



15th of April 2013

Fairmined gold opens up to new responsible markets

After reviewing the partnership on Fairtrade and Fairmined gold with both mining and market stakeholders over the past three years, the Alliance for Responsible Mining (ARM) and Fairtrade International (FLO) have agreed not to renew their partnership contract. As a result, the formal partnership on Fairtrade & Fairmined gold will end on the 22nd of April 2013, and the standards and label split up into two different systems.

The Alliance for Responsible Mining (ARM) believes that Artisanal and Small-Scale Mining (ASM) is increasingly being recognized as a sector that presents real development opportunities for impoverished communities worldwide. ASM today is at the heart of global development agendas and a broad spectrum of market players want to be part of its positive transformation. This increased visibility and commitment to change in the sector is presenting important new opportunities. By working independently ARM will have greater flexibility to respond and to serve both miners and markets in a more tailored way.

“We are utterly focused on realizing opportunities for Artisanal and Small-scale miners. We need to work together with all market players such as all jewelers, the industry and the financial market to ensure real sustainable development for mining communities in the future”, said Lina Villa, Executive Director in the Alliance for Responsible Mining.

Several of the certified mines have strongly voiced their concern that without increased market demand and sales, it will not be sustainable for them to continue in the certification scheme. In the face of this challenge ARM is committed to increasing fair market opportunities for the miners, with and for whom this initiative was created. To accomplish this ARM is looking to make adjustments to the business model, something that is done in coordination with stakeholders across all segments of the value chain. Recognizing that jewelers, traders and the industry have been frustrated with some of the restrictive barriers of the current Fairtrade & Fairmined model, ARM is committed to finding creative solutions that will be mutually beneficial for the miners and the market. As an example, ARM is currently exploring how to lower costs for jewelers without compromising the developmental nature of the FAIRMINED initiative.

The FAIRMINED model will be open to all market players wishing to make a positive impact on responsible mining. It will continue to provide gold for businesses selling labeled products with strict traceability requirements and product composition rules (no dilution) and it will provide a new business-to-business model for non-labeled products. This will allow all committed brands to increasingly incorporate ethical sourcing into their supply chains while supporting formalization, the recognition of mineral rights, and market access for the Artisanal and Small-scale Mining sector.

Some jewelers have voiced concern that they feel their supply of certified precious metals may be in jeopardy when opening up the model. The reality is that less than fifteen percent of available certified gold is being sold into the Fairtrade & Fairmined market. ARM will continue to work hand in hand with mining communities already working towards certification to ensure that there will be an adequate supply of FAIRMINED certified precious metals. Should supply ever become an issue, measures will be put in place to preserve the necessary supply for the artisanal jewelry market.

“The Alliance for Responsible Mining is a global pioneer and leader in the responsible artisanal mining movement. Our strength comes from the mining communities with and for whom we work. Together we are excited for the future of FAIRMINED and the continued growth of the responsible mining network.”, said Maria Laura Barreto, Chair of the ARM Board of Directors.

For more information please consult the attached Q&A on the transition period and the future of FAIRMINED gold and Fairtrade gold.

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For more information please contact:

Siri Teilmann-Ibsen, Communications Coordinator.

tel: (+574) 3324711 and email: siriteilmann@communitymining.org

Notes to editors:

- The Alliance for Responsible Mining (ARM) is an independent, global-scale, pioneering initiative established in 2004 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.
- ARM's vision is for ASM to become a formalized, organized and profitable activity that uses efficient technologies, that is socially and environmentally responsible, that increasingly develops within a framework of good governance, legality, participation and respect for diversity, and increases its contribution to the generation of decent work, local development, poverty reduction and social peace in our nations, driven by a growing consumer demand for sustainable minerals and ethical jewelry.
- ARM's work is focused on four strategic areas: Standard Setting, Producer Support, Market Development and Advocacy and Communications.
- From 2006 to 2008, ARM led a multi-stakeholder process in Latin America to develop a collective vision and principles for responsible Artisanal and Small-scale Mining (ASM). These provide the foundation upon which ARM went on to develop Standard Zero for fair trade gold and associated silver and platinum. Standard Zero was the first standard of its kind and the foundation upon which the Fairtrade and Fairmined Standard was based on.