

# Transparency in the supply chain: shining a light on Fairtrade gold

Consumers are used to seeing the Fairtrade mark on supermarket produce, but are yet to expect a similar standard in jewellery



Fairtrade hope to raise standards for workers in gold and silver mines. Photograph: Fairtrade

Consumers are now very familiar with Fairtrade coffee, bananas and flowers. It's quite remarkable that you can buy a £10 bunch of Fairtrade roses from Sainsbury's and know exactly which farm in Kenya they were grown on, because a transparent supply chain has existed for over 25 years.

Depending on which bunch you buy, they could have been grown on a farm that has educated the children of its farmers for many years, through primary school to secondary school and, for the most talented, on to university. A farm that also has a great environmental programme, including geothermal wells and a rhinoceros breeding station. A modest bunch of flowers can have real integrity.

Yet ask anyone who is married where the gold in their wedding ring came from and they won't know, despite the fact that it is likely to be one of the most significant purchases they ever make. This is what I want to

change.

Cred Jewellery is bringing the same supply chain management to the jewellery industry as supermarkets like Waitrose and Sainsbury's have done with fresh produce. Currently the gold market is fragmented with 90% of the world's gold produced by big mining companies. One Brazilian mine is excavating 600,000 tons of ore a day. What environmental legacy will that leave the surrounding area? Only 10% of the world's gold supply comes from small scale miners and they are often informal or illegal, using dangerous working practices and leaving high levels of pollutants behind.

Large scale refineries have taken gold produced by dubious methods, refined it and then sold it into the supply chain as 'clean' gold. Although there are new international guidelines requiring refineries to demonstrate that they have sourced gold responsibly, earlier this year one of the world's largest refineries, based in Dubai,

was reported to have been engaging in 'cash for gold' deals without checking any paperwork for the gold they bought. They are not the only ones whose supply chain lacks transparency.

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Cred Jewellery is the pioneer for transparency and traceability in the gold supply chain, with our work resulting in gold being established as a Fairtrade product in 2011. Importantly, all aspects of the supply chain are audited by FLO-Cert, an independent certification body, to ensure that they achieve stringent standards. The importance of this credibility cannot be overestimated. There are over 1.4 million small scale farmers and workers around the world signed up to produce Fairtrade products. The benefits are a supply chain with integrity.

As well as receiving a fair price, for every kilo of gold purchased on Fairtrade terms, small scale miners earn a social premium of \$2,000 (£1,230) which goes to improve the social fabric of their local communities including schools, clean water, electricity and health care.

The system works, and the public trust the Fairtrade Mark, recognising that the producers are getting a fair deal.

The jewellery industry is 30 years behind the fresh produce industry in its supply chain management and needs to wake up. Just recently, we have started labelling our product with the contents and the origin of its gold and silver. We want to challenge the industry to come clean about where its materials come from and how they are produced. If the consumer wants to know where the gold in their wedding ring comes from and how it was produced, the only choice is Fairtrade gold, which has been independently audited by a body with 20 years' experience.

Typically artisanal miners in Africa earn less than a \$1 a day and live in extreme poverty, yet they are producing gold that could end up as someone's wedding ring. By choosing a ring that is made from Fairtrade gold, consumers can show they care about each other and that they care about helping small scale miners to enjoy a fairer and more sustainable future.