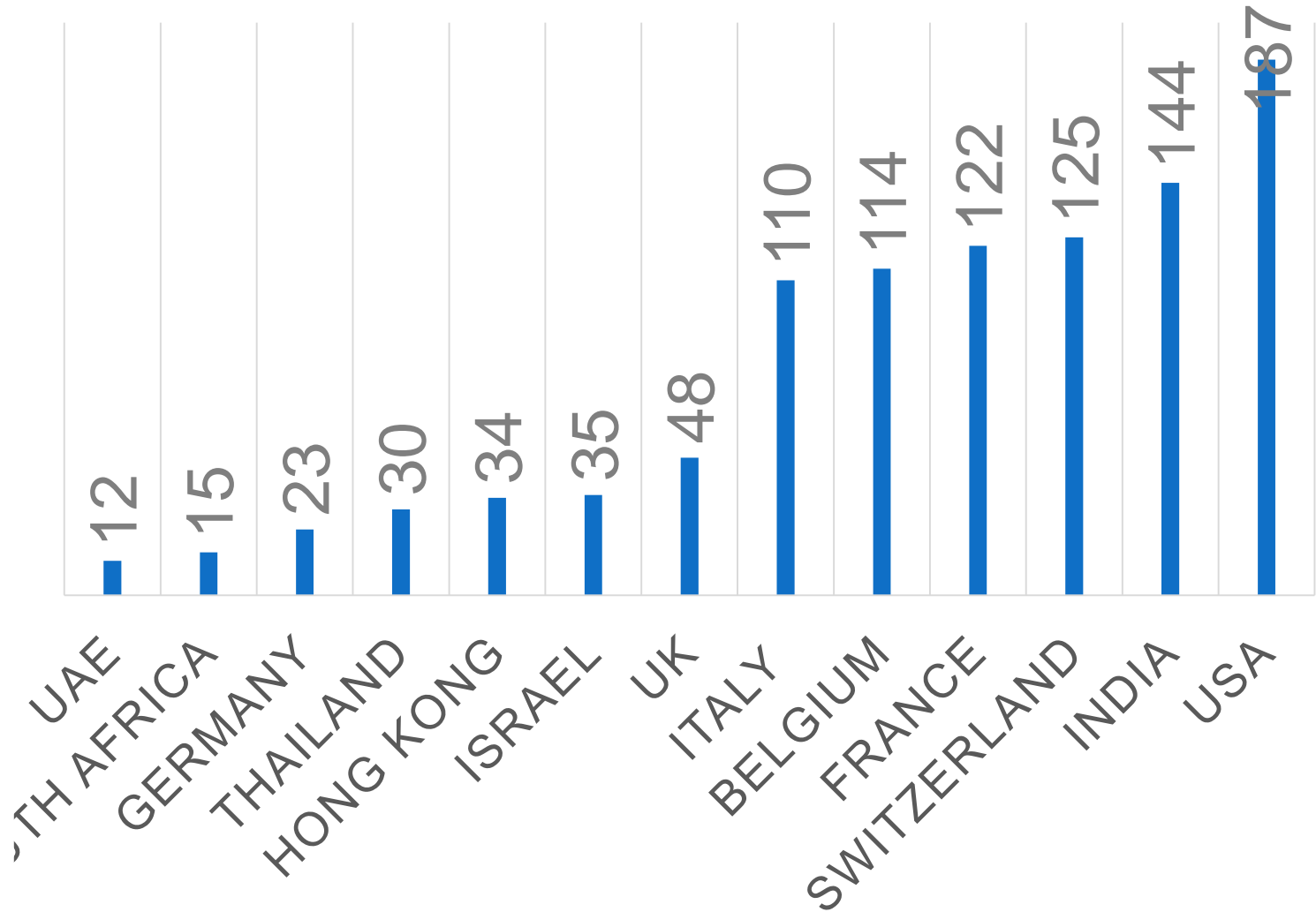


75  
COUNTRIES

# Membership



# RJC members by country





Asprey  
LONDON

F.HINDS  
JEWELLERS SINCE 1856

CHANEL



BEAVERBROOKS



ASSAY OFFICE  
BIRMINGHAM

Argos



LONDON  
DIAMOND  
BOURSE

CLOGAU®  
GOLD OF ROYALTY

Chopard



Mappin & Webb  
LONDON



HOCKLEY MINT  
HONEST BRITISH CRAFTSMANSHIP

HARRIET KELSALL  
BESPOKE JEWELLERY



The Creative Jewellery Group Ltd  
Responsive • Innovative • Knowledgeable

ALROSA

WORLD  
GOLD  
COUNCIL

NET-A-PORTER

PANDORA™

DE BEERS  
GROUP OF COMPANIES



BERKERBROS.  
the wedding ring specialists

RioTinto

Cartier

BVLGARI

JCPenney

MONICA VINADER



RICHEMONT

TIFFANY & Co.

