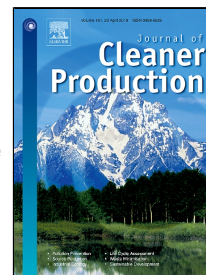


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Gavin Hilson, Alvina Gillani, Smirti Kutaula

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Towards Sustainable Pro-Poor Development? A Critical Assessment of Fair Trade Gold

Running Title: 'A Critical Assessment of Fair Trade Gold'

Gavin Hilson^{A*}, Alvina Gillani^A and Smirti Kutaula^B

*^A Faculty of Business, Economics and Law, University of Surrey, Guildford
GU2 7XH, United Kingdom*

*^B Kingston Business School, Kingston University, Kingston Hill, Kingston Upon Thames, Surrey, KT2
7LB, United Kingdom*

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Conflict of Interest

Gavin Hilson declares that he has no conflict of interest. Alvina Gillani declares she has no conflict of interest. Smirti Kutaula declares she has no conflict of interest.

* Corresponding author g.m.hilson@surrey.ac.uk

Abstract

This paper reflects critically on the progress made towards implementing Fair Trade gold programs capable of empowering subsistence artisanal miners in developing countries. Drawing on interviews with 'ethical' jewellers and officials at certification bodies, the very parties which have conceived and are ultimately driving these initiatives, it is argued that despite being projected as 'pro-poor', schemes are not empowering, nor in many cases even targeting, impoverished mining groups. Further analysis reveals that officials at certification bodies are chiefly responsible for this. Many have used stories of poor miners to engage 'ethical' jewellers enamoured with the idea of potentially alleviating poverty in developing countries through purchasing gold that can also be traced to the source. The case study reinforces claims that what constitutes 'fair' differs markedly throughout the supply chain.

Keywords: artisanal and small-scale mining (ASM); Fair Trade; gold

1. Introduction

Few ideas have captured the imagination of consumers more so than Fair Trade. The ‘face’ of ethical consumerism, Fair Trade portrays itself as a catalytic body capable of addressing unequal international market relations, and which empowers and supports marginalized small producers of ‘tropical commodities’ (Nicholls & Opal, 2005; Nicholls, 2010; Mason & Doherty, 2016). It simultaneously engages Western consumers by ‘speaking’ to them using innovative packaging, messages and imagery (Bryant & Goodman, 2004). As explained in greater detail by Goodman (2004), ‘Fair trade’s moral economy is written on the commodities trafficked from one part of the globe to the other’, in the process, ‘stitch[ing] consumers to the very places and livelihood struggles of production via embedded ethical, political, and discursive networks’ (p. 893). The meteoric rise in the sales of Fair Trade products over the past decade – In 2016 alone, £1.65 billion in sales of Fairtrade-branded products in the UK alone¹ – is a testament to the network’s ability to communicate, through stories and anecdotes, the fine details of smallholders’ struggles, and convince the public that purchasing certified products can help to alleviate hardship in developing countries. These ideas, Hilson (2014) explains, have ‘influenced purchasing by grafting a sizeable scar onto the consumer’s conscience’ (p. 54).

The excitement surrounding Fair Trade as an ‘alternative’ avenue for purchasing would be justified if it was fulfilling its stated objectives. Its network of more 1.2 million producers in 60 countries and approximately 30 national level/independent certification and catalytic bodies has inspired consumers across North America, Europe and Australia, convinced that their purchases are alleviating poverty, and in the process, changing conditions, in the poorest areas of the developing world. A functional Fair Trade network capable of connecting the impoverished producers of ‘tropical commodities’ in the South with consumers in the North would certainly go a long way toward transforming the lives of the poor, and making their income-earning strategies more sustainable. Proponents argue that by making the smallholder the centrepiece of its schemes, Fair Trade is a radical departure from the profit-driven capitalist system, providing a unique route to market that prioritizes the political, environmental and social dimensions of production.

The marketing and management literature provides a glimpse of what embracing Fair Trade in supply chains entails (Azzone and Noci, 1998; Shove and Walker, 2010). It is a process which, explain Oynas and Ryan (2015), begins with innovative re-conceptualizations of consumption, production and marketing practices, and involves fostering a connection with, and raising awareness of the struggles of, the smallholder. The Fair Trade network skilfully markets this story, emphasizing ethical, social and environmental concerns (Patala et al., 2016), which includes the aforementioned ‘stitching’ of consumers to areas of production. Fair Trade – at least on paper – requires that stringent sustainability criteria are adhered to throughout the supply chain, with a view toward ensuring that producers are continually protected from volatile markets (Reinecke, 2010).

The mostly-positive – though at times, overzealous – depictions of Fair Trade found in the marketing and management literature, however, are heavily disconnected from parallel analysis produced by geography and development scholars. This body of work focuses mostly on the producers, and paints a very different picture of Fair Trade to that which is often projected by the NGO community and to a large extent, marketing and management scholars. The geography and development studies literature has consistently argued that Fair Trade is *not* empowering waves of poor smallholders, as is widely believed, nor altering the very trade structures responsible for these individuals’ struggles. This paper builds on these points by offering explanations for why Fair Trade is moving in a very different

¹ ‘Fairtrade’s New Offers to Business Drive Greater Impact for Farmers’, www.fairtrade.org.uk/en/media-centre/news/july-2016/air-report (Accessed 3 December 2016).

direction to what is often portrayed. It focuses on the case of gold which, despite being a recent addition to the Fair Trade portfolio, is now the focus of a series of 'ethical' mineral schemes, the designers of which also claim to be sourcing traceable product from impoverished producers. But these developments have also been heavily scrutinized by scholars (see e.g. Hilson, 2008, 2014; Childs, 2010, 2014), who argue that officials at certification bodies have underestimated the challenge with developing programs around precious metals and minerals such as gold and therefore, much like Fair Trade agro-schemes, are failing to engage and include poor mine operators. Drawing on findings from interviews with key actors 'downstream', the analysis that follows adds nuance to these criticisms. It argues that certification bodies are designing Fair Trade gold schemes that are very different to those which are being described to consumers by 'ethical' jewellers, who are generally enamoured with the idea of engaging with poor miners and covet traceable product.

After reviewing the literature on Fair Trade, and setting the stage for this analysis, the paper outlines the details of the methodology for this research. The findings from interviews with 'downstream' actors – specifically, ethical jewellers and officials from certification bodies – are then analyzed, after which, concluding remarks are provided. The paper contributes to the body of literature on Fair Trade and ethical consumerism (e.g. Griffiths, 2012; Andorfer and Liebe, 2012; Rios et al., 2015; Child, 2015; Nicholls and Huybrechts, 2016; Mason and Doherty, 2016), as well as complements recent analysis on how the jewellery community is embracing these themes (Moraes et al., 2017; Carrigan et al., 2017).

2. Fair Trade: Impressions and Reflections

2.1 A Critical Overview

The recent surge of academic interest in Fair Trade has yielded rich analysis of the network's organization, impact and strategies. This work has been buoyed heavily by influential debates on globalization, liberalization and exploitation of the developing world's poor masses. But whilst fairly-detailed and descriptive, the growing body of literature on Fair Trade is, at the same time, highly-fragmented, featuring analysis produced by different groups of scholars who have tended to focus on selected segments of the debate whilst avoiding others.

