



# VIRTUAL SUMMIT: THE CRAFT CODE

**Host:**

**Neil Harby, Chief Technical Officer, LBMA**

**Speakers:**

**Dr Kevin Telmer, Executive Director, Artisanal Gold Council**

**Matthew Chambers, Chair, Chambers Federation**

29 October 2020

**<5%**

**<1%**

The Artisanal  
Gold Council  
(AGC)

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Global Experts  
leading the  
professionalization  
of the Artisanal Gold  
Sector



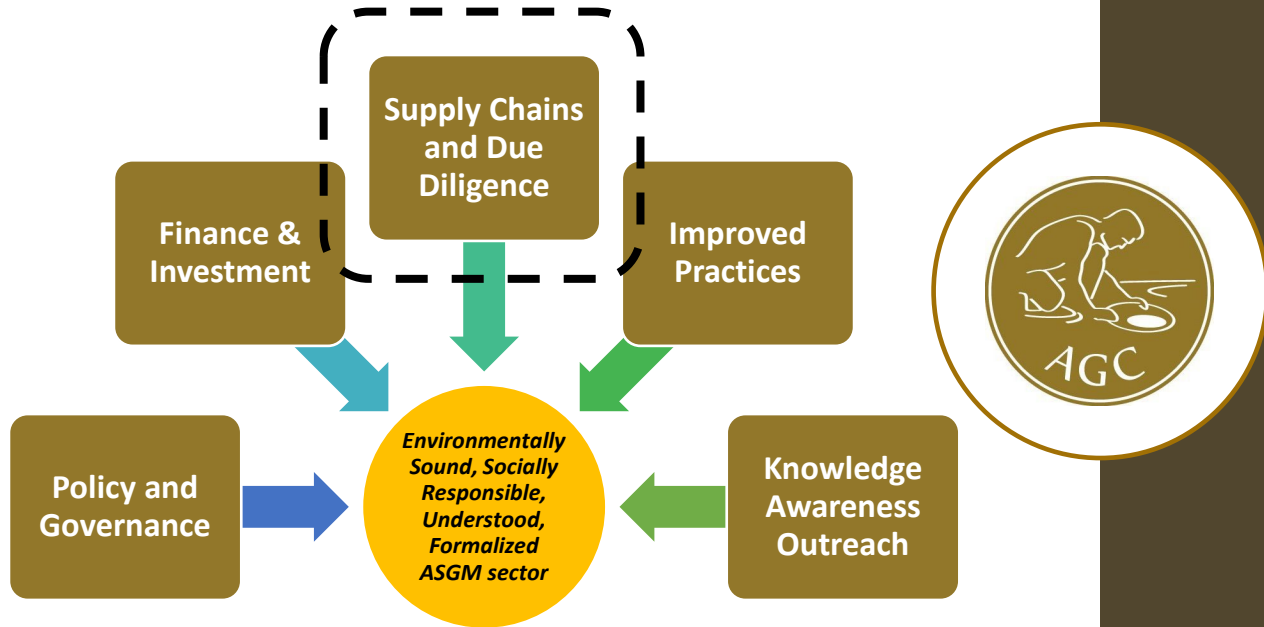
Improving Artisanal Gold Mining

Dr. Kevin Telmer, Ph.D.  
Executive Director

# Where we Work



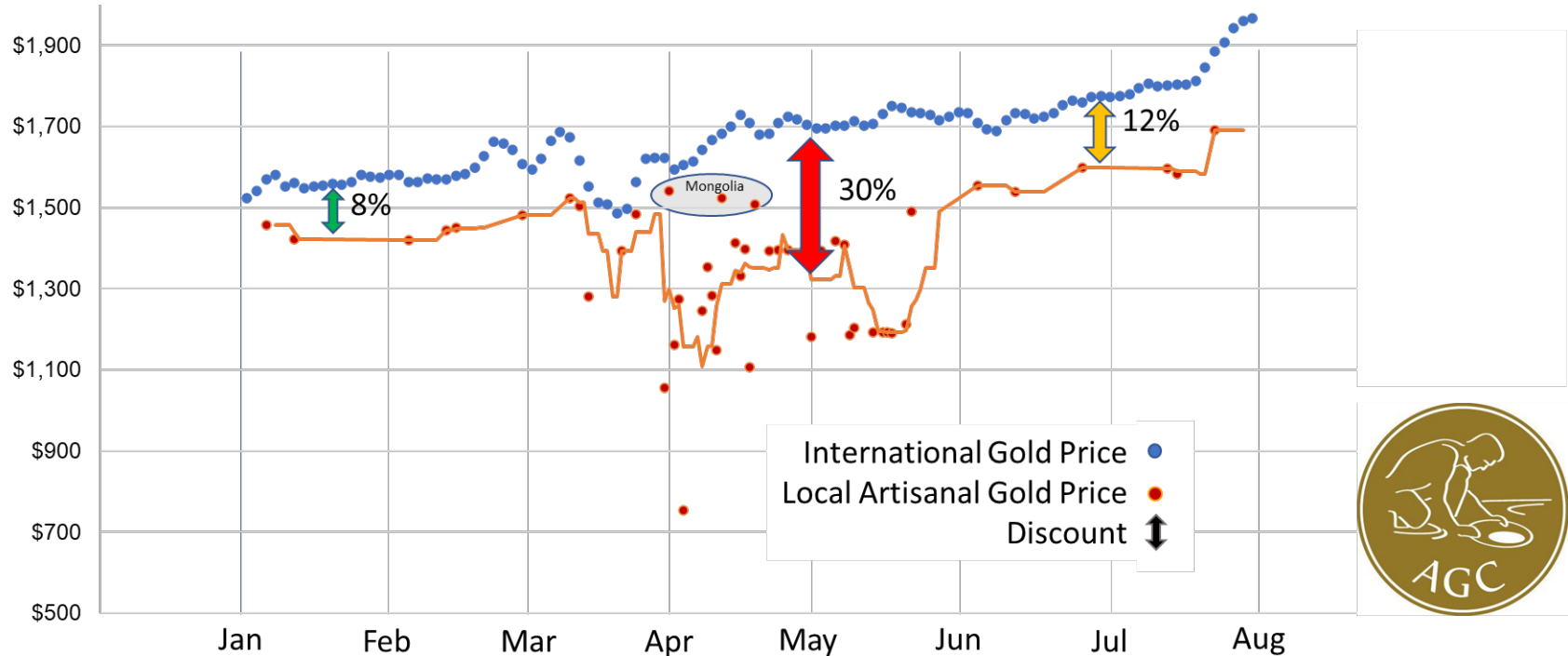
# Approach



# Artisanal vs International Gold Price through Covid-19

Cost of low resilience supply chains = 20 to 40%

2 or 4 billion USD in lost income to artisanal miners and communities



# Increasing Complexity to Sell Gold Internationally

Over the last 10 years the international gold market has introduced new regulations, standards and requirements to mitigate the risks associated with gold extraction and trading.



**OECD Due Diligence  
Guidance for  
Responsible Supply  
Chains of Minerals  
from Conflict-Affected  
and High-Risk Areas**



**London Bullion  
Market Association**



**European  
Union Conflict  
Minerals  
regulation on  
responsible  
mineral supply  
chains**



**Legislation on  
forced labor,  
child labor (UK  
and USA)**

It is estimated that over 90% of the gold refined in the world is done by refiners who have signed on to industry responsible sourcing programs.



# ARTISANAL MINERS' ACCESS TO THE GOLD MARKETS



- It is increasingly difficult for artisanal gold to be sold to the international market
- Unconnected they are more vulnerable to the conditions imposed by black market gold buyers including lower prices
- Progressively developing practices to meet OECD and LBMA standards can propel the gold sector towards greater economic and social values
- CRAFT is an open source instrument designed for the artisanal gold sector to implement the OECD guidance
