

Market Entry Standard* Advisory Group

July 24, 2017 Call

SUMMARY

Introductions

On 24 July, 2017, the Advisory Group (AG) of the Market Entry Standard (MES)¹ met for its first webinar. Participants introduced themselves (see “Advisory Group – Biographies” on [program page](#)) and noted the following points of interest or objectives for engaging with the MES:

- The MES could help to link existing supply chain assurance schemes with artisanal producers
- The MES is grounded in the principle of progressive improvement
- The MES can support sustainable and inclusive supply chains
- The MES will enable artisanal producers to begin participating in legitimate supply chains
- The MES will support reduction of mercury use
- While some downstream companies are sourcing artisanal gold responsibly using Fair Trade and Fairmined, the MES will help to develop the capacity of a larger share of downstream companies to source responsibly.

MES Milestones and AG Process

Jennifer Peyser, RESOLVE, provided an overview of the MES process and timeline. The Market Entry Standard project is developed by the Alliance for Responsible Mining (ARM) and RESOLVE. ARM is an NGO that supports formalization and improved practices by artisanal miners, and that has expertise in standards-setting for artisanal mining. RESOLVE is an independent consensus building and dispute resolution organization with expertise in environmental, health, and rights issues, including responsible sourcing and supply chains.

The project team will support the two primary bodies developing the MES: the AG and the Standard Committee (SC). The AG, which will be facilitated by RESOLVE, will provide oversight and direction on the general scope of the standard and its policy or orientation toward the issues the standard will assess, as well as alignment with other tools, potential challenges, and how the MES might be used. With facilitation from ARM, the SC will translate that guidance into a written standard, identifying the technical content of the standard and the specific indicators or data points to be assessed. (As a reminder, the AG terms of reference can be found [here](#).)

In addition to these committees, there are also two primary mechanisms for stakeholder input into the standard. In line with the ISEAL code for standard-setting, the standard development process will include public consultation through defined comment periods and formal consultation events. Additionally, ARM will be piloting elements of the draft standard at two sites in Colombia, providing real-world examples to support discussions of the standard. Per Creative Commons licensing, the draft standard can be field-tested in other pilots, including by other organizations, once it has been made public.

Jennifer provided an overview of the timeline for the standard development process and outlined the touch points for the AG in contributing to key milestones such as the following:

¹ Working title. Name to be revised.

- The [Terms of Reference](#) (ToR) for the standard was circulated to the AG in advance of the call and will be posted for a 2-month public comment period on 25 July.
- A draft standard is expected for AG review in late November/early December, after which it will be posted for public comment.
- A 2-month public comment period on the standard will conclude with discussion between the SC and AG about how comments should be addressed, with the first version (1.0) of the standard to be reviewed by the AG in April/May 2018.
- The AG will provide any feedback to the SC or will recommend that ARM (the maintainer of the standard) releases the standard.
- At appropriate points throughout the year, outcomes and milestones from the Colombia pilot of the draft MES will be shared with the AG.

The AG anticipates a total of 5 calls, including this 24 July call. For more detail on the timeline, please see the [MES Timeline slides](#).

MES Overview, ToR, and Proposed Structure

Felix Hruschka, Standards Director for ARM, provided a presentation describing the scope and function of the standard. His presentation outlined the context and need for the standard and potential risks that the standard design must consider and mitigate. The presentation outlined the nature and requirements of Open Source protocols and ISEAL's Code of Good Practice for Standards Setting, and discussed a few ways in which the standard might be adapted and updated through subsequent versions. The audio and slides from Felix's presentation are available [here](#). As previously noted, the draft ToR can be found [here](#).

In response to the presentation and review of the ToR, AG members shared the following reactions and suggestions:

- **Importance of value/incentives for artisanal miners.** A key role of the AG will be to advise on the design the standard to maximize the potential of users to create value along the supply chain, and especially at the level of the artisanal producer. In coming calls, the AG will consider potential uses of the standard and design considerations which integrate incentives and other opportunities, without adding substantially to the burdens already faced by artisanal miners.
- **Naming the standard.** While the draft name of the MES was effective in distinguishing it as a concept aimed at market access and due diligence conformance for ASGM rather than leadership standards (e.g., Fairtrade and Fairmined), stakeholder interviews and feedback has highlighted a need to reconsider the name for this tool. A revised name should work for the long term, be external facing, and seek to highlight the progressive improvement element of the tool and emphasize market access vs. potential barriers to market entry. The use of the term "standard" may also give the impression of a burdensome process. AG members agreed to consider alternative terms, as well as general guidance for what a revised name should convey, and will offer suggestions to RESOLVE, for discussion and decision on the next call. (Stakeholders reviewing the ToR are also welcome to comment on this.)
- **Defining risks.** On the call and in subsequent comments on the ToR, some AG members reflected on the nature of "unmitigable" risks. One drawback of this term is that it is not in keeping with a progressive improvement framework; it is also not technically correct as any risk has the potential for mitigation. AG members and the project team will continue to reflect on revising this term in keeping with OECD Due Diligence Guidance. (Note: The proposed language in the revised MES TOR is "risks that require disengagement according to the OECD DDG").

- **Grievance mechanism.** In response to a clarification question, ARM confirmed that grievance procedures will be incorporated into the standard.
- **Outreach and stakeholder engagement.** Members asked about plans for outreach to governments, who are key influencers of many ASM frameworks and operations. The project team will consider opportunities to seek government feedback, along with other stakeholders, in its engagement strategies (e.g., via IGF, OECD, or other fora).

MES Standard Committee

The project team is now in the process of recruiting SC members. A ToR for the SC is posted on [the project website](#); AG members may contact Natalia Uribe with suggested candidates.

PARTICIPANTS

Advisory Group Members

- Fabiana Di Lorenzo, Levin Sources
- Yves Bertran, Alliance for Responsible Mining
- Andrew Bone, Responsible Jewellery Council
- Neil Harby, London Bullion Market Association
- Cristina Villegas, Pact
- Leah Butler, Conflict Free Sourcing Initiative
- Anne-Marie Fleury, Responsible Jewellery Council
- Boukje Theeuwes, Solidaridad
- Ludovic Bernaudat, United Nations Environment Programme

Project Team

- Felix Hruschka, Alliance for Responsible Mining
- Taylor Kennedy, RESOLVE
- Jen Peyser, RESOLVE
- Marcin Piersiak, Alliance for Responsible Mining