

# Fairtrade Foundation and the Alliance for Responsible Mining (ARM) Press Release

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Under strict embargo: 14 February 2011

## World's first Fairtrade and Fairmined certified gold to tackle poverty faced by miners and their families

The world's first Fairtrade and Fairmined gold will go on sale on 14 February in a groundbreaking effort to secure a fair deal for gold miners and their communities.

World's oldest jeweller Garrard, luxury bespoke jeweller Harriet Kelsall and pioneer ethical jeweller CRED are among the first 20 companies to launch the world's first Fairtrade and Fairmined gold.

As the price for the precious metal surges on world markets, hundreds of thousands of workers are lured to seek their fortune in one of the world's most dangerous industries. Sadly, because of their vulnerable position in the supply chain it is not the miners who benefit most from this '21<sup>st</sup> century goldrush'.

Many of the estimated 15 million people working in the artisanal and small-scale mining (ASM) sector risk disease, serious injury and death. ASM miners are also often taken advantage of by unscrupulous middle men.

Full details of the conditions faced by ASM miners are revealed in a new report by the Fairtrade Foundation and the Alliance for Responsible Mining (ARM) published to coincide with the launch of Fairtrade and Fairmined gold on Valentine's Day.

The International Labour Organisation states there are over six times the number of accidents in ASM compared with large scale mining, mainly due to larger labour force and poorer working conditions. Furthermore there are severe risks to health caused by daily contact with toxic chemicals used to process gold, such as mercury, cyanide and nitric acid. Exposure to mercury vapours and ingestion of contaminated food leads to brain and nervous system damage, vomiting, gastroenteritis, kidney complaints and muscular tremors.

Five times Olympic gold medallist and Fairtrade ambassador Sir Steve Redgrave, said: 'There is a real need for consumers to demand higher standards when they purchase gold and they can do this by getting behind this new and important initiative. Fairtrade and Fairmined gold means that everyone is a winner.'

Jorge Perea, community leader of Oro Verde in Condoto, Colombia said: 'We consider Fairtrade and Fairmined certification meets the needs of miners seeking to improve their quality of life and strengthen our identity as an ethnic group, which was the aim of this worldwide process inspired by Oro Verde. Thanks to the hard work of ARM to gather the efforts of the mining communities in Latin America and the alliance with the Fairtrade system, we celebrate the launch of a label that makes our common dream come true. The golden doors of fairness are now open for all the small miners in the world'.

Harriet Lamb, executive director of the Fairtrade Foundation, said: 'The reality of gold production is at complete odds with what consumers imagine. Consumers care about the conditions faced by miners. This is why Fairtrade and Fairmined gold has the potential to tackle unfair supply chains, improve working and environmental conditions and deliver tangible and sustainable economic benefits to impoverished communities. Now that is what I call a labour of love.'

Being part of the Fairtrade and Fairmined system means miners will adhere to a set of standards, guaranteeing that gold is produced in a way that is safe for people and the environment. In return, miners will receive a set minimum Fairtrade price for their gold, plus the Fairtrade premium to invest in community and business development projects. They will also establish long-term business relationships with their commercial partners. Plans include improving the technology and working conditions in the mines and setting up community projects in education, health, and environmental restoration.

The Cotapata Mining Co-operative in Bolivia is the first Fairtrade and Fairmined conventional mining organisation to be certified, and Condoto was the first group certified to produce ecological gold, with more expected to be certified in the coming weeks and months. If just 5% of the gold used in the UK jewellery market is Fairtrade and Fairmined certified, this could transform opportunities for miners.

