

· · · MISSION

IMPACT transforms how natural resources are managed in areas where security and human rights are at risk. We investigate and develop approaches for natural resources to improve security, development, and equality. We are an independent non-profit, collaborating with local partners for lasting change.



project brings legal, traceable, and conflict-free artisanal gold from communities where security and human rights are at risk to international markets.

IMPACT works with miners, traders, and exporters to create incentives for legal sales and provides capacity building to implement the traceability and due diligence required by the Just Gold project, in alignment with regional and international standards. We support artisanal miners to enter the formal economy, while promoting gender equality and environmental stewardship.

Every sale of gold from the Just Gold project is linked to a deep paper trail and validated data. Customers and international market actors have peace of mind that their gold has been produced legally and is free of human rights violations. They have the knowledge that they are responsibly sourcing gold directly from artisanal mining communities, advancing women's empowerment, and environmental protection.

Through the Just Gold project, we're collaborating with international market actors, policymakers, local authorities, and communities to ensure artisanal gold mining contributes to equitable peace and development.



PILLARS OF THE JUST GOLD PROJECT



We are holistic in our approach to transforming the artisanal gold mining sector and don't work through a single-issue lens. We are inclusive of women and marginalized ethnic groups, promoting their role in the supply chain. We integrate gender equality and environmental protection across the entire project.

We are guided by the core belief that lasting and transformative change in the artisanal gold mining sector comes by providing capacity, investment, and spotlight to local actors. Our approach values local partnership with artisanal miners, communities, and authorities, to develop local ownership over the project.





We push boundaries by proposing a bold new model where we don't impose payment for certification or traceability on communities, but work with them to progressively improve conditions. We further believe that through resolving inefficiencies in the supply chain, local communities can receive a fairer price for gold and that it can be sold without a premium to end buyers who value evidence of their impact.

We have an evidence-based approach, focused on a deep understanding of the local context, robust baseline studies and assessments, with ongoing data collection that is continually analyzed to adjust interventions along the supply chain as needed.





We have a sustainable solution anchored in a development, human rights, and peacebuilding approach with a strong focus on women's empowerment. While responsible sourcing and technology can contribute to lasting change, we are driven first and foremost by our commitment to empower artisanal mining communities to participate more equitably in the legal trade of gold as a contributor to development and security.

We work to transform how artisanal gold mining is managed is areas where security and human rights are at risk, helping to improve security, development, and equality. We practice and promote non-violence across the project and throughout the communities where we work.





MAKING HISTORY:

BRINGING LEGAL, TRACEABLE, AND CONFLICT-FREE ARTISANAL GOLD FROM DEMOCRATIC REPUBLIC OF CONGO TO INTERNATIONAL MARKETS

Through the Just Gold project, consumers are for the first-time ever able to buy traceable, legal, and conflict-free gold from artisanal mine sites in Democratic Republic of Congo.

The Just Gold project was piloted in northeastern Democratic Republic of Congo's Ituri Province, in Mambasa Territory, with the project proving a successful chain of custody from mine site to exporter in May 2017.

Over 1,000 miners across six mine sites have sold almost 17 kg of fully traceable gold to a verified exporter as part of the Just Gold project.

In June 2017, Canadian-based jewellery company, Fair Trade Jewellery Co., made history by purchasing the first export of fully traceable, conflict-free artisanal gold from Democratic Republic of Congo and making it available to consumers in Canada.

Fair Trade Jewellery Co. has since moved to regular purchases of gold from the Just Gold project, vital to supporting artisanal gold mining communities in northeastern Democratic Republic of Congo and ensuring a long-term, sustainable solution for traceable and conflict-free artisanal gold.

IMPACT is supporting the traceability and due diligence implementation for the Just Gold project from mine site to export on the ground in Ituri Province. We are providing the local mining cooperative in Mambasa

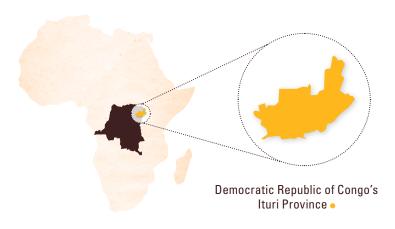
with capacity building and technical guidance to implement the traceability and due diligence system as part of the Just Gold project.

