

# Steps to Sustainability

## *A guide to sourcing metals and gemstones responsibly*

BY IRINA MISSIURO

During the past decade, the jewelry industry has seen a surge in dedication to the responsible sourcing of precious metals and gems. The Millennial generation, whose members now compose the largest consumer buying group in the United States, is especially concerned with this topic: According to a recent KPMG Ethical Consumption survey, nearly 70 percent of Millennial consumers consider social issues such as sustainability, human rights, and fair trade—the essence of responsibility—before making a purchase. And they'd prefer to buy jewelry that reflects these values even if it means paying a bit more.

Likewise, many professional jewelry designers, makers, and retailers have recognized the importance of the sustainable movement. “I consider that practicing responsible sourcing is to be a thoughtful and caring adult who wants his or her legacy to be a contribution to the quality of life for future generations,” says designer Toby Pomeroy of Corvallis, Oregon. “Being an advocate of ethical sourcing, [and] using and promoting the benefits of responsibly mined gold, silver, and gems, has catapulted our business into the public view as visionary, caring activists committed to creating an equitable, sustainable future. We're known as a company that's up to something beyond simply



trading jewelry for money.”

It's a reputation that many jewelry designers and makers would like to develop. But what exactly are the steps involved to begin sourcing responsibly? Read on to find out what certifications to look for and the best questions to ask of your suppliers to ensure that you are getting the right metals and gems.

### Sourcing Metals

The first step in buying responsibly sourced supplies is knowing the different types of materials available, as well as the certifications issued to companies supplying those materials. Metals can be certified in any of several ways; each certification is independently audited, and each means something slightly different.

**SCS Responsible Source Certifica-**

**tion:** This certifies that precious metals have been obtained from recycled sources, conflict metals have been avoided, and environmental and social criteria have been met. It is offered by SCS Global Services, one of the largest third-party verification organizations in the world.

**SCS Recycled Content Certification:** This certification, also offered by SCS, evaluates products made from post-consumer material. It identifies the percentage of recycled content in the material, so an accurate claim can be made in the marketplace.

**Responsible Jewellery Council (RJC) Chain of Custody Certification:** This signifies that gold, platinum, palladium, and rhodium that's produced, processed, and traded through the supply chain conforms to the RJC's Code of Practices and

chain-of-custody standards. Certified companies have policy and risk management frameworks for conflict-sensitive sourcing practices, and meet certain standards for human rights, labor rights, environmental impact, and business ethics.

**World Gold Council's Conflict-Free Gold Standard:** Based upon internationally recognized benchmarks, this certification is designed to help companies provide assurance that their gold does not “cause, support, or benefit unlawful armed conflict or contribute to serious human rights abuses or breaches of international humanitarian law.”

**Fairtrade Gold Certification:** Developed by Fairtrade International, a global organization working to improve the lives of artisanal and small-scale miners, this designation assures that the gold is mined according to rigorous social, economic, and environmental criteria. Certified min-

ers establish democratic organizations and formally integrate respect for the environment and safe working practices into all their operations. Traders are required to pay at least the Fairtrade minimum price and an additional premium that miners invest in their community to improve living standards.

Fairtrade America, the official representative of the Fairtrade International system in the U.S., oversees the gold standards and supports businesses to convert their supply chains to Fairtrade certified sources. By complying with these standards, jewelers can label their gold with the Fairtrade mark. For more information, visit [fairtradeamerica.org](http://fairtradeamerica.org).

**Fairmined Standard for Gold and Associated Precious Metals:** Applicable to gold, silver, and platinum, this certification was created by the Alliance for Responsible Mining, whose stakeholders

include individuals and organizations from all parts of the supply chain worldwide. It ensures that operations of small-scale, artisanal mining communities meet internationally respected standards for environmental sustainability, safer working conditions, and community development. Currently, there are only 10 mines certified as Fairmined.

Metal certified as Fairtrade and/or Fairmined typically comes with a higher price. Stewart Grice, director of mill and refining at Hoover & Strong Inc. (which offers Fairmined metal) in North Chesterfield, Virginia, says the cost of Fairmined gold is about 15 percent higher due to the premium miners receive, but he emphasizes that “the additional cost is put to a good use. Installing mains, electricity, and water supplies for the mining community, building a medical center and a school are just some of the projects that have been completed at mines.” Grice sees Fairmined gold use as “a way for our industry to give back, to help those less fortunate than ourselves.”

For anyone concerned about the higher price, he recommends looking at it from another angle, saying that while this alternative is costlier, it is a smart way to appeal to younger consumers. A 2015 study on Millennial consumers conducted by Elite Daily, an online “Gen Y” news platform, and the consulting firm Millennial Branding echoed the sentiment. It revealed that 75 percent of respondents believed it’s either fairly or very important that companies give back to society instead of just making profits.

Vincent Ferrante, vice president of marketing for National Chain Group in Warwick, Rhode Island, offers a similar



*The first step in buying responsibly sourced supplies is knowing the different types of materials available, as well as the certifications issued to companies supplying those materials.*

sentiment. “Fairmined gold can be a selling tool for jewelers who wish to show their customers that they care about responsible, certified miners and their families, and follow strict requirements for social and environmental protection, labor conditions, and economic development in mining locations.”

