



RESPONSIBLE
JEWELLERY
COUNCIL

CHAIN OF CUSTODY

GUIDANCE

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SUPPORTING DOCUMENTS

The following documents offer supporting information to the COC guidance:



[RJC COC Standard](#)



[RJC Glossary](#)



Further supporting documents, appendices, toolkits and references to assist with implementing this document, can be found on the RJC [website](#) and on the [member portal](#).

Key defined terms in this document are in italics and can be found in the [glossary](#).

ENQUIRIES, FEEDBACK OR COMPLAINTS

We welcome feedback on this guidance or if you have any enquiries, feedback or complaints, please contact: consultation@responsiblejewellery.com +44 (0)207 321 0992


The Responsible Jewellery Council is the trading name of the Council for Responsible Jewellery Practices Ltd, 3rd Floor, 2-3 Hind House, London, EC4A 3DL.

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Our vision is a responsible world-wide supply chain that promotes trust in the global jewellery and watch industry.

The Responsible Jewellery Council (RJC) is a not-for-profit standard-setting organisation founded in 2005.

ABOUT THIS GUIDANCE

The RJC Chain-of-Custody (COC) Standard defines an approach for companies to handle and trade gold, silver and platinum group metals in a way that is traceable and responsibly sourced. COC certification is voluntary and complements certification against the RJC's Code of Practices (COP), which is mandatory for all RJC members. This COC Guidance (the 'guidance') provides general information and advice about the COC Standard. It is not a substitute for legal advice.

This is a 'version controlled' document and the RJC reserves the right to revise this guidance based on implementation experience and emerging good practice. The guidance on the RJC website supersedes all other versions. Please see: www.responsiblejewellery.com

Introduction

A. ABOUT THE RJC CHAIN-OF-CUSTODY STANDARD

A chain of custody (COC) is a documented sequence of custody of material as it moves along the supply chain. The RJC's COC Standard, first developed in 2012, defines the requirements for creating a COC of precious metals that are responsibly produced, processed and traded through jewellery and watch supply chains, and that are third-party assured at every stage (see Figure 1).

The COC Standard sets out the requirements needed for certification and is voluntary for RJC members.

It should be noted that the origin of the material itself, and in particular whether it is mined, recycled or legacied (grandfathered), does not render the material responsible/sustainable. Rather it is the knowledge and understanding of the supply chain and the responsible management of this, whatever the source, that will illustrate sustainability. As a result, the RJC COC certification has been designed to provide a strong system for companies in the precious metal supply chain seeking a point of differentiation for their customers, consumers and other stakeholders. This can add value to jewellery and watch products and help protect and enhance brands.

Recognising that jewellery and watch supply chain companies have varied needs in third-party assured approaches to responsible sourcing and provenance, there is also the option to have provenance claims included in the scope of COP certification. Certified provenance claims can be adapted to suit particular supply chain needs. This option is available to entities certified against this standard in relation to materials and practices outside the scope of the COC standard including diamonds and coloured gemstones.

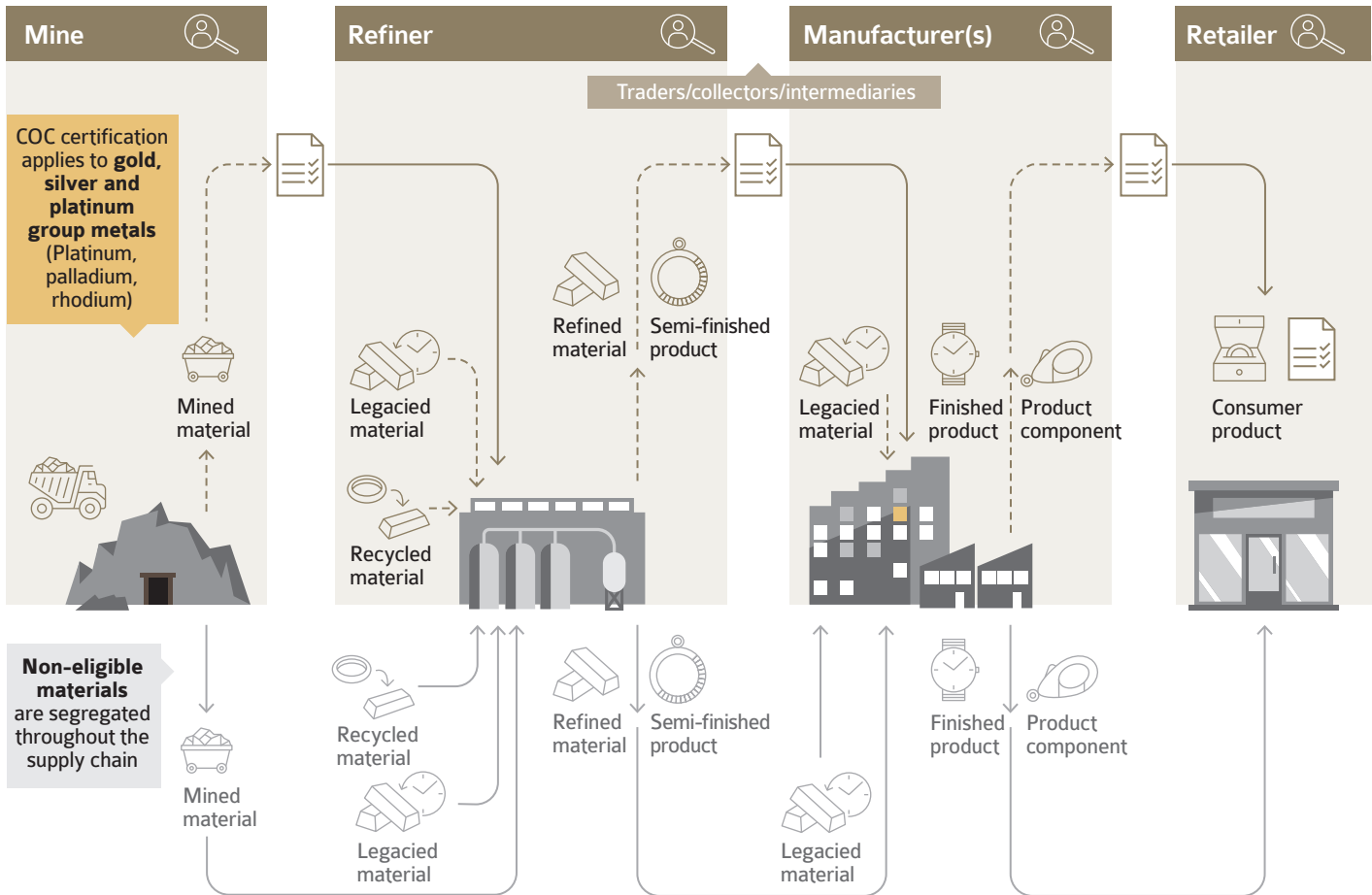
BOX 1. AT A GLANCE

COC certification at a glance:

- Allows for traceable material which is segregated along the supply chain.
- Starts with responsible sources which meet eligibility criteria.
- Requires third-party auditing at every stage of the supply chain.
- Is voluntary, and applies to gold, silver and platinum group metals (PGMs) – platinum, palladium, rhodium.
- Is designed to support responsible sourcing from artisanal and small-scale mining (ASM).

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FIGURE 1. OVERVIEW OF THE RJC COC STANDARD



<p>---> Eligible material Material that meets the eligibility criteria for COC</p>	<p>---> Non-eligible material</p>	<p>Due diligence and Know Your Counterparty Responsible sourcing requirements used to assess, mitigate for and report on a broad scope of risks in a company's supply chain including:</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> Human rights </div> <div style="text-align: center;"> Child labour </div> <div style="text-align: center;"> Illegitimate sources </div> <div style="text-align: center;"> Support to illegal armed groups </div> <div style="text-align: center;"> Money laundering </div> <div style="text-align: center;"> Financing of terrorism </div> </div> <p>In line with due diligence and KYC requirements of the COP and risk-based enhanced due diligence and KYC requirements in the COC.</p>
<p>---> COC material Material declared eligible by a COC certified entity backed up with appropriate COC documentation</p>	<p> COC transfer documentation</p>	

Note: Traders/collectors/intermediaries may be present and have a role between miner and refiner or refiner and manufacturer. Typically, such organisations would not take physical ownership and the material would not undergo transformation but are required to implement due diligence and KYC.

Introduction

B. ABOUT THIS GUIDANCE

This guidance is designed to help RJC members seeking COC certification and auditors carrying out independent third-party audits. It is also available to businesses in the jewellery and watch supply chain and other stakeholders who wish to learn more about establishing COC systems and the RJC standards.

The RJC COC standard sets out requirements for what a business must do, but it does not prescribe how systems and procedures should be designed. The guidance may include information about how a COC standard requirement is to be interpreted. However, for the avoidance of doubt, members must meet all applicable requirements in the COC standard and auditors must evaluate a member's conformance against the applicable requirements in the COC standard. The guidance should be used as a source of information and support, where required.

C. CONTENT

The RJC COC standard is structured in three sections, comprising ten provisions (see Figure 2). Each section of the standard focuses on specific aspects of managing robust COC systems.

FIGURE 2. CONTENT OF THE RJC COC STANDARD

COC MANAGEMENT SYSTEMS	SYSTEMS TO CONFIRM ELIGIBILITY OF MATERIAL	ISSUING COC DOCUMENTATION
1. Management systems	5. Eligible mined material	8. Eligible material declarations
2. Internal material controls	6. Eligible recycled-material	9. COC shipments and transfer documents
3. Outsourcing contractors	7. Eligible legacied (grandfathered) material	10. Product claims and intellectual property
4. Return and reintegration of returned COC material		

This standard outlines the requirements for declaring a material's eligibility, segregating it from other material in custody, and giving robust information when transferring it to others

Key terms are defined in the glossary available on the RJC [website](#).

Introduction

D. APPLYING THE COC STANDARD

Depending on your business activities – miner, refiner, retailer, trader or manufacturer – you may or may not have to fulfil all the provisions to get RJC COC certified. Table 1 shows the required, optional (where applicable) and non-applicable provisions of the COC standard according to business activity. Please note that this list is not definitive; in the end, it is your certification scope that will define which provisions apply to you.

TABLE 1. REQUIRED AND OPTIONAL (WHERE APPLICABLE) PROVISIONS OF THE COC STANDARD BY BUSINESS TYPE

COC Standard provisions	Mining entities	Refiners*	Retailers Traders Manufacturers
1. Management systems	Required	Required	Required
2. Internal material controls	If applicable	Required	Required
3. Outsourcing contractors	If applicable	If applicable	If applicable
4. Return and reintegration of returned COC material			If applicable
5. Eligible mined material	Required	If applicable	Not applicable
6. Eligible recycled material	Not applicable	If applicable	If applicable
7. Eligible Legacied (grandfathered) material	Not applicable	If applicable	If applicable
8. Eligible material declarations	Required	If applicable	If applicable
9. COC transfer documents	If applicable	Required	Required
10. Product claims and intellectual property	If applicable	Required	Required

* Note that if you are a collector these provisions apply to you



Introduction

E. THE START OF THE CHAIN

Assuming you can fulfil two pre-requirements (see Box 2), the COC begins with the **start of the jewellery supply chain**, and that is where declarations of COC eligibility are made. But where exactly that is depends on the type of material in question:

- **For mined material**, the COC starts with the mine, and COC declarations must be made by mining entities. If the mined material is produced under a recognised responsible standard for ASM or under an accepted mining assurance programme, or is a mining by-product, the declaration can be made by the first entity in the supply chain that sources the material. This may be a refiner, a mineral concentrator or concentrate collector.
- **For recycled material**, the jewellery supply chain starts with the entity that converts or refines the material to a commercial market quality and to the necessary specification for re-entry into the value chain. This is usually a refiner or alloy producer but may also be a collector.
- **For legaced material**, any entity that can demonstrate the material meets that criteria can be the start of the COC chain. This is usually a refiner or alloy producer, but may also be a collector or jewellery manufacturer.

BOX 2. PRE-REQUIREMENTS

In order to be certified to this standard you will need to have already implemented due diligence and KYC practices and have had these assessed as being in conformance with the provisions in COP 2019 or later. You can find further guidance on these requirements in the COP standards guidance document. You will then need to ensure that you have applied these mechanisms to confirm that your material is eligible under the COC standard and, in particular:

- If it is mined material, there is documented due diligence to confirm the material has not contributed to adverse impacts related to conflict affected or high-risk area (CAHRA) in line with COP 7.
- If it is recycled material, that sufficient due diligence and KYC has been undertaken to prevent illegitimate sources of material from entering the supply chain as recycled material and that you can categorise the type of recycled material in accordance with the definitions in provision 6 of the COC standard.

F. ASM AND CHAIN OF CUSTODY

A growing focus on due diligence for minerals from CAHRAs is leading to more stringent risk management throughout the jewellery supply chain. This raises concerns that companies and individuals in the chain will avoid sourcing from ASM – driving these producers towards more informal or even illegal supply chains.

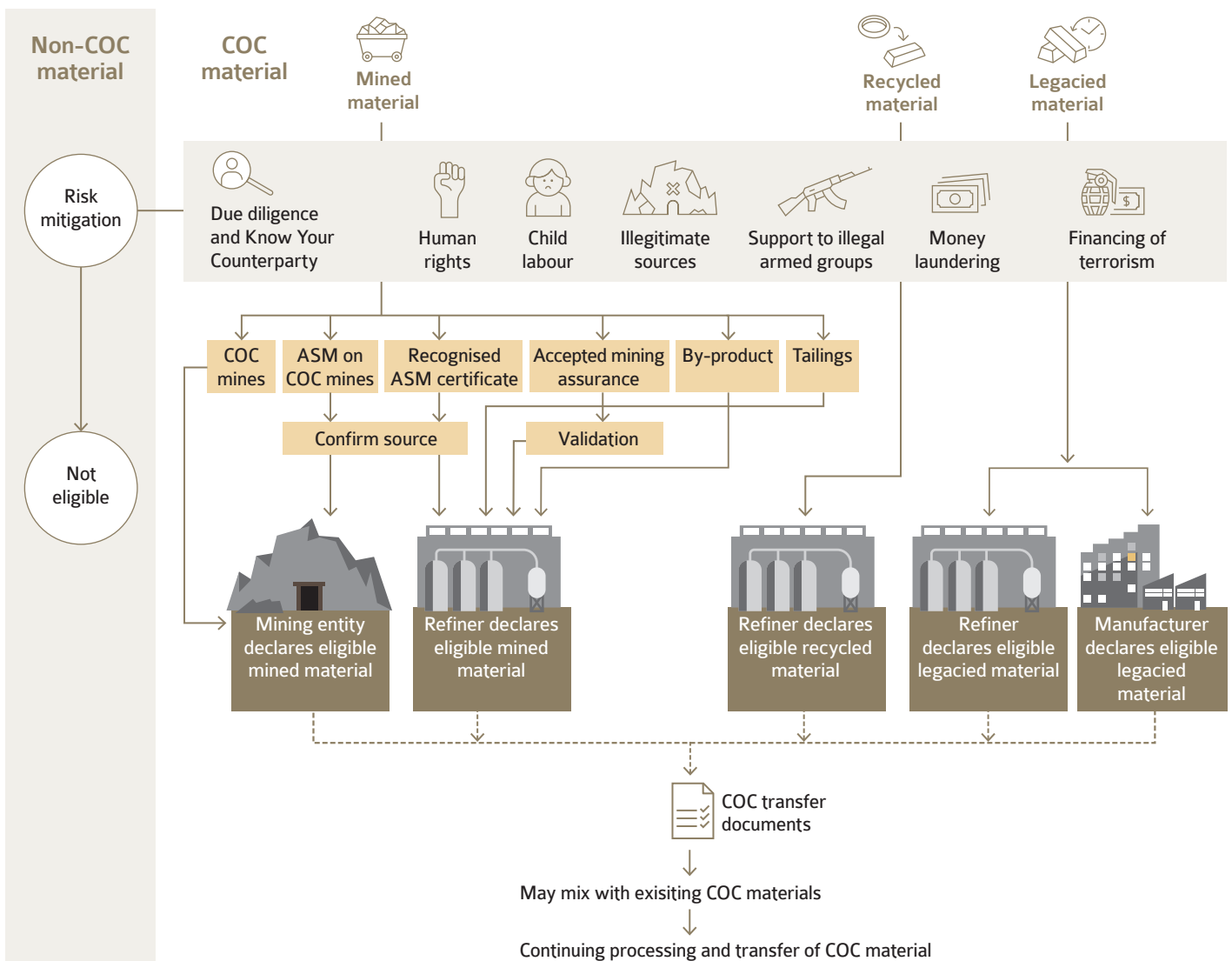
This is further exacerbated by the growing interest in using recycled materials, as the point of origin of recycled material is defined as the first point at which such material becomes eligible for recycling and the associated methods for calculating the carbon footprint of recycled material as starting at this collection point. The RJC encourages all members to seek to trace the material back to its first origin and to use this information to establish an evidence-based calculation for its carbon footprint.

Introduction

The RJC’s COC standard is designed to promote responsible sourcing from ASM and includes two provisions specifically on ASM in its eligibility criteria for COC material:

- A provision for ASM material on the concessions of larger-scale mining facilities (5.1b); and
- A provision for ASM material produced under a recognised standard (5.1c), such as the Fairmined Standard for Gold and Fairtrade Gold.

FIGURE 3: SCREENING AND FLOW OF COC MATERIAL



COC 1 Management systems and responsibilities

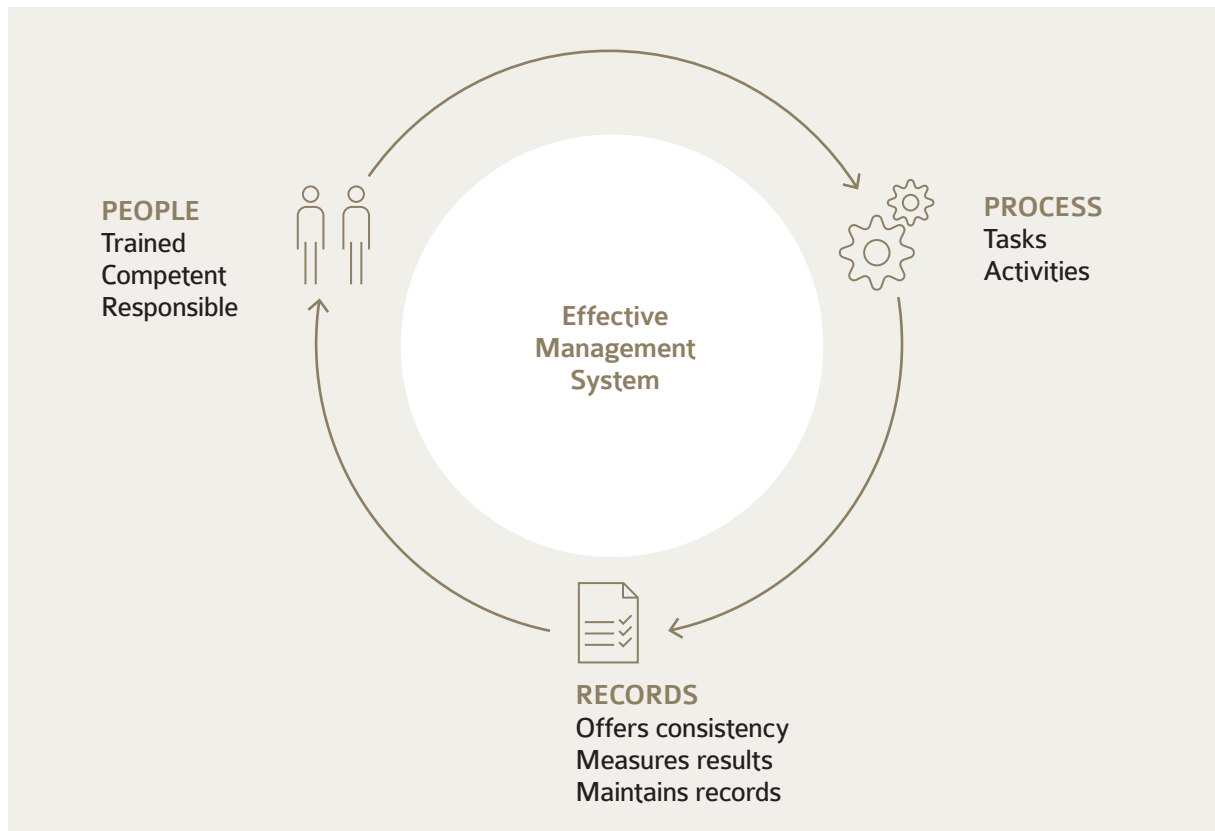
A. APPLICABILITY

This provision applies to all members seeking COC certification.

B. ISSUE BACKGROUND

Building a framework for a COC begins with ensuring a management system that can address all applicable parts of the COC Standard, in all facilities with custody of COC material. Such a system is made up of three interacting and dynamic elements – people, process and records. For the system to work effectively, people must be trained, competent and understand their responsibilities; processes must be established to define what tasks and work activities need to be carried out, when this needs to happen and who is responsible for them; and record keeping is required to ensure consistency, measure results and maintain records (see Figure 4). Management systems are not static and a “plan-do-check-act” approach should be taken, with a programme of internal audits to check on conformance and periodic reviews of the effectiveness of the system to ensure that it is meeting its objectives.

FIGURE 4. THE THREE COMPONENTS OF A MANAGEMENT SYSTEM INTERACT AND ARE DYNAMIC



COC 1 Management systems and responsibilities

C. IMPLEMENTATION GUIDANCE

COC 1.1–1.7: MANAGEMENT SYSTEMS

- 1.1 The *entity* shall have documented *management systems* that address all applicable requirements of the RJC COC standard in all facilities under its control that have custody of COC material.
- 1.2 The *entity* shall assign authority and responsibility to a *senior staff* member for the *entity's compliance* with all applicable requirements of the COC standard.
- 1.3 The *entity* shall establish and implement communications and training measures that make relevant personnel aware of, and competent in, their responsibilities under the COC standard.
- 1.4 The *entity* shall maintain *records* covering all applicable requirements of the COC standard and shall retain them for a minimum of five years or for as long as defined by national legislation, whichever is longer.
- 1.5 The *entity* shall have *systems* in place that enable it to respond to reasonable requests for verification of the *COC transfer documents* it issues.
- 1.6 The *entity* shall carry out regular reviews at least annually to ensure that its *management systems* are appropriate and up to date.
- 1.7 The *entity* seeking COC certification shall be an RJC member, or under the control of an RJC member, in good standing, certified to the RJC's COP standard 2019 or later and thereby be committed to upholding responsible business practices as defined in the RJC's COP.