# RJC Standards

## Code of Practices (COP)

- Launched in 2009
- Assurance of a company's business practices
- Compulsory for RJC members
- Diamonds, gold, platinum group metals

## Chain-of-Custody (CoC)

- Launched for precious metals in 2012
- Assurance that metals are from responsible sources and certified at every stage of the supply chain
- Voluntary for RJC members



GENERAL  
REQUIREMENTS



RESPONSIBLE  
SUPPLY CHAINS  
& HUMAN RIGHTS



LABOUR RIGHTS  
& WORKING CONDITIONS



HEALTH, SAFETY  
& ENVIRONMENT



DIAMONDS, GOLD  
& PLATINUM GROUP  
METAL PRODUCTS



RESPONSIBLE  
MINING SECTOR



## Aims of the COP

- Provide a common standard for RJC members
- Set out the mandatory expectations for designing and implementing relevant policies, procedures and practices
- Establish provisions that can be independently audited
- Drive better business practices for positive impacts
- Mitigate present and future environmental and social supply chain risks

# Overview of the Code of Practices (COP)

## RJC CODE OF PRACTICES



GENERAL  
REQUIREMENTS



RESPONSIBLE  
SUPPLY CHAINS  
& HUMAN RIGHTS



LABOUR RIGHTS  
& WORKING CONDITIONS



HEALTH, SAFETY  
& ENVIRONMENT

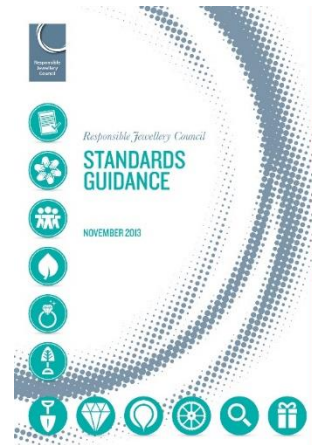


DIAMONDS, GOLD  
& PLATINUM GROUP  
METAL PRODUCTS



RESPONSIBLE  
MINING SECTOR

# COP tools and supporting documents



Standards Guidance  
Self-assessment workbook  
Helpdesk  
Training

# Process for reviewing standards



Round 1

## 1. Planning phase – what topics do we need to review?

- Log of issues, questions from helpdesk, non-conformances
- Publish a ‘Public Summary’ with plan for the review

Round 2

## 2. Review and consultation phase – what changes will we make?

- Commissioned and in-house research on key topics
- Consultation with members and stakeholders (workshops, webinars, email campaigns)
- Draft of proposed changes
- Optional additional revised changes and consultation

Round 3  
(optional)

Approvals

## 3. Finalization phase

- Standards Committee, ExCo and Board
- Legal review



## RJC Code of Practices (COP) Review | Round 2 public consultation - proposed changes to the COP Comment period: 16 April – 1 July 2018

Share your comments on proposed changes to the COP using [this template](#) to:  
[consultation@responsiblejewellery.com](mailto:consultation@responsiblejewellery.com)

Post: Responsible Jewellery Council, 9 Whitehall, London SW1A 2DD  
Telephone: +44 (0)20 7321 0992

### 1. Purpose

The Responsible Jewellery Council (RJC) is reviewing its [Code of Practices \(COP\)](#), the standard against which all RJC members must be certified. This document describes the proposed changes to the standard and is used to invite all interested parties to provide input.

### 2. Background

In December 2009, the RJC formally launched its Code of Practices for responsible business practices in the diamond, gold and/or platinum group metals jewellery supply chain. All RJC members must be certified against the COP, following an independent, third party audit to verify conformance. A second version of the COP was published in November 2013; and the current review will inform a third version, due to be published at the start of 2019.

RJC is committed to developing credible and effective standards and continually improving its systems. We have been a full member of the [ISEAL Alliance](#) since 2012, and we follow ISEAL Codes of Good Practice in our standard setting, assurance and monitoring and evaluation.

We are reviewing the standard through a process of gap analysis and stakeholder consultation which is overseen by our multi-stakeholder [Standards Committee](#). The process includes at least two public consultation periods: Round 1 on the Public Summary document (completed in August 2017), and Round 2 on draft proposed changes to the standard (this document). For more information on the review process, see the [Public Summary](#) document.

Since Round 1, we have updated our timeline for the review of the COP, see [update to the timeline](#) in the annexe of this document.

The proposed changes in this report have been informed by consultation with COP certified companies; a review of logged issues from over 4 years of certification, comments received through the consultation process (as summarised in the [Comment Report](#) on Round 1), and a review of parallel initiatives and engagement with the Standards Committee.