IMPACT also supports the integration of women's economic empowerment through the Just Gold project, improving understanding of women's rights in the communities involved in the project and fostering women's leadership through skill-building and training.

A previous pilot was launched in 2014 with the support of the Public Private Alliance to test an incentive-based model for artisanal gold traceability in eastern Democratic Republic of Congo. The one year pilot and its lessons developed into the Just Gold project. The Just Gold project launched in 2015 and is funded by Global Affairs Canada, with additional funding previously provided by USAID, through their Capacity Building for Responsible Minerals Trade (CBRMT) project, and the International Organization for Migration. Funding for the project has also come from Apple and Humanity United.

The Just Gold project has received technical environmental assistance from the United National Environment Programme (UNEP) and logistical support from the United National Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO).

Research on women in artisanal mining in the Great Lakes region including at Just Gold project communities was part of the Growth and Economic Opportunities for Women (GrOW) program, jointly funded by the UK's Department for International Development (DfID), the William and Flora Hewlett Foundation, and Canada's International Development Research Centre. Centre. Funding for the AFECCOR project, providing capacity building to Just Gold participants to save and access credit is provided by the European Partnership for Responsible Minerals and Dell.



SUPPLY CHAIN TRANSPARENCY MITIGATES RISKS AND EMPOWERS ARTISANAL GOLD MINING COMMUNITIES

Artisanal and small-scale mining is an important livelihood for millions around the world. Approximately 20 percent of the world's gold is mined by artisanal miners.

Yet, artisanal gold mining remains largely informal and is prone to widespread corruption and violence. As an alternative to paper currency, gold is often favoured for money laundering and illicit trade. It is a high-value, easy-to-transport mineral, making it vulnerable to smuggling and an ideal target for armed groups. As a result, artisanal gold mining communities are often exploited by armed groups and other illicit actors.

Gold has been designated a conflict mineral—along with tin, tungsten, and tantalum (the 3Ts). The International Conference on the Great Lakes Region (ICGLR) is focused on the implementation of a number of tools to curb the illegal exploitation of these four minerals including regional certification and the formalization of artisanal mining.

Governments lose significant revenues from gold that is smuggled out of the country. According to the United Nations Security Council's Group of Experts, 98 percent of artisanal gold production in Democratic Republic of Congo (DRC) is undeclared.

Due to the largely informal nature of artisanal gold mining, it often lacks regulation and safety oversight. At mines where armed forces are present there are instances of human rights abuses, dangerous working conditions, child labour, and gender-based violence. While women take on a variety of roles in gold mining, they often face discrimination that limits their opportunities to fully benefit from the sector.

Artisanal gold mining can also have serious impacts on the environment and human health. It is one of the biggest sources of mercury pollution worldwide due to the chemical's use in processing gold. Contaminated air, soil, and water hurt biodiversity and are dangerous for miners and their communities—particularly children.

Internationally, private sector disclosure laws are drawing attention to supply chain transparency. Many companies are required to report on their 3T and gold supply chain, collecting data on the minerals, the people, and steps involved. Companies must also publically report on weaknesses in their supply chain and actions they've taken to address identified risks. They must demonstrate that they are not inadvertently funding conflict and human rights violations, and proactively contribute in developing solutions where risks can be mitigated.



Almost **70 PERCENT of customers** who purchased jewellery made out of gold from the Just Gold project, said they **regularly buy ethical over other options**.





HOW THE JUST GOLD PROJECT SUPPORTS ARTISANAL MINING COMMUNITIES

WE CONTRIBUTE TO THE FORMALIZATION OF THE ARTISANAL GOLD MINING SECTOR

The formalization of artisanal gold mining in the communities and countries where the Just Gold project operates, is a step forward in ensuring that natural resources are improving security, development, and equality. It also supports the local community to access the international market.