On the one extreme is the marketing literature, which focuses heavily on ethical consumption. In addition to a series of timely reviews and critiques which summarize Fair Trade, highlight its antecedents and reflect on how it has been embraced by retailers (e.g. Low & Davenport, 2005; Witkowski, 2005; Wilkinson, 2007; Steinrücken and Jaenichen, 2007; Neyland and Simakova, 2009; Balderjahn et al., 2013), numerous studies have been published over the past 10-15 years which cast light on why consumers decide to purchase goods that are sourced more ethically. Pioneering analyses (e.g. Loureiro and Lotade, 2005; De Pelsmacker et al., 2005a, 2005b; De Ferran and Grunert, 2007) offered initial glimpses of consumers' attitudes toward Fair Trade products, which, for the most part, was determined to be positive. These studies provided inspiration for more detailed analyses of consumer attitudes toward Fair Trade and individual motivations for purchasing certified products (see e.g. Adams and Raisborough, 2010; Davies and Gutsche, 2016; Chatzidakis et al., 2016). Complementary studies have also been undertaken which point to consumer behaviour in this context being driven by hedonic factors such as price (e.g. Shaw et al., 2006; Cranfield et al., 2010), quality (e.g. Carrigan and Attalla, 2001; Iwanow et al., 2005) and supply (e.g. Shaw and Clarke, 1999; Bray et al., 2011); reinforce how ethical factors and values, such as producers' welfare and concern for the environment, continue to influence heavily the purchasing decisions of Western households (see e.g. Tanner et al., 2003; Doran, 2010; Brenton, 2013; Mai, 2014); and provide an extended analysis of consumers' willingness to pay (e.g. Campbell et al., 2015) as well as how labelling influences their purchasing decisions (e.g. Jahn et al., 2005; Jones and Williams, 2012). There is also a sizable body of

analysis (e.g. Nicholls, 2002; Littrell et al., 2005; Alexander and Nicholls, 2006; Doherty, 2008; Jones and Williams, 2012; van Herpen et al., 2012; Goworek et al., 2012; Yamoah et al., 2014) contained within the marketing literature which explores retailers' attitudes toward Fair Trade and examines how individual companies engage ethical consumers.

The management literature also contains several timely reviews of Fair Trade's origins and the organization of its networks (e.g. Moore, 2004; Hira & Ferrie, 2006). This body of scholarship, however, focuses heavily on the business model and governance structures in place for Fair Trade, as well as provides a fairly-comprehensive overview of its evolution. It examines how, since emerging from the margins as an 'alternative' and 'ethical' stream of production and purchasing, Fair Trade has become more mainstream (Doherty et al., 2013), to the point where, in many cases, consumers have become desensitized to the political and moral messages it connotes (Doherty et al., 2013). Some management scholars have argued that an inter-organizational relationship between Fair Trade and corporations could be achieved by pursuing a hybrid approach. This, they explain, would require corporations to begin identifying with the wealth distribution ethos of Fair Trade organizations, and modifying their images to reflect this (see e.g. Mason and Doherty, 2016; Nicholls and Huybrechts, 2016). This is already being observed with food giants such as Nestle (Pemberton, 2011; Jaffee, 2014) and Cadbury (Da Silva Lopes, 2016), which are forging – rather unlikely – partnerships with Fair Trade organizations. The analysis of Fair Trade found in the management literature is mostly positive and case study-focused, drawing on the experiences of selected manufacturers and distributors of certified products, such as Max Havelaar coffee (Davenport and Low, 2012), CafeDirect (Golding and Peattie, 2005) and Planet Bean (Fridell, 2009).

Most of the analysis of Fair Trade carried out by marketing and management scholars, however, is heavily disconnected from work found at the other extreme in the geography and development studies literature, which tends to focus on how certification schemes have impacted producers and local livelihoods more generally. This is the starting point and foundation for the case study of ethical gold examined in this paper. Some studies found in the geography and development studies literature respond – albeit unintentionally – to messages conveyed by marketing and management scholars, drawing attention to the markets Fair Trade organizations are supplying with products, and the tastes and awareness of the consumers they are targeting (see e.g. Linton et al., 2004; Wright, 2004; Howard and Allen, 2010). But most analysis on the subject found here is highly-critical, casting doubt about the ability of schemes and programs to alleviate the hardships of impoverished farmers. In addition to a series of pieces which reflect critically on the organizational apparatus of Fair Trade itself (e.g. Linton et al., 2004; Renard, 2005; Fridell, 2009; Doherty, Smith and Parker, 2015), the geography and development studies literature highlights several potential problem areas in production, drawing heavily on findings from detailed case study analysis of selected certified cooperatives and individual schemes. One significant concern raised is how, despite rhetoric that may suggest otherwise, Fair Trade does *not* challenge the tenets of globalization responsible for creating the very poverty that schemes are supposedly seeking to alleviate. The examples provided are numerous, and include certified cotton from Burkina Faso which, as Bassett (2010) explains, does not offer an alternative because it feeds the same commodity chain that impoverishes farmers in the first place, and countries such as Nicaragua and Guatemala, where Fair Trade coffee farmers now face stiff competition from multinationals (Johannessen and Wilhite, 2010) to produce a commodity that has devalued considerably due to non-traditional exporters, notably Vietnam, flooding the market with beans (Fridell, 2014).

A second problem identified concerns the premium itself which, it seems, is not catalyzing change as projected. A main reason why is, as Griffiths (2012) explains, that 40 percent of the Fair Trade

premium paid by consumers covers production and business costs, as opposed to being used to finance infrastructural projects or returned to producers. Moreover, with the advent of environmental criteria, certified producers are now being required to replace chemical fertilizers with less effective and more labour-intensive biological disease control methods and costly inorganic applications, expenses for which, as Omidvar and Giannakas (2015) point out, the Fair Trade premium does not offset. Several investigations, including studies of certified banana farmers in Dominica (Moberg, 2016), and coffee cooperatives in Nicaragua (Wilson, 2010; Valkila and Nygren, 2010) and Mexico (Weber, 2011), reinforce concerns that Fair Trade premiums are effecting little change in the lives of poor producers.

A final concern raised which is particularly relevant to Fair Trade gold is empowerment. Specifically, who is being targeted by Fair Trade schemes? As Bezencon (2011) explains, the 'general concern about Fair Trade' is that it can be exclusionary because of 'its propensity to generate elite producers . . . or its inability to integrate many producers' (p. 66). At the same time, it has excluded a much larger group of more needy individuals (Mohan, 2009). Several detailed field-based investigations, including studies of Fair Trade coffee in Nicaragua (Valkila, 2014), wine in Argentina (Staricco and Ponte, 2015) and sugar in Malawi, support the claim that schemes are indeed privileging a handful of elites whilst simultaneously excluding most subsistence farmers in desperate need of support.