Points to consider:

- You can support a COC approach in your business by:
 - Designating a senior member of staff with sufficient experience and seniority to oversee COC staff and systems.
 - Establishing, or adapting, internal systems to track all COC materials in custody.
 - Identifying all points in your work stream where eligible or COC material might get mixed with non-eligible or non-COC material – and putting controls in place to keep the two separate.
 - Communicating processes and procedures to all staff who have a direct impact on the COC process or handling of materials.
 - Keeping records that can support COC claims and show that your controls are effective.
 - Checking that your processes and procedures are being followed and that the system is delivering the desired outcomes.

COC 1 Management systems and responsibilities

- The approach may be more or less formal to meet the size of business and potential risks. Management systems can take many different forms, depending on the nature and scale of a business, the level of automation and use of information technology, the types of materials handled, the points at which material could become mixed, etc. For example, the system needed to separate COC and non-COC material at a refinery will look very different from the system needed at a small retail business.
- In all cases, the COC auditor will look to verify that your management system (that is, your people, processes and relevant records) can fulfil the requirements of the COC standard. That typically means looking for a range of evidence, as outlined in Table 2.

TABLE 2. EXAMPLES OF THE TYPE OF EVIDENCE LOOKED FOR BY AUDITORS TO PROVE CONFORMANCE WITH COC 1

Provision	Examples for evidence of conformance
1.1	<ul style="list-style-type: none"> • Efforts to identify and control risks of non-conformance. • Adequate resources (financial, human, equipment, information technology, etc.) to carry out the relevant tasks and activities. • Policies and procedures (which may or may not be documented) that are understood and consistently followed. • An internal process that regularly monitors the design and effectiveness of controls.
1.2	<ul style="list-style-type: none"> • Clear designation of a senior member of staff with sufficient experience and seniority.
1.3	<ul style="list-style-type: none"> • Training of relevant staff (both internal and on-site contractors). • Communication processes to ensure information reaches relevant customers, and suppliers and other relevant business partners.
1.4	<ul style="list-style-type: none"> • COC records and documentation to support all applicable parts of the standard. • Records and documentation that date back at least five years.
1.5	<ul style="list-style-type: none"> • Systems to verify the data included in all COC transfer documents issued by the business, whether the data is supplied on paper or in digital form.
1.6	<ul style="list-style-type: none"> • Records of management system reviews carried out at least annually (plus any time there have been changes to the business operations that may impact the system).
1.7	<ul style="list-style-type: none"> • RJC membership status.

COC 2 Internal material controls

A. APPLICABILITY

This provision applies to all members seeking COC certification. Provision 2.5 only applies to refiner entities.

B. ISSUE BACKGROUND

There are many different types of COC model available to track the movement of products and their associated claims through a supply chain. The COC standard is designed to support a segregation model, or 'bulk commodity' model, which ensures that eligible material is not mixed with non-eligible material (although mixing of eligible material from two or more certified sources is allowed if it is documented accordingly). But the standard can also be used to support a stricter identity preservation, or 'track and trace', model that ensures eligible material from a particular site is kept separate from other sources so that it can be uniquely traced back to a single point of origin. It is ultimately up to the RJC member to decide how to use the COC standard to support either or both models.

In practice, implementing either model relies on what are known as 'internal controls' – measures established to monitor and control material coming in to, and going out of, the business. For businesses handling COC and non-COC material, that essentially involves tracking individual, physically separated, lots of COC material that are given unique identification numbers.

Many businesses in the jewellery supply chain already have systems that record this information to manage their inventory and workflow, and support their financial accounting system, this includes enterprise resource planning (ERP) systems. In many cases, these systems can be readily adapted to control COC material.

C. IMPLEMENTATION GUIDANCE

COC 2.1: SEGREGATION CONTROLS

The *entity* shall identify each point at which there is an opportunity for eligible and/or *COC material* in its custody to become mixed with non-eligible and/or non-COC material, and shall put controls in place to ensure segregation.

Points to consider:

- If you want to pass on COC claims, then you must keep COC and non-COC material separate.
- The simplest solution to segregation is to only supply (or source) COC material. But while this may suit mines (where COC certification means all eligible production could be sold as COC material), it is unlikely to apply to downstream businesses with multiple suppliers and complex supply chains.
- You can handle both COC and non-COC materials in the same facility by implementing either:
 - **Physical measures** that separate COC and non-COC materials by space, for example, separate processing lines, identification and inventory storage;

COC 2 Internal material controls

- **Virtual measures** may be acceptable where effective data recording and control systems exist through an auditable ERP or equivalent & auditable data system and the material is identifiable and traceable at all times and you can demonstrate such traceability and the associated controls and training of relevant employees. Materials that cannot be identified and traced at all times (i.e. with a tag or engraved identification number, such as metal grain or other fungible material), must be physically segregated as the possibility of mixing with non-COC material is of higher risk than that of a finished product or;
- **Temporal measures** that separate COC and non-COC materials by time, for example, batch processing on the same process line or workspace.
- Batch processing is particularly suited to industrial-scale refiners who use complex production lines and metallurgical processes to produce high-purity metal and regularly source and mix mined, recyclable and Legacied (Grandfathered) materials.
- Wherever possible, refiners should avoid any mixing of COC and non-COC material as a result of the re-use of crucibles or intermediate process fluids between COC and non-COC batches. This might also require tank cleaning or other measures. However, to support smaller entities, the RJC COC standard allows the minor mixing that might occur between separate batches through, for example, process residues in crucibles or intermediate process fluids where full segregation processes might be uneconomical in terms of time or cost.
- To support segregation in manufacturing, where processes rely on the use of machines or workstations that handle different product lines, the RJC recommends a risk-based approach to deciding on the need for machine cleaning between COC and non-COC batches. For those activities that carry a low risk in relation to the introduction of non-COC material, such as machining, setting, polishing and engraving, certification against the RJC COC standard does not require machine cleaning between every COC and non-COC batch of material. However, for processes where there is a risk of introducing non-COC from the previous batch in the product (for example, alloying, casting, 3D printing), entities should undertake a risk assessment and implement appropriate mitigation actions. This might mean dedicating equipment to manufacturing COC products, or cleaning equipment to avoid contaminating COC products with non-COC products, but it is recognised that smaller entities may need to develop an action plan to fully implement such practices.
- Products comprising one single component (e.g. a tube, a simple casted ring, a simple screw) may be sold as COC only if the component is entirely made of COC materials. If the component contains both COC and non-COC materials, the product must be sold as non-COC because the COC and non-COC materials cannot be dissociated.
- A jewellery product comprising a mix of COC and non-COC components can be sold as COC only if all COC components are separately identifiable. For example, a COC gold chain can be sold with a non-COC gold pendant because the two components can be identified separately. The guidance for COC provisions 9 and 10 gives further information in relation to requirements for COC transfer documents and claims for such products.
- Make sure you record, and accurately describe, either any non-COC material in the COC transfer document of your jewellery products or the elements that are made of COC material in a way that is clear to the customer or end-consumer (see COC 9).

COC 2 Internal material controls

BOX 3. USING ERP OR EQUIVALENT SYSTEMS

An ERP or equivalent (and auditable) data system controls the receipt and movement of all material and allocates unique reference numbers to each item or batch so that each one can be physically identified.

- The data recorded must be sufficient to clearly identify the material concerned. This should include a unique reference number so as to ensure that different items or batches cannot be mixed. This may include a photograph or other image that allows easy identification.
- Where the material concerned is not individually identifiable (e.g. grains or similar) batches must be individually packed in tamper evident packaging appropriately labelled with the unique reference number.
- Physical material may be “tagged” electronically to immediately allow an operative to “read” the reference number allocated, however, consideration should be given to also making the physical material immediately visibly identifiable for example by using different coloured packaging or other physical indicators.
- Change of control to sub-contractor and change of control of the physical product shall be recorded internally by the ERP or equivalent & auditable data system.
- Change of ownership including all necessary information as per the COC requirements (i.e. the selling by the COC entity) shall be recorded by the ERP or equivalent & auditable data system.
- It must be possible to trace all material forward from the ERP or equivalent & auditable data system to the physical location of the material, and backwards from the physical material to the computer system.
- Evidence must be available that the ERP or equivalent & auditable data system are tested from time to time to ensure that the controls are working, and records of such checks maintained.
- Effective training of relevant employees responsible for the storage and issue of materials so as to ensure that accidental mixing cannot occur must be completed and recorded.

COC 2 Internal material controls

CASE STUDY: BATCH REFINING FOR FINE GOLD

Producing ‘four nines’ fine gold (999.9 fineness) often relies on electrolytic gold refining, where anodes cast from impure gold are immersed in a gold-bearing electrolyte in an electrolytic cell, usually for several days. The anodes dissolve into the electrolyte, and high-purity gold is deposited on cathodes, which are then pulled from the cell and their gold recovered at the end of the process. Refiners will normally produce discrete batches to meet customer requirements and all batches may not comprise COC material.

To ensure that COC gold is not contaminated with non-COC gold, the electrolyte should be produced with COC material. Electrolytes made with COC material can also be used to produce non-COC gold. However, once used to produce non-COC material, the electrolyte should no longer be used to produce COC material.

For example, if an electrolytic cell is used to produce both COC and non-COC gold, the tank should be cleaned before producing COC batches, and the electrolyte dedicated to COC gold electrolysis should be removed from the cell and stored in a dedicated tank, waiting for the next production of COC gold.

However, for smaller entities, this practice may be unaffordable both in terms of time requirements and costs and it is recognised that some members may need to develop an action plan to implement such measures before this can be fully achieved.

COC 2.2 & 2.3: INTERNAL CONTROLS

- 2.2 The *entity's* internal systems shall be able to reconcile the total weight of eligible and/or COC material in its custody with movements in and out of the inventory over a given time. If the *entity* has custody of *jewellery* products containing COC material, reconciliation may be by item count rather than weight.
- 2.3 If the *entity* issues a *COC transfer document* for *COC material* identified as having a certain provenance or other characteristic, the *entity's* internal systems shall ensure that the requirements for segregation and reconciliation as set out in provisions 2.1 and 2.2 are met in order to help segregate that COC material.

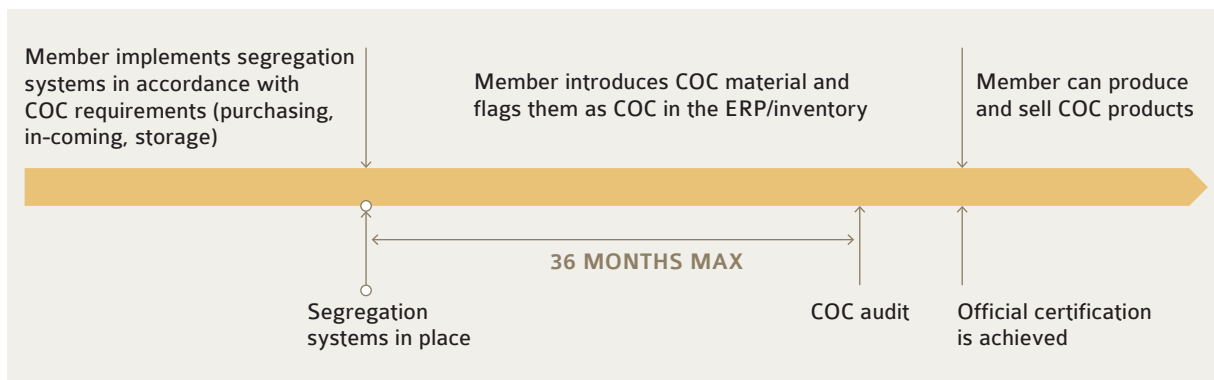
Points to consider:

- Use record-keeping and inventory management to help track COC material in your custody.
- Implement robust systems to verify material on receipt and ensure this is clearly identifiable as COC or non-COC either through physical marking or within any inventory management systems you use. Where the integrity of these controls can be evidenced by the auditors, and the COC status of incoming materials is maintained throughout the process, it is not necessary to maintain the linkage of the material to the Transfer Document that accompanied the delivery.
- Make sure your inventory records can uniquely identify discrete physical lots, batches or components, and that they include an accurate weight for each lot.
- If your business uses continuous processing, you can define your own ‘lots’ using specified time segments to measure material flow ingoing and outgoing.

COC 2 Internal material controls

- Design your inventory system to:
 - Show the location, status and weight of each lot or component at all times.
 - Record changes in weight due to processing and movement in and out of inventory, with checks in place to ensure they are within normal tolerances (see Box 4). For jewellery products, record item counts rather than weight.
- If you wish to include materials, components or products purchased and handled up to 36 months prior to your certification to the COC Standard it may be possible to do so, as long as you can demonstrate to the auditor that these have been handled and entered into your inventory in accordance with the requirements of this Standard. To do this you will have to demonstrate to the auditor that there is a transfer document attached to the material and that COC-compliant purchasing, in-coming and storage systems have been in place since the beginning of period concerned. Once certification has been obtained, the production of COC products made from these COC materials can begin. Figure 5 indicates the process to be followed.
- If your business handles COC material to support a 'track and trace' claim, your inventory system must record provenance information, support additional segregation from other types of COC material and be supported by systems in accordance with Provision 14 of the COP.
 - Note. The COC standard does not require that COC materials be segregated by provenance.

FIGURE 5. PROCESS FOR HANDLING COC ELIGIBLE MATERIAL BEFORE CERTIFICATION



BOX 4. RECONCILING WEIGHT

The recorded weight of eligible material as it moves in and out of inventory isn't necessarily a fixed figure. Refining and manufacturing processes usually result in losses or scrap, so the weight goes down. On the other hand, alloying and manufacturing processes may lead to weight gains as additional materials or components are incorporated into the eligible material.

At the mining and refining stage, estimating weight is even trickier. Assays, samples and other analyses may point to the likely average concentration of metals in ore and by-product processing residues, but their actual weight cannot be known, or recorded, until processing is complete and eligible material is declared as an output.

COC 2 Internal material controls

COC 2.4: OUTSOURCING CONTROLS

The *entity's* internal systems shall verify and document that the contents of each shipment of *COC material* received from, or dispatched to, other entities, *outsourcing contractors* or *service companies* certified to the COC standard are accurately described by the applicable *COC transfer document* for that shipment or through equivalent *records* in cases where the use of a transfer document has been suspended in line with the requirements in provision 9.4. If an error is discovered after *COC material* has been shipped, the *entity* and the other party shall document the error and take the agreed steps to correct it.

Points to consider:

- Make sure you establish procedures for verifying incoming and outgoing shipments of COC material, and for ensuring that each shipment is accurately described and recorded either in a COC transfer document or digital records. If you are using digital records instead of a COC transfer document you need to ensure that you include the same information and level of detail that is required in a COC transfer document.
 - Note: The conditions under which the use of a transfer document can be suspended are described in COC provision 9.4.
- Document your procedures for approving shipments of COC material; these should include a requirement that contents be signed off by a responsible employee.
- You must conduct a full risk assessment of the outsourced contractors you intend to use and assign a risk rating in relation to the potential for non-conformances against this Standard to arise based on the activities conducted by the outsourced contractor. The risk assessment must be conducted by someone who understands the processes being undertaken and the requirements of COC provision 3.
- Depending on the risk rating, you will then need to decide what level of oversight may be required, in addition to your controls for accepting individual shipments. Additional information on examples of different activities and their risk levels, practical considerations around controls and risk ratings is available in the RJC Certification Process Requirements. Please see Table 3 for definitions of risk.
- Ensure that the outcome of your risk assessment and the checks you have made are recorded and that these records are available for review by your auditor.
- Use systems that are efficient and proportionate to the scale of your business. You don't have to use expensive and sophisticated equipment or information technology, but be wary of relying on extensive manual data entry, which is prone to error.

TABLE 3: RISK RATING FOR OUTSOURCED CONTRACTING ACTIVITIES

Level of risk of outsourced subcontractors	Description
High Risk	Those that change the physical properties of the material or product.
Medium Risk	Those that add or adapt the physical properties of the material or product, such as plating, stone setting or similar.
Low Risk	Those that do not change, adapt or add to the physical properties of the material or product such as polishing, engraving and hall marking.

COC 2 Internal material controls

COC 2.5: REFINER CONTROLS AND REPORTING

Refiner entities shall additionally:

- a. Maintain internal material control *systems* that can uniquely identify the *origin* of each material including date received, quantity and assay, and reconcile movement of inventory in and out.
- b. Collect information on the mine of *origin* of mined *gold* received, and *source* and type of recycled *gold* received, and annually:
 - i. Submit this information to the RJC
 - ii. Report this information publicly, with due regard to *business confidentiality*.

Note: Provision 2.5 is required for any refiner entity member who is not yet certified to the RJC Code of Practices 2024.

Actions to be taken:

- Establish and implement systems for internal material control.
- **For all your inputs** (gold, silver or PGM received), record:
 - the date you physically receive the material, or the date it enters your control system;
 - the material's form, type and physical description of the material;
 - the material's weight and assay (assay determinations may be provided by the counterparty, refiner or a third party); and
 - a unique internal reference number assigned by bar, ingot or batch of material accepted – make sure the number is the same as that used on any other information collected on that material.
- **For all your outputs** (gold, silver or PGM sent out), record and make the product identifiable with:
 - your name and/or stamp or logo;
 - the year of refining or production; and
 - a unique reference (for example, serial number, electronic identification or other practicable means).
- Make sure that the total weight of material received and in inventory during the audit period can be reconciled with movements in and out of inventory for the same period.
- Adopt tamper-proof physical security measures for all outputs.
- If you are a gold refiner, remember to share your data on mine of origin with the RJC (see box 'Sharing data with the RJC'). You should also provide this information on request to your customers.
- As a refiner, either separately or part of your annual report (as per COP 3 Reporting), you also need to publicly report, information on the mine of origin of mined gold received, subject to matters pertaining to business confidentiality.

COC 2 Internal material controls

BOX 5: OPTIONAL ADDITIONAL BEST PRACTICE REFINER REPORTING

- Refiner members may also choose to include information on the quantity, source and characteristics of the materials handled in these public reports, subject to business confidentiality. Example data points may include:
 - Quantity of input RJC scope materials (by weight) from mines that have submitted results of self-assessment to the Members supply chain policy;
 - Quantity of RJC scope materials (by weight) from mines that have undergone an independent third-party COP audit;
 - Quantity of RJC scope materials (by weight) from recycled/scrap suppliers that have been evaluated on ESG performance;
 - Quantity of RJC scope materials (by weight) from ASM sources that has been evaluated using a credible third-party verification system;
 - Quantity of RJC scope materials (by weight) from all sources not yet evaluated on ESG performance;
 - Quantity of RJC scope materials (by weight) from sources of unknown origin;
 - Total number of suppliers of critical input materials;
 - Number of suppliers of RJC scope materials not legally registered;
 - Number of suppliers of RJC scope materials whose business relationship with the operating company has been suspended due to lack of legal registration, money laundering, financing of terrorism, fraud, other sanctions, or breaches of the company's responsible sourcing policy;
 - Number of suppliers of RJC scope materials whose business relationship with the operating company has been terminated due to lack of legal registration, money laundering, financing of terrorism, fraud, other sanctions, or breaches of the company's responsible sourcing policy;
 - Number of suppliers of RJC scope materials in high-risk category with respect to ESG performance;
 - Number of suppliers of RJC scope materials in low-risk category with respect to ESG performance;
 - Number of suppliers of RJC scope materials with action plans to address ESG performance gaps; and
 - Number of suppliers of RJC scope materials terminated for failure to address ESG performance gaps according to agreed action plans and timetable.

For the avoidance of any doubt, the COC standard does not require members to collect or report information about the quantity, source and characteristics of the materials handled. This is a best practice voluntary action that a member may undertake, and auditors shall not evaluate or assess members conformance to this best practice voluntary action.

COC 2 Internal material controls

SHARING DATA WITH THE RJC (APPLICABLE TO GOLD REFINERS)

All gold refiners seeking COP and COC certification must share their data on mine of origin with the RJC on an annual basis. This data will be used to inform the RJC's training and maintain the integrity of harmonisation with the RMI Gold Refiner Standard and the LBMA's Responsible Sourcing programme. To conform with this provision, refiners will need to record and share the following information with the RJC on an annual basis:

- a. The types of gold sourced: mined, recycled and/or legacied (grandfathered).
- b. The countries of origin for all mined gold received and for recycled gold received, the country it re-enters the supply chain.
 - A member should, where feasible, use best endeavours to determine the country of origin for the source of the gold being recycled.
- c. A list of mines of origin for all gold received. At the time of COP certification, this list should cover the audit period; afterwards it should be provided on an annual basis.
- d. The identity of any mines of origin in a Conflict-Affected and High-Risk Area (CAHRA).
- e. A summary of the criteria used to determine CAHRAs.
- f. The level of risk (high-risk or low-risk) for each mine of origin and for recycled origin based on the gold refiners' risk assessment (as per COP 7).
- g. A link to the refiner's supply chain policy and due diligence report

Q&A**Why do I need to submit this information annually with the RJC and how will it be used?**

The Responsible Jewellery Council (RJC), Responsible Minerals Initiative (RMI) and the London Bullion Market Association (LBMA) have each developed programs that audit gold refiner's due diligence and responsible sourcing practices. In 2012 the RJC, RMI and LBMA jointly published a cross-recognition policy which aims to reduce audit duplication for gold refiners and support their efforts in implementing the OECD Due Diligence Guidance.

The policy provides a mechanism whereby audits carried out under one program are recognised as partially meeting specified conformance requirements of the other participating programs. In practice, this means that a gold refiner that has been certified under the RJC 2019 or 2024 COP and/or 2024 or 2017 COC standard will be exempt from undergoing a full audit against the RMI Responsible Minerals Assurance Process (RMPA) Gold standard or the LBMA Responsible Gold Guidance. Likewise, a gold refiner that has already been assessed by the RMI or LBMA as being compliant with their program requirements, may have some level of exemption from being audited against the relevant due diligence requirements of the RJC's 2019 or 2024 COP and/or 2024 or 2017 COC standard.

Under the cross-recognition policy, the RJC and LBMA additionally agree to collect and share information with the RMI on the origin of mined gold sourced by participating gold refiners on an annual basis. The confidentiality and disclosure of this information is managed under the Gold Refiner Agreement for Exchange of Information. RJC will also use the information shared by refiners to support and inform future member training and the development of appropriate risk assessment tools.

Important note: Gold refiners that do not provide this information to the RJC may be subject to the RJC disciplinary procedure as outlined in the RJC Certification Process Requirements.

