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RESPONSIBLE ARTISANAL GOLD SOLUTIONS FORUM ANNOUNCES FIRST CONFLICT-FREE SUPPLY CHAIN FROM DR CONGO ARTISANAL GOLD MINE TO RETAIL IN USA

The [Responsible Artisanal Gold Solutions Forum](#) (Forum), with USAID and local partners, is proud to announce several milestones, including the first conflict-free artisanal gold from the Democratic Republic of the Congo (DRC) exported to U.S. jewelers.

Forum member Sasha Lezhnev, Deputy Director of Policy at the Enough Project, said, “This gold proves that it is possible to source conflict-free, responsible gold from Congo and bring it to American consumers. That’s a very important proof of concept. Other jewelry and tech companies should begin sourcing responsible gold from Congo, and governments should enact consequences on companies that smuggle conflict gold, which disincentivizes a responsible trade.” Consumers and investors can also make a difference by encouraging companies’ involvement in conflict-free sourcing and reporting.

With support from USAID, a pilot project was implemented in South Kivu, DRC to establish a conflict-free supply chain for artisanal gold. The gold was exported by Fair Congo, processed in the U.S. by Asahi Refining, manufactured into gold earrings by Richline Group, and sold through Signet Jewelers (operating under brands such as Kay Jewelers and Zales). Mark Hanna, Chief Marketing Officer of Richline Group, stated, “As part of the Forum, we are proud to be part of assuring that responsibly sourced artisanal gold from the DRC can be trusted, ethical, and economical.”

This pilot represents a number of firsts for the artisanal gold sector:

- First supply chain designed to source conflict-free artisanal gold from the DRC by U.S.-listed companies since enactment of the Dodd-Frank Act, section 1502, demonstrating the ability to comply with reporting requirements while sourcing from the DRC and African Great Lakes Region.
- First traced artisanal gold sourced from the DRC to be refined by a London Bullion Market Association (LBMA) “Good Delivery” certified refinery, demonstrating the effectiveness of due diligence systems and that responsible, international companies can engage in the region.
- First conflict-free, artisanal gold conforming to international due diligence standards (OECD, LBMA) to be exported from DRC to a U.S. jeweler, demonstrating that companies can support economic development in the conflict-affected region while avoiding illicit trade.
- First mine site and exporter to pilot the DRC’s traceability system (*Initiative de Traçabilité de l’Or d’Exploitation Artisanale*), demonstrating DRC government commitment to responsible artisanal gold.



Kyle Perry/Responsible Artisanal Gold Solutions Forum

The Forum is a multi-stakeholder, public-private partnership to address critical barriers to a legitimate artisanal gold trade in the African Great Lakes Region. Forum partners recognize that these milestones, while significant, represent first steps in the goal of building a responsible trade and market for artisanal gold from the region. The Forum’s objective is to make this project an example of good practice that is scalable, replicable, and sustainable.

Learn more about how to help build prosperous communities and sustainable livelihoods through responsible sourcing at www.ragsforum.org and www.journeyofgold.org.

BACKGROUND

In the Democratic Republic of the Congo (DRC), more than 95% of artisanal gold is mined illegally and smuggled out of the country. This flow of illegal gold contributes to the ongoing conflict in DRC, and results in the loss of millions of dollars of legal tax revenue annually. In this context, with support from USAID, the pilot project provided on-site technical support and training at the mine site to establish certified and responsibly sourced artisanal gold. Activities include building the capacity of miners and government officials to implement due diligence and traceability; training to improve the governance of the mining cooperative; and providing equipment to improve production, health, and safety.

A key success factor was to address downstream risk management concerns through effective due diligence. The pilot engaged Better Sourcing Program for due diligence and GeoTraceability for traceability from mine to export.

The jewelry produced from this gold, while internally tracked by supply chain partners, is not being marketed as a separate product line; rather than segregating the gold, the Forum’s goal is for parity among sources, made possible with effective implementation of due diligence. Next steps are to expand trade with responsible mines, with continued due diligence to enable integration with the global gold supply chain.