# COP review – timeline (updated April 2018)

## Round 1: Review of scope - COMPLETE

- Undertake gap analysis and stakeholder mapping
- Round 1 public comment on scope of review (min 60 days, 10 July – 8 Sept 2017): [Public Summary](#)
- Publish summary of comments received: [Comment report](#)
- Facilitate dialogue on input received with Standards Committee
- Research and draft proposed changes to COP

## Round 2: Proposed changes to standard

- Round 2 public comment on proposed changes to COP and key guidance (min 60 days, 16 April - 1 July 2018): *this document*
- Workshops and consultation from 20 March - 16 July 2018
- Publish summary of comments received
- Facilitate dialogue on input received with Standards Committee (24 July). Decision on whether to do Round 3.
- Update COP review timeline (if needed)
- Research and revise proposed changes

## Round 3 (optional): Revise changes to standard

- Round 3 public comment on revised changes for outstanding issues (min 30 days, 21 Aug - 5 Oct)
- Publish summary of comments received
- Facilitate dialogue on input received with Standards Committee

## Approvals and finalisation

- Standards Committee recommends approval of the revised COP (7 Nov 2018)
- RJC Executive Committee accepts recommendation or sends back to Committee for further review (Nov 2018)
- Board of Directors accepts recommendation or sends back to Committee for further review (Dec 2018)
- Editorial and legal review
- Publish revised COP (31 Jan 2019)
- Certification starts 1 May 2019

## Main proposed changes to COP

### 6. Human rights

X. (previously 6.2) Due diligence for responsible sourcing

### 7. Sourcing from Artisanal and Small-Scale Mining (ASM)

Y. (new) Sourcing recycled industrial precious metals

10. Know Your Counterparty for money laundering and finance of terrorism

14. Working hours

15. Remuneration

16. Harassment, discipline, grievance procedures and non-retaliation

24. Wastes and emissions

25. Use of natural resources

26. Product disclosure – **this includes a new requirement on undisclosed synthetic diamonds**

28. Grading, analysis and appraisal

30. Community Engagement

## Covered today

- X. (previously 6.2) Due diligence for responsible sourcing
- 10. Know Your Counterparty for money laundering and finance of terrorism
- 26. Product disclosure – **this includes a new requirement on undisclosed synthetic diamonds**
- 14. Working hours



## Due diligence - topic overview



### Objectives

- Emphasise the due diligence process as a responsible business practice
- Aligning the mandatory COP with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
- Move the related requirements from the Chain-of-Custody (CoC) to the COP
- Develop significant additions to the guidance on how to carry out due diligence

## Changes to COP provisions

### X. Due Diligence for Responsible Sourcing

X.1 Members shall adopt and communicate to their suppliers a supply chain policy with respect to sourcing from conflict-affected and high-risk areas. The policy shall be consistent with Annex II of the OECD Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (the “OECD Guidance”) or other due diligence frameworks as identified by RJC.

X.2 Members shall exercise due diligence over their supply chains in accordance with the OECD Guidance, or other due diligence frameworks identified by RJC, in ways appropriate to their size and circumstances

- a. Members in the gold value chain shall implement the recommendations of the OECD Guidance Supplement on Gold as applicable to their operations.
- b. Members in the diamond supply chain shall exercise due diligence in ways consistent with the Kimberley Process Certification Scheme and World Diamond Council System of Warranties

## Changes to COP provisions – refiner requirements

### X.3 Refiner members shall:

- a. Maintain internal material control systems that allow for the reconciliation of movement of inventory in and out over a given time.
- b. Gold refiners shall additionally collect and, with due regard to business confidentiality, share information on the mine of origin of mined gold received with the RJC on an annual basis.

# Principles of the OECD Guidance

- ✓ On-going, proactive and reactive due diligence approach
- ✓ 'Conflict-affected areas', 'high-risk areas' and 'other red flags' trigger heightened due diligence but not necessarily disengagement from trade
- ✓ Due diligence is risk based i.e. intensity of due diligence is proportional to risk
- ✓ Progressive improvements over time and good faith and reasonable efforts promoting constructive engagement with suppliers
- ✓ Global scope i.e. not just DRC and adjoining countries
- ✓ Applicable to all minerals i.e. not only 3Ts and gold

# What does it mean to align with OECD guidance?

- 5-step risk based due diligence process applies to all companies throughout the supply chain that produce or potentially use minerals from conflict-affected and high-risk areas (CAHRAs)

Step 1 Establish strong company management systems

- A. Have a policy
- B. Internal management to support due diligence
- C. System of controls / transparency on the supply chain. Identify upstream actors
- D. Engage with suppliers
- E. Have a grievance mechanism

Step 2 Identify and assess risk in the supply chain

Step 3 Risk mitigation

Step 4 Independent 3<sup>rd</sup> party audit (for auditors)

Step 5 Report on supply chain due diligence

# What issues should the supply chain policy cover?

- No** support to non-state armed groups (covered by KP), **No** to “serious human rights abuses” such as forced labour, slavery, the worst forms of child labour, widespread sexual violence, war crimes
- Prevent & mitigate** support to public security forces, bribery, tax evasion, money-laundering and fraud in supply chains
- Strengthen** internal controls, due diligence systems, engagement with suppliers

Annex II of the OECD Guidance provides a model supply chain policy

## Practical questions

### Is full traceability required?

- No. The requirement is to “establish a system of controls and transparency over the mineral supply chain”.