COC 2 Internal material controls

Is there a process in place for submitting the information with the RJC?

Yes. The RJC management team will contact applicable refiners to inform them of the submission deadline and the form for submission, which will be the same for all refiners and not linked to your individual certification cycle. See the Gold Refiner Agreement for Exchange of Information for further information.

Will my compliance with this requirement be checked during my next RJC certification audit?

Yes. The auditor will need to review your transaction records and other sources of objective evidence (e.g. shipping documentation, receipts, export documentation etc) for the period covered by the audit to verify that you have maintained accurate records on the origin of mined gold received. The auditor will also review the methodology and approach you have used to determine whether any mined gold received originated from a CAHRA (high risk source). The auditor will review this information as part of their assessment of your overall compliance with COP 7 and COC 2. See the COP guidance section on COP 7 for further information on how to assess the level of risk associated with your gold sources. If you are required to have a mid-term review audit (desktop or on-site) then the auditor will review the transaction records for any new mined gold received since your previous audit, irrespective of whether any non-conformances were identified during your certification or re-certification audit in relation to your compliance with COP 7.2b and COC 2.5. See Table 4 for an overview of the data submission and verification timetable. Where you are undergoing a recertification audit or mid-term review, the auditor will ask to see the information you have submitted to the RJC to verify that it aligns with the evidence and records available for review during your audit.

I recently joined the RJC and have not yet undergone an RJC audit. Will I need to submit the information before or after I become certified?

Only certified members are required to submit this information to the RJC, however during your first audit, the auditor will verify the validity and reliability of your records as outlined above. You will then need to make your first annual data submission to the RJC within 30 days of becoming certified, and annually thereafter by the deadline date specified by the RJC.

I am still working to identify the mine names for some of the gold I have received. Will this result in a non-conformance against this provision?

No, not necessarily. The due diligence requirements in COP 7 are based on a continuous improvement approach. In practice, this means that as long as you can demonstrate that you have implemented appropriate due diligence management systems and are taking steps to engage with your suppliers to understand the origin of the mined gold in your supply chain, you will not be issued with a non-conformance. Auditors will use professional judgement to assess whether you are making sufficiently reasonable efforts in this regard and you will be expected to demonstrate improvement over time where such gaps exist.

I source recycled and legacied (grandfathered) gold. Do these sources fall under the requirements of this provision?

RJC request members to share information on the country of origin of recycled gold and the level of risk based on your due diligence as part of this provision. You will not need to provide this information for legacied gold, however you will need to indicate on your data submission form if you source this type of material.

COC 2 Internal material controls

TABLE 4: DATA SUBMISSION AND VERIFICATION TIMETABLE FOR GOLD REFINERS FOR COC 2.5

Audit Type	Steps
Initial Certification	<ol style="list-style-type: none"> 1. Auditor reviews transaction records for any new mined gold received since last certification audit (this will occur even when the member was assessed to be conformant with COP 7.2b or COC 2.5 during the previous certification audit). 2. Member completes and submits Annual Gold Refiner Data Submission Form to the RJC within 30 days of certification. 3. Member submits updated form annually thereafter on the date specified by the RJC. Each annual submission must include information applicable to the period since the previous submission was made.
Mid-term Surveillance	<ol style="list-style-type: none"> 1. Auditor reviews transaction records for any new mined gold received since last certification audit (this will occur even when the member was assessed to be conformant with COP 7.2b or COC 2.5 during the previous certification audit). 2. Auditor verifies that the information submitted to the RJC aligns with the members' transaction records and risk assessment.
Re-certification	<ol style="list-style-type: none"> 1. Auditor repeats verification steps outlined above applicable to the period since the last audit.

COC 3 Outsourcing contractors and service companies



A. APPLICABILITY

This provision applies to all members seeking COC certification that outsource COC material processing or manufacturing to uncertified contractors.

B. ISSUE BACKGROUND

Many businesses in the jewellery sector – especially smaller businesses and those engaged in the middle of the supply chain – rely on external entities to work on their materials. These entities include both outsourcing contractors (that process or manufacture material) and service companies (that work on materials without physically changing them).

Outsourcing contractors cover a wide range of businesses, from small workshops to large volume manufacturers. They may process material or manufacture products for many customers, without differentiating sources of material. Service companies include grading labs, assayers, appraisers, security and transportation companies. These companies generally have to keep material segregated by client as part of their routine operations.

Larger organisations may also rely on entities within a broader group structure to provide logistical or sales services. It is not the intention of the Standard to create an environment where such entities are required to undergo a mandatory audit while an external service company would be excluded.

COC 3 Outsourcing contractors and service companies

For COC certification, it is important that any entity, whether owned, affiliated or external, can segregate COC material and maintain the integrity of custody. The RJC COC Standard includes several provisions to ensure that. Service companies, including any owned or affiliated are not included in your COC certification scope. Outsourcing contractors that are not themselves COC certified must be included in your scope and a risk-based approach is taken in evaluating the requirement for external audit. In the case of owned or affiliated distribution companies you should apply the same controls as for service companies as defined in 3.1.

C. IMPLEMENTATION GUIDANCE

COC 3.1: CONDITIONS FOR OUTSOURCING

The *entity* shall not transfer *COC material* to an *outsourcing contractor* or *service company* unless the following conditions have been met:

- a. The *entity* shall have, and shall not relinquish, legal ownership of any *COC material* transferred to the *outsourcing contractor* or *service company*.
- b. The *entity* shall assess the risk of potential non-conformance with this standard resulting from engaging each *outsourcing contractor* or *service company* that takes custody of the *entity's COC material*, and determine, based on that risk assessment, that the risk is acceptable.
- c. Any *outsourcing contractor* that takes custody of an *entity's COC material* shall be included in the *entity's certification scope* and shall have a *management system* in place that conforms with provision 2 of this standard (on internal material control).
- d. Any *outsourcing contractor* included in the *entity's certification scope* shall not outsource any processing of *COC material* to any other contractor.

Note: Where activity is outsourced to an owned or affiliated entity fiscal rules may require the production of an "invoice" which does not represent a change of ownership in reality and this should be taken into account in determining the applicability of 3.1a.

Points to consider:

- The service companies that you use do not have to be audited because identifying clients' material and keeping it separate from others is central to their day-to-day business.
- Nevertheless, you should still assess and document the risks of non-conformance with the COC standard when engaging a service company. In most cases, that simply means ensuring that your requirements in relation to segregation are clearly documented and included in your service agreements and recording summary information as part of a register of all service companies that handle your COC material. In the case of state-controlled organisation that you have to submit material to for control purposes, it may not be possible to assess risks in this regard, and in this case, this may be suspended. In some jurisdictions, private organisations may be authorised by the state for such purposes (for example to deliver assaying and hallmarking services), and a risk assessment will be required for such operations.
- If you outsource major processing or manufacturing steps (i.e any step which significantly transforms the overall jewellery component or product), you will need to work with these outsourcing contractors for them to get COC certified within a defined timeframe. Examples of the types of contractors and their potential risk level are given in Table 5.

COC 3 Outsourcing contractors and service companies

- If you use logistics providers, whether external or owned or affiliated, that provide high risk services in relation to the COC standard (e.g. maintaining the link between the transfer documents and the associated physical products), they must be included in your COC scope.
- Include all non-COC certified outsourcing contractors in your certification scope for risk assessment against the COC standard and audit purposes.
- In each case, make sure that:
 - You maintain ownership of all outsourced materials.
 - You have assessed the risks of non-conformance with the COC standard, and deemed them acceptable. To ensure that your auditor can verify conformance to this requirement, you should document the risk assessment, including the finding of acceptable risk, which should be approved by a responsible manager and updated every 12–18 months (in preparation for certification and surveillance audits). If you find that the risks are not acceptable, investigate mitigation options, for example, building capacity, switching suppliers or adopting a staged approach to COC (see Box 'complex supply chains').
 - The outsourcing contractor has systems in place to keep COC and non-COC material separate (that is, to conform with COC provision 2 on internal material control).
 - The outsourcing contractor does not further outsource any processing of COC material to another contractor. In some exceptional cases, outsourcing contractors who are included in your certification scope, may need to transfer COC material between themselves for specialist operations to be completed. In such situations it may be inefficient for material to always come back to you before being transferred and it may be acceptable for the material to be sent directly between the parties as long as you have sufficient evidence that you are fully aware of such subsequent outsourcing and can show that the material is sufficiently identifiable, fully recorded and that the controls at each step are robust. In such cases you should ask your contractors to communicate the controls at each step of the process and retain this as part of the evidence you will provide to the auditor during certification audits.
 - The outsourcing contractor may be audited for compliance depending on the nature of the activity undertaken and the level of risk this poses. Remember to include descriptions and evidence of the contractor's internal material controls in your COC Self-Assessment to help auditors assess risks efficiently and effectively.
- Note that, at your request (or that of your contractor), the RJC can withhold the identity of audited outsourcing contractors from the certification status published on its website.

COMPLEX SUPPLY CHAINS

If you work with multiple suppliers and sub-contractors, you will likely need time to adapt to a COC approach. Before making the change, you will need to think about the costs of changing supply chain logistics (for example, new approaches to segregation, financing and physical supply); relationships and influence with suppliers and contractors; and potential restrictions in supply choices (to those who can handle COC material). Depending on these factors, you may decide to:

- Start with only a small part of production as a trial; or
- Seek to source COC material to help build supply, but not maintain segregation internally or with outsourcing contractors until your volumes and systems are ready.

This approach does not require COC certification, but supports upstream efforts for responsible sourcing.

COC 3 Outsourcing contractors and service companies

TABLE 5. RISK LEVELS FOR OUTSOURCED ACTIVITIES

Activity	Change of physical properties	Potential addition of material?	Current RJC rating	Additional considerations
Alloying	Yes	Yes	High	
Refining	Yes	Yes	High	
CNC machining (e.g. Stamping, pressing)	Yes	No	High	
Casting			High	
Assembling (e.g. welding or connecting components)	No	Yes	Medium	<p>Risk of inclusion of non-COC components when welding and assembling.</p> <p>Full nature of what is being connected needs to be assessed – e.g. solder is already accepted as excluded, but if a COC eligible component is being connected to a non-COC eligible component this could impact the eligibility of the composite product.</p>
Plating	No	Yes	Medium	<p>Risk assessment of the contractor needs to consider in greater detail the nature of the plating, the amount and type of material being added, whether this is being excluded in the COC declarations etc to define the level of risk. A low-risk rating may be applied depending on the result of the assessment.</p>
Surface treatment	No	Yes	Medium	<p>Risk assessment of the contractor needs to consider in greater detail the nature of the plating, the amount and type of material being added, whether this is being excluded in the COC declarations etc to define the level of risk. A low-risk rating may be applied depending on the result of the assessment.</p>
Stone setting	No	Sometimes	Medium	<p>Stone setting is specifically called out by the manual as medium risk. However, the gemstones are not included in the COC and the stones may be precision set into a mount – the risk assessment must identify the actual activity and materials used to define the correct risk level.</p>
Varnishing	No	Yes	Low	<p>Risk assessment of the contractor needs to consider in greater detail the nature of the process, the amount and type of material being added, whether this is being excluded in the COC declarations etc to define the level of risk. A low risk rating may be applied depending on the result of the assessment.</p>
Engraving	No	No	Low	
Polishing	No	No	Low	

COC 3 Outsourcing contractors and service companies

COC 3.2: RETURN OF OUTSOURCED MATERIAL

For the return of *COC material* from an *outsourcing contractor* or *service company*:

- a. The *entity* shall verify and record that each transfer it receives for the return of *COC material* is consistent with the *COC transfer document* that it issued when the *COC material* was shipped to the *outsourcing contractor* or *service company*, subject to any changes to the *COC material* expected as a result of the *outsourcing contractor's* processing or manufacturing activities.
- b. If there are inconsistencies, the *entity* shall not issue any subsequent *COC transfer documents* for that material.
- c. Where material has been provided to an outsourced contractor without a transfer document and surplus material is being returned, the member shall have *systems* in place to verify that the material being returned has come from a specific consignment, and that it is still identifiable either through the items or components being of a unique nature or the packaging remaining intact.

Points to consider:

Oversee the transfer and return of COC material to and from outsourcing contractors by taking the following steps:

1. When sending COC material to an outsourcing contractor, fill out a COC transfer document with all the necessary information about the COC material in question unless you decide to suspend use of the Transfer Document in accordance with paragraph 2 below. Note that in general, you do not have to issue a COC transfer document when transferring material to an outsourcing contractor within your certification scope.
2. When you are sending material to an outsourcing contractor it may be possible to suspend the issue of a transfer document, especially where IT systems which effectively record the transfer and return of the work, other important information about activities undertaken and any change to weights or the nature of the items. In such cases, you will need to ensure that you record information normally included on the transfer document, such as material (gold, silver, platinum, etc); type of material (Mined, Recycled, Legacied, Mixed); description of the material (e.g. grains, description of components, identification marks) and weight(s) of different elements.
3. When the COC material is returned, you will need to verify that the consignment matches what was sent and that there has been no substitution or change to the material other than what was intended. You should also ask the contractor to inform you of any weight or material changes that have happened as a result of processing, and record these.
4. If an outsourced contractor is returning surplus material that was not originally accompanied by a Transfer Document, you should verify that any surplus material being returned is identifiable as having originated from an original consignment. This might be due to the unique nature of the items or components, including through marks, logos or serial numbers permanently marked on these or through checking that the packaging is still intact. To this end, you might consider the use of tamper evident packaging when despatching such material.
5. Use this new information to issue a COC transfer document to accompany the next transfer of the COC material.

COC 3 Outsourcing contractors and service companies

If there are unreasonable inconsistencies between the information recorded at time of transfer and that at time of return – such as unexplained weight changes or substitution of materials – then the contractor may have failed to maintain segregation of the material or products.

COC 3.3: OWNED OR AFFILIATED DISTRIBUTION ENTITIES

Where the *entity transfers* finished products to the final *customers* through owned or affiliated distribution entities, the following conditions shall be met:

- a. No further processing or transformation of the *finished jewellery products* shall be undertaken from the point at which the products have been transferred to the legal ownership or custody of the affiliated *entity* other than as described in 3.1b.
- b. The *entity* shall assess the risk of potential non-conformance with this standard resulting from the *operations* of an affiliated *entity* involved in the distribution, logistics and retail of *COC material*, and determine, based on that risk assessment, that the risk is acceptable.
- c. Any affiliated *entity* involved in the logistics, distribution or retail of finished *COC jewellery products* shall not outsource the distribution, logistics or retail of such products to any external contractor or *service company* other than as described in provision 3.1.

Points to consider:

- If you are using entities within your own group (whether these are within your COP certification's scope or not) you may exclude these from your COC certification scope if the activity is limited to the logistical, distribution or sales activities and there is no further processing of the material, other than minor operations as described below.
- This would normally apply to finished jewellery products and may include warehousing, transportation, marketing or retail activities among others.
- You should apply the same risk assessment approach to these entities that you would to other service companies as defined in the guidance for provision 3.1 and assure yourself that the entity is able to manage appropriate segregation of your COC material. This may include conducting internal assessments of their processes and recording your findings and risk assessment so that the external auditors can assess any risks.
- Local distribution entities may be permitted to use local companies to undertake low risk minor operations that do not significantly transform the overall jewellery component or product. This would normally be limited to operations such as engraving, polishing or low risk stone-setting where no material is being added (see Table 5 above for assessing level of risk for different activities).
- You may also consider having any affiliated distribution network independently audited against the relevant provisions of the COC standard and using the resulting report as evidence to support your risk assessment.
- **REMEMBER:** For a product to be sold as COC, the entity putting the product on the market must either be COC certified in their own right or included in your COC certification scope.

COC 4 Return and reintegration of COC material

A. APPLICABILITY

This provision applies to entities wishing to reintegrate returned COC material into their stock for re-use that had been previously sold to third-parties or affiliated entities. This provision does not apply to COC materials provided by the member to outsourcing contractors for processing or manufacturing purposes and that come back to the member as this is covered under COC provision 3.

B. ISSUE BACKGROUND

Members may wish to reintegrate customer returns or excess stock of COC material from the business-to-business or retail network and not lose the COC status of this material. This can be useful to allow the re-use of COC material and avoid unnecessary re-work and re-refining.

As an overarching principle there must be a clear process to identify that the material being returned is traceable to the specific material sold and that there is no risk that the material being returned has been substituted, modified or adulterated by the inclusion of non-COC material.

C. IMPLEMENTATION GUIDANCE

COC 4.1: VERIFICATION SYSTEMS FOR RETURNS

The *entity* shall have *systems* in place to verify that material sold as COC and being returned and accepted for reintegration into the COC pipeline is traceable to specific transactions and transfer documents and that there is no risk that the material being returned has been substituted, modified or adulterated by the inclusion of non-COC *material*. The requirements apply whether ownership of the material has passed to the *counterparty* or whether material has been supplied on approval or by a similar arrangement.

Points to consider:

- In establishing your system for verifying returns you will need to think about the nature of the material, for example if this is bar, grain, identifiable component or finished jewellery product as well as whether the entity returning the items is COC certified or not.
- You should also consider whether the material is of a unique design or easily identifiable, for example, whether there are individual identification marks on each piece (e.g. logo and serial number) or sealed in tamper evident packaging which is appropriately marked.
- If you are handling visually similar or identical finished items or components in both COC and non-COC certified forms, think about differentiating these through the use of different identifiers.
- Where any doubts arise following such checks you should not reintegrate the material to avoid the risk of the rest of your stock potentially losing its COC status.

COC 4 Return and reintegration of COC material

COC 4.2: CHECKS ON RETURNED MATERIAL

In the event that all or part of a shipment supplied as COC is returned by the original *counterparty*, the member must verify that the material is the same and retain *records* of the checks made, which will include:

- a. *Due diligence* of the *counterparty*.
- b. Assessment of risk of substitution/modification or adulteration (this would mean that where the verification relied on tamper-evident packaging, only sealed packs can be accepted).
- c. Verification of how material is stored while with the *counterparty*.
- d. Dates and reference numbers of all relevant transactions.
- e. Identification numbers (or other means of identification).
- f. Visual identification, including drawings, photographs, markings etc.
- g. Any other evidence including *records* of the reasons for the return.

Points to consider:

- When deciding on the checks to make you should consider what due diligence you have already conducted and the risk rating of the counterparty. For example, if you supplied material to a COC certified entity, you will be able to rely on the information you already hold for your due diligence. On the other hand, if the material is being returned by a non-COC certified entity you may need to conduct additional checks on their segregation processes as required under COC provision 4.4.
- For returns from an end-consumer, due diligence would not apply but you should retain normal evidence as to their identity as required in your local jurisdiction and to satisfy COP provision 12.
- You can only accept material back from the original counterparty that you sold this to.
- Ensure that you document and retain full records of the checks made, including dates and details of who has made these to allow the auditors to verify the effectiveness of the checks.

COC 4.3: RETURNS FROM A COC CERTIFIED MEMBER

Returns from a *COC-certified member* shall be clearly documented with the reference of the original transaction, together with a warranty that the material has been in the physical possession of the *entity* making the return from the time of the original consignment until the point of return, and accompanied by a transfer document, unless the use of the transfer document has been suspended in accordance with provision 9.4.

COC 4 Return and reintegration of COC material

Points to consider:

- If the material was issued with a transfer document you should ensure that the returned material is also accompanied by a transfer document traceable to the original shipment and that you have verified that the descriptions and weights are commensurate with what was sent.
- If no transfer document was issued in accordance with provision 9.4, additional checks will be needed to match any returned material to the original shipment and verify that only eligible material is being returned for reintegration into COC stock.
- Where any doubts arise following such checks you should not reintegrate the material to avoid the risk of the rest of your stock potentially losing its COC status.

COC 4.4: RETURNS FROM A NON-COC CERTIFIED ENTITY

Returns from a non-COC-*certified member* can only be accepted for reintegration if they are finished products packed in their original tamper-proof packaging or comprising one single component and bearing a unique serial number, and shall be clearly documented with the reference of the original transaction, together with a warranty that the material has been in the physical possession of the *entity* making the return from the time of the original consignment until the point of return.

Points to consider:

- Ensure that any material being returned from a non-COC certified entity is clearly identifiable and traceable to your original transaction.
- As no transfer document will have been issued additional checks will be needed to match any returned material to the original shipment and verify that only eligible material is being returned for reintegration into COC stock.
- You will also need to ensure that your due diligence and checks of the counterparty's segregation systems have provided sufficient assurance that any risks of substitution or adulteration of material have been minimised.
- While it is not obligatory to conduct audits of these entities, you may wish to consider some enhanced due diligence including potentially requesting information on their processes or conducting remote interviews of relevant personnel to obtain sufficient assurances.
- Due diligence is not required for returns from consumers as long as the product is clearly identifiable through a serial number or relevant markings or tamper evident packaging.
- Where any doubts arise following such checks you should not reintegrate the material to avoid the risk of the rest of your stock potentially losing its COC status.

COC 5 Eligible mined material

COC material can only be created through eligible material declarations issued by COC certified entities.

Provisions 5 to 7 set out the systems requirements you must meet to issue these declarations. Please read the guidance on these provisions alongside the guidance for provisions 8 to 9, which address the management of eligible material declarations and COC transfer documents.

The RJC does not promote any particular source of material for inclusion in the COC and the due diligence requirements should be read as setting minimum requirements for ensuring that material has been sourced responsibly regardless of its origin.

A. APPLICABILITY

This provision applies to all entities that initiate the COC chain and issue eligible material declarations for mined materials.

The start of the RJC COC for eligible mined materials is the mining facility. Mining companies and those sourcing directly from mining facilities (usually, but not limited to, refiners) can also make eligibility declarations for mined material as applicable.

B. ISSUE BACKGROUND

Mined material accounts for the largest part of precious metals supply on the market.¹ It is a sector that can face difficult environmental and social challenges. Addressing those challenges head-on is critical to maintaining the integrity of a COC, which relies on the certainty that mined material entering the chain is conflict-free and the product of responsible mining. The RJC defines responsible mining in its COP. It is not the only definition: other mining standards and schemes offer similar third-party assurance of responsible mining aimed at mitigating environmental and social risks.

The need to manage these risks is particularly important when considering ASM, which plays a critical part in the jewellery supply chain both in terms of livelihoods and development opportunities. The ASM sector has distinct environmental and social risks, for example, related to forced or child labour or health and safety, and the RJC partners with various ASM standards to promote responsible practices in this sector and the professionalisation and development of a responsible ASM. This includes recognising some responsible ASM standards as defined in the RJC Certification Process Requirements.

