

CRAFT Committee meeting

May 28th, 2018 / Fifth GoToMeeting call
09:00 EST/COL | 16:00 CEST | 14:00 GMT | 07:00 PST | 00:00 AEST | 10:00 GYT
Duration: 1,5 hours

Support documents:

- Meeting presentation
- The CRAFT consultation comments matrix

Next Steps

- The Standard team will send the minutes of the meeting with the list of comments for revision of the members.
- The members will revise the minutes and if they want to add any suggestion or comment. They could address to nataliauribe@responsiblemines.org
- The Standard team will send the Doodle poll to the members to schedule the next meeting where the main point is the revision of changes made to the CRAFT Code.

Development of the meeting

1. Opening remarks and roll call

Yaw (the Vice chair) opened the meeting agenda and confirmed the assistance of the Committee members in this call.

2. Approval of the minutes of the last meeting

The Standard Committee was asked to approve the minutes of the last Committee Meeting (*January 17th*). No objections were raised and the minutes were approved.

3. Consultation summary and 4. Preliminary results of the pilots

Natalia presented the list of the CRAFT public consultation activities and the results after the consultation period (Feb 26 to April 26). The CRAFT team made more than 16 activities with the support of some Advisory Group and Standard Committee members (4 webinars, 5 workshops with miners, 2 meetings with Colombian government and stakeholders, 1 side session in the OECD Forum, 1 presentation in the ASGM roundtable, 12 online questionnaires were complete, 10 tracked-changes revisions of the document, 50 one to one interviews.

Some figures: 370 participants, activities in 7 countries and global webinars, approximately 500 comments from 20 countries with all stakeholders groups.

She also commented about the first exercises to apply the CRAFT Code (the consultation version) in two mining sites in Colombia (Suarez and la Llanada). The team carried out interviews with the miners and local and regional stakeholders related to Human Rights, Mining formalization, Security. The main outcomes are: the CRAFT intention is widely accepted, the risk identification is complex because the topics are critical in conflict zones and the information is sensitive. However, it is possible to get information about the risk identification, although it is not exact due to the nature of the requirements. One key element is the confidence to get the information of the local stakeholders.

5. Processing of comments

Felix commented that we received more than 500 comments. We tabulated the comments and categorized in three different categories:

Comments beyond agreed intent and approach of the CRAFT (e.g. alignment with OECD DDG, Open Source characteristics, etc.)

→ **Out of scope, not addressed**

Comments recorded for future CRAFT development; classified according to:

- No change proposed
- No change required
- No change recommended by CRAFT team

Specific comments proposing modifications, identified gaps and errors, suggestions for improvement or clarification

→ Issues to be addressed for release of version 1; classified according to:

- Strategic topic ... for main discussion at AG level
- Technical topic ... for main discussion at SC level
- Editorial topic ... to be addressed by team

6. Guidance of the Advisory Group (AG)

The last AG meeting was on May 16th where the CRAFT team took four strategic topics to receive their guidance about how to address in the CRAFT. The following table shows the AG recommendation in each issue.

Product Scope (gold)	Alignment of WFCL in Module 3 with DDG Annex II	Range of corruption (from friendly tip to criminal bribe)	Module 5: additional requirement on basic health services
<ul style="list-style-type: none"> • Various comments in favor of broadening product scope beyond gold • One comment in favor of being more gold-specific using the term ASGM • AG Recommendation: • Recognize that the Code was developed and consulted with gold • Acknowledge the interest in expanding the CRAFT to include other minerals. • Revise the text of code to be commodity-neutral, except in cases where the criteria specifically relates to gold. 	<ul style="list-style-type: none"> • Consultation outcomes are not conclusive. Comments from: a) practitioners and miners that WFCL requirement in Module 3 is still too strict b) CL advocates that WFCL requirement in Module 3 is too permissive. • AG Recommendation: • Maintain the current requirements • Expand the guidance on specific activities that exemplify WFCL and what activities do not and would be permissible under modules 3 and 4, including a list of non-permissible activities. 	<ul style="list-style-type: none"> • What source should be used for simple but “authoritative” definitions of terms like <i>extortion, illegal taxation, bribes, facilitation payments, gifts, tips</i>, etc., to make clear to the target audience (miners) what is acceptable and what not? • AG Recommendation: • The OECD Anti-Bribery Convention could offer a definition. 	<ul style="list-style-type: none"> • One consultation participant provided a fully elaborated proposal for a requirement on basic health services: “Members of the AMP receive basic health services that are widely available.” • AG Recommendation: • the AG would like to review the proposal received for further consideration and reaction.