Formalization of artisanal mining is a process that can include the introduction of legal and regulatory frameworks, providing legal access to minerals and information about geological data, organizing miners into flexible and dynamic organizations, providing access to capital, equipment and technical assistance.

By supporting the formalization of the artisanal gold mining sector, the Just Gold project is helping transform how gold is managed in areas where security and human rights are at risk. This allows governments to capture revenue from the gold mining sector—money that can be reinvested into social services. It also attracts international market actors that are required to meet and publically report on their supply chain. Formalization decreases links with actors engaged in human rights abuses and risks associated with criminal and illicit networks, and provides governments with the opportunity to implement strategies to tackle potential negative gender, environmental, and health impacts related to the artisanal mining sector.

IMPACT works closely with community stakeholders and authorities to provide sensitization and awareness around legal and regulatory frameworks that support the formalization of artisanal mining, with a gender equality focus. We provide capacity building and technical guidance to authorities on implementation of legislation, recognition of land for artisanal mining, registration of miners and traders, and ensuring chain of custody procedures are understood and implemented.

A significant part of our efforts includes sharing lessons we are learning from the Just Gold project and related research about potential barriers to the implementation of formalization. This helps ensure that the processes to formalize are reasonable and realistic, and aren't set up to discourage actors along the supply chain from legal trade, such as unfair taxes, steep prices for licenses, or unclear export procedures.

The Just Gold project only engages in mine sites that are suitable for designation as artisanal mining zones by the government and supports participating miners in applying for government-issued identification cards or permits.

WE HELP BRING RESPONSIBLY-SOURCED, CONFLICT-FREE ARTISANAL GOLD TO MARKET

All mine sites where the Just Gold project operates must pass government inspection, verifying that the mine site is conflict-free. Inspections ensure that mine sites are free from the presence of armed groups and that residents are not subject to human rights violations, including by public or private security forces. Violations include child labour, as well as systematic sexual and gender-based violence.



20 PERCENT of the miners participating in the Just Gold project **are women**. Women artisanal gold miners take on various roles at the **6 mine sites**, from digging and washing ore, to panning and transportation.



MINERS PARTICIPATING in the Just Gold project are able to put more money into savings and when supported by the AFECCOR project, are the group with the highest income and economic security in the community.

The Just Gold project operates in accordance with the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. All actors engaged in the project must undertake a due diligence review. Risks in the supply chain are regularly monitored and assessed by Just Gold project staff. Regular site visits and security assessments are carried out, and participating exporters should undergo third-party audits as required by regional and international standards. We also provide guidance to participating private sector actors on how to publically report on their risk identification and mitigation efforts, in accordance with Step Five of the OECD Due Diligence Guidance.

WE HAVE AN INCENTIVE-BASED APPROACH TO ENCOURAGE LEGAL TRADE

Through the Just Gold project, we create incentives for artisanal gold miners to channel their product to legal exporters—and eventually responsible consumers. Our extensive field-based research and tested approaches demonstrate that due to gold's unique qualities, artisanal gold miners are more motivated by incentives than by enforcement measures.

The Just Gold project applies a number of incentives to encourage miners participating in the project to sell legally. These incentives help improve their margins and practices, or can simply make it easier for them to participate in the sector. Miners are obligated to sell to the legal trading house—known as the Model Trading House—otherwise they risk losing access to the incentives offered through the project.

Transparent Pricing

In the Just Gold project, miners are provided with the daily London Bullion Market Association (LBMA)-based purchase price for both rock and alluvial gold. Information is provided on how the Just Gold project purchase price has been calculated. The daily purchase price is posted publically for the entire mining community, encouraging transparency and trust-building. Digital scales replace traditional hand-held weights which provided inaccurate results or could be tampered with to cheat miners out of a fair price.

Proximity of Trading House

The Model Trading House—the Just Gold project's legal channel for gold—establishes trading outposts as close to the mine site as possible. This makes it convenient for miners to sell their gold directly at the mine site level to licensed traders. By establishing a trading outpost that provides a fair price directly at the mine site, it eliminates the need for miners to walk long distances to sell their gold.