Eligible mined material also includes by-products and material extracted from tailings which pose additional risks, especially in relation to environmental and safety concerns. The risks and requirements for management are covered in the Code of Practices and the guidance, particularly on the provisions around mining included in the COP including Provision 40 (tailings); Provision 41 (cyanide) and Provision 42 (mercury) and should be taken into account in conducting the due diligence requirement when accepting material from such sources. Where the tailings are situated at mine sites that are no longer operational, the entity that undertakes the working and extraction of that material is considered a mine for the purpose of the due diligence.

¹ Mined material makes up 75% of gold supply according to the World Gold Council and 79% of platinum supply according to Johnson Matthey Summary of Platinum Supply & Demand in 2016, and 85% of silver supply according to The Silver Institute.

INTRODUCTION	PART 1. CHAIN-OF-CUSTODY MANAGEMENT	PART 2. SYSTEMS TO CONFIRM ELIGIBILITY OF MATERIAL	PART 3. ISSUING CHAIN-OF-CUSTODY DOCUMENTATION	ANNEX
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COC 5 Eligible mined material

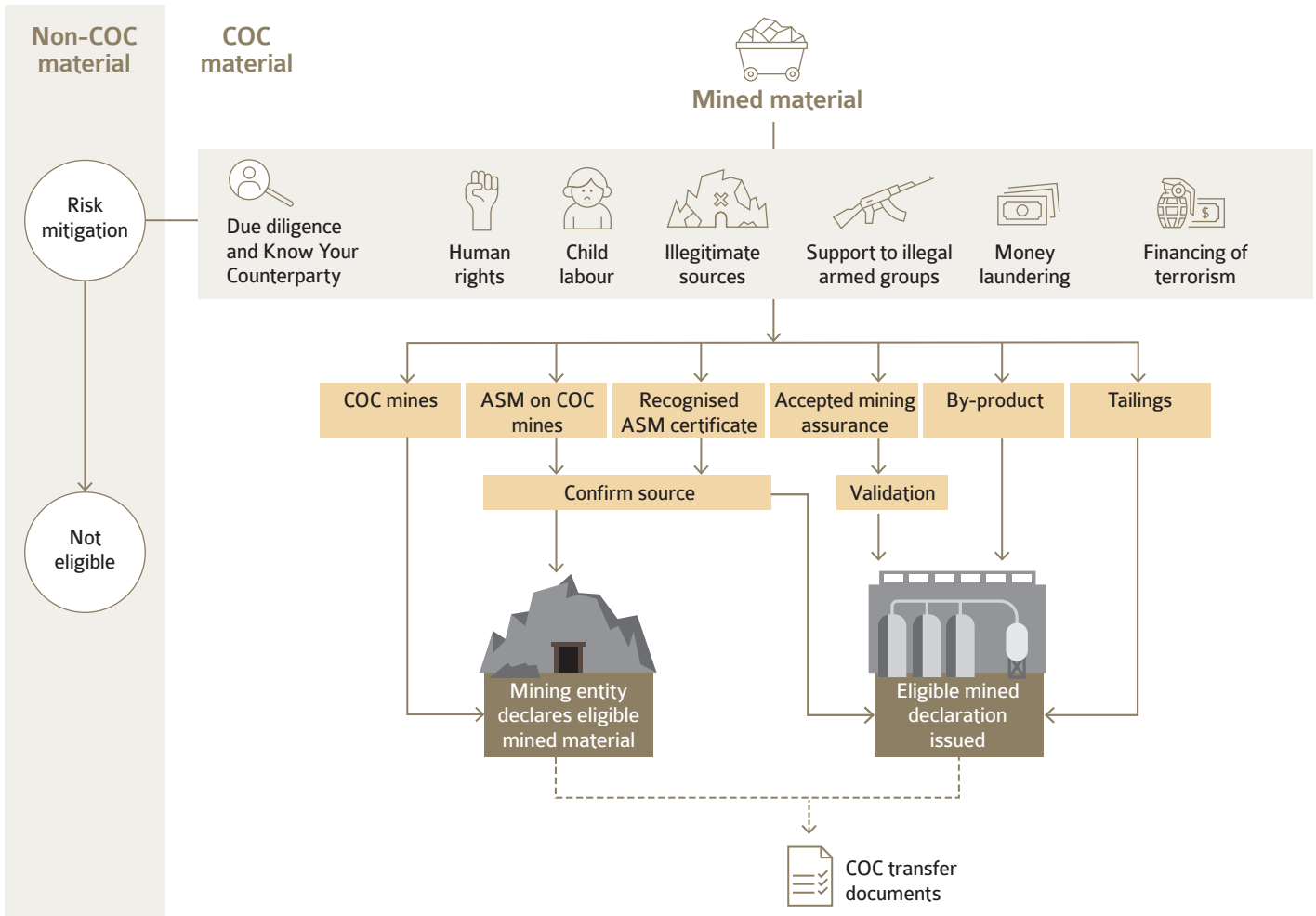
The eligibility criteria for COC are defined to ensure that mined material – from large- to artisanal-scale mining – is responsibly produced, is conflict-free and is underpinned by third-party assurance. The criteria identify six potential sources of eligible COC mined material, all of which comply with the COP or equivalent (see Table 6). In all cases, the sources must be checked through due diligence and KYC practices (see Figure 6). These sources can be mixed, although internal records may need to be kept, in accordance with COC provision 8.3.

TABLE 6. SOURCES OF ELIGIBLE COC MINED MATERIAL

Provision	Examples for Evidence of conformance
5.1a	<p>Mines that are within a COC entity's certification scope</p> <ul style="list-style-type: none"> • This requires the mine to be certified against the RJC COP and COC. • To accommodate joint ventures, this category also includes mines in which a COC entity holds a legal interest, and where the facilities are within the COC scope of another COC certified entity. • Eligible material declarations in this scenario are issued by the mine.
5.1b	<p>ASM producers operating on the entity's mining concessions</p> <ul style="list-style-type: none"> • This aims to support provision 36 of the RJC COP, which calls for mining companies to support ASM producers to organise and formalise their operations. • Eligible material declarations in this scenario are issued by the mine (that is, the concession owner).
5.1c	<p>Non-RJC mines or producers that have been certified under a recognised ASM standard</p> <ul style="list-style-type: none"> • ASM standards are identified through RJC's formal recognition of comparable standards. • This acknowledges ASM certification schemes. • Eligible material declarations in this scenario are issued by the entity sourcing directly from the mining facility or producers, usually a refiner.
5.1d	<p>Non-COC mines that are subject to accepted mining assurance schemes and validated to conform with the RJC COP</p> <ul style="list-style-type: none"> • This is aimed at formal, medium and large-scale mines. • Accepted responsible mining assurance schemes are assessed through the RJC's formal recognition process for the parts that are equivalent to the RJC COP. • The validation approach is used to confirm that the mine is operating to a standard equivalent to the full RJC COP, and has undergone a comparable level of third-party assurance. • Eligible material declarations in this scenario are issued by the entity sourcing directly from the mining facility, usually a refiner.
5.1e	<p>Processing residues that contain trace precious metals from which mining by-product can be extracted</p> <ul style="list-style-type: none"> • An eligible material declaration for mining by-products can only be issued by the by-product's refiner.
5.1f	<p>Tailings whether ceased or currently active, from which precious metals can be extracted</p> <ul style="list-style-type: none"> • The validation approach used to confirm that the tailings originate from an operational mine that conforms to provisions 5.1a-d or for mines that have ceased operation, enhanced KYC on the organisation that last owned the mine and/or the entity now extracting the tailings. An eligible material declaration can only be issued by the counterparty defined under 5.1a-d or, for non-operational mines by the refiner.

COC 5 Eligible mined material

FIGURE 6. THE ROUTE TO ELIGIBLE MINED MATERIAL



Note: Traders/collectors/intermediaries may be present and have a role between miner and refiner or refiner and manufacturer. Typically, such organisations would not take physical ownership and the material would not undergo transformation but are required to implement due diligence and KYC.

COC 5 Eligible mined material

C. IMPLEMENTATION GUIDANCE

Provisions 5.1a–f highlight individual sources of eligible mined material. Under the COC Standard, these sources can be mixed, although internal records may need to be kept, in accordance with COC provision 8.3.

COC 5.1A: COC CERTIFIED MINES

An *entity* shall have *systems* in place to ensure that *eligible mined material* declarations are only issued for material sourced from the following:

- a. Mines that are within its COC *certification scope* or in which it holds a legal interest and where the mines are within the COC *certification scope* of another COC-certified *entity*.

Points to consider:

- If your mine sells or transfers its whole production without mixing, COC certification is easy and you can make eligible material declarations for all your mined material (see Box 6).
- You can also make eligible material declarations for those mines in which you hold a legal interest and that fall within the COC certification scope of another RJC certified entity.
- If there are any points at which eligible material from mines within your scope could be mixed with non-eligible material from other mines (for example, in transporting to, or processing within your on-site facilities), you must be able to segregate the two to achieve COC certification.

BOX 6. COC CERTIFIED MINES

Once COC certified, if there is no mixing with non-eligible material, your mines can declare 100% of their production as eligible material.

Because the COC certification scope does not have to cover all your facilities, you can decide to trial COC certification at selected mines before adopting a full COC approach.

COC 5 Eligible mined material

COC 5.1B: ASM ON CONCESSION

An *entity* shall have *systems* in place to ensure that *eligible mined material* declarations are only issued for material sourced from the following:

- b. Artisanal and small-scale mining (ASM) producers operating on the *entity's* mining concessions that have participated in initiatives to professionalise and formalise ASM and with documented *due diligence* confirming that the material comes from such ASM producers and not from *illegitimate sources*.

Points to consider:

- If you want to declare eligible material sourced from ASM producers operating on your concessions, you must first show that you can meet provision 36 of the RJC COP.²
- You will also need to establish controls to ensure that the mined material genuinely comes from on-site ASM (and not from any other ASM). Remember to document this as part of your due diligence process.
- Assuming the ASM production takes place on your own exploration or mining concessions, you can buy it and declare it as eligible material. You can also mix it with your own COC eligible production before sale or transfer.
- Note that if there is a legal framework for ASM in the country or region of your operations, then the ASM on your concessions must adhere to that framework to produce eligible mined material under the COC Standard.
- If there is no existing legal framework for ASM, you may consider ways to encourage one – for example, by helping to formalise ASM producers through contracting, exploitation agreements or supporting relevant government efforts.
- If in any doubt, seek expert advice on sourcing COC material from ASM, and as part of the audit process.

COC 5.1C: RECOGNISED RESPONSIBLE ASM STANDARD

An *entity* shall have *systems* in place to ensure that *eligible mined material* declarations are only issued for material sourced from the following:

- c. Mines or producers certified under an RJC-recognised responsible ASM standard, with documented *due diligence* that confirms that the material comes from such mines or producers.

Under this provision, a company can source mined material that is the product of responsible ASM. Sources of ASM material could be certified under the RJC COP, but are more likely to be certified under an external, development-focused, standard designed to support the particular challenges of the ASM sector.

² Provision 36 of the COP states that “members where [ASM] not under their control occurs within their areas of operation or located in close proximity [...]: a. Engage directly with the ASM[...] b. Actively participate in initiatives[...]that enable the professionalisation and formalisation of the ASM, as appropriate to the situation” [...] and c. Engage, where appropriate, with communities who may be affected by ASM [...].

COC 5 Eligible mined material

Points to consider:

- One option for getting eligible mined material from ASM is to source it from producers that are certified by one of the ASM standards officially recognised by the RJC (based on a technical review of alignment with the COP). At the time of writing, these include:
 - [Fairmined Gold Standard for Gold](#); and
 - [Fairtrade Gold](#).
- Make sure you have documentary evidence to show that the sourced material is certified; this should form part of your due diligence.

COC 5.1D & 5.2: VALIDATED MINES

- 5.1 An *entity* shall have *systems* in place to ensure that *eligible mined material* declarations are only issued for material sourced from the following:
- d. Mines that are subject to an RJC-accepted responsible mining assurance scheme and validated to conform with the COP standard requirements as defined in provision 5.2.
- 5.2 An *entity* sourcing *eligible material* from mines subject to an RJC-accepted responsible mining assurance scheme under provision 5.1d shall have documentation of having carried out the following validation processes:
- a. A desktop review of the mine's conformance with the COP using the RJC self-assessment workbook and taking into account RJC-accepted mining assurance schemes.
 - b. For each mine identified as High Risk based on the *due diligence* undertaken under the RJC COP, the *entity* shall conduct *enhanced KYC*, using the RJC *enhanced KYC* checklist and including:
 - Additional research on assurance reports and *legal compliance*, covering labour rights, working conditions, legal requirements in the country of operations and an assessment of the mine's *compliance*.
 - An in-person verification of all applicable COP provisions, or third-party audit.
 - c. Confirmation of COC eligibility.

Under this provision, a company can source mined material that is the product of responsible, formal, medium- and large-scale mining. Sources of eligible mined material in this category are certified under the RJC COP, or subject to an accepted mining assurance scheme.

Points to consider:

- All mining facilities, or 'mines', that aren't themselves COC certified must be validated as an eligible source for the COC. To do that, you must be able to confirm that the mine can provide material that is both:
 - Confirmed as not having adverse impacts related to CAHRAs (as per provision 5.3); and
 - Responsibly mined (as defined by the RJC COP).
- The validation process involves a mix of data gathering, engagement with the mining facility and on-site verification. It is made up of five steps, but the depth of validation required at each depends on the type of mine under assessment (see [step-by-step guide](#)).

COC 5 Eligible mined material

- The validation approach takes into account the information you have gained from the due diligence and KYC exercises and can be tailored based on the risk level identified.
- In all cases, the approach is designed to build your understanding of the mine and whether it is likely to provide eligible COC material. Use the information gathered at each step to decide whether or not to proceed with the next one.
- Only use the validation process if your company sources directly from the mine.
- The approach is designed to apply to formal, large-scale mining (rather than ASM, which is covered under provisions 5.1b and 5.1c).
- Make sure that the people carrying out the validation have appropriate expertise, including an understanding of mining operations, relevant certifications and assurance schemes, and relevant national legal frameworks.

BOX 7. ACCEPTED MINING ASSURANCE SCHEMES

The RJC recognises several assurance schemes in its Certification Process Requirements, and acknowledges a number of other frameworks and standards that are integral to its COP. In validating a mine as an eligible source for COC certification, members of two non-RJC mining assurance schemes can benefit from a limited validation process:

The Mining Association of Canada's (MAC) 'Towards Sustainable Mining' (TSM) programme.

All MAC members must participate in the TSM programme. MAC members commit to a set of guiding principles and report their performance against 23 indicators every year. Verification is based on a self-assessment with letter grades assigned for each indicator ranging from level C to level AAA. Every three years, a TSM approved verification service provider critically reviews the self-assessments including desk-top and onsite assessments to assess if there is enough evidence to support the performance ratings.

The International Council on Mining and Metals' (ICMM) sustainable development framework.

All ICMM members must commit to the requirements set out in the council's 10 principles and supporting position statements. ICMM members publicly report their performance according to the Global Reporting Initiative (GRI) guidelines and the Mining and Metals Sector Supplement. Their sustainability performance is assured by a third party every year to assess the integrity of reported performance.

The RJC has a benchmarking process to review assurance schemes in the sector and this list is subject to change as more schemes are evaluated.

COC 5 Eligible mined material

✓ VALIDATION PROCESS: STEP-BY-STEP GUIDE

Before starting your validation assessment, you must first decide what type of mine it is that you are validating. Only mines that are COP certified or equivalent can be a potential source of eligible mined material under the COC Standard. Find out whether the mine is:

- a. **RJC COP certified:** these mines are certified and can easily meet COC criteria because, as the 'source' of the chain, they provide material that is fully traceable; and, as COP-certified mines, they have already demonstrated third-party assured responsible mining.
- b. **Covered under accepted mining assurance schemes:** these mines are subject to mining assurance programmes that the RJC identifies as being closely aligned to the COP, both in their requirements and in their approach to third-party assurance (see Box 7). The RJC carries out a technical review to identify accepted mining assurance programmes. These include:
 - i. The Mining Association of Canada's 'Towards Sustainable Mining' (TSM) programme. Mines with a TSM verification level A or higher across all indicators are considered equivalent to the COP and qualify for limited validation; and
 - ii. ICMM's sustainable development framework. Mines that have been included in assurance site sampling within the past three years are considered equivalent to the COP and qualify for limited validation.

Once you know what type of mine it is that you are validating, use Table 7 to see which steps of the validation process you need to complete, and then follow the guidance below to complete them.

At the end of the validation process, use your results (including any recommendations from third-party auditors) to make a decision on whether the material from the mine in question is eligible for the COC or not (see Q&A: Validation (Box 9) at the end of this section).

COC 5 Eligible mined material

TABLE 7. THE STEPS REQUIRED FOR VALIDATING DIFFERENT TYPES OF MINE

Validation steps	Type of mine				
	RJC COP certified	Recognised assurance – limited validation TSM level A** or higher ICMM assured site		Recognised assurance TSM member ICMM member***	
		High Risk per COP 7 & 12	Low/Medium Risk per COP 7 & 12	High Risk per COP 7 & 12	Low/Medium Risk per COP 7 & 12
0 Due diligence and KYC (per COP 7 and 12)	Required	Required	Required	Required	Required
1 Risk-based enhanced KYC	Not required	Required	Not required	Required	Not required
2 Desktop review (using RJC Self-Assessment)	Not required	Limited review required	Limited review required	Not required	Not required
3 Further research on compliance	Not required	Required	Not required	Not required	Not required
4 Verification	Not required*	Mine site visit required	Not required****	Full third-party audit required	Full third-party audit required
5 Confirming eligibility	Required	Required	Required	Required	Required

* Unless the mine sources material from other mining operations then these will be subject to a further review to ensure COC compliant practices.

** Level A is required across all indicators.

*** Mines that have been included in assurance site sampling within the past three years.

**** Unless points requiring specific verification have been identified during step 2.

→ INTERACTIVE TOOL: STEPS FOR VALIDATING DIFFERENT TYPES OF MINE

✓ STEP 1: RISK-BASED ENHANCED KYC

For all mines

- Using information already gathered through due diligence and KYC in accordance with provisions 7 and 12 of the Code of Practices standard, find out whether the mine meets the requirements of COC provision 5.3.
 - If it does not comply with provision 5.3, it cannot be a source of eligible COC material and the validation is over.
 - If the mine complies with provision 5.3, then regardless of what type of mine it is, you should undertake a desktop review of the mine's conformance with the COP using the RJC Self-Assessment workbook in relation to any RJC COP provisions not specifically aligned with the RJC-accepted mining assurance schemes.

For mines identified as High Risk based on your due diligence under provision 7 of the COP:

- Carry out enhanced KYC (see Box 8) and any additional research and verification required to establish the level of conformance with the RJC COP provisions as described in Steps 2-4 below.

COC 5 Eligible mined material

BOX 8. ENHANCED KYC**Enhanced KYC involves collecting the following information*:**

- Company details (whether and where it is publicly listed)
- Business activity
- Beneficial owners
- Management structure
- Financial information
- Due diligence information (drawing on LBMA Responsible Gold Guidance Questionnaire for Mined Gold)
- Regulatory environment
- Human resources (the number of employees)
- Origin of physical precious metals, capacity and mining practices (including transportation and/or processing of concentrates from other mining sources)
- Processing plant
- Materials (type and form of precious metal sent for refining)
- Transportation of ore (from mine to processing plant to export to refiner)
- Responsible precious metal supply chain policy
- AML and financing of terrorism policy
- Bribery policy
- Use of contractors (including, for each contractor, business name, number of contractors and type of activities carried out)
- Assurance schemes and principles applied by the mining facility, including:
 - Mining standards: COP certification, ICMM (inclusion in assurance), TSM (self-assessment grade)
 - Standards recognised within the COP: SA 8000, ISO 14001, OHSAS 18001, ISO 45001
 - Specific COP requirements: Extractive Industries Transparency Initiative (EITI), GRI, International Cyanide Management Code
 - Principles and guidelines: UN Guiding Principles on Business and Human Rights, UN Voluntary Principles on Security and Human Rights (UN VP), OECD Due Diligence Guidelines for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, UNEP Awareness and Preparedness for Emergencies at Local Level
 - Other standards: World Gold Council Conflict-Free Gold Standard (WGC CFGS), International Finance Corporation (IFC) projects and application of IFC Environmental and Social Performance Standards

(*) You may already have some of this information from the KYC and due diligence conducted under provisions 7 and 12 of the COP.

☑ **AFTER COMPLETING ENHANCED KYC:**

- If the mine is COP certified, and does not source any material from other mines (or only collects material from other COP certified sources or ASM operations meeting the requirements of provision 5.1b or c), use the information from your enhanced KYC to decide whether the mine meets provision 5.3 (is confirmed as not having adverse impacts related to CAHRAs) and is an eligible source of COC material.
- If the mine is COP certified but collects material from other sources, proceed to Step 4.
- If the mine is TSM level A or higher across all indicators, or has been part of ICMM assurance in the last three years, the due diligence you conducted under provision 7 of the COP indicated any high risks, proceed to Step 2.
- If the mine is a TSM or ICMM member but does not meet the above description, proceed to Step 4.

COC 5 Eligible mined material

 STEP 2: DESKTOP REVIEW

- For TSM and ICMM mines that qualify for limited validation (TSM level A or higher across all indicators and ICMM assured site)
 - Use the RJC Self-Assessment workbook to review the mining facility's systems and practices and evaluate its compliance against the RJC COP requirements.
 - The COP provisions that are met through TSM and ICMM are exempt from the assessment and you need only complete a limited review (see Annex 1).
 - For any RJC COP provisions not specifically met through TSM and ICMM, work closely with the mine to get all the information needed for the review, including:
 - The completed RJC Self-Assessment workbook with responses to all applicable questions.
 - Evidence to show conformance with those COP provisions that are exempted through other mechanisms (for example, copies of ISO certificates, GRI report, etc.).
 - Note. You can submit additional evidence of conformance with COP provisions if you want to – for review later in the validation process (for example, evidence of application of IFC Performance Standards).

 AFTER COMPLETING A DESKTOP REVIEW:

- Proceed to Step 3, if required.

