



Fairtrade and Gold

January 30, 2009

Fairtrade Labelling Organizations International and the Alliance for Responsible Mining board decisions to work towards agreement of standards for Fairtrade certification of gold during 2009

Background

Artisanal and small scale gold mining is an important livelihood for over 10 million people living in more than 70 developing countries. Characterised by high levels of poverty, these activities have long-term environmental and health impacts for populations living in and around such operations.

Could Fairtrade labelling of gold help address these conditions, and create market access on terms that will help transform the lives of these miners and their communities? To explore this, the Fairtrade labelling network has been working with the Alliance for Responsible Mining to look at whether this approach could deliver sustainable improvements for mining communities, and if so how this might work.

A set of draft standards developed by the Alliance for Responsible Mining are currently being tested in 9 pilot sites in Latin America. These pilot programmes, which are being run with enormous commitment by the pioneer miners' organisations, have demonstrated some real potential in addressing the development challenges. The democratic organisation of miners combined with increased financial returns from access to Fairtrade markets would enable miner organisations to improve the environmental and working conditions at their mines, and also to develop community projects in education, health and economic diversification. This could lead to more enduring and sustainable development in mining communities.

What needs to happen next?

In December 2008, the Boards of both organisations agreed that work would be continued to take the development of Fairtrade standards for gold forward in 2009, with the focus very clearly on artisanal and small-scale gold miners. We are committed to a partnership approach for this work. The Alliance for Responsible Mining provides the networks and expertise to run a credible programme of support and development for artisanal and small scale miners, whilst Fairtrade provides opportunities for promoting market access on terms that will underpin this work through use of the FAIRTRADE Mark of FLO and the FAIRMINED mark of ARM.

However, we also recognised that a lot of hard work is still required before standards that will enable Fairtrade certification of gold can be finalised and agreed. In particular, there must be consultation with FLO producer groups to ensure that conflicts between mining organisations and agricultural farmers are avoided. Secondly, further work was requested to ensure credible and robust environmental implementation of the programme, and explore how more organisations with specific environmental expertise might be involved in this. Further work on traceability systems for gold miners and on adapting ARM's existing Standard Zero to fit with the Fairtrade standards will also be done. This work is being undertaken during 2009, including further stakeholder consultation ensuring we are listening and responding to any concerns raised.

When will decisions be made?

The results of the next phase of work, including the final joint Fairtrade and ARM standards for artisanal and small-scale gold mining, will be submitted to the boards of Fairtrade Labelling and the

Alliance for Responsible Mining in mid-2009. If approved by both boards, this could pave the way for gold products carrying the FAIRTRADE Mark, and ARM's FAIRMINED mark, to be available by 2010.

For more information on Fairtrade labelling of gold, contact Jessica Gordon, project manager at the Fairtrade Foundation for the gold initiative. Email: Jessica.gordon@fairtrade.org.uk.