



Dr. Gaetano Cavalieri, CIBJO President

INTRODUCTION TO RESPONSIBLE SOURCING GUIDANCE SESSION

October 15, 2017

Ladies and gentleman,

In many respects, I would describe the session that we are about to begin as historic. And I use that word most deliberately, even before the other speakers are heard, before audience members are provided the opportunity to comment, and before the outcome is decided.

Over the decades CIBJO has established itself as the primary arbiter of jewellery industry standards because of the way in which we operate. Decisions are not made behind closed doors, but in the full light of the day, with an open invitation for all parties to participate. As anyone who has been to a CIBJO Congress before can attest, and as those of you who are attending for the first time will find out, open participation is the name of the game. All subjects are addressed candidly and discussed at length. Experts are invited to give their opinion. We do not seek the most convenient solutions, but rather the most honest ones.

The moral authority of the CIBJO Blue Books, which is where we record our sets of industry standards, is vested in the process by which they are created, which as I said is inclusive and transparent. It is also self-critical and ongoing, working on the belief that perfection can be aspired to but never attained, and that conditions are constantly changing, and we need to adapt.

At the end of last year, we decided to investigate whether the method by which we have compiled our standards for diamonds, coloured stones, pearls, precious metals, coral and gemmological laboratories could be applied to the subject of responsible sourcing. We asked ourselves, would it be possible to create a responsible sourcing protocol that could be universally accepted, which would meet the ethical standards that our industry expects from itself, and at the same time be acceptable from the perspective of the international community?

Our goal in producing this document was not to compete with any other due-diligence systems, nor would it be something that we could enforce or police. Like the other CIBJO Blue Books, the standards and guidelines contained in the proposed CIBJO Responsible Sourcing document would be recommendations, as opposed to conditions of membership. However, they should come to serve as benchmarks for responsible sourcing systems developed and applied by industry organisations and commercial bodies worldwide, and for governments that may seek to create viable regulatory systems.

An operating principle of the Responsible Sourcing document was that it would be inclusive, meaning that there is an expectation that the standards, guidelines and systems that it describes can reasonably be applied by all members of the industry, irrespective of size or financial capacity.

Companies can choose whether they wish to demonstrate their compliance by being certified by an independent body, such as RJC, but if they stick to the guidelines in the document, they can reliably claim to be sourcing their supply responsibly.

To chair the special committee that we set up to manage the process, we appointed Philip Olden, a former managing director of the World Gold Council, who has been a consultant with Signet in the formulation of its responsible sourcing standards, and who has liaised on the subject with a range of international organisations, including the OECD, RJC, LBMA, the European Union and others.

I will not go in go into the process we followed. Philip will do that himself, I am sure. But it has been as transparent as we could make it, being subject to the review of a range of international bodies and experts involved in responsible sourcing, and well as to the review of the general industry.

Our intention has been that the Responsible Sourcing Committee would evolve into a Responsible Sourcing Commission, among whose responsibilities it will be to maintain what will be the CIBJO Blue Book of universal standards and guidelines for responsible sourcing in the greater jewellery industry, adding to and amending it when necessary, to ensure its continuing relevance.

The commission will also develop programmes for educating the gemstone and jewellery industry about the principles contained in the CIBJO Responsible Sourcing Book, and advise and liaise with companies, organisations and governments seeking to develop their own responsible sourcing systems and guidelines.

The commission will also develop and create tools and other materials that will assist individuals, companies and organisations apply the principles contained in the CIBJO Responsible Sourcing Book, with a special emphasis on meeting the needs of small and medium-sized enterprises.

A tremendous amount of work has done been since the beginning of the year, and we are delighted to be able to present and discuss it in this public forum. We are interested in hearing your thoughts.

But first let me hand over to Philip to present the guidance document.