COC 5 Eligible mined material

✓ STEP 3: FURTHER RESEARCH ON COMPLIANCE

- For TSM and ICMM mines that qualify for limited validation (TSM level A or higher across all indicators and ICMM assured site)
 - This step applies to mines identified as high-risk as part of your due diligence. For mined identified as low/medium risk, this step does not apply unless there are specific queries raised as part of step 2.
 - Examine the information and supporting documents gathered through your limited desktop review to identify focus areas that you can follow up with an in-person visit in Step 4.
 - Your focus areas should include all the provisions where a non-conformance was flagged in the RJC Self-Assessment workbook.
 - Focus areas should also include any provisions where potential non-conformances or mitigation measures are found in documentation related to other mining assurance programmes, certifications and frameworks (see Table 8).
 - Pay particular attention to researching conformance with the COP provisions on labour rights and working conditions (provisions 15–23), which are not covered in detail under TSM or ICMM. That will require you to examine national legislation and research any reports or credible allegations related to the mine’s legal compliance, including:
 - relevant legal requirements in the country of operation, focusing on comparability with COP provisions 15–23;
 - ongoing judicial cases brought against the mine, recent strikes or union action at the mine, or any other publicly available reports of violations of local labour laws at the mine; and
 - the company’s GRI report, looking for corporate policies on labour and working conditions and any issues at the mining facility described in the GRI report.

✓ AFTER COMPLETING FURTHER RESEARCH ON COMPLIANCE:

- Proceed to Step 4, if required.

COC 5 Eligible mined material

TABLE 8. KEY DOCUMENTS FOR REVIEW WHEN IDENTIFYING FOCUS AREAS

Documents to review	What to look for
TSM progress reports and annual GRI reports	<ul style="list-style-type: none"> Any findings and/or mitigation measures related to conformance to the COP provisions. Note that your research here may lead you to include in your focus areas a provision that was exempt from the desktop review.
ISO 14001 and/or ISO 45001 reports	<ul style="list-style-type: none"> Any provisions not covered in the certification reports: <ul style="list-style-type: none"> In particular, check ISO 45001 and provisions 23.1, 23.3, 24.2, 25.1, 25.2, 39.1, 39.2 (in the ISO 14001 reports).
Reports from other standards and frameworks (including the International Cyanide Management Code, WGC CFGS, EITI, UN VP and United Nations Global Compact (UNGCI))	<ul style="list-style-type: none"> Any issues that may suggest non-conformance with one or more COP provisions.
Legal requirements in the countries of operation and corporate headquarters	<ul style="list-style-type: none"> Compliance with relevant COP provisions (in particular, provisions 4 (financial accounts), 12 (Know Your Counterparty and 26 (hazardous substances)).

✓ STEP 4: VERIFICATION

- For COP certified mines that collect and process materials from other large-scale mines or ASM sources not meeting provision 5.1b or c. and for TSM and ICMM members that do not qualify for limited validation.
 - The level of assurance given to the source of eligible COC material must be equivalent to the assurance required for COP certification. That means that unless the mine itself – and all its sources – is COP certified, you must carry out additional verification.
 - A third-party audit is required if the mine is a TSM member with less than level A across all indicators or an ICMM member where the mine has not been included in the assurance site sampling in the last three years.
- For TSM and ICMM mines that qualify for limited validation:
 - An in-person visit is required if the mine is COP certified,³ or if it is a TSM or ICMM member that qualified for a limited validation (TSM level A across all indicators, ICMM assured site). This in-person visit may be conducted remotely in conformance with the requirements set out in the Certification Process Requirements.

In all cases, the COC certified entity can choose to have a third-party audit of the mine carried out.

³ You only need to complete an in-person visit to a COP certified mine if it sources material from other sources (either non-COP certified large-scale mines or ASM that do not meet provision 5.1b or 6.1c). For all other COP certified mines, you can use your enhanced KYC information to make a decision on COC eligibility without an in-person visit.

COC 5 Eligible mined material

In-person visit: points to consider

- Use a site visit to assess the mine's conformance to the COP provisions identified as focus areas in Step 3.
- Do the site visit with your own teams, a hired third party or a mix of both.
 - Identify the expertise needed for the site visit to decide who to include. The person(s) should understand mining operations and knowledge of the relevant certifications, assurance schemes and national legal frameworks. The team will include expertise on all the focus areas identified through Step 3. During your COC audit, you should be able to demonstrate that the person(s) has the relevant background and has used the COP Self-Assessment workbook to assess the mine's conformance with the COP provisions.
- If you decide to undertake the in-person visit remotely, ensure that this is done in full conformance to the requirements set out in the RJC Certification Process Requirements.
- Use any appropriate tools you wish to record information from the visit, but make sure you include the Self-Assessment workbook.
- If the mine collects and processes material from external sources, use the visit to make sure that the mine effectively keeps eligible COC material separate from any non-eligible material, and that it conforms with COC provision 2.1 on internal material controls.
- Unless otherwise identified as a focus area during Step 3, the following can be excluded from an in-person visit:
 - Any COP provision that is covered by RJC-recognised certifications, frameworks or standards (ISO 14001, OSHAS 18000, the International Cyanide Management Code, WGC CFGS, EITI, UN VP and UN GC).
 - COP provisions 15–23 on labour and working conditions.

Third-party audit: points to consider

- Make sure that all third-party audits are done by an RJC approved auditor, and that they are conducted according to the RJC Certification Process Requirements.
- For TSM members, the audit can exclude all COP provisions for which a level A or higher has been achieved. Otherwise, all COP provisions must be included in the audit.
- The mine under investigation does not have to become an RJC member itself to be an eligible source of COC material. But you should encourage those mines that are verified as sources of eligible COC material to join the RJC. Assuming there are no major non-conformances found, remind them that they can use the results of the third-party audit for up to 12 months towards the assessment requirement for RJC COP and COC certification.

AFTER COMPLETING AN IN-PERSON VISIT OR THIRD-PARTY AUDIT:

- Proceed with Step 5 to decide whether the mine qualifies as a source of eligible COC material.

COC 5 Eligible mined material

 **STEP 5: CONFIRMING ELIGIBILITY** For all mines

- Before you can start issuing eligibility declarations, you need to decide whether your validation has confirmed that the material from the mine or producers in question meets provision 5.3 (confirmed as not having adverse impacts related to CAHRAs) and is responsibly mined. If so, the material is eligible for COC providing the material is not mixed with other material before reaching you.
- Use information gathered during the validation process, including any specific recommendations made by third-party auditors to guide you.
- Base your decision on the mine's overall conformance with the RJC COP, as defined by the thresholds set in the RJC Certification Process Requirements:
 - **Minor** non-conformances can be accepted for COC eligibility.
 - **Major** non-conformances cannot be accepted until they have been addressed and independently verified. If the Major non-conformance is against a critical provision, you should notify the RJC to promote shared remediation approaches by RJC members who may have a legitimate interest in the entity.
- Depending on the type of mine being validated, you can focus your decision on different aspects of conformance:
 - For COP certified mines, base the decision on overall conformance highlighted in Step 1 (risk-based enhanced KYC).
 - If the COP certified mine collects material from other, non-COC eligible sources, base the decision on conformance with provision 2.1 on internal material controls.
 - For TSM or ICMM members that qualified for limited validation, base the decision on conformance with the focus areas included in the in-person site visit.
 - For other TSM and ICMM members, base the decision on conformance findings from the third-party assessment.

COC 5 Eligible mined material

BOX 9. Q&A: VALIDATION

Can I validate a mine that treats ore or concentrate from other mines at its processing plant?

Yes. If the mine sources material from other RJC COP certified mines, the material can be automatically included in the eligible COC material. Make sure you get evidence from the mine.

If the mine sources ASM material in accordance with provision 5.1b (from ASM producers operating on the company's mining concessions) or provision 5.1c (from a recognised responsible ASM standard such as Fairmined), the material can be included in the eligible COC material. Make sure you get evidence from the mine.

If the mine collects material from any other mining sources, the material can still be eligible COC material – but only after an in-person visit to ensure that the mine's own material is segregated from the external sources in accordance with provision 2.1 on internal material controls.

When do I need to complete the validation?

Before your COC certification assessment and before you begin issuing eligibility declarations.

Note that any information gathered during the validation process (for example, desktop reviews and in-person visits) must not date back more than 18 months at the time of your COC audit or surveillance audit.

How often do I have to validate a source?

You only have to do a full validation at the beginning of a business relationship.

But validation is an ongoing process; and you are expected to keep up-to-date information on all your sources of COC eligible material, especially monitoring any risks identified in the full validation.

You should also repeat individual steps of the validation process regularly, as follows:

- Step 1 (risk-based enhanced KYC): at your own discretion or any time there is a significant change.
- Step 2 (desktop review): at least every three years.
- Step 3 (further research on compliance): continuously for legal compliance; in accordance with certification periods for existing certification reports.
- Step 4 (verification): at least every three years, or annually for high risk.

Can I choose to have an RJC third-party audit of the mine?

Yes. If there is agreement with the mine to undergo an RJC audit against the COP, this can take place without having to follow the validation steps. The mine is not required to become an RJC member.

COC 5 Eligible mined material

COC 5.1E: BY-PRODUCT

An *entity* shall have *systems* in place to ensure that *eligible mined material* declarations are only issued for material sourced from the following:

- e. Processing residues that contain traces of precious metals from which mining by-product can be extracted, for which an *eligible material declaration* may only be issued by the refiner.

Points to consider:

- COC certified refiners can, under the COC standard, recover eligible gold, silver and PGM from the residues of metallurgical processing of metals outside the RJC's scope, including copper, lead and zinc (see Box 10).
- You can source processing residues, or 'mining by-product', from both COC and non-COC certified entities as long as you follow the same due diligence approach as for other counterparties in your supply chain. Depending on the outcome of your KYC checks and due diligence risk assessment as defined in the COP standard, this may include the need for enhanced KYC as detailed in Table 7 and Box 8 of provision 5.2 of the COC.
- Once you have established the eligibility of the source of the residues and recovered the mining by-product, you make an eligible material declaration and start the COC for this newly separated precious metal.

BOX 10. BY-PRODUCT IN PRACTICE

Multi-metal mines can produce concentrate with low (often less than 1%) concentrations of precious metals that can be recovered after initial processing of the 'primary' metal.

Take, for example, concentrate mined from a copper mine. This is first smelted and then refined using a copper electrolytic process. The processing residues, called 'residue cell slimes', contain trace amounts of gold that can be recovered through further processing by a gold refiner. This recovered gold is known as mining by-product.

COC 5 Eligible mined material

COC 5.1F: TAILINGS

An *entity* shall have *systems* in place to ensure that *eligible mined material* declarations are only issued for material sourced from the following:

- f. *Tailings* originating from an active mine that conforms with provisions 5.1a–d, from which precious metals can be extracted, and for which an *eligible material declaration* may only be issued as defined under those provisions, or *tailings* from a mine that has *ceased operations*, supported by the relevant Know Your Counterparty (KYC) information on the organisation that last owned the mine and/or the entity now extracting the tailings, and for which an *eligible material declaration* may only be issued by the refiner.

Points to consider:

- COC certified refiners can, under the COC standard, recover eligible gold, silver and PGM from mine tailings of active mines as long as these originate from mines that meet provisions 5.1a-d. Particular emphasis needs to be placed on potential environmental and safety risks and you should ensure that the due diligence undertaken follows the 5-step process above, but you should place particular emphasis on how the mine is meeting the tailings management requirements in the COP provisions (or the equivalent provisions in other recognised standards).
- Wherever possible, you should undertake a full due diligence of the source of the material traceable to the original mine including a third party assessment of the mine location from which the tailings originated, by an appropriately qualified audit team. Given the specific risks on this case, in addition to RJC approved auditors, you may wish to involve specialist auditors/consultants and include input from local specialists and stakeholders who speak for the local communities. The history of the mine and any previous certification activity should be considered.
- If the mine has ceased operation KYC as described under 5.2 should be conducted. Particular attention should be paid to potential adverse environmental and social effects associated with the extraction and transportation of the tailings and the recovery of COC material from tailings. If it is identified that re-mining is occurring the due diligence should follow the approach required for non-COC certified mines.
- After refining the material, you make an eligible material declaration and start the COC for this newly separated precious metal.

COC 5 Eligible mined material

COC 5.3: CONFIRMING NO ADVERSE IMPACTS

An *entity* issuing an *eligible material declaration* for *mined material* shall have documented *due diligence*, in conformance with provision 7 of the COP standard, that can confirm one of the following:

- a. The mine(s) from which the mined material is produced, and its transportation routes, are not located in *conflict-affected* and *high-risk areas*.
- b. The mine(s) from which the mined material is produced, and its transportation routes, are located in *conflict-affected* and *high-risk areas*, but the production, processing and transportation of the material is confirmed as not having adverse impacts related to those areas.
- c. The material is a *mining by-product* with suppliers screened according to the *KYC systems* and *procedures* described in provision 12 of the COP standard.
- d. The material is recovered from *tailings* from mines or processors that have been assessed in accordance with provision 5.1f.

Points to consider:

- Use the due diligence that you carried out under COP provision 7 as a basis to confirm your material's 'conflict-free' status.
- Record relevant information in your due diligence documentation. Table 6 outlines the minimum level of detail required for each conflict-free status.
- If in doubt about whether an area is conflict-free or high-risk, seek third-party guidance.
- Make sure you do not have any information gaps or ongoing risk mitigation for your COC material (or you will not be able to declare it eligible).

COC 5 Eligible mined material

TABLE 9. DUE DILIGENCE DOCUMENTATION REQUIREMENTS FOR CONFIRMING A CONFLICT-FREE STATUS

Conflict-free status	Information required	Update frequency
1. The mine and transportation routes for mined material are not located in CAHRAs.	<ul style="list-style-type: none"> Information used to make the determination Methods used to acquire it Any significant issues The responsible person 	Based on locations risk, at least every three years or if conditions change. For high-risk locations review annually.
2. The mine and transportation routes for mined material are not in CAHRAs now, but they have been , are likely to have been within the past five years, or are at risk of becoming so in the future.	<ul style="list-style-type: none"> Above, plus: An assessment of the current level of security and political stability 	At least annually for the first three years of COC certification or as conditions change. If conditions do not change in this time, and it is more than five years since the area was at risk, the area can be considered to be not conflict-affected as per 1 above.
3. The mine or transportation routes for mined material are located in a CAHRA.	<ul style="list-style-type: none"> Above, plus: Determination that the production, processing and transportation of the eligible mined material did not have adverse impacts related to CAHRAs. 	At least annually or as conditions change.
4. (For refiners declaring eligible mining by-product) Suppliers of processing residues have been KYC screened and are determined not to be making false representations to hide the origin of newly mined gold through mining by-products.	<ul style="list-style-type: none"> Information relied upon to make the determination Methods used to acquire it Any significant issues The responsible person 	Based on risk identified from the due diligence. At least every 3 years or if conditions change, but annually where higher risk identified.
5. For refiners declaring eligible material recovered from tailings. The suppliers have been screened and origin established as meeting one of the categories 1-3 above.	<ul style="list-style-type: none"> Above, plus: Determination that the production, processing and transportation of the eligible mined material did not have adverse impacts related to CAHRAs. 	Based on risk identified from the due diligence. At least every 3 years or if conditions change, but annually where higher risk identified.

COC 6 Eligible recycled material

COC material can only be created through eligible material declarations issued by COC certified entities.

Provisions 5 to 7 set out the systems requirements you must meet to issue these declarations. Please read the guidance on these provisions alongside the guidance for provisions 8 to 9, which address the management of eligible material declarations and COC transfer documents.

The RJC does not promote any particular source of material for inclusion in the COC and the due diligence requirements should be read as setting minimum requirements for ensuring that material has been sourced responsibly regardless of its origin.

A. APPLICABILITY

This provision applies to all entities that issue eligible material declarations for recycled materials.

B. ISSUE BACKGROUND

There has been much debate on the definition of recycled precious metals with stakeholders holding very strong and divergent views and waste being defined in different ways across the ISO standards and in legislative frameworks. After extensive consultation RJC has created a baseline definition segregating eligible recycled materials into pre-consumer, post-consumer and waste categories and prioritising requirements for due diligence and transparency.

According to the World Gold Council, recycled gold already accounts for around a third of the global gold supply. Almost all recycled gold (90-95%)¹ comes from recycled high-value gold such as jewellery, and ornaments. The remainder comes from recycled industrial gold such as waste industrial components and electronic equipment (e-waste). In addition, recycled silver accounted for 18% of the global silver supply in 2023,² while recycled PGMs accounted for approximately 25% of the total global supply of PGMs in 2022.³

But the contribution of precious metals from waste and other industrial sources is growing as the rising demand for reducing the amount of waste going to landfill means the amount of waste being recycled is increasing. The technology available to reclaim precious metals from e-waste and industrial waste is also improving, although the process may be more complex than traditional precious metal recycling from jewellery because of the multi-component nature of the product being recycled. However, there is currently no evidence to suggest that the increase in recycled material usage has any impact on the quantity of metals being mined.

1 World Gold Council <https://www.gold.org/goldhub/research/gold-demand-trends/gold-demand-trends-q1-2024/supply>

2 The Silver Institute <https://www.silverinstitute.org/scrap-supply/>

3 CME Group <https://www.cmegroup.com/articles/2024/recycled-platinum-supply-outlook.html>

COC 6 Eligible recycled material

When calculating environmental impacts, it is important to clearly define the point from which any carbon footprint or other effects are being measured and, where possible, to acknowledge the impact of the original source of the material, so as to avoid risks of “greenwashing” or making unsubstantiated claims. Further guidance on this can be found in the COP 2024 Standards Guidance under provision 14. Moreover, RJC does not promote recycled materials over other responsible sources for use in the jewellery industry.

Recycling practices must also be carefully monitored because of the risk of human rights impacts in the collection and dismantling of recyclable material and the potential channel that recycling provides for criminal activity.

Supply chains for recyclable high-value gold are vulnerable to money and gold laundering (source FATF and OECD), including but not limited to:

- Criminal organisations laundering the profits from illicit activities through the purchase and sale of gold.
- Precious metals mined in a conflict-affected or high-risk area being smuggled to lower risk areas to hide its origin or being transformed into jewellery to hide its true origin.
- Stolen jewellery and ornaments sold for cash to intermediate traders/pawnbrokers.

Different risks exist in the supply chains for electronic and industrial waste. According to the ILO and WHO, both formal and informal sectors operate within the waste recycling chain. Adult and child workers in the informal economy, involved in dismantling waste using primitive recycling techniques to extract metal, are exposed to hazardous substances and hazardous working conditions. Toxins, heavy metals and particles released by burning of waste may contaminate and pollute the air, soil and water, and have a negative impact on the local ecosystem as well as the workers and the local communities.

For all these reasons, the RJC COC standard requires entities to have systems in place to stop recyclable materials from illegitimate sources or those with negative human rights or environmental impacts from being accepted into their COC.

Further, there is some evidence that illegitimate actors often operate in order to generate additional recycled material by transforming material from mined or illegitimate sources (sometimes through illegal transportation routes) into jewellery items that can then be refined for a second time and given a legitimate recycled label. Therefore, ensuring appropriate due diligence on the material and its origin is particularly important to avoid sourcing from such sources. Special attention should be paid to correctly assessing the risks in this area and in evaluating the practices of collectors such as “Cash for Gold” and pawnshops.

COC 6 Eligible recycled material

C. IMPLEMENTATION GUIDANCE

COC 6.1: SOURCES OF RECYCLABLE MATERIALS

An *entity* shall have systems in place to ensure that eligible *recycled material declarations* are only issued for:

- a. *Pre-consumer gold, silver or PGM: gold, silver or PGMs* derived from the jewellery and manufacturing *process* or from semi-processed or finished items that have not entered the consumer market but are returned to a refiner or other downstream intermediate processor to begin a new life cycle.
- b. *Post-consumer gold, silver or PGMs: gold, silver or PGMs* derived from post-consumer precious metal products, such as jewellery and ornaments sourced from *individuals*, organisations or industrial facilities in their role as end-users of a fully assembled product. This includes products that have been used or were intended to be used for their original purpose that are no longer required/desired or can no longer be used for their original purpose.
- c. *Material derived from waste: gold, silver or PGMs* derived from pre- or post-consumer precious metals or a mix of both, industrial products including waste electrical and electronic equipment, or industrial components such as spent catalysts and fuel cells.
- d. A mix of the above clearly traceable to eligible *sources*.

Investment materials are excluded from all of the above categories.

Points to consider:

- Typical recyclable materials and the categories to which they belong are detailed in Table 10 below. It should be noted that this is a non-exhaustive list and you should use your best endeavours to categorise any inputs appropriately.
- Scrap and waste eligible materials from refining or manufacturing processes which are collected and reused internally (without sending it to a third-party for refining) cannot subsequently be considered eligible recycled material unless the original materials generating the scrap were exclusively eligible recycled materials. Such material must change ownership and undergo refining by a third party before it can be considered as eligible recycled. If this is not the case, reused waste can maintain its COC status but is not recycled material and must be designated as 'mix of mined, recycled and legacied', as appropriate, in accordance with provisions 8.1d and 8.3 of this standard. Make sure to check and apply applicable law on product declarations and environmental claims, for example related to ISO 14021.

COC 6 Eligible recycled material

TABLE 10: EXAMPLES OF RECYCLED MATERIALS

Pre-consumer recycled*



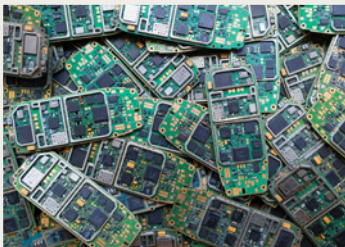
- Melted jewellery and other scraps identified as pre-consumer
- Production scraps e.g. bench scraps
- Casting scraps
- Galvanic baths

Post-consumer recycled*



- Jewellery scraps from end-consumers or final point of sale
- Melted scraps identified as post-consumer
- Dental scraps
- Coatings and solutions
- Sputtering targets
- Household ornaments

Waste recycled



- Waste
- Industrial parts and products sent to the waste stream
- Low grade material from decorative or similar industries
- Sweeps, rags, aprons, gloves, and trash
- Crucible/cupel
- Spent catalysts
- Electronic waste such as circuit boards, chips, connectors

* Pre- and post-consumer may also include waste recycled depending on whether such waste is from pre- or post- consumer materials

- Investment products such as gold from bullion banks and private investors (such as investment bars and coins) are not considered to be an eligible source of recyclable material for COC.
- High-value source materials contain a high content of gold, silver or PGM, alloyed with one or more metals. The process for separating and recycling the materials is relatively straightforward and the number of entities involved is limited (see Figure 7).
- While some recycling from industrial sources is relatively straightforward, recycling e-waste is considerably more complex because it involves recovering many different materials. This means that the value chain for industrial sources is usually longer, and tends to involve a lot more entities (see Figure 8).