### How to identify risks?

- Due diligence requires companies to be responsible for their own identification of risks in the supply chain. International resources will be outlined in COP Guidance to help companies with this.

### What about ‘choke points’ for supply chains other than gold?

- For silver and PGM supply chains, the refiner will be the ‘choke point’
- No specified choke points in the diamond and coloured stones supply chain

### Is the OECD Guidance compatible with the diamond Kimberley Process (KP) and System of Warranties (SoW)?

- Yes. The OECD sees the KP and SoW as a fundamental part of due diligence in the upstream diamond supply chain.

Term	Proposed Definition
Adverse Impact	<p>Includes any one or more of the following impacts:</p> <ul style="list-style-type: none"> <li>• Serious abuses associated with the extraction, transport or trade of minerals</li> <li>• Direct or indirect support to non-state armed groups</li> <li>• Direct or indirect support to public or private security forces (engaged in illegal activities)</li> <li>• Bribery and fraudulent misrepresentation of the origin of minerals</li> <li>• Money laundering</li> <li>• Non-payment of taxes, fees and royalties due to governments</li> </ul>
Conflict	Armed aggression, widespread violence, and/or widespread human rights abuses
Conflict-Affected and High Risk Area (CAHRA)	<p>Areas identified by the presence of conflict or other risks of harm to people. Armed aggression may take a variety of forms, such as a conflict of international or non-international character, which may involve two or more states, or may consist of wars of liberation, or insurgencies, civil wars, etc. High risk areas may include areas of political instability or repression, institutional weakness, insecurity, collapse of civil infrastructure and widespread violence. Such areas are often characterised by widespread human rights abuses and violations of national or international law. [Reference: OECD Due Diligence Guidance]. These areas may be a region, a country, an area within a country, or an area that crosses one or more country boundaries. Operations are not necessarily complicit in conflict or high risks if they are located in these areas. Under Section 1502 of the United States' Dodd-Frank Wall Street Reform and Consumer Protection Act, the DRC and adjoining countries are deemed a conflict-affected area.</p>
Conflict Diamond	<p>Rough diamond used by rebel movements or their allies to finance conflict aimed at undermining legitimate governments, as described in relevant United Nations Security Council (UNSC) resolutions insofar as they remain in effect or in other similar UNSC resolutions which may be adopted in the future, and as understood as recognised in United Nations General Assembly (UNGA) Resolution 55/56, or in other similar UNGA resolutions which may be adopted in future. [Source: Kimberley Process Certification Scheme]</p>
Conflict-Sensitive	<p>Consideration of the spectrum of issues that may have, or may in the future, cause and trigger conflict. [Reference: International Alert, Conflict-Sensitive Business Practice: Guidance for Extractive Industries]. Conflict-sensitive sourcing encompasses strong management systems, including policies, risk assessment and mitigation, and complaints mechanisms.</p>
Risk	<p>Defined in relation to the potentially adverse impacts of a company's operations, which result from a company's own activities or its relationships with third parties, including suppliers and other entities in the supply chain.</p>



