

CRAFT

A Tool to Support Due Diligence and Access More Sources of Formal Artisanal Gold

Artisanal miners produce **20% of the world's gold**, but the complexities of artisanal supply chains often mean that a significant portion of this supply is often off-limits for refiners and downstream customers who are committed to due diligence and risk management.

A new **Code of Risk-mitigation for ASM** engaging in Formal Trade (CRAFT) seeks to bring more legitimate artisanal gold to market by helping ASM producers and traders to demonstrate and document their conformity with Organisation for Economic Cooperation and Development (OECD) Due Diligence principles and guidance, while also **assessing other important environmental and social risks**.

CRAFT is being developed with guidance from and to link to standards and responsible sourcing schemes, including the **London Bullion Market Association**, **Responsible Jewellery Council**, and **Responsible Minerals Initiative**.



CRAFT will help refiners and downstream customers to:

- Access **more sources of formal gold**, including in remote areas;
- Demonstrate, document, and report their adherence to **OECD principles** and industry associations' standards and codes;
- Implement a practical and holistic **due diligence tool** that is designed and adapted for applicability in the **context of artisanal mining**.
- Demonstrate commitment to **supporting developing countries** and building artisanal capacity (values emphasized by the OECD and LBMA, among others); and
- A tool to **engage with suppliers** to develop progressive plans for artisanal mines on social, economic, and environmental objectives. These plans can be tailored according to need, opportunity, and the interests of downstream partners in partnership with artisanal producers.

How has CRAFT been developed? CRAFT has been developed by the **Alliance for Responsible Mining** and **RESOLVE**, with support from the **European Partnership for Responsible Minerals**.

The development has been advised and guided by a diverse coalition of strategic actors in the gold supply chain, including the Initiative for Responsible Mining Assurance, London Bullion Market Association, Pact, Responsible Jewellery Council, Responsible Minerals Initiative, Solidaridad, the Swiss Better Gold Association (SBGA), the United Nations Environment Program, and independent experts. Miners from Colombia, Peru, Guyana, Burkina Faso, and Senegal are also engaged in the development of the code. The **OECD** served as an observer of the process.

How does CRAFT facilitate due diligence for artisanal gold?

“Due diligence” describes an ongoing process to **identify, evaluate, report, mitigate, and monitor** the risks present at a mining site or within the upstream supply chain, such as **legal or human rights risks**.

All parties in the supply chain must engage in due diligence, and CRAFT gives clear steps to facilitate due diligence for miners, buyers, traders, refiners, and downstream companies.

CRAFT enables companies’ work on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (DDG) and legislation derived from the DDG, though **it is applicable for all ASM sourcing** and can be used in lower risk areas as well.

CRAFT aims at **facilitating upstream-downstream engagement** at the point where OECD DDG risks are mitigable.

CRAFT articulates clear pass, fail, and progress criteria for these risks. To be a CRAFT candidate, artisanal miners must demonstrate that they have made reasonable **efforts, in good faith** and toward **continuous improvement**, to address these risks with the support of local, national, and international players.

CRAFT also assesses a baseline for other **environmental and social** risks, to inform risk mitigation and improvement planning by the mine and supply chain partners.

CRAFT v 1.0 is now available!

www.craftmines.org

For further information contact standards@responsiblemines.org or Taylor Kennedy tkennedy@resolve.org

CRAFT | Code of Risk-mitigation for Artisanal and small-scale mining engaging in Formal Trade



Available in:
English Spanish and French

What’s Next for CRAFT?

In a next phase, with additional funding from EPRM, ARM and RESOLVE will continue to work with stakeholders on piloting and supporting uptake of CRAFT, as well as develop CRAFT v 2.0, contemplating additional criteria or risks and stakeholder input, with guidance from CRAFT’s multi-stakeholder advisors and a second round of public consultation. As a key element of uptake and support to miners, we will be developing a “CRAFT Impact Marketplace” to help potential buyers, donors, and impact investors connect with CRAFT-conformant mines.