COC 6 Eligible recycled material

FIGURE 7. PRE- AND POST-CONSUMER PRECIOUS METALS RECYCLING IS A RELATIVELY STRAIGHTFORWARD PROCESS

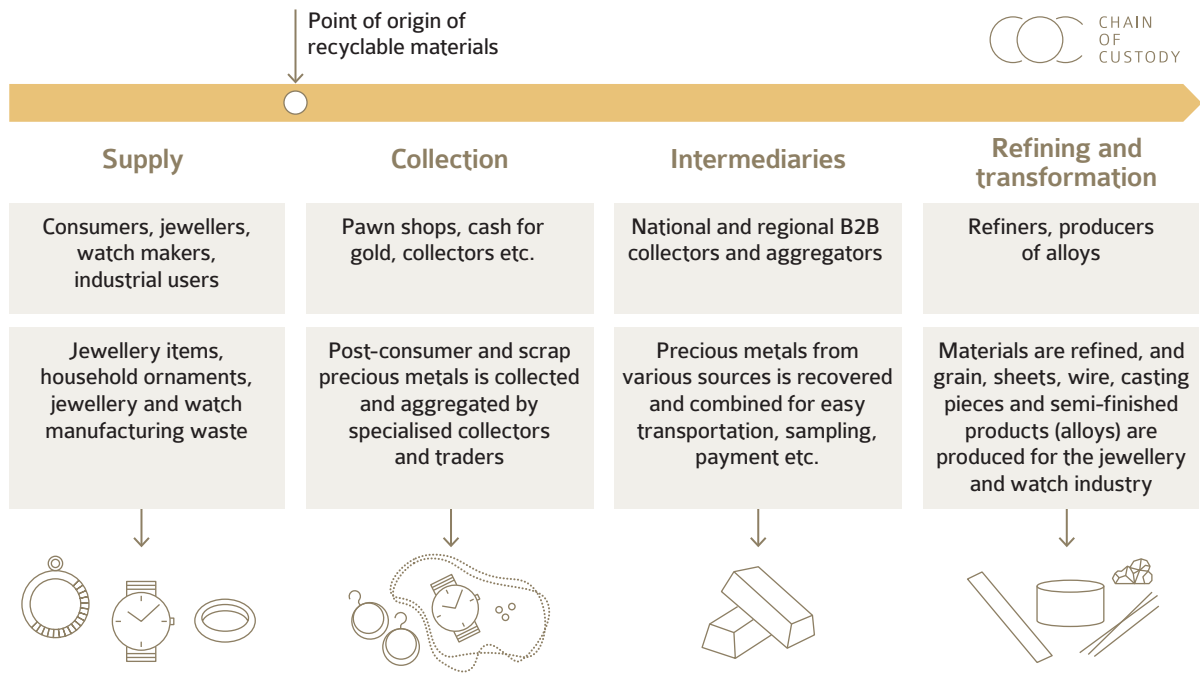
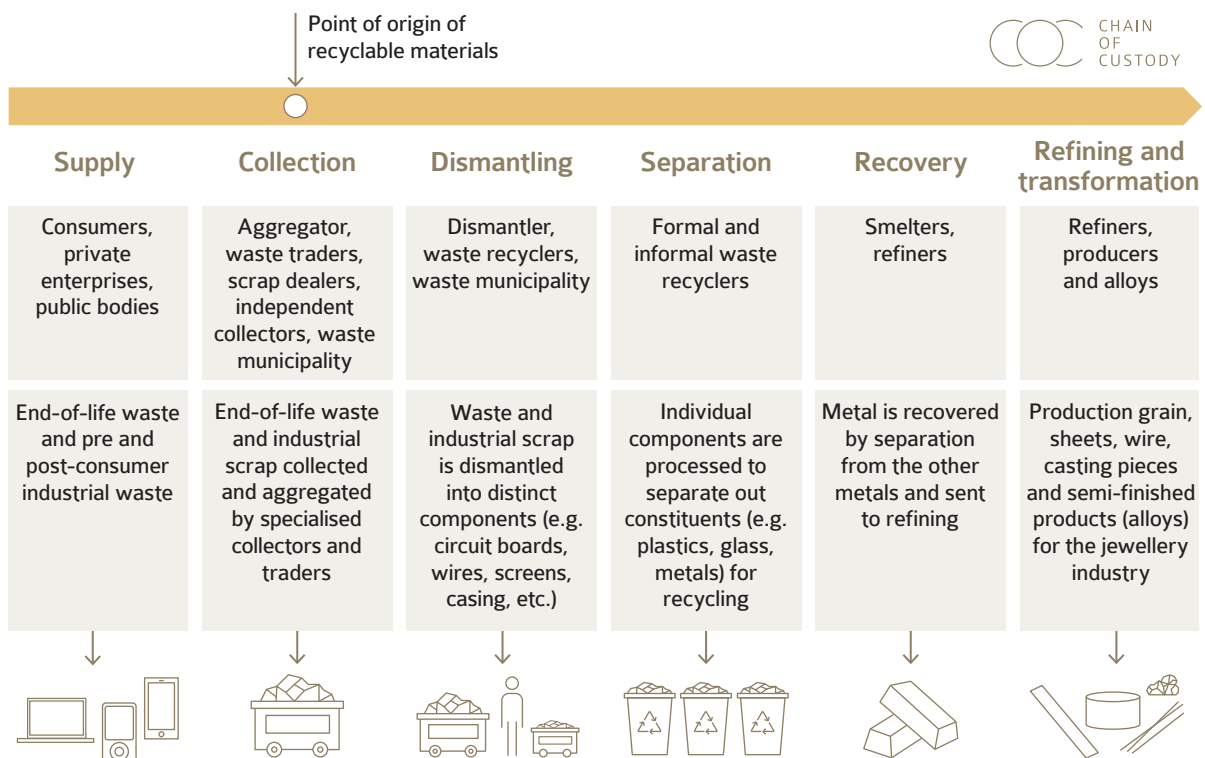


FIGURE 8. INDUSTRIAL METALS RECYCLING (INCLUDING WASTE WITH LOW PRECIOUS METAL CONTENT) IS OFTEN A LONGER AND MORE COMPLEX PROCESS



COC 6 Eligible recycled material

COC 6.2: SOURCES OF RECYCLABLE MATERIALS

The *entity* will make a clear, unequivocal and unambiguous declaration of the category/categories of the recycled material. If the proportions of the different types of recycled material are declared (such as percentage, weight, etc.), the *entity* shall have systems in place to calculate these proportions and retain evidence to support the declarations made.

Points to consider:

- The origin of recycled material is defined as the point at which it is collected for return into the metal industry to reclaim its metal value and you do not have to trace the material to its mineral origin, the RJC recognises the complexity of the recycling supply chains and the difficulty of tracing the material to its mineral origin, especially for large quantities of precious metals. However, depending on the purpose, nature, scale and impact of your business operations, you should make best efforts to obtain this information and provide this to your customers on request.
- You will need to establish the type of recycled material for which you are making a declaration and retain appropriate records to be able to accurately describe the end product. In addition, if you intend to make declarations indicating a single type of recycled material, you will need to segregate inputs from the different categories you choose to accept.
- COC material generated from different categories of eligible recycled precious metals can be described as “mixed”, and must indicate the different sources e.g. post-consumer and waste. You do not have to declare the percentage of different types of eligible recycled materials, although it is best practice to do so. If you do choose to declare the percentages, you will need to hold evidence to support the declarations which will be verified by the third-party auditor during your RJC COC audit. Further guidance on acceptable methods for making such calculations and the evidence required for such claims can be found in the Code of Practices Standard 2024 guidance document for provision 14.
- COC material cannot be described as recycled if it contains inputs from non-eligible sources, for example mined or investment materials. In cases where the input contains a mix of eligible COC material, the material must be designated as a mixed source, for example a ‘mix of mined, recycled and legacied’ as appropriate in accordance with COC provisions 8.1.d and 8.3.
- Finished jewellery products may be described as containing a proportion or percentage of recycled material in accordance with COP provision 14.

COC 6 Eligible recycled material

COC 6.3: ACCEPTANCE CRITERIA

The COC-certified *entity* shall provide documented criteria for acceptable sources and types of recycled precious metals to counterparties, including:

- a. Companies seeking approval to become commercial suppliers to the *entity*.
- b. *Private individuals* and estates that wish to sell private materials to the *entity*.
- c. COC-certified customers purchasing *COC material* from the *entity*.

Points to consider:

- To achieve and maintain RJC COC certification, you will need documented criteria for all the sources and types of recyclable materials that your business accepts.
- To support compliance and promote transparency, you must share these criteria with all the counterparties involved in trading materials as part of the COC by publishing the information on your website, or distributing it during commercial negotiations.
- Your acceptance criteria will need to reflect your due diligence processes in accordance with COP provision 7.

COC 6.4: APPROVING COMMERCIAL SUPPLIERS

The *entity* shall have documented *procedures* and *records* to approve new commercial suppliers, which shall cover:

- a. Conducting KYC as described in provision 12 of the COP standard to establish the beneficial ownership and principals for all suppliers.
- b. Reasonable determination of the *origin* of the recyclable material to establish that any material described as 'scrap' or 'waste', whether pre-consumer or post-consumer, can legitimately be accepted as meeting those definitions.
- c. Ensuring that the *due diligence process* as described in provision 7 of the COP standard covers the supply chain to a sufficient depth to provide confidence on the point of *origin* of recycled materials.
- d. Denying the supplier if information acquired through the approval process provides reasonable evidence to suspect any adverse *human rights* impacts in the supply chain, or the legitimacy of the supplier and/or its *sources*.

Your commercial suppliers are persons or organisations who are engaged in commerce related to the purchasing and selling of precious metals. Depending on the local market structure and recycling value chain, commercial suppliers could include jewellery manufacturers, industrial end-users, pawnshops, intermediary collectors (including those accepting material from private individuals), waste processors or other similar organisations.

COC 6 Eligible recycled material

Points to consider:

- Before you can initiate a COC chain for recycled materials you need to decide whether your validation has confirmed that the material meets the definition of eligible recycled material in provision 6.1 and the sources defined in provision 6.2.
- Before entering a business relationship with a new commercial supplier, a risk-based approach can help you map the supply chain and more effectively assess the risks of illegitimate sources entering the COC. For such an assessment, you should:
 - Carry out an enhanced KYC process, in line with COP provision 12. You can draw on free tools to help you, for example the London Bullion Market Association (LBMA) [RGG questionnaire for recyclable gold](#). Box 11 below details the checks which should be applied to all commercial suppliers. You can avoid duplicating information gathering by using data already gathered as part of your normal KYC.

BOX 11. ENHANCED KYC FOR COMMERCIAL SUPPLIERS

Enhanced KYC involves collecting the following information

- Company details (registered and operating address/es)
- Business activity
- Beneficial owners
- Management structure
- Financial information including methods of payment size, scale and nature of activities
- Due diligence information (drawing on LBMA Responsible Gold Guidance Questionnaire for Recyclable Gold)
- Regulatory environment
- Human resources (the number of employees)
- Origin of physical precious metals (nature of suppliers and countries of origin)
- Refining and melting facilities
- Materials (type and form of precious metal sent for refining)
- Responsible precious metal supply chain policy
- AML and financing of terrorism policy
- Bribery policy
- Use of contractors (including, for each contractor, business name, number of contractors and type of activities carried out)
- Assurance schemes and principles applied by the supplier, including:
 - Responsible Business Standards: RJC COP and standards recognised within COP
 - Chain of Custody Standards: RJC COC and aligned standards
 - Supply Chain audits: verification of supply chain including potential traceability audits
 - Principles and guidelines: UN Guiding Principles on Business and Human Rights, UN Voluntary Principles on Security and Human Rights (UN VP), OECD Due Diligence Guidelines for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Area

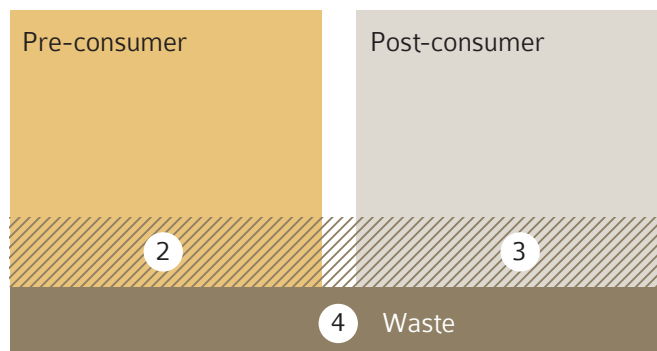
COC 6 Eligible recycled material

- Gather information on the history through engagement with suppliers including sufficient data to clearly establish the type of recyclable material (pre-consumer, post-consumer, waste or a mix of these). See Box 12 for further details on declaring mixed recycled material.
- For all types of eligible recyclable material, assess and verify representations made by your suppliers with steps proportional to risk to confirm the eligibility of the material as recycled COC. This should include making enquiries up the supply chain, beyond the first-tier supplier, and as far as possible to the point of origin of the mined material.
- If you are not the origin of the recyclable material (that is, the entity collecting the recyclable material), make reasonable and good faith efforts to determine the origin, history and previous ownership of the recyclable materials provided by your supplier.
 - For post-consumer material, this should include obtaining information to the first point that the material re-entered the market for re-refining (the point of collection, such as pawnshop, intermediate collector etc.).
 - For pre-consumer material, you should make enquiries to establish the history of the materials and, in the event that it was originally of mined origin, attempt to establish the point of origin of the mined material.
 - In all cases you should make enquiries on your suppliers' due diligence and efforts to implement traceability of the material and establish its eligibility,
- Conduct human rights and environmental due diligence of your supply chains for recyclable material in accordance with COP provision 7 to assess risks in the recycling supply chain. Your due diligence should identify and assess risks along the recycling value chain at least to the point of origin of recyclable materials, taking into consideration the need for data protection in relation to individuals in relation to post-consumer materials. Where possible, you should consider whether impacts beyond this point of origin may be relevant to your due diligence, for example, you may wish to consider environmental impacts or known human rights risks where the mine of origin may be known. This can include desk research of credible sources such as reports from the UN, government, NGOs and reputable media. Be particularly vigilant in assessing risks associated with the informal waste recycling economy, due to release of hazardous substances to the environment, and the exposure of adult and child workers to such chemicals and hazardous working conditions.
- Record all information gathered and your risk assessment which will be reviewed by the auditor during any certification visits. This information should be shared with customers on request.
- Table 11 summarises the type of red flags that indicate a potential risk of adverse impacts in your e-waste supply chain which will require further investigation.

COC 6 Eligible recycled material

BOX 12. HOW TO DESCRIBE MIXED RECYCLED MATERIAL

1 Mix of pre- and post-consumer



Mix options:

1. Mix of pre- and post-consumer
2. Mix of pre-consumer and waste
3. Mix of post-consumer and waste
4. Waste derived from pre-consumer; waste derived from post-consumer, waste derived from pre- and post-consumer

Note: "mix of pre-, post- and waste" is equivalent to "mix of pre- and post-"

TABLE 11: E-WASTE SUPPLY CHAIN RED FLAGS

Type of red flag	Description of red flag
Locations of material origin and transit	The material originates from or has been transported through an area where informal e-waste recycling is common.
Supplier red flags	Suppliers or other known upstream companies operate in a location where informal e-waste recycling is common.
	Suppliers or other known upstream companies are known to have sourced material from an area where informal e-waste recycling is common.

- If, after thorough investigation, you are still unsure of the legitimacy of the prospective commercial supplier, the material being supplied, or you identify adverse human rights or environmental impacts in the supply chain, you should not do any business with them and should report any suspicious activity to the relevant authorities in accordance with local law.
- If you are implementing the COC Standard for the first time, apply this risk-based approach to all your existing suppliers of materials for the COC.

COC 6 Eligible recycled material

COC 6.5: MONITORING COMMERCIAL SUPPLIERS

The *entity* shall have documented *procedures* and *records* for monitoring commercial suppliers. In addition to *due diligence* and KYC as described in provisions 7 and 12 of the COP standard, these shall cover:

- a. Maintaining an understanding of the *origin* of the recyclable material.
- b. Reviewing the *due diligence* and *KYC policy* and *procedures* of the commercial supplier if it is identified as representing a high risk of introducing *illegitimate sources* into the supply chain. Site visits to verify the supplier's *systems* and *records* should be undertaken proportionate to the risk level.
- c. Excluding the supplier from delivering any *COC material* if there is reasonable evidence to suspect the legitimacy of the supplier and/or its *sources* (such as unusual or suspicious transactions, activities or associations) and if, upon investigation, these cannot be cleared of suspicion. Suspicious transactions, activities or associations identified should be reported to the relevant authorities, in accordance with local law.

Points to consider:

- Monitor each commercial supplier whose materials are destined for the COC (see Box 13).
- Monitor and scrutinise transactions throughout your business relationship with the supplier to ensure they are consistent with your knowledge of the supply chain.
 - Gather information on the origin of materials to determine the type of recyclable material (pre-consumer, post-consumer, waste or a mix of these).
 - For all types of eligible recyclable material, assess and verify information and declarations made by your suppliers with steps proportional to risk, including auditing their processes and reviewing their due diligence programme where appropriate.
 - To ensure you are not sourcing from illegitimate sources, you need to be particularly vigilant in assessing whether all scrap finished, or semi-finished jewellery being supplied for recycling can be traced to legitimate production and stock intended for sale. See examples of verification points in Box 13 below.
- To correctly identify and segregate the type of recycled materials, finished jewellery scrap needs to be assessed to establish whether this can be traced to an end-user or final point of sale to enable to be subsequently described as post-consumer recycled material. If this is not possible, the material must be treated as pre-consumer recycled material.
- If you find any evidence or reasonable information to suspect the legitimacy of a supplier or its sources, exclude them from the production of eligible COC material immediately, and implement internal controls to prevent this material from entering the COC.

COC 6 Eligible recycled material

BOX 13. TWO STEPS TO MONITORING COMMERCIAL SUPPLIERS

1. Maintaining an understanding of the material's origin

- The origin of recyclable material is the point in the supply chain at which the material is first returned to the processor, recycler or refiner. If you are not the origin yourself, use reasonable and good faith efforts to determine the origin and ensure it is legitimate.
- Ask your suppliers to provide information on their sources of materials on an annual basis as a minimum.
- Supplement this with data collected under provision 6.3.
- Establish the type of recyclable material and its eligibility using verification methodologies and points appropriate for the type of material. You can use examples given in Table 10.
- Ask your suppliers to notify you of any changes to their sources and types of material, and assess these new sources for any risks of illegitimate sources being introduced into the COC.
- Assess and verify the representation of your suppliers with steps proportional to risk. Depending on the source of the material, this may mean making enquiries up the supply chain.

2. Conducting enhanced due diligence

- Ask higher-risk suppliers to share their due diligence and KYC policy and procedures for review; and carry out a site visit to verify the supplier's systems and records.
- Review the policy and procedures of high-risk suppliers every year – or more frequently if necessary.
- Make sure that all your suppliers commit to notifying you of any changes in their sources or significant changes to their business operations and re-review their due diligence and KYC policies and procedures in light of any changes.

COC 6 Eligible recycled material

COC 6.6: PRIVATE SOURCES

For *recyclable materials* sourced directly from *private individuals* or estates:

- a. The *entity* shall have documented *procedures* and *records* for obtaining proof of:
 - the identity of the seller; and
 - the identification of the product containing *recyclable materials*.
- b. The *entity* shall make reasonable enquiries and efforts to determine the seller's ownership of the recyclable material to ensure it is not from an illegitimate *source*.

Points to consider:

- 'Private individuals' act only for themselves: they do not represent any group, company or organisation, and they do not trade materials commercially.
- The term 'estate' refers to assets owned by an individual or a family.
- Sourcing materials directly from private individuals or estates carries some risk of buying stolen goods and financing criminal activities. That is why if you are sourcing recyclable materials in this way, keep proper records of each purchase, including:
 - Proof of the seller's identity (for example, a copy of their ID card or passport); and
 - Identification of the purchased material, including a photographic record of each item.
- Make reasonable efforts to determine the seller's ownership of the material and ensure it does not come from an illegitimate source. For example, ask yourself whether the volume and form of the materials supplied are reasonable and consistent with the seller's profile and what you know of the local supply chain and risks.
- Recyclable materials supplied by private individuals or estates are provided in the form of unprocessed recyclable precious metals, such as jewellery or ornaments containing precious metals, and which will typically be in their original form. All such products would be considered post-consumer recyclable material.
- Private individuals and estates are not commercial sellers of recyclable material; therefore, their supply should be very infrequent.
- Monitor transactions with private individuals or estates, and investigate any cases where there are large volumes or frequent sales of recyclable materials, to ensure these do not come from an illegitimate source.

COC 6 Eligible recycled material

CASE STUDY: ENHANCED DUE-DILIGENCE ON POST-CONSUMER WASTE FROM INDIVIDUALS:

Dental scraps are normally supplied to refiners by dental laboratories. So, when a refiner received three related deliveries from individuals, they decided that additional due diligence was required.

Three relatives each delivered dental scraps in refiner-provided boxes. These submissions contained similar material of nearly the same weight, approx. 100g each differing by just +/- 2-3 grams.

On conducting KYC, there were no red flags from an identification point of view, but the combination of related suppliers and such similar material raised eyebrows.

The issue was reported to the refiner's Compliance Officer by the staff on receiving the material and checking KYC documents for consistency and completeness. As a result, the Compliance Officer interviewed the three relatives - a father (in his late 50s), son and daughter (in their mid-30s). The explanation provided was that the father's father (i.e. paternal grandfather of the son and daughter) had owned a dental laboratory and, having retired, transferred the remaining stock/waste to his descendants. Investigations confirmed the dental laboratory information provided by the individuals. They also advised that they would not be submitting any further material.

After analysing the material and all information, it was decided that this could be accepted as post-consumer waste. To ensure transparency, the individuals were each set up with their own customer data and respective payment/remuneration.

The refiner has also marked the customer records and is monitoring in case any further deliveries are attempted.

COC 7 Eligible legacied (grandfathered) material

COC material can only be created through eligible material declarations issued by COC certified entities.

Provisions 5 to 7 set out the systems requirements you must meet to issue these declarations. Please read the guidance on these provisions alongside the guidance for provisions 8 to 9, which address the management of eligible material declarations and COC transfer documents.

The RJC does not promote any particular source of material for inclusion in the COC and the due diligence requirements should be read as setting minimum requirements for ensuring that material has been sourced responsibly regardless of its origin.

A. APPLICABILITY

This provision applies to all entities that issue eligible material declarations for legacied material.