# Know Your Counterparty – topic overview



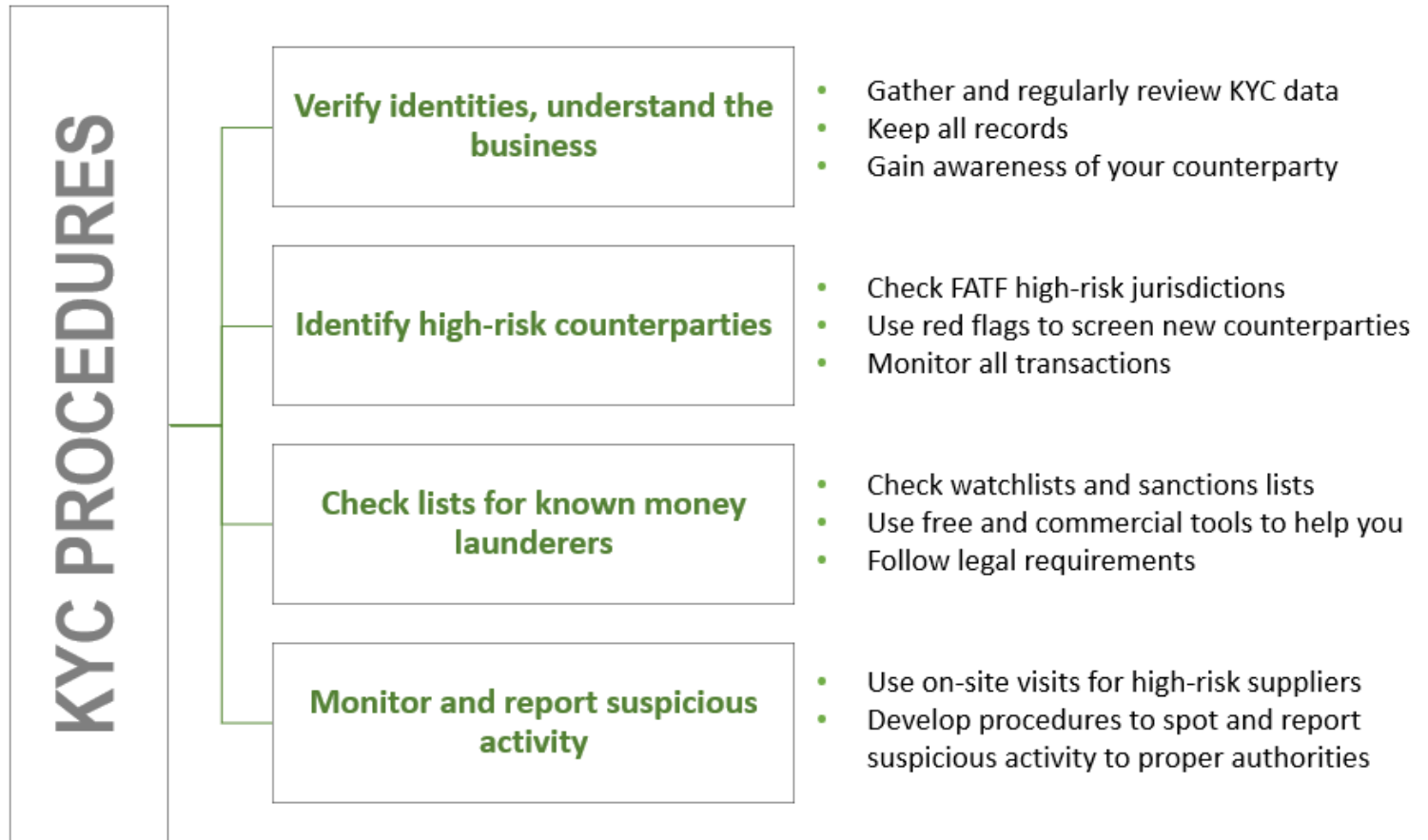
## Objectives

- Move the related requirements from the Chain-of-Custody (CoC) to the COP
- Review financial thresholds for maintaining records of cash transactions to align with international frameworks
- Consider key references such as:
  - 4<sup>th</sup> EU Anti-Money Laundering Directive
  - Financial Action Task Force (FATF) recommendations (2018)
  - AML-CFT applicable law in key RJC member countries

## 10. Know Your Counterparty - money laundering and finance of terrorism

- 10.1 Members shall document and apply a Know Your Counterparty (KYC) policy and procedures for business partners. Business partners include suppliers and customers of gold, silver, PGM, diamonds, coloured gemstones or jewellery products containing these materials. The policy and procedures shall include:~~Members shall apply know your customer principles for business partners that are suppliers or customers of diamonds, gold and platinum group metals or jewellery products containing these, including:~~
- a. Establishing the identity of the counterparty by checking government issued identification. ~~and where~~ triggered by a risk assessment or applicable law, establish the beneficial ownership and principals of the ~~supplier or customer~~ counterparty;
  - b. Verifying that the counterparty and, if applicable, their beneficial owners, are not named on relevant government lists for individuals or organisations implicated in money laundering, fraud or involvement with prohibited organisations and/or those financing conflict.
  - ~~b.c.~~ Maintaining an understanding of the nature and legitimacy of their business;
  - d. Monitoring transactions for unusual or suspicious activity and reporting suspicions of money laundering or finance of terrorism to the relevant designated authority as applicable.
  - ~~e.e.~~ Maintaining adequate records for a minimum of five years or for as long as required by national legislation, whichever is longer
- 10.2 Members shall nominate an individual to be responsible for implementing the KYC policy and procedures.
- 10.3 Members shall carry out a regular review of the KYC policy and procedures to ensure they are up to date and appropriate.

## Guidance



## KYC - threshold records of cash transactions

10.210.4 Members shall maintain records of all cash or cash-like transactions which occur above the relevant defined financial threshold under applicable law and, where required, report these to the relevant designated authority. Where no applicable law exists, members shall monitor and maintain records of all cash transactions equal to or above ~~15,000~~ 10,000 euro / us dollars, where the transaction is carried out in a single operation or in several operations that appear to be linked.

Change from 15,000 Euros/USD to 10,000 Euros/USD



## Diamond detection and disclosure - topic overview

### Objectives

- Review need for minimum requirements on detecting undisclosed synthetic diamonds.
- Review disclosure requirements linked to the detection approach (claims).
- Consider key references

### Why is it important?

- Growing concern that undisclosed mixing has become a serious problem for the jewellery industry.
- Technological advances in the production of synthetic diamonds make them more available and difficult to detect (particularly melee).
- Reliable systems, policies and procedures are needed to address the issue.

