

FAIRTRADE INTERNATIONAL - STANDARDS & PRICING

Project Assignment

Fairtrade Standard for Gold and Associated Precious Metals for Artisanal and Small-Scale Mining (07.11.2018)

This project assignment contains the most important information about the project. For additional information on the project, please contact the project manager (contact details below). The project will be carried out according to the Standard Operating Procedures for the Development of Fairtrade Standards/Minimum Prices and Premiums. More information on these procedures can be found on the website: http://www.fairtrade.net/standards/setting-the-standards.html

Rationale for and justification of need for the project:

The Fairtrade Standard for Gold and Associated Precious Metals for Artisanal and Small-Scale Mining is due for review, as part of the regular 5-year monitoring and review cycle. The objective of this review is to address and find solutions for identified problems or issues with the Fairtrade Standard for Gold and Associated Precious Metals for Artisanal and Small-Scale Mining.

Risk assessment:

1. Lack of participation of Artisanal Small-scale Mining Organizations (ASMOs) in Fairtrade, if the standard is not adapted to their reality.

<u>Mitigation:</u> Project Team members from Producer Networks will ensure, also through the field staff that ASMOs members are aware of the consultation and feed in their issues and ideas.

2. Currently and at least for the next 3-5 years there is a huge excess of demand over supply regarding Fairtrade certified gold. The review of the Fairtrade Standard for Gold and Associated Precious Metals can be a key instrument to align the standard with the market needs and producer realities. There is however a huge diversity of production systems and methods applied in the different production regions and it might be difficult to find global solutions.

<u>Mitigation:</u> Deep understanding of issues and possibilities in the regions is collected during the research phase and stakeholders will be reached to understand their views and interests.

Project Start Event: Draft Project Assignment will be uploaded to the FI website for comments by stakeholders	Project Start Date: 7 November 2018
Project End Event: Publication of the revised Standard	Project End Date: Q1 2024

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Project Goal and Objectives:

Goal:

The revision of the Fairtrade Standard for Gold and Associated Precious Metals is a key instrument to align the standard with the market needs and producer realities with the following objectives.

Objectives:

- Adapt the standard to the Artisanal and Small-scale Miners' realities and market needs
- Review and analyse outstanding issues included on the monitoring log on the Fairtrade
 Gold standard since the last revision
- Include elements that address the specific reality of a supply driven market situation
- · Research requirements in other sustainability schemes
- Review minimum threshold requirements to achieve Fairtrade certification; include requirements on commercial viability of organizations
- Collect additional topics, issues and concerns on the Fairtrade Gold standard from relevant stakeholder groups including adaptation of standard to producer and market realities, enabling new business opportunities and securing existing ones, and increasing impact on producers
- Consult on solutions with relevant stakeholder groups to resolve standard related issues
- Ensure consistency in standards by aligning changes in all related standards, e.g. Trader Standard
- Improve standard language for better clarity and simplicity
- Develop final proposals for approval by Standards Committee

Connection with Theory of Change (ToC):

This project is connected to the Fairtrade Goals (foster sustainable livelihoods and build Fairtrade markets). In particular it aims to enable ASMOs to formalize, to become strong and inclusive; and to improve working conditions for miners and strengthen mining organizations. It also aims to improve environmental protection and to enhance benefits for miners and their communities through direct market access and building of long-term relationships with buyers.

For more information on Fairtrade's ToC see this link.

Project scope:

The project covers all regions and products where the Fairtrade Standard for Gold and Associated Precious Metals for Artisanal and Small-Scale Mining applies.

As the Fairtrade Standard for Gold and Associated Precious Metals for Artisanal and Small-Scale Mining is complementary to the Trader Standard, requirements of the Trader Standard applying in Gold supply chains will be revised. For more information on Fairtrade Standards click this *link*.

Out of scope:

Premium and Price review Trader Standard review



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Project timelines and information on opportunities to contribute:

Scoping: November 2018

Research: December 2018 – July2019
First consultation*: mid-August – mid-

September 2019

Drafting second proposal: November

2022 - January 2023

Second consultation*: Q2 2023 Drafting final proposal: Q3 2023

SC decision: November 2023

Publication: Q1 2024 Implementation: Q2 2024

* More information will be provided closer to the consultation period on our <u>website</u>. If you are identified as key stakeholders, you will receive an invitation to participate.

Decision making process:

The final decision will be taken by the Standards Committee (SC), a body made up of stakeholder representatives. The SC will aim at making a decision based on consensus. They may reword the final proposal if needed to reach consensus. If consensus cannot be reached, the SC will resort to voting.

Project Owner (Unit):

Eleonora Gyarmati-Gutwein, Interim Head of Standards

Project Manager (contact point for the project):

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Project Team (Unit):

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PNs	Anneke Theunissen
	(CLAC)
NFOs	Markus Staub (Max
	Havelaar Switzerland)
	Sarah Singer (Fairtrade
	Foundation UK)
FLOCERT	Conny Engels
	Theresa Glammert-Kuhr

Project Environment (stakeholder groups not part of the project team):

- Certified producer organizations under the Fairtrade Standard for Gold and Associated Precious Metals for Artisanal and Small-Scale Mining
- Certified Traders
- Senior Advisor Social Compliance and Development
- Senior Advisor Workers Rights and Trade Union Relations
- PNs
- NFOs
- Global Impact
- Civil Society Organizations
- HREDD CoE
- CoE C&E