Buyers and refiners face ever-stricter requirements for the implementation of due diligence and risk management processes with their mineral suppliers in producing countries (particularly so if located in conflict-affected and high-risk areas). Such growing demands are reflected in instruments like the:

- Organization for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas;
- European Union Conflict Minerals Regulation (which will enter into force in 2021), requiring all European companies to apply Due Diligence Guidance; and
- Standard-setting bodies for industry responsibility, including the Responsible Jewellery Council (RJC), London Bullion Market Association (LBMA), and Responsible Minerals Initiative (RMI), among others.

A tool that facilitates market access focused on risk mitigation in artisanal and small-scale mining

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

A tool that facilitates market access focused on risk mitigation in artisanal and small-scale mining

1. A tool that makes it easier for gold buyers to apply due diligence in the sector, with a focus on a continuous development and improvement.
2. A gateway into the formal market for artisanal and small-scale miners, focused on the mitigation of the main artisanal and small-scale mining (ASM) risks.
3. A code of progressive compliance for ASM producers. It adopts the definitions of “ASM” and “legitimacy” offered in the OECD Due Diligence Guidance.
4. Intended to be globally applicable; no areas are excluded.
5. Designed to apply to artisanal gold in any tradable form. However, it can be adapted for other minerals.
6. Closely aligned with the OECD Due Diligence Guidance. Modules 3 and 4 are directly linked to the risks outlined in “Annex II” of the Guidance.
7. An open-source code released under the Creative Commons CC BY-SA 4.0 license.

The creation of CRAFT benefits artisanal and small-scale miners, as well as their communities and countries.

It enables miners to:
- Access legal supply chains and sell their gold under better trading conditions;
- Understand their buyers’ expectations and needs and the international requirements for supplying gold; and
- Take on an approach of continuous improvement in their organizational, environmental, labor and social mining practices.
It helps countries achieve the following:

- Trust that the artisanal and small-scale miners that adopt CRAFT are making efforts to mitigate mining-associated risks and to make headway towards improvement of their production practices;
- Be assured that the gold-purchasing companies that use CRAFT will be operating out of respect for human rights and avoiding contributing to conflict;
- Bring about positive changes in promoting sustainable economic development for mining communities, by facilitating their access to legal markets and encouraging them to improve their practices;
- Increased public revenue and reduced proportion of gold that funds conflict, human rights abuses, and illicit activities; and
- Improved environmental resource management.

**What is Due Diligence (DD)?**

DD is an ongoing process to identify, evaluate, report, mitigate, and monitor the risks present at a mining site or within the sector (such as legal risks or the lack of human rights). The miners must demonstrate that they have made reasonable efforts, in good faith and toward continuous improvement, addressing the risks with the support of local, national, and international players.

While the buyer bears responsibility for the due diligence process, all parties in the supply chain must engage, and CRAFT gives clear steps to facilitate due diligence for miners, buyers, traders, refiners, and downstream companies.

---

### CRAFT implementation

**What is the role of national, regional, and local institutions and actors in CRAFT implementation?**

- Facilitating access to information used to identify and mitigate risks;
- Supporting miners in their efforts to continuously improve their mining practices and helping put them on the path to formalization;
- Generating actions that enable buyers and miners to adopt CRAFT;
- Taking part in strategies for risk mitigation; and
- Improving processes and channels that allow legal supply chains to flow.

CRAFT has been developed by the Alliance for Responsible Mining (ARM) and RESOLVE, with support from the European Partnership for Responsible Minerals (EPRM).

---

**How has CRAFT been developed thus far?**

A diverse coalition of leaders and stakeholders in the gold supply chain has been formed to build this tool. Those involved include miners and their representatives from Colombia, Peru, Guyana, Burkina Faso, and Senegal; refiners, companies, and associations in the gold industry; representatives of initiatives and standards that define good practices and responsible sourcing; and subject-matter experts of global renown. The OECD served as an observer of the process.

---

**CRAFT v 1.0 was released on August, 2018.**

[www.craftmines.org](http://www.craftmines.org)

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

Available in: English Spanish and French