The challenges with implementing Fair Trade schemes which are capable of empowering impoverished groups are enormous and cannot be overstated. But the excitement surrounding Fair Trade in consumer and retail circles overshadowed many of the concerns raised here and has led to the hasty implementation of programs and launching of projects. Perhaps more significantly, organizations have developed complementary certification schemes for non-agricultural products without taking stock of these glaring deficiencies. In recent years, there has been considerable attention paid to the precious minerals and metals extracted by artisanal and small-scale miners, in particular, gold. The same Fair Trade agenda has been adopted, wholesale, to develop schemes for these minerals, despite being fabricated into luxury items and a part of very different supply chains.

2.2 Fair Trade Gold Mining: Concerns and Challenges

In a supply chain, the opportunities for abuse are numerous. The standardization of procedures, however, is often identified as a strategy for facilitating sustainable business practice across the supply chain (Amaeshi et al., 2008). In the case of Fair Trade, the objective is to certify product as well as monitor business practices, from the producer through to the consumer. It seeks to change conventional trading practices by empowering and assisting marginalized producers from the Global South, and to protect and improve their social and economic well-being.

Are ethical mineral schemes capable of delivering this objective? The present analysis examines schemes prioritizing gold (Table 1), with special emphasis on the two pioneering, and the most far-reaching, interventions: 1) projects modelled upon the *Fairtrade Gold* blueprint, which is managed by Fairtrade International, and 2) those affiliated with *Fairmined Gold*, coordinated by the Colombia-based NGO-turned-industry organization, the Alliance for Responsible Mining (ARM). Both schemes emerged from *Standard Zero for Fair Trade Artisanal Gold and Associated Silver and Platinum*, a blueprint of ethical standards for small-scale gold mines which officials at ARM and Fairtrade UK developed and refined, in unison, following numerous consultations with experts, over a period of five years (Hilson, 2008; Hilson et al., 2016).

Similar to the way in which Goodman (2004) describes how ethical food items 'speak' to consumers in supermarkets, organizations such as Fairtrade International and ARM – hereafter referred to as

'certification bodies' – have sought to mobilize the public with imagery. Their websites and literature are laced with pictures of artisanal miners working in precarious conditions; project how connecting with these operators can alleviate their hardships; and are populated with messages designed to engage consumers such as 'Fairmined partners exclusively with artisanal and small-scale mining organizations who have shown passion for and commitment to responsible mining', 'Fairmined transforms mining into an active force for good, ensuring organizational and social development and environmental protection',² and 'This groundbreaking initiative [Fairtrade Standards for Precious Metals] enables ASM miners to improve their livelihoods and it assures concerned consumers that gold jewelry they buy is responsibly sourced'.³ These organizations also hint that their programs are transformative and remove miners from the shackles of exploitative middlemen, skilfully using passages such as 'Exploited by some middle men... [and a] precarious way to earn a livelihood that often leaves miners living in poverty'⁴ and 'Exploited by some middle men, their access to markets is limited and they rarely receive a fair price for their product'.⁵ Combined, these efforts have grafted a scar on the conscience of many consumers on the brink of making an emotional purchase such as wedding ring.

But a wave of recent studies (Hilson, 2008, 2014; Childs, 2008, 2010, 2014; McQuilken, 2016) suggests that the image being projected by these organizations is very different to what has transpired on the ground. Neither appears to be targeting the sector's most impoverished operators or the miner equivalents of the subsistence farmers who are allegedly the centrepieces of Fair Trade agro-schemes. Identifying and dialoguing with these individuals would require a sizable commitment from these organizations. As recent research has shown, the neediest mine operators are found in the informal economy due to their inability to secure licenses, the result of exorbitant registration fees, stifling bureaucracies and/or an unavailability of land (ILO, 1999; Hilson et al., 2016). Diagnoses of their situations have been grossly oversimplified and projected inaccurately to consumers: their day-to-day reality is the extraction of high-value precious metals and stones, often under the watch of landowners, chiefs and occasionally, warlords, typically under exploitative means, and out of the reach of regulators. Connecting these individuals to Western markets, let alone empowering them and alleviating their hardships, therefore, will require much more than issuing newly-minted standards. Moreover, and as captured in a number of countries with large ASM sectors, including Papua New Guinea (Sasapu and Crispin, 2001; Moretti, 2006), the Philippines (Almaden, 2015), Indonesia (Libassi and Peluso, 2016), Ghana (Hilson, 2010; Hilson and Garforth, 2013), Malawi (Kamlongera, 2011) and Sierra Leone (Maconachie and Binns, 2007; Maconachie, 2011), many individuals engage simultaneously in both gold panning/extraction *and* farming. This, in turn, makes pinpointing *who* would remain involved in ASM, should it be supported by schemes such as *Fairtrade Gold* and *Fairmined Gold*, challenging but certainly necessary as not everyone engaged in the sector is an aspiring mining entrepreneur.

[Insert Table 1 Here]

² 'The Biggest Positive Impact: Community Mining', www.fairmined.org/why-fairmined/ (Accessed 12 February 2017).

³ 'Gold Network' www.fairtradeafrica.net/networks-and-partners/gold-network/ (Accessed 5 March 2017).

⁴ 'Discover Fairtrade Gold', www.fairtrade.org.uk/discovergold (14 February 2017).

⁵ 'Fairtrade Gold: An Industry Breathing', www.fairtrade.org.uk/~media/fairtradeuk/media%20centre/documents/gold%20policy%20report%20-%20final%2013%2001%2015.ashx (Accessed 10 February 2017).

But certification bodies have shown little interest in becoming catalytic entities – that is, spearheading efforts to identify the most impoverished ASM operators, assisting them with obtaining their licenses, and putting individuals in an improved position to participate in programs. They are rather – and admittedly – pursuing the ‘low-hanging fruit’, namely the medium-scale miners who have little problem meeting the stringent standards of either scheme and who are well-organized and in a position to export gold. As Figure 1 illustrates, most of these operations are located in countries with well-developed gold mining economies but importantly, were successful enterprises long before partnering with either certification body. Other operators have been courted in countries such as Kenya and Uganda, where mining is not a focal point and therefore not seen by policymakers as a priority sector, economically. In locations such as these, there is bound to be less resistance from host governments. This casts further doubt on the ability of these schemes, in their current forms, to have a transformative impact in countries where ASM is a staple activity and dynamic, and more broadly, the level of commitment certification bodies have to alleviating poverty in this sector.

It raises even broader concerns about the decision-making apparatus for ethical gold, as well as what product jewellers believe they are supplying to customers. This was a point raised by Hilson (2014), who argued that ‘a lack of consensus of what constitutes ‘fair’ in the context of mining, as well as a generally low level of familiarity with the dynamics of artisanal mineral production, has created a significant policy vacuum, a sizeable space in which organizations have been free to design and launch their own programmes, often with very little guidance or pressure from donors and policy makers’ (p. 60). What is often lost in the excitement surrounding ethical purchasing and imagery which depicts consumers connecting with and subsequently empowering impoverished producers is that Fair Trade is a Western construct, the manifestos and rules for which are conceived in developed countries. The financial ‘imbalance’ in the Fair Trade network is an issue that has been extensively examined in the literature (e.g. Lyon, 2007; Naylor, 2014; Besky, 2015) over the past decade. Scholars have repeatedly pointed out how, in addition to failing to challenge organizations such as the WTO and IMF, which are responsible for implementing global trade policies that marginalize populations in developing countries in the first place, it is the decision-making bodies and retailers based in Western countries that set the rules and devise certification standards and ultimately benefit mostly from Fair Trade.

