



## **Gold Implementation Programme activities proposed by the Interim Governance Group February 2013**

This document was prepared by the OECD Secretariat and the Interim Governance Group (IGG). The proposed activities are not yet funded, however, this document provides potential donors with a useful basis to consider opportunities for supporting Gold Implementation activities.

The outlined activities are organised by each of the first three objectives of the Gold Implementation Terms of Reference, which were agreed at the OECD-Hosted Forum on Implementation of Due Diligence in the Gold Supply Chain held in May 2012. The fourth objective, “possible recommendations to refine specific provisions of the Supplement on Gold in order to improve or strengthen its effectiveness”, will be addressed in a Phase II of Implementation, when sufficient implementation results are available, potentially after the first implementation update in the end of 2013. Any recommendations would have to be considered and approved by the entire Forum, as detailed in the Terms of Reference.

There are many synergies between the proposed activities detailed below. These should be identified during the planning of meetings, workshops in order ensure effective and efficient outreach and meetings for all stakeholders and actors in the supply chain.

### **Timeline for Gold Implementation:**

- February 2013 – Gold Implementation Programme activities agreed to, prioritised and launched.
- February – May 2013 – Recruitment and fund-raising for gold implementation activities.
- 2-3 May 2013 – OECD-Hosted Forum on Implementation of Due Diligence
  - No formal report to be discussed at this stage, given beginning stage of Implementation
- November 2013 – OECD-Hosted Forum on Implementation of Due Diligence
  - First implementation update to be discussed covering ALL Gold implementation activities (including peer learning;) - this update will feed into Report to OECD Council in May 2014
  - *Council Report completed with stakeholder inputs finalised by the end of 2013*
- May 2014 – OECD-Hosted Forum on Implementation of Due Diligence
  - Progress reports (as deemed appropriate) developed on an ongoing basis and considered at the Forum.
- November 2014 – OECD-Hosted Forum on Implementation of Due Diligence
  - Progress reports (as deemed appropriate) developed on an ongoing basis and considered at the Forum.

**GOLD IMPLEMENTATION PROGRAMME: Proposed Activities organised by each objective as agreed to in the approved Terms of Reference**

**Objective 1: Build due diligence capacity, awareness, trust and mutual confidence among stakeholders taking part in a collaborative endeavour**

| <b>Proposed Activities</b>   |   |
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| <p><b>1. Easy-to-Use/How-to Guides on due diligence to support capacity building in targeted areas, regions and sectors</b></p> <p><b>Note:</b> The Guidance is seen as a “Living Document” and flexibility (format &amp; method of distribution) is required in order to reach targeted groups. For example working on field level is important for ASM utilising a variety of methods (E-technology (cell phones), photographs, and easy to understand charts and graphs. etc.).</p> | <p><b>Approach:</b></p> <ul style="list-style-type: none"> <li>• Tailored versions of the Guidance specific to relevant parts of the supply chain, particularly those likely to encounter red-flag situations.</li> <li>• Developed by the OECD Secretariat or consultants appointed by them, in cooperation with the IGG/Multi-stakeholder Steering Group based on the experience of local and sector experts.</li> <li>• Feed into or support the development and dissemination of industry-level or sector-specific guides or training modules, developed by industry or other organisations.</li> <li>• Translation into multiple languages (e.g. Spanish, French, Mandarin, Arabic, Swahili, Tshiluba, Lingala, Kikongo, Hindi, Italian, Japanese, Portuguese, Mandarin, Indonesian, Swahili, Russian etc.)</li> </ul> |
|  | <p><b>Expected outcomes/benefits:</b></p> <ul style="list-style-type: none"> <li>• More accessible (possibly online) versions of the Guidance leading to increased understanding of due diligence expectations among key stakeholders.</li> </ul>   |
|  | <p><b>Timeframe/outputs:</b></p> <ul style="list-style-type: none"> <li>• January – November 2013</li> </ul>  |