- These codes purposely include and encourage an **ENGAGE AND IMPROVE** strategy for artisanal gold miners and artisanal gold supply chains

Ultimately, the solution is to

- **BUY THEIR GOLD!**





# CRAFT Code 2.0

## Guidance for the application of the due diligence in the ASM

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



**RESOLVE**

## Passport to formal markets



- A code of **progressive compliance** for Artisanal and Small-Scale Mining (**ASM**) **producers** and closely aligned with the **OECD Due Diligence Guidance**.
- **An open-source code** released under [the Creative Commons CC BY-SA 4.0 license](#). It may be used by any stakeholder in the ASM supply chain.
- A gateway into **formal markets** for ASM producers, focused on the mitigation of the main artisanal and small-scale mining (ASM) risks.
- A tool that makes it **easier for buyers to apply due diligence in the sector, with a focus on a continuous development and improvement**.



# Strategies Post COVID-19 Pandemic “Back to Basics”

- Prioritization of **open-source** virtual training and support, in compliment to the CRAFT Code
- **Financial Sector** engagement, which the LBMA has a strong role to play
- Taking the time to understand how **reform and deregulation** can help create **resilient, commercially viable, formal** supply chains
- Industry’s role in **public awareness** of the potential that ASM can bring for local development, its **positive role** to alleviate abject poverty in many areas of the world that are conflict-affected
- Investment into **Local Value Addition** initiatives, a great opportunity to develop **women’s economic empowerment** and reduce the **carbon footprint** of jewelry supply chains







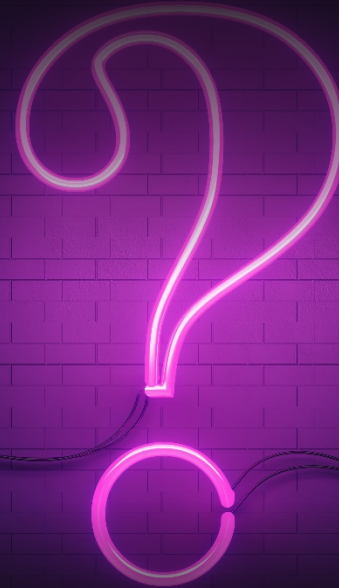




# WE WANT TO HEAR FROM YOU


If you had any questions during the webinar, have ideas for another, or would like to contribute a blog, please email [tayler.birch@lbma.org.uk](mailto:tayler.birch@lbma.org.uk) for further information.

<https://www.lbmaresponsiblesourcingsummit2020.com/>








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