There is a need for a more nuanced understanding of the policies and strategies of certification bodies, as well as the relationships they have forged with the host of ethical jewellers they are supplying. The discussion that follows addresses these issues, drawing on findings from interviews with the actors who populate the downstream positions in the ethical gold supply chain. The analysis is built around the following research questions:

- 1) Who is driving the Fair Trade Gold agenda, how are decisions arrived at, and what is the rationale for targeting solely medium-scale operators?
- 2) Are these schemes capable of empowering impoverished artisanal mine operators?
- 3) What does ‘fair’ mean in this context?

After briefly outlining the methodology, the paper reengages, implicitly, with these questions through a comprehensive analysis of the policy machinery in place for ethical gold, and critically reflects on the meaning of ‘fair’ in this context.

3. Methodology

To help answer these questions, this research draws on findings from selected interviews with ‘downstream’ actors in the Fair Trade gold supply chain. A list of jewellers who carry products fabricated using gold certified by the *Fairtrade and Fairmined Standard for Gold and Associated*

Precious Metals was followed, retrieved from the Fairtrade Foundation UK's website, in August 2013 (initially viewed in May 2012). At the time, there were 42 jewellers on this list, an eclectic group that included boutique and High Street shops, scattered across the country though mostly concentrated in the Southeast of the UK. At the time of writing, the list had expanded to 53 (see <http://ido.fairtrade.org.uk/where-to-buy/>) but is now made up of jewellers who *only* deal in gold certified by the *Fairtrade Gold Standard* because the website's host is Fairtrade Foundation UK. All 42 were approached, and 20 agreed to an interview, each of which lasted between 45 and 90 minutes. As the objective was to survey the opinions of these jewellers on complex phenomena, including the meaning of Fair Trade and the ASM sector, a series of semi-structured, open-ended questions were asked, in line with Yin (1994) and Creswell (2003).

Officials from three certification bodies were also interviewed. Special emphasis was placed on determining which miners these organizations dialogue and partner with and why, as well as broadening understanding of the relationships they have forged with jewellers. Multiple officials were interviewed from each organization; each is based and active in different areas of the developing world, which, it was believed, would yield a more comprehensive picture of Fair Trade gold. In most cases, these individuals were asked to base their answers on their experiences in sub-Saharan Africa, which, because of the ubiquity of low-tech ASM setups and rampant corruption found here, was believed to be one of the most challenging locations to empower and maintain dialogue with impoverished operators.

The analysis that follows reports findings from this research, drawing on selected quotations, extracted verbatim, from interview transcripts. In each instance, the respondent is anonymized, apart from indicating whether it was an official from a 'certification body' or 'jeweller' interviewed.

4. Fair Trade Gold: Operationalizing the Blueprints for Pro-Poor Development?

4.1 The Policy Machinery

To recapitulate, by inspiring consumers through imagery, Fair Trade seeks to truncate the supply chain by bringing them 'closer' to producers. Mobilizing the 'Consuming North' to purchase goods at slightly higher prices and which have been sourced more ethically stimulates more equitable trade for the 'Producing South' (Naylor, 2014). For Fair Trade schemes to 'work', there must be willing participants on both sides of these supply chains: buyers pay the premium, in turn, guaranteeing producers a minimum price and reducing their vulnerability.

In the case of *Fairtrade Gold* and *Fairmined Gold*, there are, at the one extreme in the 'Consuming North', the certification bodies as well as the jewellers or retailing space, and at the other extreme, in the 'Producing South', the ASM operators who supply gold. As indicated, the catalytic organizations that oversee the certification of operators producing and which are sourcing supplies of *Fairtrade Gold* and *Fairmined Gold* are Fairtrade International and ARM, respectively. Both sets of standards emerged from the *Standard Zero for Fair Trade Artisanal Gold and Associated Silver and Platinum* which, in 2006, officials at the latter unveiled to a panel of ASM experts who were asked to review criteria pertaining to several key areas: health and safety, environmental management, gender, child labour, sustainable livelihoods, governance, formalization and marketing. A second comprehensive review of *Standard Zero* took place in early-2007 in Lima, Peru, where feedback from workshops, attended by a combined 300 participants, held across South America and Africa, was shared. The revised *Standard Zero* that emerged followed the typical Fairtrade grouping of social, labour, economic and environmental development. It would ultimately become the foundation for both sets of standards (Echavarria, 2008).

The energy and dedication displayed by the architects of *Standard Zero* certainly deserves praise. But a disconnection from, and limited understanding of, the dynamics of the more impoverished ASM communities has spawned two schemes which are *exclusionary*, their designs shaped by a blueprint of standards that has proved to be beyond the reach of most artisanal and small-scale mine operators. As Hilson and McQuilken (2016) explain, this is due to Fairtrade and ARM pushing sets of standards modelled after sophisticated and semi-mechanized operations located in unique geological settings in Latin America, and in their quest to ‘internationalize’ their schemes, searching for similar activities elsewhere. Although the stated objective of Fair Trade is empowerment of marginalized producers (Moore, 2004; Doherty et al., 2013), there is nothing which suggests that either scheme could have a transformative impact on the lives of informal miners.

It is not the intention here to further underscore this point but rather to draw attention to how certification bodies have persuaded jewellers that they are, indeed, catalytic bodies capable of empowering the world’s poorest ASM operators. The jewellers interviewed seemed convinced of there being, as one put it, ‘a really positive story behind it [ethical jewellery] to really help people’.⁶ Most seemed convinced that the premium customers are paying to purchase jewellery fabricated in line with standards such *Fairtrade Gold* and *Fairmined Gold* was being used to help alleviate the hardships of artisanal miners, as the following interview excerpts suggest:

The extra premium helps with all those things...which can bring people out of poverty...For me I feel like it is bringing the miner out of poverty...it’s a slow process, but it’s much better than them being exploited by somebody else paying them less money for their gold.⁷

Why the hell wouldn’t you want do something that would maybe benefit other people, and show some traceability? I think I woke up to it a bit late...⁸

Being able to make sure that they do get this fair wage and that fair wage gets pumped back into the community, so they can strive for a better life. It’s brilliant...it feels like you are doing the right thing.⁹

All of the jewellers interviewed in this research were certainly enamoured with, and appeared energized by, the idea that they could potentially connect with impoverished miners, and through purchasing their gold, help to empower them.