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| <p><b>2. Criteria/Indicators for determining high risk &amp; conflict-affected areas</b></p> <p><b>Notes:</b></p> <ul style="list-style-type: none"> <li>• Determinations of conflict and high-risk areas would remain the responsibility of individual supply chain actors in collaboration with Government public services; however such a tool could assist companies by providing detailed criteria to help make this determination.</li> <li>• Creation of criteria/indicators could have the unintended consequence of marginalizing ASM, therefore the indicators/criteria should be accompanied by an explanation of how this could happen and what solutions there are to avoid marginalisation.</li> </ul> | <p><b>Approach:</b></p> <ul style="list-style-type: none"> <li>• Additional guidance on determining high-risk and conflict-affected areas to support more consistent implementation of the Due Diligence Guidance by the private sector.</li> <li>• Developed under the guidance of the OECD and in cooperation with members of the IGG/Multi-stakeholder Steering Group and companies, drawing on external resources as required. <i>Members of IGG/MSG may wish to volunteer to participate in a small and workable drafting group.</i></li> <li>• A draft version will be discussed at a Forum meeting prior to finalisation.</li> </ul> <p><b>Expected outcomes/benefits:</b></p> <ul style="list-style-type: none"> <li>• Common understanding across stakeholders of factors/indicators triggering the application of the OECD Guidance.</li> <li>• Enabling companies to make their own determinations of conflict-affected and high-risk areas, in collaboration with Government services.</li> </ul> <p><b>Timeframe/outputs:</b></p> <ul style="list-style-type: none"> <li>• List of possible resources and criteria/indicators which supply chain actors could use to help them determine whether an area is high-risk or conflict affected.</li> <li>• January – November 2013</li> </ul> |
| <p><b>3. Outreach targeted at specific actors in the gold supply chain</b></p> <p><b>Notes:</b></p> <ul style="list-style-type: none"> <li>• Stakeholders should identify opportunities to meet all three objectives of the Gold Implementation Programme.</li> <li>• Flexibility (in terms of location, format, length etc.) is needed in order to ensure success of events in reaching Implementation objectives. For example, for artisanal mining, awareness raising workshops may not be appropriate. May be worth considering a more direct approach with artisanal miners in</li> </ul>   | <p><b>Approach:</b></p> <ul style="list-style-type: none"> <li>• Seminars/workshops targeting OECD &amp; Non-OECD countries active in the gold supply chain.</li> <li>• Outreach events should promote responsible sourcing practices and provide opportunities to learn about the OECD framework for due diligence and key industry schemes that can support implementation.<br/>Not limited to outreach by OECD Secretariat – outreach may include events undertaken by, or with the participation of, Forum participants, who can report back on outcomes. Where possible and relevant, outreach should encourage the broadest participation of gold sub-group participants and seek collaboration on the broader communication and messaging parameters to ensure consistency and avoid confusion.</li> <li>• Country participants in the IGG/MSG and Forum may wish to consider diplomatic or</li> </ul>  |

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| <p>their workplace.</p> <ul style="list-style-type: none"> <li>Local government involvement is important and should be encouraged for all possible supply chain actor events, however this is particularly crucial for ASM.</li> </ul> | <p>other efforts to facilitate broadest possible outreach.</p> <ul style="list-style-type: none"> <li>Developed in collaboration with host governments, industry associations and other relevant stakeholders.</li> <li>Suggested Workshops/Seminars: <ul style="list-style-type: none"> <li>(i) producers, traders and refiners in any conflict-affected and high risk area;</li> <li>(ii) producers, traders and refiners in the Great Lakes Region (DRC, Uganda, Burundi);</li> <li>(iii) producers, traders and refiners in the Middle East;</li> <li>(iv) artisanal mining communities;</li> <li>(v) traders, refiners and jewellery manufacturers in India;</li> <li>(vi) gold refineries in China;</li> <li>(vii) refiners and downstream industry;</li> <li>(viii) producers, traders, refiners in Latin America;</li> <li>(ix) gold exchanges (China, Japan, Turkey, Dubai, US, etc.).</li> </ul> </li> <li>Public awareness campaigns should also be considered (e.g. conferences, TV shows or radio programmes) targeted at miners operating in their current location etc.</li> <li>This activity can ideally be used to support multiple activities, including to develop and disseminate the tailored guides, best practice guides/toolkits proposed under activity 1, to facilitate peer-learning, or to collect data for case studies and/or Baseline Assessments. It may also build on findings from the proposed Baseline Assessments.</li> </ul> |
|  | <p><b>Expected outcomes/benefits:</b></p> <ul style="list-style-type: none"> <li>Promotion, uptake and implementation of the OECD Due Diligence Guidance as a common global reference for responsible mineral sourcing from conflict-affected and high-risk areas.</li> </ul> <p><b>Timeframe/outputs:</b></p> <ul style="list-style-type: none"> <li>Multiple workshops in 2013/2014.</li> <li>Possible inter-governmental meetings in 2013/2014.</li> </ul>   |