## Round 1 comments received

Consider a recognised process of detection procedures at each level of the pipeline

Without affordable detection equipment, any requirement may put unfair burden on business at any level of the diamond pipeline

The proposal of the RJC on “minimum requirements on detecting undisclosed synthetic diamonds” and “disclosure requirements linked to the detection approach” needs to be elaborated in detail

Detection requirements should be based on a robust and relevant supply chain analysis

Disclosure requirements should not include the obligation to add “natural” diamonds when selling or describing our collections made of diamonds

## Internal RJC research

- The RJC consulted the following key sources for this topic review:
  - DeBeers Best Practice Principles (BPP), Guidance and Programme Requirements
  - Signet D-SRSP
  - ISO18323 Jewellery — Consumer confidence in the diamond industry
  - World Federation of Diamond Bourses Charter on Disclosure of Synthetic, Treated Natural and Natural Diamonds
  - Other publicly available documents and articles on the subject.
  - Industry expert feedback via the RJC Standards Committee

# Changes to COP provisions

26.3 Members are required to take substantive and documented action to avoid the purchase and sale of undisclosed synthetic diamonds. As such, members sourcing diamonds shall apply the following:

- a. Obtain a written warranty from their suppliers to confirm that the parcels supplied to them do not contain undisclosed synthetic diamonds.
- b. Have effective policies, procedures, training, and monitoring systems in place to avoid the possibility of undisclosed synthetic diamonds being switched for natural diamonds at their facilities.
- c. Employ a documented due diligence process to identify and mitigate risks related to undisclosed synthetic diamonds entering their supply chain. Possible contamination points will be classified as low, medium or high risk.
- d. Carry out testing of polished diamonds using a defined, credible and transparent protocol that is appropriate to the size and type of company. This can be an existing industry accepted protocol, or one that is defined by the member. The protocol must:
  - o Incorporate a random sampling approach to testing of diamonds classified as high risk, using a significant sample size.
  - o Include testing which can be in-house, using relevant and effective detection equipment, or outsourced to a qualified gemmological laboratory.
  - o Include, at a minimum, testing prior to the sale of diamond parcels.
  - o The testing protocol must be disclosed to buyers.



## Topics for the guidance material

The guidance will provide advice and/or suggested implementation approaches for:

Creating effective policies and procedures

Developing internal training

Mapping risk in the diamond pipeline

Mitigating identified risks

Sampling

Approaches for testing

## Defining risk

- **Low Risk:** Strong level of confidence, implausible risk of contamination, **simple distinction** between synthetic diamond and natural diamond component.
- **Medium Risk:** Moderate level of confidence, possible risk of contamination, **simple distinction** between synthetic diamond and natural diamond and/or existing systems in place: policy, procedure and training required.
- **High Risk:** Moderate to low level of confidence, high risk of contamination-**testing required** for distinction between natural diamond and synthetic diamond component alongside policy, procedure and training.

## Working hours



### Objectives

- Goal was originally to review the need for additional country-specific guidance on working hours in China, Thailand and other jewellery manufacturing countries.
- Develop guidance on a defined degree of tolerance for working hour non-compliances.

### Why is it important?

- Inconsistencies in working hours are common in the industry
  - Seasonal industry
  - Short production timelines
  - Skilled labour dependency
  - Worker expectation of overtime



## Working hours

**ELEVATE study:** Understanding how RJC's current working hour provisions (COP 14) compared to other industry standards and local law

1. Gap analysis reviewing RJC's working hours provisions against other industry program standards\* (BSCI, ETI, RBA, SA8000, Kering and Disney) and local law in four countries (China, India, Thailand and Sri Lanka).
2. 21 interviews with RJC stakeholders to gain a global, country and industry perspective from brands, manufacturers and diamond cutting and polishing companies

## Working hours – normal work week, overtime

- 14.1 Members shall comply with applicable law on working hours. The normal work week, not including overtime, shall be defined by local law but shall not exceed 48 hours.~~shall not exceed 48 hours unless higher limits have been set by applicable law for the sector in which the member operates~~
- 14.2 If overtime work is required for business needs, members shall ensure that:
- a. Overtime work is requested by the member under a voluntary overtime system. Required overtime is permitted only where it is within the limits allowed under applicable law or collective bargaining agreements. The imposition of overtime where women or men employees are unable to leave the work premises or are in any way forced to accept it (through abuse, threats of dismissal, or other) is not allowed. Refusal to work overtime shall not be punished, retaliated against, or penalized in any way.
  - b. The sum of the normal work week and overtime hours shall not exceed 60 hours in a week unless defined otherwise by applicable law or permitted under a collective bargaining agreement or unless there are exceptional circumstances (such as production peaks, accidents or emergencies). In all cases, appropriate safeguards shall be taken to protect the workers' health and safety.