The representatives interviewed from the certification bodies, however, view the exercise very differently, confirming several points raised in the previous section of the paper. Interviewees were very clear that they are not, for example, interested in supporting miners in Tanzania who may be selling their gold valued by *makota*¹⁰ on doctored weighing scales (Childs, 2014), or informal operators in Ghana who are being exploited by corrupt chiefs and landowners (Hilson et al., 2014) – the types of conditions which jewellers who have embraced Fair Trade believed their purchases *would* help to ameliorate when purchasing *Fairtrade Gold* or *Fairmined Gold*. From communications with one officer, and reinforcing concerns raised about targeting ‘low-hanging fruit’, it appears that certification bodies are, indeed, ‘hand-picking’ operations that conform to set criteria, as opposed to empowering miners in difficult circumstances such as many who are operating in Ghana and Tanzania:

⁶ Interview, Ethical Jeweller #1.

⁷ Interview, Ethical Jeweller #2.

⁸ Interview, Ethical Jeweller #3.

⁹ Interview, Ethical Jeweller #4.

¹⁰ Various middlemen found in the artisanal and small-scale gold mining areas of Tanzania.

...we've pinpointed that maybe 10 percent of the ASM mining organizations in the world would actually be a potential certified community. That top 10 percent would have the potential to meet the requirements of the standards...¹¹

Moreover, the Latin America 'bias' remains very strong, in all likelihood because it was where *Standard Zero* was born and hosts an abundance of the preferred semi-mechanized, 'ready-made' setups that both certification bodies are looking to partner with. At the time this research was carried out, ARM had targeted 26 mining communities – all in Latin America – for certification. The organization has since explored options in Burkina Faso, Senegal and Mali. It has also partnered with XAMODX, a Mongolian organization but it seems that this, along with the locations of its emerging Africa work, was also 'handpicked': the operation it oversees has been awarded a special *Fairmined* label, in recognition of its ability to produce gold without mercury or cyanide,¹² the result of exceptionally unique geological conditions. The same applies to *Fairtrade*, which, apart from recently certifying a group of – also 'hand-picked' – mines in East Africa (Kenya, Tanzania and Uganda) and carrying out pilot work in Ghana, also sources all its gold from Latin America.

Officials interviewed from certification bodies expressed very little interest in working with the unlicensed ASM operators who, again, are in the greatest need of support. When asked about educating these individuals about the importance of licenses, and helping them to register and therefore clearing the first hurdle needed to put them in a position to qualify for either *Fairmined* and *Fairtrade Mining* certification, one official hinted that this was not their job. The official rather stressed that it was the responsibility of policymakers to formalize ASM activities, explaining, in an interview, that 'At the moment the only thing we can do is really try to support the acquisition of agreements with other mining entities, it's a constant thing we have lots of discussions with the mining administrations and we keep telling them if you don't want to open this door we can't really bring the miners'.¹³ Another official rationalized the lack of interaction between the (official's) organization and unlicensed miners on the grounds that '[it was] felt that it was sensible to not start with the most complex situation, to begin with and try to work with the already legalised organisations towards increased formalization and getting them up to a level of management, that complies with big standards'.¹⁴ The official furthermore conceded, with reference to pilot work being undertaken in Ghana, that 'we are also developing some ideas and concepts now about way in which we can start working with the informal groups in Ghana but that being said it's, we are finding it's a big job to get, to make those steps from either, whether you call it informal, illegal ways of getting licenses...to getting at least the, those boxes checked to then moving to better level of organisation, and management and then ultimately to sustainable production level, that's in line with certification, so obviously it's a long process, and we are concerned with not moving too fast, and going ahead with new activities where we haven't really fully captured all the lessons from the work done so far'.

The problem with this approach, however, is that most governments in a poor region such as sub-Saharan Africa have little interest in legalizing ASM and in many cases, have implemented policies which stifle individuals' abilities to secure permits and therefore perpetuates the sector's informality. It is beyond the scope of this paper to delve into the details about why this is the case but in most instances, it is – to elaborate on points raised in the previous section of this paper – due to a combination of bureaucratic registration processes and costly licensing fees, which confine most of

¹¹ Interview, official 1, Certification Body #1.

¹² 'XAMODX', www.fairmined.org/community-profiles/xamodx/ (Accessed 4 February 2017).

¹³ Interview, official 2, Certification Body #1.

¹⁴ Interview, official 1, Certification Body #2.

the region's ASM operators to the informal economy. Examples include Ghana, where miners must pay thousands of US dollars in license and environmental permit fees (Hilson et al., 2016; Hilson and Maconachie, 2017); Liberia, where, in order to use machinery, individuals must obtain a Class B License, which requires payment of a US\$5000 fee, renewable annually (Hinton et al., 2010; Van Bockstael, 2014); and Zimbabwe, where achieving compliance with technical specifications and bureaucratic processes associated with registration and licensing can take many years (Spiegel, 2012, 2015). There is the added difficulty of securing viable plots in a rent-seeking 'space' controlled by host governments: in many countries in sub-Saharan Africa, and other areas of the developing world for that matter, vast sections of land have been demarcated to multinational mining and mineral exploration companies in exchange for royalties, taxes and other miscellaneous payments. These difficulties ultimately confine most of the region's operators to an informal sector largely controlled by chiefs and middlemen, and in some cases, warlords. It is only the small number of – typically, affluent and/or influential – operators who find a way to overcome these difficulties unsupported and manage to secure a license (see Table 2), and who certification bodies are interested in working with.

[Insert table 2 here]

The bigger concern is the apparent disconnection between these certification bodies and the group of energized and inspired jewellers to whom they are supplying gold. Again, the latter seem to believe their purchases are empowering and improving the livelihoods of poor miners, whom the former clearly have little interest in assisting at present, despite literature and imagery which may suggest otherwise.

4.2 Re-conceptualizing 'Fair'

These restrictions, combined with the general unwillingness – at least at this point – of certification bodies to extend their schemes to informal operators, makes the re-examination of 'fair' in this context imperative. The literature provides an idea of what empowering the poorest artisanal miners in sub-Saharan Africa would entail.

Understanding why, despite creative imagery and narratives that suggest otherwise, certification organizations avoid – in this instance – the most subsistence and informal of ASM operators requires a greater appreciation of the context in which schemes and standards are being formulated. The issue of concern, as Fridell (2007) pointed out over a decade ago, is that 'While the emerging works on fair trade have been quick to celebrate the sales growth that this transformation has ushered in, little has been done to examine critically the political-economic impact of this change and the historical context within which it emerged, and what they reveal about the developmental prospects and limitations of the fair trade network' (p. 7-8). To revisit points raised in Section 2, Fair Trade does not seem to challenge the very policies responsible for marginalizing smallholders, nor address the general imbalance of trade that persists between the 'Consuming North' and 'Producing South' (Naylor, 2014). This is why it is imperative to view Fair Trade as – in the words of Walton (2010) – 'a second-best proxy', as opposed to a catalytic network capable of transforming the lives of poor populations. The author offers a convincing explanation for why:

We live, that is, in a non-ideal world. It is possible to think of Fair Trade as a project seeking to correct for this fault. While Fair Trade does not constitute justice itself..., it does offer a form of justice-emulation or justice-promotion in the absence of justice being institutionalised at the

global level. It is an interim corrective establishing just trade relations between persons living in a non-ideal world, necessary only until justice is realised in the wider context. [p. 434]

A deliberate decision to operate within *existing* trade structures, explains Shreck (2005), ‘perpetuates the North’s power to dictate the type of volume of production in the South’ (p. 26), and ‘even if they offer better terms and condition, the forces governing the re-direction of trade relations still emanate from a control tower in the north and this is no more associative than what it would be replacing’ (Walton, 2010, p. 440).