**Objective 2: Share experiences and lessons learnt on due diligence implementation by companies, industry associations and artisanal and small-scale mining enterprises volunteering to participate, enabling participants to share best practices**

| <b>Proposed Activities</b>   |  |
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| <p><b>4. Peer-learning exercise</b></p> <p><u>Target participants:</u> Participants will be invited and encouraged from all stakeholders in the gold supply chain – companies, industry associations representing different segments of the gold supply chain (i.e. LSM and ASM producers, traders, refiners, exchanges, banks and end users) and relevant sectors (jewellery; electronics; heavy industry; banking; health etc.) as well as member states, civil society and other stakeholders.</p> <p>Perspectives from key OECD and non-OECD producing, processing, manufacturing and consuming economies, including the Great Lakes Region, will be particularly welcomed.</p> <p>Industry associations may participate directly and/or by encouraging their membership (particularly among SMEs and end-product manufacturers) to participate in the peer-learning exercise.</p> | <p><b>Approach:</b></p> <ul style="list-style-type: none"> <li>• For peer learning – a series of thematic conference calls and/or face to face meetings <ul style="list-style-type: none"> <li>○ A series of thematic industry-only and other stakeholder-group-only calls and/or face to face meetings to create focused environments, particularly for discussion of any sensitive issues</li> <li>○ A series of thematic multi-stakeholder and/or face to face meetings, including at or adjacent to Forum meetings, to share insights across stakeholder groups</li> <li>○ A series of calls and/or face to face meetings, including at or adjacent to Forum meetings, amongst OECD members (and other Adherents), donors, ICGLR members, and other non-OECD members</li> </ul> </li> <li>• These interactions can be used to find out what further information may be needed, by whom and to what level of granularity. Using this information the Multi-stakeholder Steering Group will collaborate to develop a methodology and timeframe that can generate relevant insights.</li> <li>• This may include: <ul style="list-style-type: none"> <li>○ For industry: data collection efforts, format to be determined, to find out how companies and industry associations are implementing the Guidance, using the Gold Supplement as a guiding framework.</li> <li>○ For countries: data collection efforts, format to be determined, to find out how they implement and/or support due diligence. May wish to distinguish efforts of OECD members (and Adherents) in-country, efforts of ICGLR countries, efforts of other non-OECD members and efforts of donors to support implementation in areas of conflict and fragility.</li> <li>○ For other stakeholders: data collection efforts, format to be determined, to find out how they implement and/or support due diligence.</li> <li>○ All data collected will be held in confidence and analysis will be done on an aggregate basis.</li> </ul> </li> </ul> |

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|   | <ul style="list-style-type: none"> <li>• Participants will review drafts of any reports in a timely manner before they are shared with the Forum for discussion and subsequent finalisation.</li> <li>• Implementation is the responsibility of all stakeholders, not only through the OECD Forum. <i>Stakeholders are encouraged to work outside of official OECD events to implement and support due diligence.</i></li> </ul>  |
|   | <p><b>Timeframe/outputs:</b></p> <ul style="list-style-type: none"> <li>• Development or recognition (as appropriate) of toolkits for implementation (e.g. due diligence checklist, questionnaire, upstream actors assessment questionnaire, etc.).</li> <li>• 2013 to 14</li> </ul>  |
| <p><b>5. Case studies</b><br/>Case studies on specific supply chains (e.g. ASM, jewellery, Heavy industry) and specific actors in those chains, to explore the implementation of the Gold Supplement in complex and fluid supply chains</p> | <p><b>Approach:</b></p> <ul style="list-style-type: none"> <li>• Increased understanding of international due diligence standards and consumers' expectations and implications/impact of sourcing decisions.</li> <li>• Opportunity to develop common, collaborative approaches to overcome identified due diligence implementation challenges.</li> <li>• Harmonisation as a result of alignment of industry tools and standards with the OECD Guidance.</li> <li>• Enhanced cross-industry cooperation to enable cross-fertilisation of practices.</li> <li>• Opportunity to think critically about the processes/schemes being put in place, including impact on living conditions of mining- communities, and capacity of SMEs in the middle of supply chains to implement the Guidance.</li> <li>• Identification of common methodologies and tools to implement the Guidance</li> <li>• Networking and best practice sharing.</li> <li>• Volunteers for case study research will be sought and case study selection, if required, can draw on input of the IGG/MSG and/or peer-learning. Research primarily undertaken by the OECD Secretariat or consultants appointed by them, in cooperation with the IGG/Multi-stakeholder Steering Group and may also draw on the experience of local and sector experts.</li> </ul> <p><b>Approach:</b></p> <ul style="list-style-type: none"> <li>• Case study research through company and supply chain interviews, field research and on-site visits.</li> </ul> |