Technical Assistance

The Just Gold project implements a comprehensive technical assistance program based on mine site assessments. Miners are provided with training which can make their work more efficient and increase their gold yields. Training is also included on safe mining practices, environmental mitigation, and land use planning, as well as gender sensitive rights-based training within the wider community.

Credit and Savings through AFECCOR

The Artisanal Mining Women's Empowerment Credit & Savings project (AFECCOR) supports miners participating in the Just Gold project to access credit and savings in an effort to promote entrepreneurship and economic security. Women and men are supported by AFECCOR to establish Village Savings and Loans Associations. Volunteers in the community are trained to provide financial literacy coaching to other members in their association. Through the project, artisanal miners decrease their reliance on informal and predatory credit networks that characterize the "gold economy," where gold is used as a currency to cover basic needs and mine site operations, often with unfavourable conditions.

WE PROVIDE A TECHNOLOGY SOLUTION ADAPTED FOR THE ARTISANAL MINING SECTOR

The Just Gold traceability and due diligence system is powered by Consensas.

IMPACT has partnered with the Canadian technology company, whose expertise is delivering scaleable solutions for risk management, supply chain traceability, and due diligence. The Just Gold project has a comprehensive, real-time, cryptographically-secure solution, which gives all contributors control of their data. All data in this system is validated through multiple automated and manual methods.

To uniquely adapt its technology for the artisanal mining sector, Consensas created an affordable solution for regions with low or no connectivity, which suits both small and large-scale supply chain actors. This solution is compatible with blockchain, SQL and AI.

WE DEVELOP LOCAL CAPACITY FOR A SUSTAINABLE TRACEABILITY AND DUE DILIGENCE SYSTEM

IMPACT supports local supply chain actors, such as mining cooperatives and exporters, to implement the Just Gold traceability and due diligence system using the Consensas platform. These actors are supported to undertake and track daily transactions, collect data, and enter it into the system. We monitor and analyze the data to ensure collection and entry are done accurately. By working with local supply chain actors and building their capacity to engage in effective traceability and due diligence efforts, we are ensuring a locally owned and sustainable source for responsible artisanal gold.

WE VALUE DATA AND WHAT IT TELLS US ABOUT THE SUPPLY CHAIN

The Just Gold project is unique in the data it collects and the information it can provide international market actors facing increased consumer, media, and investor pressure on the risks in their supply chain.

Through the Just Gold traceability and due diligence system, powered by Consensas, international market actors have access to reliable, secure, fact-based, and timely data on traceability, due diligence, and the impact their engagement has on the community. This data can be used for risk mitigation and due diligence, record keeping for transactions, public reporting, sharing information with consumers, and more.

Traceability

The Just Gold traceability and due diligence system, powered by Consensas, collects information on the chain of custody of gold. That means that every transaction and transport of the gold is logged and secured cryptographically, starting from the mine site pits, all the way to the end user product.

Due Diligence

The Just Gold traceability and due diligence system, powered by Consensas, collects due diligence information on the actors involved in the supply chain. It ensures there are no links to armed groups or public or private security forces engaged in human rights violations, controlling or taxing mine sites and transportation routes. The system includes the documentation from the due diligence reviews on members of the mining cooperative, traders, and exporters involved in the project. It also collects data on all security incidences and human rights violations. This type of information is necessary for companies to fulfill their public reporting on risks in their supply chain, as well as the steps they've taken to address them. Independent third party information including reports by non-profits and UN agencies is also uploaded and accessible, contributing to a full analysis of human rights and security dynamics over time.

Impact

The Just Gold traceability and due diligence system, powered by Consensas, also collects impact data, providing supply chain actors with unique insight as to how their engagement affects participating actors and artisanal mining communities. This includes gender-disaggregated information on the socio-economic and environmental conditions, and the well-being of the community, such as household livelihoods, wealth-distribution, and environmental awareness. This allows for a better understanding of how the Just Gold project is impacting women and men.