7. Main topics of comments

Felix listed the technical and editorial issues to discuss during this call:

- Sharpen gender lens throughout Code
- Concept status of performance indicators
- Explain underlying theory of change
- Procedure of “downgrading” of AMPs in case of re-appearing Annex II risks
- Geographic scope in transboundary ASM areas

Editorial suggestions:

- Clarify role of standard maintainer
- Reference to UN guiding principles
- Change issue category of M.3/1.1.3/R.1
- Further clarify difference between Mod 3,4 and Mod 5
- Make (pass/fail/ progress) criteria as auditable as possible
- Address proposals to extend guidance
- Reduce length of document
- Improve readability of code
- Ensure consistency of wording
- Extend glossary
- Improve clarity between Legitimacy and Legality

The CRAFT team proposed to include the editorial changes in the document for a later revision of the CRAFT Committee members.

Standard team question?

Are you comfortable with the classification of the comments?

Members comments:

Members agreed on the proposal of the comments classification, structure and the assignment of responsibilities.

Seeking for the Standard Committee inputs...

a) Sharpen gender lens throughout Code

Modules and requirements already flagged (by comments) for sharpening gender lense:

Options:

- Change issue category of M.3/1.1.3/R.1. The team will change the sustainability category because it was only located in Women rights. This is a mistake that we will change.
- Add women miners in Organization scope description.
- Gender equality approach in the Modules 1,2, 3 and 4 and not only the requirements in Module 5.

Felix commented that a gender expert will analyze how to be more specific about gender and he invited the members to provide their writing feedback about this topic.

Members recommendations:

Include the women minerals selectors and the more disadvantaged groups in the organization scope description.

b) Concept status of performance indicators

The rating should not focus on the current development of the miners. It is better to focus on the willingness and the aspiration of the group to become better. This could be evaluated in performance Indicators.

This concept has to be developed more. The piloting is part of the consultation. It was only possible to evaluate if the criteria could be met but the time constraint does not allow to pilot the performance indicators.

The proposal is to mark the performance indicators as indicative. The final performance indicator is postponing to include them in the second version of the CRAFT. After the CRAFT will be adopted by more users.

Standard team question: do we mark the performance indicators as indicative because they have not been piloted?

Members comments:

Include them as guidance and to test in field. For example, to have a base of performance indicators in the next pilot projects of the CRAFT Code to be able to have inputs for the second CRAFT version.

c) Explain underlying theory of change

Standard team question: do we need to be more explicit in the CRAFT Code regarding the theory of change?

Proposals:

- Leave as is, to not overload the document for primary audience (miners)?
- Expand with more details on development approach etc., for easier uptake by downstream and civil society?
- In case of expanding: Introduction, Annex or Separate document?

Unanimous decision of the members: Keep the document as simple as possible (have an annex as complementary information to avoid overloading the Code).

d) Procedure of “downgrading” of AMPs in case of re-appearing Annex II risks

The changes or “downgrading” of the status of applicant, candidate, and affiliate. The team received a good observation because it is a gap in the Standard.

Proposals:

- If the AMP fails with one of the Module 3 requirements -> OECD DDG requires “disengagement”. How to treat an AMP that already has “affiliate” status?
 - Allow for fresh restart (“applicant” presenting a new application)?
 - Or
 - Additional status of “suspended” or similar? (How to call it to avoid stigmatizing?)
- If the AMP fails with one of the Module 4 requirements -> downgrading from affiliate to candidate status.

Standard team question: Seeking technical guidance from the SC. Other suggestions?