Regardless of the certification your supplier has undertaken, the company “should be willing to show proof of certification and be able to provide documentation for the products they are selling,” says Ferrante.

However, this doesn’t mean that certification is a must. Because the certification process is lengthy and complicated, some companies don’t undergo or complete it. In addition, some companies already adhering to responsible sourcing guidelines don’t see the need for official documentation. Grice points out that while choosing a certified supplier offers peace of mind, “a non-certified supplier may be perfectly legit,” even if there is no way to guarantee its responsible practices.

Ferrante agrees. He says that buyers do not have to avoid suppliers who don’t have certifications, but they should request proof of product origination and assay for verification. (See also the “Questions to Ask” section on page 40.)

It’s also important to note that just because a supplier has been certified as responsible, that doesn’t mean every product it sells falls under those guidelines. “Some believe SCS covers all, but it does not,” warns Jean Poole, national sales manager of Umicore Precious Metals USA in Attleboro, Massachusetts. “[A company] might be certified to supply all gold under SCS, but not silver.”



*There is currently no organization in the business of verifying and certifying colored-gem mining operations. This means that buyers must be extra diligent when inquiring about colored gemstones.*

## Sourcing Stones

While there are numerous types of certifications for ethically and responsibly sourced metals, gemstones are another matter. Currently, diamonds are certified by the **Kimberley Process Certification Scheme (KPCS)**, which regulates the trade of conflict diamonds and prevents them from entering the market. However, KPCS does not ensure the source of rough diamonds or take into consideration the labor conditions under which the diamond has been mined, cut, or polished.

The SCS also has a **Certified Responsible Source Standard for Diamonds**. To achieve this designation, companies must go through a thorough review to ensure that their diamonds are produced under fair labor practices with minimal

harm to the environment. Even companies selling post-consumer diamonds have to trace the source of each diamond to validate the supply chain and ensure that environmentally and socially responsible practices were used during production.

However, neither of these certifications applies to colored gemstones, and there is currently no organization in the business of verifying and certifying colored-gem mining operations. This lack of certification means that buyers must look for companies that are transparent in their operations and that proclaim their dedication to sourcing their stones ethically.

Take the example of Columbia Gem House/Trigem Designs in Vancouver, Washington. They have long held a commitment to responsible practices and

*Regardless of a supplier's certifications or any claims on its website, always follow up with it directly by asking many questions.*

make every effort to convey that commitment to customers.

"We document in words and pictures," says Eric Braunwart, president and CEO. The company has also posted to its website ([columbiagemhouse.com](http://columbiagemhouse.com)) a 21-page guide to its own quality assurance and fair trade protocols. "It would be easier," Braunwart adds, "if we had a third party to say we were good people—I would not need to spend so much time trying to do it myself."

The fact that there's no formal certification available should encourage buyers to be extra diligent when inquiring about colored gems. Find out whether the gems are closely tracked from mine to market. Verify that the stone was legally sourced, that no synthetics have been added to the supply chain, and that any treatments are clearly disclosed. Other points to consider include the supplier's promotion of industry accountability, cultural diversity, and education. For instance, in its protocols, Columbia Gem House pledges to refuse support to any business that employs underage workers, pays below standard or minimum wages, destroys the environment, or supports terrorist or unethical groups.

For those interested in responsible gemstones but disheartened over the lack of certification, there's the alternative of synthetic gemstones and diamonds, which are increasing in popularity among ethical jewelry consumers. With recent develop-

ments in technology, these stones have become nearly indistinguishable from mined gems—chemically, optically, and physically. For many consumers, lab-created gems are the most sustainable gem option.

## Questions to Ask

The dearth of formal certifications for gemstone suppliers as well as the wide range of different certifications for metal suppliers can make shopping for responsibly sourced materials a challenge. So, where do you start?

Begin by checking out suppliers' websites, looking for indications of certifications or a dedication to sourcing their products responsibly. For help with finding responsible suppliers, Ethical Metalsmiths—an association of jewelers dedicated to responsible sourcing and sustainability—offers on its website, [ethicalmetalsmiths.org](http://ethicalmetalsmiths.org), a list of suppliers that it has identified as having publicly demonstrated their commitment to ethical practices.

Regardless of a supplier's certifications or any claims on its website, always follow up with it directly by asking many questions:

- Where are the mines from which they source their metals and gemstones located?
- How are the materials being mined?

- What are the working conditions of the mines?

- What are the ages of the workers at the mines? Does the mine ensure that no child or slave labor is used?

- What types of payments do the mine workers receive? What are the minimum wages?

- How does the mining company keep toxic waste out of the environment?

- Does the mining company take steps to reduce energy and water use?

- How does the mining company treat the local community?

- What premium is added to the cost of the metal? Is that extra charge contributing to the betterment of the mining community?

- Where and how are the materials being processed?

- Where are the gemstones being cut and polished? What are the working conditions at these facilities?

- Where do the additional metals, such as copper, used to make precious metal alloys come from?

- Can a supplier ensure that none of its materials has come from known conflict zones (such as the Democratic Republic of the Congo)?

- For companies dealing in recycled metals, how do they ensure the scrap they buy is legal?

- How are recycled metals refined?

This is by no means meant to be an exhaustive list of questions to ask your metal and gem suppliers, but it's a good starting point. Regardless of whether or not they're certified, responsible suppliers should be able to (as well as want to) answer these questions. ♦