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|  | <ul style="list-style-type: none"> <li>• Development of case study documents that can be published and disseminated.</li> </ul> <p><b>Expected benefits/outcomes:</b></p> <ul style="list-style-type: none"> <li>• Increased understanding of supply chains complexity and associated due diligence challenges.</li> <li>• Identification of implementation issues and finding solution to resolve them</li> <li>• Examples of current practices and lessons learnt.</li> <li>• Concrete implementation experience that can be included / referenced in OECD reporting.</li> </ul> <p>Real case study for three sources (LSM origin, ASM origin, Recycled origin) with one committed actor from the Forum for each level of the above designed supply chain (mine, trader, exporter, refiner, jeweller, etc.).</p> <p><b>Timeframe/outputs:</b><br/>Multiple case studies in 2013/14</p>   |
| <p><b>6. Baseline assessments</b></p> <p>Baseline assessments of economic operators in gold trading hubs in the Great Lakes Region, Middle East and/or any other conflict-affected and high-risk area as appropriate. These assessments will review the level of awareness of due diligence and actual level of implementation. Ideally feed into/conducted in parallel with proposed Activity 3 – outreach.</p> | <p><b>Approach:</b></p> <ul style="list-style-type: none"> <li>• Assessments will be conducted in close collaboration and with the support of host governments and key stakeholders in these regions. This could support outreach and targeted communications for enhanced implementation of the Guidance.</li> <li>• Research primarily undertaken by the OECD Secretariat or consultants appointed by them, in cooperation with the IGG/Multi-stakeholder Steering Group and may also draw on the experience of local and sector experts.</li> </ul> <p><b>Expected outcomes/benefits:</b></p> <ul style="list-style-type: none"> <li>• Assess level of awareness, gaps, as well as needs of actors with supply chains originating in conflict affected and high-risk areas.</li> <li>• Create incentives for the expansion of transparent, legal and responsible gold trade.</li> </ul> <p><b>Timeframe/outputs:</b><br/>2013 to 2014</p> |

**Objective 3: Share experiences on innovative models to build secure and transparent conflict-free supply chains of gold from artisanal and small-scale gold mine sites, including through country-specific projects operationalising Appendix 1 of the Supplement on Gold**

| <b>Proposed Activity</b>  |   |
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| <p><b>7. Convening hub on implementation of Appendix 1 for Responsible ASM Gold</b></p> <p>This activity would use the convening power of the OECD Forum by creating a “Responsible ASM Gold sub-group” to support financial and non-financial efforts to bring responsibly sourced ASM gold from conflict-affected and high-risk areas to the market in line with Appendix 1 of the Supplement on Gold.</p> <p><u>Target participants:</u> Interested retailers, international traders, refiners, local exporters and producers, including large-scale miners, interested donors, civil society, OECD and partner countries, relevant initiatives and projects, and other experts.</p> | <p><b>Approach:</b></p> <ul style="list-style-type: none"> <li>• Seek to connect stakeholders implementing ASM-related activity, ASM producers, refiners, consumers and other entities in the supply chain to support bringing responsible ASM gold to market.</li> <li>• Open participation for interested stakeholders</li> <li>• 1 group teleconference call every two months (convened by OECD Secretariat)</li> <li>• Hold ASM sessions at or in the margins of the bi-annual Gold Forum</li> <li>• Complementary sessions undertaken by any Responsible ASM Gold sub-group participants (and report back), and seeking collaboration on the broader communication and messaging parameters to ensure consistency and avoid confusion.</li> <li>• Use experts to provide advice and support</li> <li>• Aim to integrate ASM-related activity with other relevant Gold Implementation activities wherever possible/appropriate, eg outreach, development of user-friendly guides, baseline assessments etc.</li> <li>• Develop ASM sourcing assessment tool for refiners/traders</li> <li>• Develop an operational responsible ASM gold supply chain in a reasonable time frame.</li> </ul> <p><b>Expected outcomes/benefits:</b></p> <ul style="list-style-type: none"> <li>• Facilitate donor-supported initiatives for the effective implementation of the Appendix to the Gold Supplement</li> <li>• Provide updates on specific projects, access expertise and share progress and lessons learnt</li> <li>• Opportunities for new win-win partnerships among OECD and partner producing, processing and consuming economies</li> </ul> |

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|   | <ul style="list-style-type: none"> <li>Actors sourcing from ASM may use ASM assessment tool in order to help them in their due diligence</li> </ul>   |
| <p><b>8. Monitoring of Appendix 1 (tool):</b> Study to assess baseline and impact of implementing Appendix 1 over time.</p> | <p><b><i>Timeframe/outputs:</i></b></p> <ul style="list-style-type: none"> <li>2013-2014</li> <li>Recognition of operational ASM supply chain(s) with committed actors</li> </ul> <ul style="list-style-type: none"> <li>Baseline assessment and progress/update on what is happening on the ground.</li> <li>Specific, field-based case studies that investigate, map, and analyse the complexity of specific ASM supply chains, locally, nationally and .internationally.</li> <li>Some research primarily undertaken by the OECD Secretariat or consultants appointed by them, in cooperation with the IGG/Multi-stakeholder Steering Group based on the experience of local and sector experts.</li> <li>Complimentary research by any Responsible ASM Gold sub-group participants would be welcomed</li> </ul> |