## Working hours – overtime tolerance

Total working hours per week	1% to 5% of work weeks	5% to 32% of work weeks	More than 32% of work weeks
More than local law limit and 84 hours/week +	Critical non-conformance (NC)		
More than local law limit and Between 72 and 84 hours/week	Major NC	Critical NC	Critical NC
More than local law limit and between 60 and 72 hours/week	Minor NC	Major NC	Critical NC
More than local law limit and less than or equal 60 hours/week	Minor NC	Minor NC	Major NC
< 60 hours/week and local law	Conformance		

## Working hours – rest days, leave, workday breaks

14.3 Members shall provide all employees with at least one rest day in seven consecutive working days in accordance with ILO Convention 14. Work time exceeding this limit is permitted only under a collective bargaining agreement or applicable law that allows for work time averaging including adequate rest periods the following circumstances:

- a. A collective bargaining agreement or applicable law that allows for work time averaging including adequate rest periods.
- b. During peak production periods if it is rare, voluntarily performed, and compensated at the appropriate premium level established by law.

14.4 Members shall provide employees with all legally mandated public holidays and leave, including maternity and paternity, compassionate and paid annual leave. Where no applicable law exists, paid annual leave shall be provided in accordance with ILO Convention 132. Special leave or working time arrangements for employees with family responsibilities should apply to both men and women employees.

14.414.5 Members shall provide all employees with a workday break in accordance with applicable law. If there is no applicable law, then members should provide employees with at least one uninterrupted work break if they work longer than 6 hours

## Have we missed anything?

### **27 Kimberley Process Certification Scheme and World Diamond Council System of Warranties**

27.4 Members shall keep records of all Kimberley Process certificates and System of Warranties invoices received and issued,

and have them audited and reconciled on an annual basis either as part of an RJC audit, or by an RJC accredited auditor during the certification period, or by a separate independent auditor, as suits the circumstances of the business.

If asked for by a duly authorised government agency, these records must be able to prove compliance with the Kimberley Process.



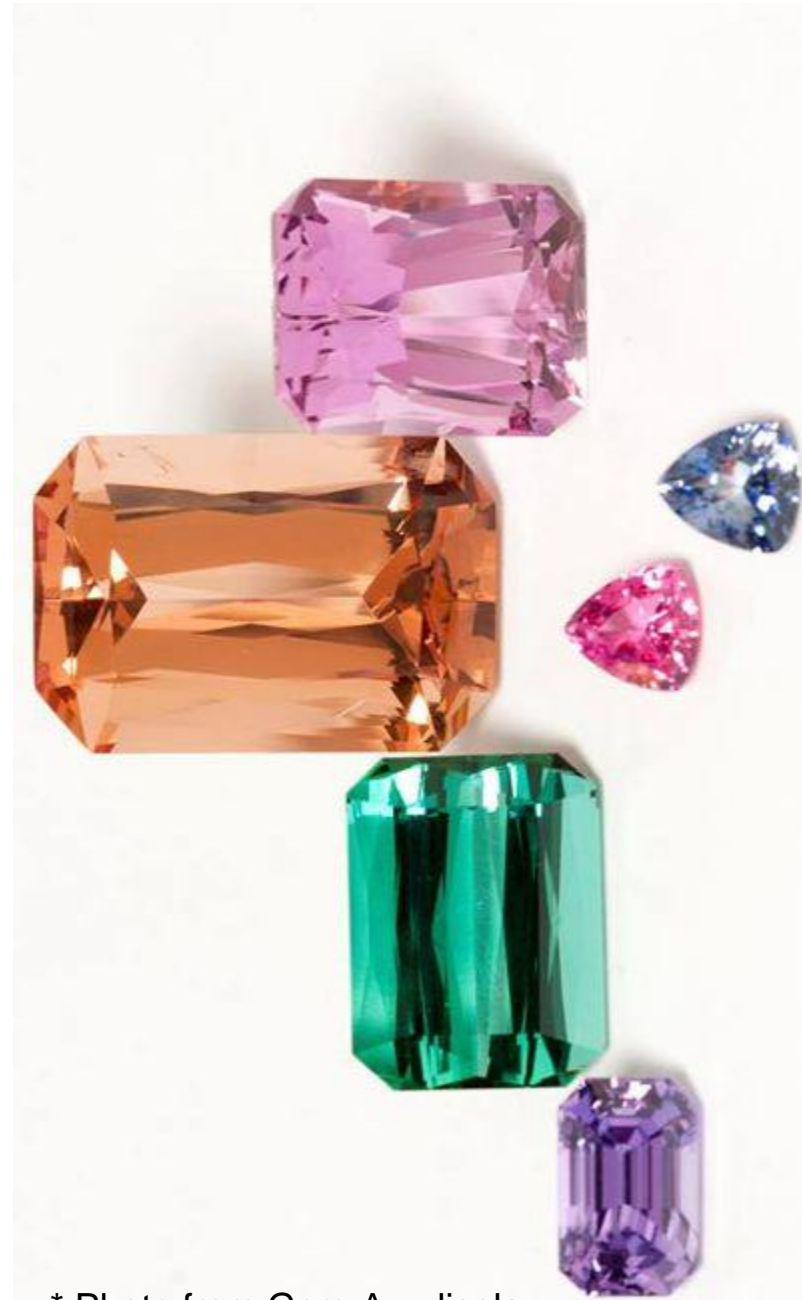
## Other changes

- Scope expansion: coloured stones
- Scope expansion silver
- Mining

## Coloured stones changes

- Scope & Terminology
- Due diligence *covered in separate section*
- ASM (COP 7)
- **Product disclosure (COP 26)**
- Grading analysis and appraisal (COP 28)

Note: The RJC would like to thank the working group under the Dragonfly Initiative for sharing material and providing input which has informed the changes to the COP.



