



# Fairtrade Standard for Gold and Precious Metals - Main Changes

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## Fairtrade Standard for Gold and Precious Metals

The revised Fairtrade Standard for Gold and Precious Metals is the result of the minor review undertaken in 2014 that looked into the alignment of the standard with the main conflict-minerals regulations and initiatives.

The revised Standard for Gold and Precious Metals was approved by the Standards Committee in November 2014.

This document identifies the key changes made to the standard and includes a table describing in more detail the extent of the changes made, following the structure of the new standard.

This document does not describe the content of the changes in full detail. This document shall not replace a detailed study of the new standard and it is not part of the standard.

### Key changes:

- Introduction of requirements on conflict-minerals for Artisanal and Small-Scale Miners Organizations ( ASMOs) and Traders
- Introduction of requirements on relationships with local communities ( including indigenous groups and traditional groups)
- Introduction of requirements on alluvial mining
- Introduction of requirements and guidance on mercury use and phasing out
- Introduction of requirements on workers participation in the Fairtrade Premium Committee
- Clarifications of to whom each requirement applies
- Improve clarity and consistency throughout the standards, introduction of a new standard design

➤ **Overview of the new 2015 Standard for Gold and Precious Metals:**

This table shows the most important changes, specifying if these are modifications, deletions or new additions.

| Standard section  | Type of change | New requirements 2015  | Comments   |
|---|----------------|--|--|
| <b>ASMO responsibility,<br/>Responsible sourcing and market information</b> |                |  |  |
|   | New            | Anticorruption policy (1.3.2)  | The intent is that ASMOs have procedures in place to avoid bribery, money laundering, illegal taxation and extortion.          |
|   | New            | No support to conflicts or human rights violations (1.3.7 and 2.3.1) | This is meant to prevent ASMOs and traders to support even indirectly any armed groups or any form of human rights violations. |
|   | New            | Conflict-mineral and human rights policy (1.3.8 and 2.3.2)           | The intent is that ASMOs and traders have procedures in place to avoid worst cases of human rights violations.                 |
|   | New            | Identification of conflict or high risk area (1.3.9 and 2.3.4)       | This is meant for ASMOs and traders to identify and assess risks regarding conflicts or human rights violations.               |
|   | New            | Risk management systems (1.3.10 and 2.3.5)                           | The intent is that, in case of risk identified, ASMOs and traders put in place a risk management system.                       |
|   | New            | Reporting to stakeholders and commercial partners (1.3.11 and        | The intent is that, in case of risk identified,  |

| Standard section                         | Type of change | New requirements 2015   | Comments   |
|--|----------------|---|--|
|  |                | 2.3.6)  | ASMOs and traders report to their stakeholders on due diligence and risk management measures they took.  |
|  | New            | Preventive measures and remediation activities (1.3.12 and 2.3.7) | The intent is that, in case of risk identified, ASMOs and traders set-up preventive measures.  |
|  | New            | Transport Control Procedures (2.3.3)                              | This is meant for traders to setup procedures against violations during transportation routes such as extortion, illegal taxation and smuggling. |
| <b>Relationship to local communities</b> |                |   |  |
|  | New            | Identification of local communities (1.4.1)                       | This is meant for ASMOs to identify communities, including indigenous groups, which could be affected by their mining activities.                |
|  | New            | Protection of land rights (1.4.2)                                 | The intent is that ASMOs recognize and respect the rights of local communities regarding land tenure.  |
|  | New            | Binding agreements with affected communities ( 1.4.3)             | This is meant for ASMOs to sign an agreement with local communities that protects their rights and access to land.                               |

| Standard section                | Type of change | New requirements 2015  | Comments  |
|---------------------------------|----------------|--|---|
|                                 | New            | Identification and protection of sites of special significance (1.4.4) | The intent is that ASMOs identify and protect the sites of special ecological, economic, religious or spiritual significance for the local communities. |
|                                 | New            | Traditional knowledge (1.4.5)  | The intent is that ASMOs recognize and protect local communities' traditional knowledge.  |
| <b>Environmental protection</b> |                |  |   |
|                                 | New            | Limited designated areas for mercury use (3.2.2)                       | The intent is to mitigate the impact of mercury on the environment, especially water bodies   |
|                                 | New            | Use of protective equipment (3.2.3)                                    | The intent to mitigate the impact of mercury on human health  |
|                                 | New            | Awareness raising on health risks with amalgam burning (3.2.7)         | The intent to mitigate the impact of amalgam burning on human health  |
|                                 | New            | Access to amalgam recovery installation (3.2.8)                        | The intent is that the recovery installations are accessible to all, to mitigate the impact of amalgam burning on human health.                         |
|                                 | New            | Disposal of chemicals (3.2.29)   | This is meant for ASMOs to plan properly the disposal of chemicals  |
|                                 | New            | Rules for alluvial mining (3.2.21)                                     | The intent is that alluvial mining uses small-scale extraction techniques and does not  |

| Standard section             | Type of change | New requirements 2015                                     | Comments   |
|------------------------------|----------------|---|--|
|                              |                |   | destroy the ecosystem.   |
|                              | New            | Distance from water bodies (3.2.22)                       | The intent is to mitigate the impact of amalgam burning on water bodies and places susceptible to flooding.  |
| <b>Labour conditions</b>     |                |   |  |
|                              | New            | Identification of risks (3.2.53)                          | The intent is that ASMOs identify risks in the workplace (particularly the risk of falling and mine collapse) and have a monitoring system in place. |
| <b>Development potential</b> |                |   |  |
|                              | New            | Fairtrade Premium Committee (4.1.1)                       | The intent is that the management of the Fairtrade Premium is made by representatives reflecting the social composition of the System of Production. |
|                              | Modified       | Internal rules of the Fairtrade Premium Committee (4.1.2) | The intent is to increase the transparency and good management of the Fairtrade Premium Committee.   |
|                              | Modified       | Decision making on Fairtrade Development Plan (4.1.6)     | The intent is that the management of the Fairtrade Premium is made by the Fairtrade Premium Committee.   |
|                              | Modified       | Bank account for the Fairtrade Premium (4.1.10)           | The intent is that the Fairtrade Premium Committee co-signs the bank account with the ASMO   |