“Signet Jewelers is proud to be the Forum’s U.S. retail partner. Together, we aim to support the continuous improvement in the integrity of the global jewelry supply chain,” said David Bouffard, Vice President of Corporate Affairs at Signet Jewelers. “We look forward to responsibly-sourced artisanal gold from the DRC becoming part of the mainstream gold supply chain.”



Kyle Perry/Responsible Artisanal Gold Solutions Forum

Two other efforts supporting legitimate artisanal gold production and trade in the DRC include the [Just Gold](#) project of the Canada-based NGO, IMPACT, and a [pilot](#) by Germany’s Federal Institute for Geosciences and Natural Resources (BGR).

ADDITIONAL QUOTES

- LBMA Chief Executive, Ruth Crowell: “LBMA support initiatives that help facilitate responsible sourcing from producers in conflict affected and high-risk areas. One such initiative is the work being undertaken in the artisanal small-scale mining (ASM) sector by the RAGS Forum which LBMA have been actively engaged with from a very early stage. We congratulate them on



successfully taking responsible ASM gold from eastern DRC through an LBMA Good Delivery Refiner and into the market.”

- Matthew Chambers, founder of the Fair Congo initiatives: “We (Chambers Federation) funded the Fair Congo initiatives to show that it is possible to create sustainable social enterprises in high-risk areas. To then further show that it’s possible to build fair-trade, direct sourcing and create value-added supply chains has really demonstrated this market’s potential. It’s time for industry to come back to invest in the DRC, to promote peace and economic stability. Its beauty and potential, the story of its people, is ready to be told to the world. We look forward to scale our investment in the region.”
- Grant Angwin, President Asahi Refining: “As a leader in the precious metals industry, Asahi Refining recognizes the unique opportunity that we must play in the development, implementation and continuous improvement of responsible sourcing initiatives in high risk areas. The RAGS Forum DRC project exemplifies true supply chain collaboration in the artisanal small-scale mining sector. We are proud to be a part of this team and endeavor to continue the advancement of responsible supply chain development.”
- Dr. Catherine Picard, Chief of Party for the USAID-funded pilot project: “Establishing due diligence and traceability on site is an important aspect of any responsible mineral supply chain, but such efforts must be reinforced by strengthening the capacity of local actors to effectively govern their mineral resources.”
- Mark Hanna, Chief Marketing Officer, Richline Group: “As part of the Forum, we are proud to be contributing to the establishment of due diligence systems to support a documented, tracked and traceable process for artisanal gold from the DRC. This first completed proof of concept is evidence of the potential for scalability. Richline Group recognizes the importance of breaking the link between minerals and conflict in the Eastern DRC by reforming the process in the artisanal sector.”
- Adele Gwet, General Manager of the Fair Congo initiatives: “This pilot has shown that not only can responsible artisanal gold sourcing can be accomplished in high-risk areas, but it can be done in the most inclusive way with both of the local commercial actors being led by women.”
- Ferdinand Maubrey, Managing Director of The Better Sourcing Program: “Better Sourcing Program provides transparent and sharable mine site data collected by trained monitoring agents permanently based at the sites to allow for the demonstration of continual improvement that is at the heart of the OECD Due Diligence Guidance.”

ABOUT THE RESPONSIBLE ARTISANAL GOLD SOLUTIONS FORUM (www.ragsforum.org)

The [Responsible Artisanal Gold Solutions Forum](http://www.ragsforum.org) (Forum) is a multi-stakeholder coalition seeking to learn about and address critical barriers to the production and trade of artisanal gold from the Great Lakes Region in a way that verifiably meets national, regional, and international laws and standards for responsible sourcing.

The Forum has created [technical and communications tools](#) to support engagement of global companies with the artisanal gold sector based on responsible practice, such as the Artisanal Gold Due Diligence Toolkit. The Forum’s [Journey of Gold](#) virtual reality film and online action kit, presented by the Forum with funding by



Kyle Perry/Responsible Artisanal Gold Solutions Forum



Google and support from USAID, features artisanal miners who participated in this pilot and describes how companies and consumers can get involved in responsible sourcing from the DRC.