\* Photo from Gem-A – display ‘Somewhere In The Rainbow’

## Other COP changes

- **Silver**

Only minor additions on product disclosure (COP 26) and Cyanide (COP 38).





# Mining

## Objectives

- Overall review of mining provisions comparing with international frameworks.

## Scope of research – Kate Harcourt

- International Finance Corporation (IFC) Performance Standards and Equator Principles
- International Council on Mining and Metals principles and position statements
- Mining Association of Canada (MAC) 'Towards Sustainable Mining' (TSM) protocols and frameworks
- Others

## Changes

- COP 30 Community engagement – mostly additions to guidance
- COP 31 Indigenous peoples and free prior informed consent - changes in structure of provision to clarify that FPIC is required
- COP 36 Biodiversity - clarifications
- COP 37 Tailings and waste rock – significant additions to guidance on avoiding dam failures
- COP 40 Mine rehabilitation and closure – more detail on closure funding

# COP review – timeline (updated April 2018)

- Workshops in India (11 June) and New York (15 July)
- Webinars in June
  - General: on COP changes
  - Specifically on due diligence for diamonds
- Written feedback till 1 July 2018
- Decision on Round 3 by Standards Committee on 24 July
- Target approval by Dec 2018
- Publication 31 Jan 2019
- Certification starts Q2 2019 (with phase-in)

## Round 1: Review of scope – COMPLETE

- Undertake gap analysis and stakeholder mapping
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- Round 2 public comment on proposed changes to COP and key guidance (min 60 days, 16 April - 1 July 2018): [this document](#)
- Workshops and consultation from 20 March - 16 July 2018
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# Annex



## Sourcing from informal recycling

### Y. Sourcing recycled industrial precious metals

Y.1. Refiner members that source gold, PGM and/or silver from informal recyclers that are not under the control of the member shall:

- a. Regularly assess risks of forced labour, child labour, unsafe working conditions, exposure to toxic chemicals and metals, and other significant environmental impacts, and
- b. Use best endeavours to positively influence practices and reduce or avoid the risks and provide for or cooperate in remediation of adverse human rights and environmental impacts.





## Product disclosure

### Plating

26.2 Members shall apply the following requirements

b. Plating: The use of gold, silver and PGM as a plating material shall be accurately disclosed. The description of the plating and fineness or content of material used shall be equally conspicuous as the word "gold" or "silver" or the platinum group metal, or abbreviation.

## Product disclosure

26.1 Members shall not make any untruthful, misleading or deceptive representation

26.2 Members shall apply the following requirements

c. Treated diamonds or treated or heated coloured gemstones shall be disclosed as either “treated” or with specific reference to the particular treatment. The description shall be equally conspicuous as [...] the name of the material/coloured gemstone. Any special care requirements that the treatment creates shall be disclosed.

d. Wholly or partially synthetic diamonds or coloured gemstones (also called artificial coloured gemstones) shall be disclosed as “laboratory created”, “laboratory grown”, and/or “synthetic” and the description shall be equally conspicuous as the [...] the name of the material/coloured gemstone. This applies to reconstructed and composite coloured gemstones.

e. Simulants that imitate the appearance [...] of coloured gemstones (also called imitation coloured gemstones) shall be disclosed as the mineral or compound that they are.

f. If describing the quality of polished coloured gemstones – this shall be in accordance with recognised guidelines.

## Product disclosure – Place of origin

26.1 Members shall not make any untruthful, misleading or deceptive representation

26.2 Members shall apply the following requirements

g. When describing the place of origin of a stone, information on how this was determined shall be disclosed. The place of origin shall only be used when it denotes an area where gemstones have been mined.

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## Grading, **analysis** and appraisal

28.2 Members that generate place of origin reports for coloured gemstones shall have systems in place to ensure the consistency of the determination of origin. They shall also carry out detection of treatments and synthetics as part of the determination.

## COP consultation plan

Date, location	Focus topic
16 April, Paris Workshop	Two sessions: a full COP consultation and one on coloured stones
20 April, Antwerp Workshop	Full COP consultation with focus on diamond supply chain
17 May, Webinar	Full COP consultation
31 May, Webinar	Refiner focused COP consultation
7 June, Webinar	Diamond focussed COP consultation
12-14 June, India Workshop	Full COP and coloured stones consultations (Mumbai and Surat)
16 July, New York Workshop	Full COP and coloured stones consultations
TBC, Dubai Workshop	Full COP consultation