B. ISSUE BACKGROUND

Pre-existing stock – material that pre-dates 1 January 2012 for gold and PGM or 1 January 2018 for silver – is known as legacied material, and is exempt from the COC requirements. RJC members can source eligible legacied material from existing stocks of bullion (such as gold/silver/PGM stocks held in bullion banks) as long as the material can be linked to a date before 1 January 2012 for gold/PGM and 1 January 2018 for silver. If supplied by a legitimate source, the use of legacied material can provide no incremental negative impact, making this approach consistent with the responsible mining practices advocated by the RJC.

The term “grandfathered” has been widely used by many organisations, including the OECD. However, the term carries negative connotations in some jurisdictions.¹ It is for this reason that the RJC has decided to create and move to the term legacied, which does not have the same history.

¹ The term “grandfathered” carries especially negative connotations in the USA, due to its historical connotations it has been identified to have originated from the Jim Crow era when African Americans were excluded from voting and other rights. The term originated from a clause that allowed whites to bypass voting restrictions if their grandfathers had voted before the Civil War. However, as the term “grandfathered” is used by OECD and in other trading contexts, we are retaining it in parentheses to ensure alignment is maintained.

COC 7 Eligible legacied (grandfathered) material

C. IMPLEMENTATION GUIDANCE

COC 7.1 & 7.2: SOURCES AND RECORDS

- 7.1 The *entity* shall have *systems* in place to ensure that eligible legacied material declarations are only issued for:
- *Gold* and *PGMs* refined before 1 January 2012.
 - *Silver* refined before 1 January 2018.
- 7.2 If the refining date does not appear as a permanent part of the item of eligible legacied material, the *entity* shall ensure it obtains and maintains documented evidence of the year the item was produced or minted based on *records* matched to a serial number or refiner's mark stamped on the item or to some other permanent mark or physical characteristic.

Points to consider:

- Confirm the date your material was refined using the serial number or refiner's mark that is stamped on the material. Be sure to check the certification or approval status of the refiner at the time the material was refined.
- You can use this confirmation to issue eligible material declarations for Legacied (Grandfathered) material if you include the declarations in your certification scope.
- Keep a record of all the materials sourced.
- Include the evidence used to determine the year of refining if the date does not appear on the material.

COC 8 Eligible material declarations

COC material eligibility is declared through COC Eligible Material Declarations and controlled through Subsequent Transfer Documents that are created by the issuing entity and either used internally or passed on to the purchaser. This section defines the COC Standard requirements for these documents.

A. APPLICABILITY

This provision applies to all entities making eligibility declarations for COC material.

B. ISSUE BACKGROUND

A COC begins with an eligible material declaration that is made by a COC certified entity.

An eligible material declaration shows the recipient that the material in question meets the requirements of the RJC COC standard. It forms the basis for all subsequent proofs of eligibility in the supply chain. That makes it critical to have reliable systems that can ensure eligible material declarations are only made for eligible material.

Eligible material includes gold, silver or PGM that is:

- mined (as defined by provision 5);
- recycled (as defined by provision 6);
- legacied (as defined by provision 7); or
- a mix of the above, each meeting the relevant eligibility criteria.

Different types of eligible material require different types of information to be recorded as part of their eligible material declarations in COC transfer documents. For example, for different recycled sources, you need to declare which recycled sources are included.

BOX 14. DECLARING GOLD, PGM AND SILVER IN ALLOYS

Many alloys include gold, PGM or silver as a minor component. But these metals do not always need to be included in COC transfer documents, depending on their description:

- Alloys or jewellery that are described as 'gold': irrespective of fineness, PGM and silver in these products do not need to be identified in the COC transfer document.
- Alloys or jewellery that are described as 'platinum', or 'palladium': the COC status of the primary PGM needs to be identified in the COC transfer document.
- Alloys or jewellery that are described as 'silver': the COC status of the silver needs to be identified in the COC transfer document.

➔ **ELIGIBLE MATERIAL DECLARATION TEMPLATE**

COC 8 Eligible material declarations

C. IMPLEMENTATION GUIDANCE

COC 8.1A & 8.2: MINED MATERIAL

- 8.1 The *entity* initiating the COC with an *eligible material declaration* shall document the *eligible material* as one of the following:
- a. Mined, in conformance with provision 5 of this standard.
- 8.2 For *eligible mined material*, the *entity* shall include one of the following in the COC *eligible material declaration*:
- a. A conflict-free declaration that identifies whether provision 5.3a, b or c applies.
 - b. If provision 5.3b applies (the material has originated from *conflict-affected and high-risk areas* but is confirmed as not having adverse impacts), an appendix summarising the *entity's due diligence* for that material in accordance with provision 7 of the COP standard.
 - c. If the material is mined, the country or countries where it was extracted.
 - d. If the material is a *mining by-product*, the main material from which it was extracted and the country or countries where it underwent refining or mineral processing.
 - e. If the material is *tailings*, the country or countries where it was generated.

Points to consider:

You are welcome to use the RJC template for issuing an eligible material declaration, but this specific format is not mandatory.

All eligible material declarations must include the following:

- The date of transfer.
- A unique identification number for the transfer.
- Your identity, address and COC certification number (including the start and end dates of your COC certificate).
- The identity and address of the entity receiving the material and, if it is COC certified, its certification number (optional).
- The name of a responsible employee or point of contact that can verify information in the transfer document, if required.
- A statement confirming that the information in the transfer document conforms with the RJC COC standard (not required for machine-to-machine data transmission).
 - The weight or quantities of the items of COC material.
- The type of material contained in the transfer.
- In addition, to make an eligible material declaration for mined material, your COC transfer document must include:
 - the identification of the type of transfer and material (see Figure 9); and
 - a conflict-free declaration.

COC 8 Eligible material declarations

- For eligible material extracted as a by-product from other mined material you must declare the main material from which the by-product was extracted to provide greater transparency to your counterparties.
- You may also choose to include information about your compliance with national and/or international economic and/or trade sanctions regulations.

FIGURE 9. EXAMPLE ELIGIBLE MATERIAL DECLARATION FOR MINED GOLD

Type of transfer (check one)						
	Eligible material declaration initiating the COC for legaced material					
✓	Eligible material declaration initiating the COC for mined material (conflict-free declaration provided)					
	Eligible material declaration initiating the COC for recycled material (conflict-free declaration optional)					

Type of material contained in transfer (check all that apply) (You may delete any rows that are not applicable)						
Gold	Platinum	Palladium	Rhodium	Silver		MINED
✓					COC certified mine	
					Fairtrade	
					Fairmined	
					ICMM mine	
					TSM mine	
					Mining by-product	
					Tailings	

- Your conflict-free declaration must show the findings of your due diligence on CAHRAs and confirm one (only one) of the statements outlined in provision 5.3 (see Figure 10).
- In addition to making the provision 5.3 statement:
 - If the mined material is not from CAHRAs, you must identify the countries of extraction.
 - If the mined material is from a CAHRA (and is confirmed as not having adverse impacts), you must identify the countries of extraction and attach a summary of your due diligence.
 - If the mined material is a by-product, you must additionally identify the countries of refining or mineral processing.
 - If the mined material is extracted from tailings, you must additionally identify the countries of refining or mineral processing.

COC 8 Eligible material
declarations

FIGURE 10. EXAMPLE COC ELIGIBLE MATERIAL DECLARATION AND THE ELEMENTS REQUIRED FOR MINED MATERIAL

Choose **only one**

A		
CHECK ONE		CONFLICT-FREE DECLARATION
	The mine or mines from which the mined material was produced are not located in a conflict-affected or high-risk area; and the mined material was not processed in, or transported through, conflict-affected and high-risk areas.	MINED
→	List of Country(ies) where mined material was extracted:	
	The mine from which the mined material was produced, the processing facility and/or the transportation routes for the mined material are located in a conflict-affected or high-risk area.	
	The COC certified entity has conducted due diligence, a summary of which is attached, to confirm the production and transportation of the mined material did not have adverse impacts related to conflict-affected and high-risk areas.	TAILINGS
→	Country(ies) where mined material was extracted:	
	The mined material has been refined from tailings and has been determined to be conflict free by the refiner's due diligence.	BY-PRODUCT
→	Country(ies) where mining tailings were generated:	
	The mined material is mining by-product and has been determined to be conflict free by the refiner's due diligence.	
→	Country(ies) where mining by-product was refined:	

Provision 5.3 statements

Say **where** the material was extracted or refined

If the material is from a CAHRA, attach a summary of your **due diligence**

Note that to support implementation of the OECD Guidance and support compliance with sanctions or other regulations relevant to you or your counterparties (for example Section 1502 of the Dodd-Frank Act or the EU Conflict Minerals Regulation 2017/821), the eligible material declaration and any subsequent COC transfer documents must also include information on whether the material comes from CAHRAS named in the relevant legal instrument.

COC 8 Eligible material declarations

COC 8.1 & 8.3: RECYCLED, LEGACIED AND MIXED MATERIAL

- 8.1 The *entity* initiating the COC with an *eligible material declaration* shall document the *eligible material* as one of the following:
- b. Recycled, in conformance with provision 6 of this standard
 - c. Legacied, in conformance with provision 7 of this standard.
 - d. A mix of mined, recycled and/or legacied, each in conformance with the applicable provision of this standard.
- 8.3 When initiating a chain for *COC material* that will be mixed with existing *COC material* before transfer to another *entity*, the *entity* shall record an *eligible material declaration* in an internal *COC transfer document* or maintain such evidence that proves the eligibility of the material.

Points to consider:

- To make an eligible material declaration for recycled, legacied or mixed material, your COC eligible material declaration must identify the type of transfer and material (see Figure 11).
- For eligible recycled material, you will additionally need to specify the type of recycled material sources included.
- If you are mixing eligible material with existing COC material before transferring it to another entity, you must first make an eligible material declaration (see COC provision 8 Box 15), unless traceability can be assured and verified through digital records as described in Box 18. Where there is evidence of regular receipts of eligible material from the same supplier for which you need to initiate the COC chain it is not obligatory to issue an eligible material declaration as long as you retain records of the due diligence of the supplier and evidence of the eligibility of the material.

COC 8 Eligible material
declarations

FIGURE 11. EXAMPLE COC ELIGIBLE MATERIAL DECLARATION FOR RECYCLED PLATINUM

Type of transfer (check one)						
	Eligible material declaration initiating the COC for legacied mterial					
	Eligible material declaration initiating the COC for mined material (conflict-free declaration provided)					
✓	Eligible material declaration initiating the COC for recycled material (conflict-free declaration provided)					

Type of material contained in transfer (check all that apply) (You may delete any rows that are not applicable)						
Gold	Platinum	Palladium	Rhodium	Silver		
					COC certified mine	MINED
					Fairtrade	
					Fairmined	
					ICMM mine	
					TSM mine	
					Mining by-product	
					Tailings	RECYCLED
					Pre-consumer recycled	
	✓				Post-consumer recycled	
					Recycled waste	
					Gradfathered (Legacied)	

BOX 15. INTERNAL COC TRANSFERS & ELIGIBLE MATERIAL DECLARATIONS

If you mix existing COC material with eligible material for which you wish to issue an eligible material declaration (for example, adding recycled materials for which you are initiating a COC to an unfinished COC jewellery product) you must ensure that you can provide traceability of the eligibility of the final material being used. This can be managed through your ERP systems, supported by a solid workflow and evidence of robust record-keeping. In this case you can either issue a physical internal eligible material declaration before mixing or hold digital transaction data that provides the same level of information. For example, where the transaction is traceable through a common ERP or other digital software solution, it may be possible to meet the requirements of this provision without issuing a physical COC transfer document. While not obligatory, the practice of issuing internal COC transfer documents can help reinforce segregation and proper record-keeping. In all cases, if a COC transfer document is used for an internal transfer, it must meet all the requirements set out in provision 9.2.

COC 9 COC shipments and subsequent transfer documents

A. APPLICABILITY

This provision applies to all entities transferring COC material to the custody of another entity.

B. ISSUE BACKGROUND

When COC material is passed on to another business, it must be accompanied by a COC transfer document either physically attached or digitally linked for the material to keep its COC status.

This effectively records the material's sequence of custody as it moves along the supply chain. It provides the recipient with critical information that is used to prove the material's COC status in subsequent transfers.

On initially declaring material as COC eligible to initiate the COC you should use an Eligible Material Declaration. For subsequent shipments use a Subsequent Transfer Document. Some types of material require further information to be included in the transfer document:

Any subsequent COC transfers may also include information to support compliance with sanctions or other regulations relevant to you or your counterparties (for example Section 1502 of the Dodd-Frank Act or the EU Conflict Minerals Regulation 2017/821) that is, whether or not the transfer includes any material that comes from CAHRAS named in the relevant legal instrument (see Figure 12).

➔ [SUBSEQUENT TRANSFER DOCUMENT TEMPLATE](#)

C. IMPLEMENTATION GUIDANCE

COC 9.1: TRANSFER DOCUMENT REQUIREMENTS

The *entity* shall ensure that a *COC transfer document* accompanies and is either physically attached or digitally linked to each shipment or transfer of *COC material* dispatched to other certified entities, *outsourcing contractors* or certified *service companies*.

Points to consider:

- You need to associate the transfer document linked to your shipment of COC material either physically or digitally through your IT systems in a way that ensures the traceability is maintained.
- Where the transfer document is not physically attached, you will need to link the shipping identification or similar (such as a refiner's mark) or digital references to the COC transfer document so that the receiving entity can connect the relevant information with the relevant material.

COC 9 COC shipments and subsequent transfer documents

COC 9.2: REQUIRED ELEMENTS

The *entity* shall ensure that *COC transfer documents* include all the required information outlined in the guidance this standard.

Points to consider:

- You are welcome to use the RJC template for a COC transfer document, but this specific format is not mandatory.
- You will have to issue the appropriate transfer document (Eligible material declaration or Subsequent transfer document), depending on whether you initiate the COC chain or simply pass COC materials to another entity.
- When using the RJC template, any sections that are not applicable due to the nature of the material can be deleted to make the document more concise and usable by your customers.
- If you don't want to use the template, make sure that all your COC transfer documents include the following required elements:
 - The date of transfer.
 - A unique identification number for the transfer.
 - Your identity, address and COC certification number (including the start and end dates of your COC certificate).
 - The identity and address of the entity receiving the material and, if it is COC certified, its certification number (optional).
 - The name of a responsible employee or point of contact that can verify information in the transfer document, if required.
 - A statement confirming that the information in the transfer document conforms with the RJC COC Standard (not required for machine-to-machine data transmission).
 - The weight or quantities of the items of COC material.
 - The type of material contained in the transfer (for subsequent COC transfers, use the COC transfer document that came with the material when you received it to get this information).
- Where the transfer document data is digitally linked you may also send or receive this directly between ERP or similar systems. In such cases, you will need to ensure that all data required for the traceability of the material is verified and that the data integrity is maintained. You will also need to implement a process to periodically verify other information related to the business partner including their COC certification number and status.

COC 9 COC shipments and subsequent transfer documents

- COC transfer documents for **mined material** must also include information to support compliance with sanctions or other regulations relevant to you or your counterparties (for example Section 1502 of the Dodd-Frank Act or the EU Conflict Minerals Regulation 2017/821). Any subsequent COC transfer documents must also include information on whether the material comes from CAHRAS named in the relevant legal instrument (see Box 16).
- Refiners and manufacturers of simple components issuing transfer documents for mixed material must list the actual sources of material included in the mixing of materials. However, given the added complexity of entities assembling components from a number of parts with different origins, you may choose to issue the COC transfer documents for mixed material detailing all potential sources, even if these are not all actually present in the delivered material.
- For subsequent COC transfer documents for jewellery products made from mined materials only, it is not obligatory to specify the specific type of mined material (COC certified mines, Fairtrade etc.) although it is good practice to do so.
- Transfer documents may only be issued by a certified entity. Therefore, in some cases a certified outsourced contractor may issue and send the transfer document directly to a customer with a shipment, whether they are invoicing that customer or the COC member for whom they are working. Equally, where a shipment is transiting through the certified COC member with no further physical modification (e.g. for quality control or administrative purposes) the transfer document issued by the certified outsourced contractor can be re-used as long as the receiver's details are correctly identified.
- For COC members who want to send COC shipments directly from an uncertified outsourced contractor to the customer, while the transfer document may be sent from the outsourced contractor, it must be issued by the COC member. This is to show the transfer of ownership from the COC entity to the customer.
- For further information on returned material from an outsourced contractor, see COC provision 3.2 of the guidance.

BOX 16. USING COC TRANSFER DOCUMENTS FOR DODD-FRANK REPORTING

- Under Section 1502 of the US Dodd-Frank Act, all issuers of gold, tin, tungsten or tantalum must disclose annually whether any of their products contain material that originated in the DRC or an adjoining country. If so, the issuer must prepare a third-party audited 'Conflict Minerals Report' describing, among other things, its due diligence approach.
- To help facilitate this reporting, COC transfer documents for mined or mixed gold under the COC Standard can include (on top of the usual requirements):
 - Identification of any gold from the DRC and adjoining countries, including country of origin and refiner.
 - Upstream due diligence and 'DRC conflict-free' assurance (via independent certification).
- See Figure 12 for an example of reporting on compliance with sanctions or regulations within a COC transfer document.

COC 9 COC shipments and subsequent transfer documents

FIGURE 12. EXAMPLE OPTIONAL REPORTING ON COMPLIANCE WITH SANCTIONS OR REGULATIONS IN A COC TRANSFER DOCUMENT

CONFIRMATION OF THE SHPMNT'S COMPLIANCE WITH NATIONAL AND/OR INTERNATIONAL ECONOMIC AND/OR TRADE SANCTIONS OR RCGUIATIONS* (ALL MATERIALS) (OPTIONAL)	
B	COC materials covered by this transfer are supplied in compliance with all national economic and/or trade sanction regulations.
✓	List of specific sanctions and regulations under this: <i>Dodd Frank Reporting</i>
	Transfer does not include COC materials that have originated from any Specifically Designated National and Blocked Person (SDNBP), pursuant to the U.S. Department of Treasury OFAC list.
	Transfer does not include COC materials that have originated from individuals or entities (or entities owned or controlled by them) covered by international economic and/or trade sanctions per the definition below.

You can only issue a COC transfer document for products comprising one single component (e.g. a tube, a simple casted ring, a simple screw) if the component is entirely made of COC material or for a jewellery product comprising a mix of COC and non-COC if all components for exclusion meet the requirements set out in the guidance for COC provision 10.5.

- COC transfer documents for **COC jewellery products containing a mix of COC and non-COC material** must include either a positive declaration that clearly and accurately describes those components that comprise COC materials, or a disclosure statement for any non-COC material (see Box 17). The decision of whether to issue a positive declaration or a disclosure statement should be taken by reviewing which approach provides the greater clarity to customers or final consumers and this should then be applied consistently for specific products to avoid confusion. See also provision 10.2 for guidance on claims for products that include a mix of COC and non-COC components.
- Establish procedures to verify all key information included in COC transfer documents when both receiving and sending shipments of COC material. Some checks must be made for every shipment, that includes checking that the information in the document is consistent with the physical contents of the shipment. Where you are in a regular relationship with a counterparty, it may be possible to move to a system of periodic checks of information in the transfer document, such as their COC certification status. This can be part of your procedures as long as it is documented and based on a risk assessment.
- If you have resources available, consider using a two-person rule to sign off incoming and outgoing shipments, supported by a record of shipments such as an initialed logbook.
- Report and remedy any errors promptly, either by returning the entire shipment, or by agreeing corrective steps with the other transfer party. This may include voiding the initial document and replacing it with a new one (although you must keep a full record of all errors and anomalies).
- To support the COC, you must record and make available all the COC transfer documents that you receive from other COC certified entities if requested.
- If you lose a document, you can ask the original issuer to replace it, although the issuer is under no obligation to comply with your request. If your auditor finds evidence that you are missing documents, or that you have regularly lost and replaced documents, you risk a possible major non-conformance and the loss of your RJC COC certificate.

COC 9 COC shipments and subsequent transfer documents

BOX 17. DESCRIBING A MIX OF COC AND NON-COC MATERIAL

Under the RJC COC standard, jewellery products may contain non-COC materials if the COC transfer documents clearly identify the composition.

Take, for example, a gold chain that is made up of a COC gold chain, a non-COC gold fastening and a small diamond, with the gold components surfaced through rhodium electroplating. In this example, the COC transfer document must include a disclosure statement as per one of the options below:

- “COC gold chains. Gold fastenings made from non-COC gold. Non-COC rhodium plating.” OR
- “COC gold chains. All other components, metals and platings are non-COC”

Non-COC disclosure statements do not need to include:

- Materials outside the RJC COC standard’s scope (for example, diamonds; other metals in alloys, plating or coatings, leather, or other precious stones).
- PGM or silver in gold alloys of any fineness (unless omitting this information could lead to confusion).
- If you are initiating a COC for some or all of the material in question, you must issue an eligible material declaration (see COC provision 8).
- If you are mixing eligible material with COC material, this declaration should be made in an internal COC eligible material declaration (see COC provision 8 Box 15), unless traceability can be assured and verified through digital records as described in box 18.

COC 9.3: SUPPLEMENTARY INFORMATION IN TRANSFER DOCUMENTS

If the *COC transfer document* includes supplementary information about the *entity*, the *eligible material* or its provenance, the *entity* shall ensure the supplementary information can be supported by objective evidence.

Points to consider:

- Use your discretion to add supplementary information to a COC transfer document, including, for example:
 - **Information about origin.** For example, country of origin of mined material or the name of the mine (or country) where recycled or legaced materials were collected or processed. This information is compulsory for ‘track and trace’ COC models that trace material to its origin (and must also be supported by the internal material controls outlined in provision 2.3).
 - **Additional certifications or accreditations.** For example, against recognised national or international standards such as the International Organization for Standardization (ISO) or similar. In each case, you should identify the standard and record objective evidence of your conformance to it (for example, your certification number).