Members Comments:

Add an additional status level because suspension might be too strict.

e) Geographic scope in transboundary ASM areas

*The **organizational scope** of the CRAFT is the ASM Mineral Producer (AMP) which may comprise any de facto or formally established organizational structure of producers and optionally aggregators of ASM products operating in one single country.*

The team elaborated this scope description under the assumption that the miners are not multinational organizational structures. However, they might be miners who operate in the borders of the countries.

Proposals:

- Some exception clause or guidance for such cases? (Difficult to forecast in such cases all possible cross-border issues that may arise inside in internal supply chain of the AMP!)
- Explicit indication in the CRAFT: keep internal supply chain limited to one country (Maybe in specific exceptional cases not realistic, may “exclude” some miners)
- Leave it to CRAFT Schemes to individually resolve such exceptional cases (*open source case?*)

Standard team question: What approach shall we take?

Members Agreement:

Members believe that we should limit to one country because each country has its mining legislation and laws. In the same line, another recommendation was to stay with option 2 from the internal trading point of view, an informal border crossing of gold is not acceptable and it is valid for European imports.

Finally, if members want to provide additional guidance about the editorial comments. Feel free to contact the CRAFT team.

8. Next steps and any other business

The CRAFT team is doing the editorial changes and we will incorporate all Advisory Group recommendations, Standard Committee inputs and editorial comments over the next 2 weeks.

- Discussion of final draft in two Standard Committee meetings (June 11 and 18. Availability of Standard Committee members?)
- The members suggest to convene one single meeting and then writing approval for final comments. If the Standard Committee is comfortable with this. The team will circulate the draft and the members raise the issues to discuss in the meeting. Another suggestion was to convene one meeting and that day decides if it is necessary to have another meeting.

In case of reaching a Standard Committee consensus:

- Seeking Advisory Group approval and elevate to Boards of Directors of “standard maintainer (ARM)” for the official announcement of the CRAFT Code v 1.0:
- Aspired publication date according to EPRM project plan: end of Q2. This is the aspiration, the most important is to reach a consensus.

Present:

- **Yaw Britwum**-Solidaridad Ghana Programme Manager, Gold.-Vice chair

- **Cesar Ipenza**-Peruvian and environmental mining expert
- **Inaki Rodriguez Lazaro**- UNIDO Emerging Compliance Regimes Division
- **Lisa Sumi**-IRMA Standard Coordinator
- **Nimer Rivera**-Peruvian miner representative
- **Romain Kani**- miners representative spokesman (Burkina Faso)
- **Urica Primus**- Guyana Women Miners Organization (GWMO) president

Other participants

- **Patrick Schein**-ARM's Board of Directors, refiner

Project team:

- **Felix Hruschka**-ARM's Standards Director
- **Léa Boucheron**- ARM's alliances and new initiatives analyst (French translation).
- **Ana Maria Orjuela**-Standards and Certification analyst (Spanish translation)
- **Natalia Uribe**-ARM Standards and Certification Coordinator

Apologies and absentees:

- **Simone Knobloch**-Valcambi COO
- **Anne-Marie Fleury**-RJC Standards and Impact Director
- **Assheton Carter**-The Dragonfly Initiative Director
- **Bryan Fiereck**- Intel Conflict Minerals Program Manager/ **Andreina Rojas**- Intel Conflict Minerals Outreach Specialist
- **Daniel M Riascos**-Colombia Coodmilla coop representative
- **Fabiana Di Lorenzo**-Estelle Levin Limited Due Diligence Manager
- **Mariana Smirnova**-CFSI Project Manager
- **Mauricio Cabrera**-WWF Mining Policy Coordinator
- **Michele Bruelhart**-RBA Technical Director
- **Neil Harby**-LBMA Head of Good Delivery
- **Phaedon Stamatopoulos**- Argor-Heraus Director Refining & Bank Products
- **Renzo Mori Junior**-Researcher at Centre for Mining Sustainable Minerals Institute, University of Queensland
- **Sveta Morris**- Apple Program Manager | Responsible Sourcing
- **Tabara Cissokho** –miners representative spokeswoman (Senegal)