***The full list of licensees taking part in the launch comprises: Amanda Li Hope [www.amandalihope.com](http://www.amandalihope.com); April Doubleday [www.aprildoubleday.com](http://www.aprildoubleday.com); Caratess [www.caratess.co.uk](http://www.caratess.co.uk); Cred Jewellery [www.credjewellery.com](http://www.credjewellery.com); EC One [www.econe.co.uk](http://www.econe.co.uk); Element Jewellery [www.elementjewellery.com](http://www.elementjewellery.com); Fiji Bijoux [www.fifibijoux.com/shop](http://www.fifibijoux.com/shop); Foundation Jewellery [www.foundationjewellery.com](http://www.foundationjewellery.com); Garrard [www.garrard.com](http://www.garrard.com); Harriet Kelsall Jewellery [www.hkjewellery.co.uk](http://www.hkjewellery.co.uk); Ingle and Rhode [www.ingleandrhode.co.uk/fairtrade-gold](http://www.ingleandrhode.co.uk/fairtrade-gold); John Titcombe [www.johntitcombe.co.uk](http://www.johntitcombe.co.uk); Leblas [www.leblas.com](http://www.leblas.com); Linnie McLarty [www.linniemclarty.com](http://www.linniemclarty.com); Oria [www.oriajewellery.co.uk](http://www.oriajewellery.co.uk); Pippa Small Jewellery [www.pippasmall.com](http://www.pippasmall.com); Stephen Webster [www.stephenwebster.com](http://www.stephenwebster.com); Ute Decker Sculptural Jewellery [www.utedecker.com](http://www.utedecker.com); John Dibben <http://jondibben.co.uk>***

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Notes to Editors

- 1) \$137.5bn was spent globally on gold jewellery in 2010. India and the Middle East are the biggest consumers. The UK is the second largest gold jewellery market in Europe after Italy.
  - 2) The Fairtrade minimum price for pure gold is set at 95% of the London Bullion Market Association's (LBMA) fix. The LBMA fix is the international agreed price for gold. ASM producers in the mainstream get anything from 30% to 85% of the LBMA fix.
  - 3) Certified miners must use safe and responsible practices for management of toxic chemicals in gold recovery. Chemicals have to be reduced to a minimum and where possible eliminated over an agreed time period.
  - 4) Miners can earn an additional premium of 5% of the LBMA fix when they recover gold through gravity only, without the use of mercury or cyanide.
- The FAIRTRADE Mark is a certification mark and a registered trademark of Fairtrade International (FLO) of which the Fairtrade Foundation is the UK member. The Fairtrade Foundation is an independent certification body which licenses the use of the FAIRTRADE Mark on products which meet international Fairtrade standards. This independent consumer label is now recognised by 72% of UK consumers and appears on products as a guarantee that disadvantaged producers are getting a better deal. Today, more than 7.5 million people – farmers, workers and their families – across 58 developing countries benefit from the international Fairtrade system.
  - The fairmined Mark, a registered trademark of the Alliance for Responsible Mining, ensures that the gold has been extracted and processed in a fair way and responsible manner. This means that the miners receive a fair price, good health and safety practises, care for the environment and participate in the social development of their communities. ARM is an international community-based multi-sector governed initiative created to enhance equity and wellbeing in artisanal and small-scale mining (ASM) communities. ARM is committed to social justice and environmental responsibility as the values driving the transformation of ASM.
  - The partnership between Fairtrade Labelling Organizations International (FLO) and Alliance for Responsible Mining (ARM) will create differentiated market access for gold products to support social, environmental and economic development outcomes for artisanal and small scale miners through:
    - A credible programme of support and development for artisanal and small-scale miners.
    - A high profile and trusted product label to drive market access on terms that support development.
 The Alliance for Responsible Mining (ARM) have the experience and networks to provide the necessary support, and Fairtrade labelling to create differentiated market access on terms that support development.
  - *The dual stamp is an identification mark representative of the Fairtrade and Fairmined dual label. It combines simplified versions of the FAIRTRADE Mark and Fairmined mark so consumers can recognise they are purchasing a Fairtrade and Fairmined certified product. The dual stamp has been created for physical application by a Fairtrade nominated body (such as an Assay Office in the UK) to certified gold, silver or platinum products. This stamp is similar in size and method of application to the legally required hallmarks found on precious metals stamped by UK Assay Offices, however it is not a legal requirement and must not be referred to as a hallmark. It can only be referred to, in the first instance, as the 'Fairtrade and Fairmined dual stamp', and thereafter as the 'dual stamp'. It is a requirement of the Fairtrade and Fairmined certification process in the UK.*