WE'RE INTEGRATING GENDER EQUALITY AS A TOP PRIORITY FOR SUSTAINABLE CHANGE

We undertake a complete gender analysis of the artisanal gold supply chain at the mine sites and in the mining communities where the project is active. These surveys build on our extensive research on the role of women in the artisanal mining sector, particularly in the Great Lakes region, and provide for integration of gender equality into the project.

The Gender Assessment for Artisanal and Small-scale Mining (ASM) Technical Assistance and Formalization Tool has been developed and piloted with the Just Gold project. The Assessment provides for a detailed understanding of how technical assistance and formalization policies and practices can affect women. It provides solutions to ensure women's empowerment in the artisanal mining sector. The tool also provides insight into tackling the issue of child labour, often tied to child care and women's livelihoods.

Through the Just Gold project's technical assistance, we provide sensitization and outreach to improve understanding of women's rights and, in particular, their rights to access, control, and benefit from natural resources. As part of the Just Gold project, women artisanal miners sell their gold at the same prices as men, and have access to project equipment and training on improving gold yields, mercury reduction, and mine site safety. We also provide human rights and gender equality sensitization to the community.

WE'RE FOSTERING ENVIRONMENTAL STEWARDSHIP FOR CLEANER AND SAFER COMMUNITIES

Environmental field assessments are carried out at the start of the Just Gold project with the collaboration with the United Nations Environment Programme (UNEP), when possible. We develop steps to implement recommendations on environmental management techniques and provide technical assistance to reduce mercury use in gold mining. Our experiences from the Just Gold project are disseminated through the UNEP Global Mercury Partnership.

Our technical assistance provides sensitization and outreach to improve understanding on environmentally responsible mining, ways to reduce mercury use, ecosystem management, and mine site rehabilitation. We offer training to miners on better gold recovery techniques, provide equipment to reduce mercury use, and engage with community groups and miners to carry out mine site rehabilitation and reforestation. Through the Just Gold project, we collaborate with government agencies to help build their capacity to manage toxic waste, protect the environment, and rehabilitate mine sites.



Almost **70 PERCENT of miners** in the Just Gold project **have purchased land** with the money they saved while working at project mine sites, using their **land for farming** to bring in additional income to their household.



HOW THE JUST GOLD SUPPLY CHAIN WORKS





The Just Gold project works in collaboration with local authorities to identify suitable mine sites for the project, based on a set of criteria that we have established together. The Just Gold project only engages in mine sites that are suitable for designation as artisanal mining zones by the government and are conflict-free according to national mine site inspectors.

The Just Gold project works in partnership with the local mining cooperative. Comprehensive community consultations take place, alongside initial technical assistance assessments, mine site production capacity assessments, environmental impact assessments, and gender assessment, as well as baseline studies to gather initial impact data.

2. MINERS JOIN THE

Miners and their respective mining teams join the Just Gold project. Services provided at the mine site such as preparing food or helping with panning and crushing, are often provided by women. These individuals can also join the project in their own individual capacity. No miners under 18 can join the Just Gold project or work for a miner participating in the Just Gold project.

Miner information including name, ID number and type, date of birth, mining team, and more is logged into the Just Gold traceability and due diligence system, powered by Consensas. Each participant receives a photo ID badge confirming their participation as a member of the cooperative

in the Just Gold project. In exchange for joining the Just Gold project, mining teams are obligated to sell the gold they produce to the Model Trading House.

As part of our efforts to promote formalization of artisanal gold mining, support is provided to ensure all miners participating in the Just Gold project apply for government-issued miner identification cards.



Members of the Just Gold team visit mining teams at their work site on a daily basis to determine production levels at mine site pits. This information is compared against daily sales to ensure mining teams are fulfilling their contractual obligation to declare all of their gold yields and sell legally. Teams that neglect the agreement risk losing access to the incentives provided by the Just Gold project.



The Model Trading House establishes trading outposts as close to the mine sites as possible, staffed by licensed traders. Each day at the trading outpost, the traders post the daily LBMA-based purchase price for rock and alluvial gold on the wall for all mine site actors and the community to see, encouraging transparency and trust-building.