COC 9 COC shipments and subsequent transfer documents

- **Previous COC transfer document numbers.** You are not required to pass on information about your suppliers or other business partners in COC transfer documents. But, in some cases, you may decide to do so. For example, including a refiner’s COC transfer document reference number supports retrospective enquiries about the COC by enabling downstream businesses to approach the refiner directly (rather than going through each successive business in the chain).
- **Information on CAHRAS.** Note that to support the implementation of the OECD Guidance and support compliance with sanctions or other regulations relevant to you or your counterparties (for example Section 1502 of the Dodd-Frank Act or the EU Conflict Minerals Regulation 2017/821), any subsequent transfer document must also include information on whether the material comes from CAHRAS named in the relevant legal instrument.
- **Confirmation of compliance with national and/or international economic and/or trade sanctions regulations.** This is a new voluntary section which has been added to allow you to provide a confirmation of which sanctions regimes you are complying with. You may already be making declarations, or provenance claims, in relation to this topic. You are not required to make this declaration, but may decide to do so, for example, to satisfy customer requirements. If you decide not to do so, you can delete the appropriate section in your COC transfer document.
- **Any other relevant information.** For example, website links to your supply chain policy for material from CAHRAS, contact information for your complaint mechanism, references for your due diligence reports or general information about your business.
- Support all your supplementary information with objective evidence, and make this available to an auditor if required.

COC 9.4: CONDITIONS FOR SUSPENSION OF TRANSFER DOCUMENTS

Where the member retains ownership but is sending components to outsourced contractors or *service companies*, the use of the transfer document may be suspended as long as the details are recorded and traceable in the member’s internal systems.

Points to consider:

- The COC transfer document is an important mechanism for ensuring the transparency of the movement of material that is being sold; however, where ownership of the material remains with the member, the transfer document may be considered as an unnecessary administrative requirement, especially where IT systems are in place which effectively record the transfer and return of the work, other important information about activities undertaken and any change to weights or the nature of the items.
- When deciding whether it is possible to suspend the use of the transfer document, consider whether your internal systems are sufficiently developed to retain and recover all required information in case of future enquiry.
- Ensure that you retain records of all material being transferred to outsourced contractors including:
 - the material (e.g. gold, silver, platinum etc);
 - type of material (e.g. mined, recycled, legacied, or mixed);
 - a description of the material (e.g. grains, description of components, identification marks); and
 - weight(s) of different elements.

COC 9 COC shipments and subsequent transfer documents

- On return of the material, you must verify that the consignment matches what was sent and that there has been no substitution or change to the material other than what was intended – please see guidance in provision 4.2.
- Make sure that you record the change in the form of the material and the weight as a result of the activity.
- You should check periodically that the data is robust and can be made available to the auditors for verification. It is also advisable to test how this data can be used to reconcile the flow of material out and back.

BOX 18. INTERNAL COC TRANSFERS

In general, you do not have to issue a COC transfer document when transferring material between facilities within the same certification scope. In deciding whether to issue a transfer document for material being transferred to facilities within your certification scope you should consider whether the information associated with the transfer document is readily available within your digital system; whether material is likely to be transferred to an external party at a later date; and whether the absence of these transfer documents could create a gap in the Chain of Custody documentation in such cases.

If you mix existing COC material with eligible material for which you wish to issue an eligible material declaration (for example, adding recycled materials for which you are initiating a COC to an unfinished COC jewellery product) you must ensure that you can provide traceability of the eligibility of the final material being used. This can be managed through your ERP systems, supported by a solid workflow and evidence of robust record-keeping. In this case you can either issue a physical internal eligible material declaration before mixing or hold digital transaction data that provides the same level of information. For example, where the transaction is traceable through a common ERP or other digital software solution, it may be possible to meet the requirements of this provision without issuing a physical COC transfer document. While not obligatory, the practice of issuing internal COC transfer documents can help reinforce segregation and proper record-keeping. In all cases, if a COC transfer document is used for an internal transfer, it must meet all the requirements set out in provision 9.2.

COC 10 Product claims and intellectual property

A. APPLICABILITY

This provision applies to entities making claims on COC material in their jewellery products.

B. ISSUE BACKGROUND

The RJC COC standard does not require certified businesses to tell their customers about whether the materials in their jewellery products are COC or non-COC, but some COC certified businesses choose to do so, through written claims or visual representations. It is important that any claims or representations about COC material are both accurate and consistent with the assurance provided by the RJC COC standard. That includes making sure that any verbal claims, made at point of sale for example, are correct, clear and consistent with the information in the product's COC transfer document.

The COC standard is a process certification standard rather than a product certification standard and as such it is important that members do not use any marks or make statements on any product, packaging or accompanying information seen by the consumer, which might be interpreted as implying product conformity. Any statements that are made must, therefore, clearly indicate that a product has been made under a COC certified process or contains COC material and must not imply that the product itself is COC certified.

Rules for use of logos and making claims can be found on the [member portal](#).

C. IMPLEMENTATION GUIDANCE

COC 10.1, 10.2, & 10.3: MAKING CLAIMS

- 10.1 If the *entity* makes *claims* or *representations* about *COC material* in a jewellery product, these shall be described in written form and shall not include information that is inconsistent with the *COC transfer document(s)* supplied with the *COC material*.
- 10.2 Members making *claims* to a *consumer* must make available at the point of sale, on their website or through any other *publicly available* communication medium, further details about the *claims* being made, including data to support the verification of the *claims*, and the *systems* in place to achieve them.
- 10.3 Members that make one or more product *claims* shall ensure that the claims being made are not misleading, are verifiable and comply with all applicable law.

Points to consider:

- Claims about COC material can be made by:
 - Suppliers: refiners and jewellery manufacturers providing finished or unfinished jewellery products as well as individual components.
 - Retailers: those selling finished jewellery products to final consumers.

COC 10 Product claims and intellectual property

- Entities that are not COC certified cannot initiate any claims but may pass on claims already applied to material (by a COC certified business) as described under 10.4.
- Suppliers of products comprising one single component (e.g. a tube, a simple casted ring, a simple screw) can only make COC claims if the component is entirely made of COC material.
- Any claims must comply with the law in the country in which products are being sold, so you should ensure that you are aware of any particular limitations or requirements.
- Claims must be truthful and supported by information about the data and systems available to support them. These claims will be verified by the third-party auditor during your certification or recertification audit, and you will need to be able to provide evidence to support any claims.
- Customers must be able to access details and evidence supporting claims easily. If the claims supporting information are not provided at the point of sale, you will need to provide details of how information concerning the claims can be accessed. This can be through a web address, QR Code or other publicly available communication medium.
- Any environmental or sustainability claims made in relation to COC materials are covered by the COP and will be audited as part of COP provision 14.

COC 10.4: RECYCLED MATERIAL CLAIMS

Claims in relation to recycled materials in a product shall clearly indicate the type of recycled material and, in particular, whether this is pre-consumer recycled, post-consumer recycled, recycled material derived from waste or a mix of these types. Where this is a mixed recycled material, the type(s) of *source* shall be stated.

Points to consider:

- Where products contain recycled materials, you must declare the types of recycled material transparently and unambiguously to allow customers to make informed choices, as follows:
 - **For Business-to-Business** sales, you must declare whether the recycled material is derived from pre-consumer, post-consumer or waste sources using the definition included in the Standard and transfer document template. Variations from this wording may be used to provide additional information and clarity but must not substitute the definitions, other than where this may be required by legislation.
 - **For Business-to-Consumer** sales, the objective of any declarations made is to provide the greatest possibly transparency to the end-consumer and you may wish to go beyond the categorisations in the RJC definition or use other descriptions which are understood by your customers. It may be best practice to replace the term recycled with other descriptors for greater transparency or to provide greater granularity, such as the percentage of the different types of recycled materials in the case of mixed recycled materials. In this case you need to ensure that information relating to these claims is clear and made available in accordance with provision 10.2.
 - In all cases, be particularly vigilant about any claims you making concerning product attributes or business practices in relation to the use of recycled materials, especially in relation to environmental claims and ensure that these are in conformance with COP provision 14.

COC 10 Product claims and intellectual property

COC 10.5: COC CLAIMS AND COMPONENTS FOR EXCLUSION

Claims can be made on *jewellery products* that include non-COC components identified for exclusion by the RJC. A clear and unambiguous description of the COC components or components that are non-COC within the product must be made available to the *customer* or *consumer*.

- Suppliers and retailers of jewellery products should aim for all components to be COC. But the RJC recognises that it may be challenging to source some minor components under COC certification – for example, if they are from highly specialised suppliers or complex supply chain structures, or if they are subject to exclusive production patents. For this reason, COC claims can be made on products which include some minor non-COC jewellery components (see Table 12).

TABLE 12. EXAMPLES OF NON-COC COMPONENTS OF WATCHES AND JEWELLERY PRODUCTS THAT CAN BE EXCLUDED FROM COC CLAIMS (NON-EXHAUSTIVE)

Examples of Components that can typically be excluded	
Watches	<ul style="list-style-type: none"> • Joints, catches, screws, solder, pin stems and pushers
Jewellery	<ul style="list-style-type: none"> • Earring fittings: including post and butterfly, hook fittings and hook fastenings, clip, andralok or andraslide. • Fastenings for bracelets and necklaces: bolt ring, jump ring and trigger, snap tongues, bezels for lockets. • Other: alpa stems, springs, hook springs, razor clasps, snaps, solder, wire hooks, wire pegs or rivets used for applying mountings and other ornaments, posts and nuts for attaching interchangeable ornaments, hook & spring fastenings for brooches, field piece, spongs and bezels, except for solitaires.

The table above gives examples of minor components that can be present in the finished item with this still be described as COC.

Point to note:

- For all products, the examples above can be understood to include any minor gold, silver or PGM components that form a small part of the overall weight and volume of the product.
- For watches to be claimed as being made of COC materials, except if used as a plating material or for silver and PGM in gold alloy, all the gold, silver, or PGM used in the middle case, back, bezel, bracelet, crown, dial base, oscillating weight, clasp and buckle, and any component constitutive of the visual identity of the manufacturer or of the identity of the product, must be COC. Any other component can be excluded.
- For finished jewellery products to be claimed as being made of COC material, the components that cannot be excluded, lobster clasp hooks, and any component constitutive of the visual identity of the brand or the identity of the product.
- You can use other non-COC components not listed in Table 12 if you can show that:
 - the COC material is still recognisably the major part of the product and the component is a minor part of the product ; and
 - that it is not available as COC material under reasonable circumstances.

COC 10 Product claims and intellectual property

- The definition of components that cannot be excluded for watches and finished jewellery products to be claimed as being made of COC has been updated to remove some items that were previously permitted under the previous version of the standard. A transition period of 1 year from publication of this standard has been established for any components or products to be sold re-labelled and certified members will be required to show compliance with this at their next audit (including surveillance visits). You should ensure that you check the status of any material you are incorporating into your production and declare the COC status accordingly.
- Please report any components excluded under these circumstances to the RJC Management Team, so that the RJC can keep an updated list of excluded components.
- In all cases, if you are making claims about COC material in your jewellery products, you must make sure you are giving customers the correct information.
- It is not possible to be prescriptive about percentages of COC versus non-COC material in a finished jewellery product that would still allow the overall product to be described as being made of COC material, but you should take account of the intent of this Standard and the need to ensure that any product description is clear and unambiguous and could not be considered misleading by the end-consumer.
- Remember that you can make claims about the COC material in your product but must not imply any type of product conformity or product certification in relation to the product itself.
- Take care with your wording and presentation when using claims as part of a promotional campaign. That includes checking that the claim is both representative and accurate, as well as making further information easily accessible, for example, through a website (via a QR code) or other publicly available communication platform.
- For products containing excluded non-COC components, you must include a clear description of which components are COC or which components are non-COC as part of the claim's 'further information'. This must be consistent with transfer documents and in accordance with this provision.

COC 10.6: EMPLOYEES AND CLAIMS

The *entity* shall have systems in place to ensure that all relevant *employees*, including sales associates, do not make oral *claims* or representations to *consumers* about *COC material* that are inconsistent with the *claims* or representations described in written form.

Points to consider:

- Nominate a responsible person to approve any written or visual descriptions of COC material to ensure they are clear and correct.
- Train your employees to ensure that their verbal claims about COC material are consistent with the material's written claims.
- In particular, that means training sales associates about what is acceptable to say, and what is not (see Box 19).
- Keep a record of training materials used and a list of all staff members that have received the training.

COC 10 Product claims and intellectual property

- Remember that these controls only apply to claims about a product's COC, in accordance with the COC standard. Claims about quality or pricing are not usually relevant. But claims that use COC information to support further claims about other attributes are. For example, using the country of manufacture to support a claim about quality or workmanship is relevant and must be made in accordance with the COC standard.
- You should also consider whether any of the claims you are making might not be in conformance with provision 14 of the COP standard, such as claims about the environmental performance of your products, or your business practices, based on the COC material in your products.

BOX 19. UNACCEPTABLE & ACCEPTABLE CLAIMS

UNACCEPTABLE CLAIMS

All members of staff must avoid confusing or misleading customers about COC material through inappropriate or unacceptable claims. For example:

- Explicitly describing all of a jewellery product as COC material when only parts of it contain COC material, and these parts are not listed in Table 12 and/or don't comply with Table 12 notes.
- Making claims about a product's country of origin or manufacture that are not supported by information supplied in the product's COC transfer documents.
- Adding any form of stamp or logo to a jewellery product to imply any type of product conformity or certification.
- Describing a product as made in a COC-certified factory.

ACCEPTABLE CLAIMS

Claims must be clear and provided in language appropriate to the type of customer. Claims in a Business-to-Business context can therefore be more expressed in more technical language and should include all information required to enable them to make onward claims, especially where the final product is destined to a consumer.

In the Business-to-Consumer context you may choose to make a simple statement in relation to a jewellery product's COC status with the product itself, in line with Table 12 and the associated notes with further details about possible exclusions being provided through posters and booklets at the point of sale.

COC 10 Product claims and intellectual property

COC 10.7: USING THE RJC LOGO

If the *entity* uses the RJC logo and/or *COC certification stamps*, it shall ensure that it abides by the rules for use of the logo, trademarks and intellectual property. If the *entity* uses the RJC logo and makes reference to the COC standard in association with *jewellery products* containing *COC material*, it shall ensure that it is clear that the use of the logo and reference to the COC standard only applies to the *COC material* and not to any other material.

Points to consider:

- If your business is COC certified, you can use COC certification stamps on your COC material (but not on jewellery products) as well as for general promotional purposes. Such stamps can include words, symbols or both.
- Any use of your RJC member logo or the RJC COC certification stamp must follow RJC rules and must not be likely to cause confusion with non-COC material. You can find these rules in the RJC Certified Member Logo Usage document available on the [member portal](#) or available by contacting the RJC directly.
- If you are selling COC material to non-COC certified entities you must advise them that they may not reproduce the RJC logo or COC certification stamps, although they keep them on COC material if they were already applied (by a COC certified business) when they received the material. For example, a jewellery product that came with the RJC logo on the label can be sold; but the logo cannot be reproduced on a poster for that product unless the company is COC certified.
- Take steps to avoid the risk of products exiting the COC chain and re-entering it. In practice, that means making sure your customers know that they cannot sell products branded with an RJC member logo or COC certification stamps onwards as COC material unless they are themselves COC certified and can issue the appropriate COC transfer documentation. COC material and products made of COC material can only re-enter the COC chain in accordance with the controls set out in provision 4 of this Standard.
- In line with COC 10.3 above, use of an RJC COC stamp or RJC member logo must not imply any type of product conformity or product certification in relation to the product itself.

Annex

ANNEX 1. MINED MATERIAL FROM VALIDATED MINES: COP PROVISIONS EXEMPTED FROM DESKTOP REVIEW FOR ICMM AND TSM

The following is a comparison of TSM and ICMM with RJC COP. The table lists the exemptions for TSM (level A) and ICMM (assured site) as part of the validation approach outlined in COC 5.2.

Exemptions are only granted when the TSM/ICMM requirement is fully equivalent or exceeds the COP provision.¹

RJC PROVISION	SUB-PROVISION	ICMM	TSM	OTHER MECHANISMS TO SHOW COMPLIANCE
RJC General Requirements (provisions 1–4)				
1. Legal Compliance	1.1	Exemption	Exemption	
2. Policy and Implementation	2.1	Exemption	Exemption	
	2.2	Exemption	Include	
3. Reporting	3.1	Exemption	Exemption	
	3.2	Exemption	Include	GRI report
4. Financial Accounts	4.1	Include	Include	Requirements for publicly listed company
	4.2	Include	Include	
RJC Responsible Supply Chains and Human Rights (provisions 5–12)				
5. Business Partners	5.1	Exemption	Include	
	5.2	Exemption	Include	
6. Human Rights	6.1	Include	Include	UN Guiding Principles
	6.2	Include	Include	WGC CFGS OECD Guidance
7. Sourcing from ASM	7.1	Include	Include	WGC CFGS
8. Community Development	8.1	Exemption	Exemption	
9. Bribery and Facilitation Payment	9.1	Include	Include	GRI
	9.2	Include	Include	GRI
	9.3	Include	Include	GRI
10. Money Laundering and Finance of Terrorism	10.1	Include	Include	National legislation
	10.2	Include	Include	National legislation
11. Security	11.1	Exemption	Include	UN VP
	11.2	Include	Include	UN VP
	11.3	Exemption	Include	UN VP
	11.4	N/A	N/A	
12. Provenance Claims	12.1	N/A	N/A	

¹ Many COP provisions that have not been exempted have a high level of alignment with ICMM and TSM and should be straightforward for the mining facility to demonstrate compliance.

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RJC PROVISION	SUB- PROVISION	ICMM	TSM	OTHER MECHANISMS TO SHOW COMPLIANCE
RJC Labour Rights and Working Conditions (provisions 13–20)				
13. General Employment Terms	13.1–13.3	Include	Include	National legislation and GRI report
14. Working Hours	14.1–14.4	Include	Include	National legislation and GRI report
15. Remuneration	15.1	Exemption	Include	National legislation and GRI report
	15.2–15.6	Include	Include	National legislation and GRI report
16. Discipline and Grievance Procedures	16.1–16.3	Include	Include	National legislation and GRI report
17. Child Labour	17.1–17.3	Include	Include	National legislation and GRI report
18. Forced Labour	18.1–18.3	Include	Include	National legislation and GRI report
19. Freedom of Association and Collective Bargaining	19.1	Include	Include	National legislation and GRI report
	19.2	Include	Include	National legislation and GRI report
	19.3	Include	Include	National legislation and GRI report
20. Non-Discrimination	20.1	Exemption	Include	National legislation and GRI report
RJC Health, Safety and Environment (provisions 21–25)				
21. Health & Safety	21.1	Exemption	Exemption	OSHAS 18001, ISO 45001
	21.2	Include	Exemption	
	21.3	Include	Exemption	
	21.4	Exemption	Exemption	
	21.5	Include	Exemption	
	21.6	Include	Exemption	
	21.7	Exemption	Exemption	
	21.8	Exemption	Exemption	
	21.9	Exemption	Exemption	
	21.10	N/A	N/A	
22. Environmental Management	22.1	Exemption	Include	ISO 14001
	22.2	Exemption	Include	
	22.3	Include	Include	
23. Hazardous Substances	23.1	Include	Include	ISO, national legislation
	23.2	Include	Include	
	23.3	Include	Include	
24. Wastes and Emissions	24.1	Exemption	Exemption	ISO
	24.2	Exemption	Exemption	
25. Use of Natural Resources	25.1	Exemption	Exemption	ISO
	25.2	Include	Include	

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RJC PROVISION	SUB-PROVISION	ICMM	TSM	OTHER MECHANISMS TO SHOW COMPLIANCE
Diamond, Gold and Platinum Group Metal Products (provisions 26–28)				
26. Product Disclosure		N/A	N/A	
27. Kimberley Process certification and World Diamond Council System of Warranties		N/A	N/A	
28. Grading and Appraisal		N/A	N/A	
Responsible Mining (provisions 29–40)				
29. Extractive Industries Transparency Initiative	29.1	Exemption	Exemption	EITI
30. Community Engagement	30.1	Exemption	Exemption	
	30.2	Include	Exemption	
31. Indigenous Peoples and Free Prior Informed Consent	31.1	Exemption	Exemption	
	31.2	Exemption	Exemption if level AAA	
	31.3	Exemption	Exemption if level AAA	IFC Performance Standard 7
32. Impact Assessment	32.1	Exemption	Exemption	
	32.2	Exemption	Exemption	
	32.3	Exemption	Exemption	
33. ASM	33.1	Include	Include	GRI report
34. Resettlement	34.1	Exemption	Include	GRI report
35. Emergency Response	35.1	Exemption	Exemption	
36. Biodiversity	36.1	Exemption	Exemption	
	36.2	Exemption	Exemption	
	36.3	Exemption	Exemption	
	36.4	Exemption	Exemption	
	36.5	Exemption	Exemption	
37. Tailings and Waste Rock	37.1	Exemption	Exemption	
	37.2	Exemption	Exemption	
	37.3	Include	Exemption	
	37.4	Include	Exemption	
38. Cyanide	38.1	Include	Include	Int'l Cyanide Mgmt Code
39. Mercury	39.1	Exemption	Include	ISO
	39.2	Exemption	Include	ISO
40. Mine Rehabilitation and Closure	40.1	Exemption	Exemption	
	40.2	Exemption	Exemption	
	40.3	Exemption	Exemption	
	40.4	Exemption	Exemption	

Annex

FURTHER INFORMATION AND RESOURCES

- [European Commission – The EU regulation explained](#)
 - [FATF Report – Money laundering/ terrorist financing risks and vulnerabilities associated with gold](#)
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KEY REGULATIONS AND INITIATIVES

- The **Guiding Principles on Business and Human Rights** was unanimously endorsed by United Nations members in 2011. The Guiding Principles state that companies have a responsibility to make sure their activities do not fund harm and abuses. The Guiding Principles recommend risk-based due diligence as a practical and effective way for companies to meet this responsibility.
- The **OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas**, adopted in May 2011, aims to help companies across the whole supply chain respect human rights and avoid contributing to conflict through their mineral sourcing practices. The OECD Guidance is applicable to all minerals and global in scope, and has specific supplements on tin, tantalum, tungsten and gold. Its five-step framework for detailed due diligence is the basis for responsible global supply chain management of minerals. In terms of recycled gold, the OECD Guidance requires companies to conduct KYC and due diligence on the suppliers of gold scrap to ensure the gold from mined origin is not being laundered through recycled gold channel.
- The **CCCMC Chinese Due Diligence Guidelines for Responsible Mineral Supply Chains** has been developed based on UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance on Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. It provides guidance to all Chinese companies which are extracting and/or are using mineral resources and their related products and are engaged at any point in the supply chain of minerals to identify, prevent and mitigate their risks of contributing to conflict, serious human rights abuses and risks of serious misconduct. The guideline outlines a basic five-step model for carrying out risk-based supply chain due diligence for all types of minerals. However, the China Chamber of Commerce of Metals, Minerals and Chemicals Importers and Exporters (CCCMC) will prioritise the future release of audit protocols and supplementary materials for gold, tin, tungsten and tantalum.



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