Operating in this context affords certification bodies considerable manoeuvrability and flexibility to devise standards. Hilson (2014) has reflected on the ‘space’ for ASM specifically, which is particularly sizable, largely because of policy neglect: as governments and donors have not viewed the sector as a priority area in development until only recently, individuals working to certify minerals have considerably more freedom to devise their own standards than their colleagues who deal with agro-products. Perhaps the most illustrative example of this was Fairtrade’s split with ARM, which culminated in the *Fairtrade and Fairmined Gold* Standard becoming the two separate schemes in operation today, namely *Fairtrade Gold* and *Fairmined Gold*. The divorce, which both parties claim was amicable, was over ‘mass balancing’, specifically Fairtrade rejecting ARM’s insistence that gold bars should only have to contain a percentage of bullion sourced from certified operations in order to carry the ‘Fair’ label. For officials at Fairtrade, this was not an option, presumably because doing so would contradict the very purpose of Fair Trade. But whereas Fairtrade International has the luxury to wait for gold because it is such a small segment of its overall portfolio, the survival of ARM depends entirely upon its officials being able to secure a steady supply of certified product. An official from a certification body explained in an interview that a shortage of gold, owed to the stringency of certification criteria, forced a revisiting of the standards and ultimately led to the unveiling of a new *Fairmined Gold* blueprint. The official rationalized the decision as follows:

We targeted larger volume market segments hence why we invest in the standards to be able to access those. We’re talking about large amounts of gold for a few years a few of the major brands have been showing interest in sourcing certified gold. The original model was just too restrictive, and there were too high costs for entry of the licensing fees...Our objective is to open up market opportunities for miners so we wanted to make it as easy as possible to work with *Fairmined Gold*.¹⁵

In response to the announcement of the divorce, 140 parties, scattered across seven countries, signed a petition denouncing ‘mass-balancing’, demanding that ‘a Fairtrade Gold product that is both traceable from source and socially empowering for small-scale mining communities’ (Miller et al., n.d.). The petition, however, would fail to prevent the split, and despite their initial objections, a number of the ‘ethical’ jewellers interviewed have since accepted ARM’s ‘mass-balanced’ product, in large part because of the shortage of certified traceable gold available on the market (Hilson et al., 2016).

But the attention paid to the split has overshadowed a much bigger concern: namely, the ease with which these organizations have been able to re-conceptualize the meaning of ‘fair’ and ultimately dictate new terms and conditions. It also further reinforces how, in many Fair Trade setups, the balance of power and influence indeed lies in the North and has little to do with targeting and empowering the poorest operators as many parties, including the jewellers consulted as part of this research, believe. An official from a certification body explained further in an interview that the

¹⁵ Interview, official #1, Certification Body #1.

decision made by the official's organization to pursue its own standard was ultimately based heavily on 'experts...setting standards but for the agricultural sector',¹⁶ which, if even partly accurate, is grounds for concern. One jeweller alluded to why in an interview, explaining that 'The luxury industry is very niche', the insinuation being that retailers branding themselves as 'ethical' must be in a position to provide *accurate* details to customers which in part align with the images and stories shared on websites.¹⁷

This could explain why, despite displaying considerable enthusiasm about the potential of Fair Trade, every jeweller interviewed expressed some apprehension about the changing standards and the general lack of detailed information about the ASM sector. One interviewee, reflecting on how jewellers can only realistically question the process up to a certain point, highlighted the need for retailers to observe phenomena first-hand in order to be in a better position to draw their own conclusions. The jeweller explained that 'I'm really hoping that I someday will get out to the mine that I get my gold from I'd love to go to Oro Verde in Colombia...[because]I'd love to get out there and see where the added value has been brought into the community physically'.¹⁸ Another indicated how, as a result of not being able to do so, 'we are entering a situation where it's not traceable back to mine any more than it was way back in the beginning'.¹⁹ Others were far more critical of the process:

The problem with it is it's all very idealistic at the moment...the implementation side of it where it's falling short. I think people do want to do it but on the side of the customer, that hasn't got enough information to make them make that decision and pay the extra money on the side of the PR side of things...[The certification bodies] haven't done enough to publicize or educate people; they don't work close enough with the jewellers about how they can get that message across.²⁰

This, of course, raises the question of 'What is "fair" in this context?' or, more precisely, 'What has "fair" become?'

The reluctance of certification bodies to openly pursue partnerships with the poorest informal mine operators, combined with growing concerns in the jewellery community over standards being conceived and revised in an unmonitored policy 'space', seems to have changed the dynamics of the exercise completely. With many of these jewellers having built and needing to preserve their reputations as 'ethical' suppliers, being able to share accurate details with their customers, and to corroborate the stories about where the minerals they used are being sourced, is now imperative. Within the sizable 'space' Hilson (2014) describes, the new 'fair', in light of these concerns, seems to be 'traceability' and 'transparency'. One jeweller interviewed appears to have found solace in being able to 'give to the client a 100 percent traceable supply chain and a guarantee of that and a lot more transparency [as] it's a no brainer that it adds a lot of value'.²¹ Another explained in an interview that 'they [the jewellers] really revel in the fact that we are doing things in a different way, that we have transparency, and we have traceability, and we really can tell them where that material comes from'.²² In fact, all of the jewellers interviewed emphasized the importance of traceability when it comes to sourcing gold. Many also argued that emphasis should now be placed on sourcing diamonds and coloured gemstones that can be traced to their points of origin. The lack of information about poor

¹⁶ Interview, official 1, Certification Body #1.

¹⁷ Interview, Ethical Jeweller #5.

¹⁸ Interview, Ethical Jeweller #4.

¹⁹ Interview, Ethical Jeweller #3.

²⁰ Interview, Ethical Jeweller #15.

²¹ Interview, Ethical Jeweller #6.

²² Interview, Ethical Jeweller #6.

miners has made transparency important for jewellers, who, many explained, now find themselves being asked several difficult questions from increasingly enlightened customers about the origins of the commodities they source. But as 'ethical' jewellers begin to recognize that the Fair Trade agenda they are pushing is markedly different from the reality, transparency, or the ability to construct a narrative around sourcing gold that can be traced back to its source, will likely feature more prominently in conversations with concerned customers.

To summarize, Fair Trade projects itself as catalytic: as a movement which aims to change conventional trading practices with a view to empowering and assisting marginalized producers from the Global South and improving their social and economic well-being. The *Fairtrade Gold Standard* and the *Fairmined Gold Standard* are no exception. Their conceivers claim that they provide guaranteed prices to producers, which, they believe, will help them become more visible, economically, and to operate more sustainability even when commodity prices fluctuate (Reinecke, 2010). The results thus far, however, tell a very different story. Certification bodies are *not* singling out poor ASM operators as their websites and literature suggest; they are rather targeting 'low-hanging fruit' and seem to have no problem stating this. What has allowed this to happen is the imbalance of power between the 'Consuming North' and 'Producing South', an issue which several scholars have weighed in on when discussing Fair Trade. For gold, however, this issue is far more multifaceted: although there are two parties, namely certification bodies and jewellers, which comprise the 'Consuming North' in this context, it is the former that are dictating the terms, and which are ultimately responsible for an ethical gold agenda that is failing to service the needs of the poor – at least at this point.