Miners sell their gold daily at the trading outpost and they must present their Just Gold photo ID badge to prove their participation in the project. The miner's ID number is verified against what is recorded in the Just Gold traceability and due diligence system, powered by Consensas. The trading outpost will only buy gold from miners participating in the project and from a mine site pit that has been declared as active, allowing the Just Gold team to track gold production.

Rock gold that requires processing to remove mercury is carried out by the trader who has been trained on the procedures, in a designated area with safety equipment.

After finalizing the sale based on the publically displayed price, the trader and the miner both sign a transaction form to indicate that the gold has been sold. The miner receives proof of sale in the form of a receipt.



The trader at the trading outpost logs the details of each gold purchase into a daily purchase form. The form tracks the type of gold bought (rock or alluvial), weight, price, and information about the mining team and the pit that produced it. The daily purchase form always remains with the gold purchased as it travels from the trading outpost to the centralized Model Trading House.

At the Model Trading House, the Manager—a licensed trader, hired by the legal entity implementing the traceability and due diligence system—examines each daily purchase form. All the gold from each trading outpost is reweighed to ensure accuracy.

The Model Trading House Manager is responsible for a series of export-related reports that confirm weight and purchase details. These reports accompany the gold to the exporter. These reports allow for the gold to be traced back to the mining team and the mine site pit that produced the gold—adhering to regional and international standards.



The Just Gold project partners with a local exporter who has undergone a full due diligence review and has taken action to comply with regional and international standards.

At the time of sale to the exporter, gold is reweighed and sold by the Model Trading House Manager based on the terms of the previously negotiated contract. The Manager finalizes the transaction with the exporter.

An agent of the government agency responsible for export procedures witnesses the sale and authorizes a receipt to the trader, confirming the legal sale of gold for export. The exporter is responsible for a series of forms declaring the gold for export, paying legal export taxes, as well as securing the proper regional certificates for the gold, if applicable. The exporter arranges the sale of traceable, legal, and conflict-free artisanal gold directly with an international market actor. Where applicable, the government agency may also carry out complementary procedures for certification purposes such as those required by the International Conference on the Great Lakes Region (ICGLR).



Photos: Sven Torfinn/IMPACT

Front Cover: An artisanal miner participating in the Just Gold project in Democratic Republic of Congo finds gold while washing.

Page 1: Leon—a miner participating in the Just Gold project in Ituri Province—moves a bag of rock ore that will be crushed in hopes of finding gold.

Page 2: Abdallah, a trader in the Just Gold project in Democratic Republic of Congo, poses for a photo at one the project's trading outposts in Ituri Province.

Page 4: Santos, a miner in the Just Gold project, poses for a photo at the crusher he operates in Ituri Province.

Page 7: Amis, a miner in the Just Gold project in Democratic Republic of Congo, poses for a photo at one of the project's trading outposts while selling his traceable and conflict-free gold.

Page 8: Anifa poses for a photo at a mine site in Ituri Province, while cooking meals for participating miners at Inshallah Restaurant.

Page 9: Two women artisanal miners participating in the Just Gold project in Democratic Republic of Congo, crush rock ore by hand with hammers.

Page 10: Artisanal gold at the Just Gold project in Democratic Republic of Congo is purchased by participating traders with local currency—Congolese Francs.

Page 12: The road from Mambasa to participating mine sites in Ituri Province.

Page 13: Jean Luc poses for a photo at his office at the Division of Mines in Ituri Province's capital city, Bunia.

Page 16: Aisha, a miner participating in the Just Gold project in Democratic Republic of Congo, poses for a photo while washing rock in search of gold.

Back Cover: The Just Gold project's Model Trading House Manager examines artisanal gold that has been sold to a participating trader in the Democratic Republic of Congo.

Photo: Fair Trade Jewellery Co.

Page 6: Fair Trade Jewellery Co., a Toronto-based ethical jeweller showcases rings made out of gold responsibly sourced from Congo through the Just Gold project.