Reflecting on this state-of-affairs, one jeweller was cautiously optimistic, stating, emphatically, in an interview that 'it's [i.e. these standards] better than nothing'.²³ This may, indeed, be the case but it brings the discussion back to Walton's (2010) point of Fair Trade being a 'second best proxy' or 'interim solution'. For gold, as this paper has explained, not only are certification bodies avoiding challenging the structures and policies which are marginalizing ASM operators but perhaps more significantly, they have shown little inclination to connect with the poorest groups, despite images and testimonials that suggest otherwise.

[Insert Figure 1 here]

5. Discussion and conclusion: Devising a blueprint for a 'fairer' Fair Trade gold agenda

This paper began by drawing attention to the objectives and dynamics of Fair Trade. The aim here has been to shed greater light on why the reality is often very different to the impressions conveyed on websites and in the literature of the certification bodies responsible for conceiving and/or managing ethical mineral schemes, in this case, for gold. Specifically, and building on literature which points to the poorest operators being neglected, the paper draws attention to the imbalance of power, which is heavily concentrated among certification bodies, prevalent in ethical mineral schemes.

Is the emerging Fair Trade gold agenda capable of facilitating, within the poorest segments of the ASM sector, production that is more responsible environmentally, socially and economically? A starting point is a critical 're-think' of empowerment, the centrality of which to Fair Trade this analysis has

²³ Interview, Ethical Jeweller #4.

highlighted throughout. The assumption, based on stories told, has been that, combined, committed jewellers and certification bodies are capable of empowering ASM operators. Interviews with these actors, however, suggest that this may not always be the case. The power does not lie with the poorest miners found at the bottom of the supply chain, nor do commitments from jewellers to sourcing gold from these individuals seem to be empowering them. Unlike Fair Trade coffee, for example, which, as Valkila et al. (2010) explain, is sourced through structures which seem to empower multiple actors in the supply chain, including growers, roasters and retailers, with gold, the difficulties with 'reaching' poor operators are considerable. How committed are certification bodies to overcoming these barriers to reach these operators? For *Fairtrade Gold* and *Fairmined Gold* to be aligned more closely with an international development agenda which focuses heavily on rural poverty and empowerment, informed heavily by the newly-minted Sustainable Development Goals, these miners and jewellers need to be fully integrated into the supply chain, which, at present, they are not.

Why has this not happened? The sector's lack of appeal in international development circles, along with a general shortage of information about its activities and operators, has created a sizable 'space' in which certification bodies are able to devise their own criteria and launch certification schemes, virtually pressure-free. Creative marketing campaigns featuring photos and testimonials have spawned the market and facilitated an increased demand for ethical gold, in the process shifting the concentration of power to the well-connected certification bodies themselves. The jewellers who have signed up to both schemes, and who have committed either partly or entirely to using ethical gold, are, much like the overlooked ASM operator, virtually powerless when it comes to negotiating standards and influencing sourcing strategies. Several jewellers, reiterating how important access to facts is to their sales and reputations, expressed considerable frustration over their lack of influence in this area, the failure of certification bodies to supply additional details about the mine operators who are supplying gold, and the general lack of direction and complacency shown by certification bodies. As one explained, 'at the moment we are a minority of designers, [and] with tiny voices everything's quite dispersed and not really going anywhere'.²⁴ Others were far more critical:

...we went to an event last year...it was good, and everyone had a lot of ideas and everyone was talking of things. We kept in touch with them [the certification bodies] and every now and then someone will come in and we'll have a meeting, but that's all that happens nothing doesn't seem to get pushed forward. When we went last time, we spoke to one of the guys there can't remember his name but one of the top guys in the Fair Trade industry, and yeah, he was listening but he wasn't really listening.²⁵

There was some apprehension detectable among all jewellers interviewed which is bound to intensify once additional concerns begin to surface about the types of miners these certification bodies are targeting and why. Jewellers require greater clarity on management practices and details of how these cascade down the supply chain and impact miners.

To reach and be in a position to empower the world's poorest ASM operators, certification bodies must be willing to navigate the informal structures in which they are found. The present analysis has not only confirmed concerns raised by geography and development studies scholars about standard setting organizations avoiding these poor ASM communities, which are in desperate need of support, but has highlighted, at least in the context of the two schemes examined here, a general lack of interest in reaching out to these operators. There are obvious difficulties with connecting with the poorer segments of the sector but rather than attempting to address these, certification bodies have elected to target medium-scale, more easily-accessible miners – the 'low-hanging fruit' – around which they have tended to build their schemes and expanded programs. Similar phenomena have

²⁴ Interview, Ethical Jeweller #4.

²⁵ Interview, Ethical Jeweller #7.

been observed with Fairtrade cotton and sugarcane, the schemes for which also tend to target established producers but at the same time, ignore the smaller, marginalized operators (Sneyd, 2014). Until certification bodies engage more freely with unlicensed mine operators with a view to better understanding their struggles and helping to position them to access certification schemes and ultimately, connect with jewellers, any commitment to empowering poor rural families will be little more than rhetoric.

A final observation that must be emphasized concerns asymmetries of power and control not only between the North and the South but also between parties on each side. Of particular relevance here is the obvious imbalance of power between the certification bodies and jewellers found in the North. The experiences shared in this paper underscore how difficult, when certification bodies are permitted to operate so freely and make decisions in such a sizable policy 'space', arriving at a definition of 'fair' can be. Specifically, how – to echo the sentiments of Reinecke and Ansari (2015) – can fairness be evaluated to the satisfaction of all stakeholders involved? There are clearly different ideas about what constitutes 'fair' that are bound to be present at all stages of supply chain. The problem, as Zaefarian et al. (2016) explain, is that in the case of Fair Trade, most work is predicated upon the buyer's perceptions. Gold is no exception.

As a point of departure, it is instructive to highlight the irony of the work undertaken by certification bodies. Whilst the majority of ASM operators worldwide continue to struggle financially, largely a result of being trapped in the informal economy, these bodies continue to share stories with jewellers about how purchasing certified gold provides an avenue to lift individuals out of poverty, including severing their ties with exploitative middlemen. But in simply retracing existing supply chains that already feature powerful miners and subsequently branding these setups as 'fair', mobilizing interest in the jewellery community, and putting themselves in a position to devise standards and control certification, these bodies have, themselves, fortified *their* positions as middlemen. On the one hand, they find themselves in a unique position of power to dictate terms and to shape the supply of newly-certified product. On the other hand, they are free to disclose only selected aspects of the ASM story to a jewellery community desperate to get its hands on traceable product whilst continuing to craft testimonials about, and build a marketing campaign around, the most exploited and desperate of operators, despite having little interest in working them.

The initial findings and analysis presented in this paper underscore the need for further research in a number of areas. Heading the list of priorities is the need to develop an appropriate definition of 'fair' which resonates more powerfully with all actors in the supply chain. This study has also highlighted the importance of better connecting certification bodies, the ASM sector and the jewellery community. If the development of more sustainable, pro-poor ethical gold schemes is the goal, then the next step is to bring all parties together, and to share aspects of the Fair Trade gold story which each may not be privy to or simply chooses to ignore.

Ethical Approval

All procedures performed in studies involving human participants were in accordance with the ethical standards of the institutional and/or national research committee and with the 1964 Helsinki declaration and its later amendments or comparable ethical standards. Informed consent was obtained from all individual participants included in the study.

ACCEPTED MANUSCRIPT

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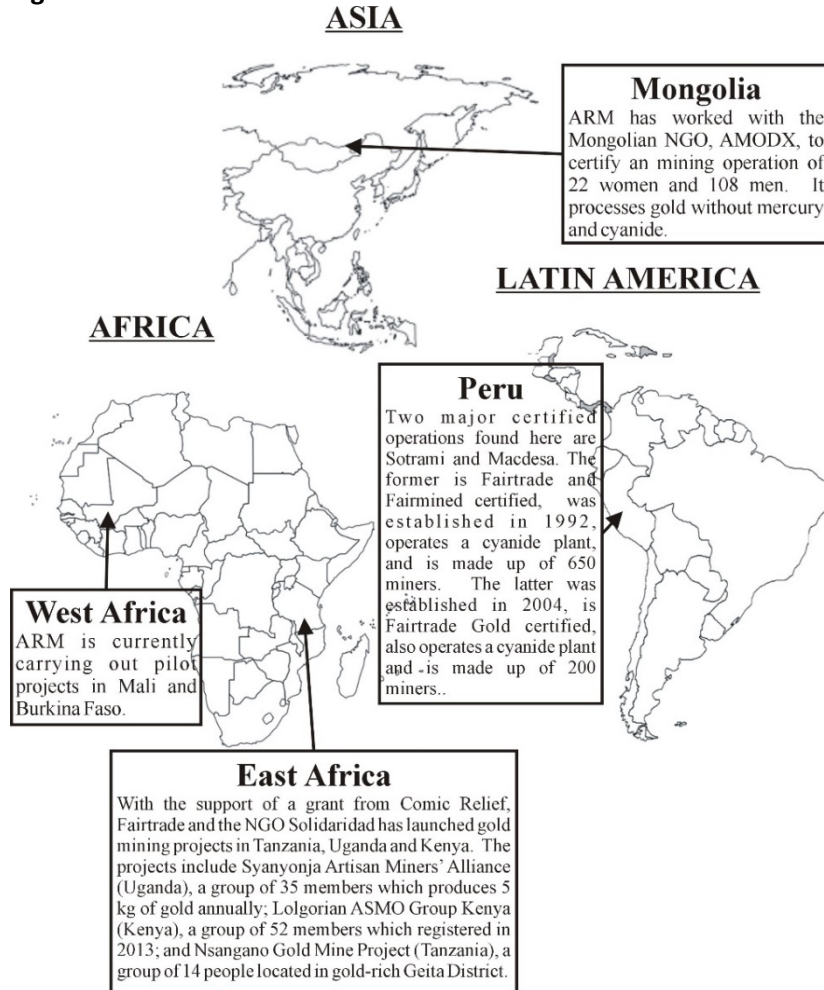
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Figure 1: Selected *Fairtrade Gold* certified and Fairmined Gold certified mines worldwide¹

Source: Authors' construction

¹ Information extracted from 'Fairmined' www.fairmined.org/community-profiles/xamodx/; 'The Journey Towards Fairtrade Certification' www.fairtradeafrica.net/wp-content/uploads/2016/05/FAIRTRADE-GOLD-BROCHURE1.pdf; 'Alliance for Responsible Mining', www.responsiblemines.org/centrodecapacitacion/mapa?lang=enhttp://www.responsiblemines.org/centrodecapacitacion/mapa?lang=en; 'Making History with Kenyan Gold' www.fairtrade.org.uk/en/media-centre/blog/2015/august/kenyan-gold (all Accessed 3 February 2017).

Highlights

- Reflects critically on recent developments made to bring Fair Trade gold to market
- Surveys the views of jewellers and certification bodies which have brought these schemes to fruition on the impact of Fair Trade gold and the challenges with empowering the small-scale miners they are sourcing gold from
- Reveals that the story being told to customers purchasing jewellery is very different to the reality
- Offers explanations for why this is the case

Table 1: Selected ethical/traceability scheme for gold

| Intervention | Target Groups | Organization | Year of Inception* | Date of Public Release | Description |
|-----------------------------|------------------|---|---------------------|------------------------|--|
| Better Gold Initiative | ASM and Refiners | Swiss State Secretariat for Economic Affairs (SECO) and Swiss Better Gold Association | 2012 | 15 October 2013 | Requires minimum social, labour and environmental standards and attempts to develop a direct, traceable supply chain with mining groups and Swiss gold refining companies. Utilizes existing certification schemes, Fairtrade Gold and/or Fairmined Gold and The Responsible Jewellery Council's Code of Practices, to guarantee the origin and ethical extraction of the ore. |
| Fairtrade Gold | ASM | Fairtrade Foundation | 2009 | 2013 [†] | Work directly with small-scale gold miners. Provides traceability, requires minimum social, labor and environmental standards of production, a guaranteed minimum price and additional social premium to be invested in community development projects. |
| Fairmined Gold | ASM | Alliance for Responsible Mining (ARM) | 2009 | 2013 [†] | Work directly with small-scale gold miners. Provides traceability, requires minimum social, labour and environmental standards of production, a guaranteed minimum price and additional social premium to be invested in community development projects. |
| Chain-of-Custody (CoC) | Jewellers | Responsible Jewellery Council (RJC) | RJC founded in 2005 | March 2012 | Voluntary standard for RJC members, and subsidiaries or sites, to implement CoC management systems that stipulate traceability, conflict-free as a minimum and responsible production. Concerns whole Jewellery supply chain. |
| Conflict-Free Gold Standard | | World Gold Council | 2010 | October 2012 | The standard provides guidance and an implementable assessment and reporting framework for members to ensure that supply chains and operations do not 'cause, support of benefit unlawful armed conflict or contribute to serious human rights abuses or breaches of international humanitarian law'. |

Table 2: Number of registered small-scale miners in selected African countries

| Country | Estimated ASM Population | Number of Licensed Operators/Groups |
|--------------|--------------------------|-------------------------------------|
| Ghana | 1,000,000+ | 1350-1400 |
| Ethiopia | 300,000-350,000 | 553 Associations, 58,647 members |
| Liberia | 500,000+ | 79 Class B Licenses |
| Sierra Leone | 200,000+ | 119 Small-Scale Miners |
| Zimbabwe | 500,000+ | 25,000 |

Source: EITI, 2016a; EITI, 2016b; Government of Ghana, 2017; Government of Liberia, 2017; Government of Sierra Leone, 2017; Swiss Agency for Development, 2017