



MINISTERO DELLO SVILUPPO ECONOMICO



Confindustria Federorafi
Federazione Nazionale Orafi Argentieri
Gioiellieri Fabbricanti



**MEMORANDUM OF UNDERSTANDING
AMONG
THE ITALIAN MINISTRY OF ECONOMIC DEVELOPMENT
AND
THE RESPONSIBLE JEWELLERY COUNCIL
AND
CONFINDUSTRIA FEDERORAFI**

Rome, 18 May, 2012

I. PURPOSE

The participating organisations share a common concern to protect consumer confidence in the Italian jewellery sector. Each organisation, operating under its own authority, has specific responsibilities for fostering sustainable development in the Italian jewellery supply chain. This agreement sets forth a framework for reciprocal cooperation which will assist each organisation in meeting its responsibilities in promoting responsible business practices in the Italian jewellery supply chain. Implementation of this agreement is intended to maintain and enhance organisation effectiveness while avoiding duplication of efforts to achieve required objectives.

II. ORGANISATIONS RESPONSIBILITIES

Ministry for Economic Development

The Italian Ministry for Economic Development – Department for Enterprise and Internationalisation - Directorate for Industrial Policy and Competitiveness, is the National Contact Point for the Implementation of the OECD Guidelines for multinational enterprises on responsible business conduct. Following the update of the Guidelines the Ministry launched a series of initiatives aiming at responsible supply chain conduct through due diligence and, among others, started a Project aimed at promoting corporate social responsibility for companies along the Italian jewellery supply chain. Sustainability along the jewellery supply chain is a crucial topic for Italian authorities and organisations in civil society. Thus, the Project focuses on aspects concerning business management and environmental and social risks, as for instance, human rights protection, responsible procurement practices, or environmental impacts caused by precious metals processing and manufacturing.

Responsible Jewellery Council (RJC)

The Responsible Jewellery Council is an international not-for-profit standards setting organisation. The Council was founded in 2005 by 14 organisations and has been growing rapidly since then to more than 370 companies and Trade Associations today, representing the whole supply chain, from mine to retail. RJC Members are committed to promoting responsible ethical, human rights, social and environmental practices in a transparent and accountable manner throughout the industry. Their commitment aims to reinforce consumer and stakeholder confidence in diamond, gold and platinum group metals jewellery products. The core objective of the RJC is to strengthen and protect the reputation and the integrity of the jewellery industry. RJC's vision is to increase consumer confidence in diamond, gold and platinum group metals jewellery through the successful implementation of a system for certification of responsible business practices that is widely recognised and valued by its stakeholders. The certification system will cover a significant volume of global diamond, gold and platinum group metals jewellery production, providing a community of confidence.

RJC is involved in OECD-hosted activities on responsible management of gold supply chains, contributing to both guidance drafting and implementation activities.

Confindustria Federorafi

Confindustria Federorafi is a member of Confindustria (Organization representing Italian manufacturing and services companies) and E-JAG (European Jewellers' Associations Group) and was one of the founding members of FIAMP (Italian Federation of Fashion and Personal Accessories Manufacturers). Confindustria Federorafi is the most qualified interlocutor of Italian gold jewellery and silverware manufacturers, as it not only competently and efficiently safeguards their rights and interests, but it also liaises with the vast network of companies on issues of a general, national and transnational nature.

Confindustria is member of the Italian Consultative Committee for the Implementation of the OECD Guidelines, and Federorafi cooperates with the Italian Ministry of Economic Development in the promotion of the Guidelines among the enterprises of the jewellery sector.

III. GOALS AND OBJECTIVES

The participating organisations will collaborate to advance their shared objectives of improving social, environmental and labour practices and good governance in the jewellery sector.

The Ministry for Economic Development is willing to implement a series of activities with the goal of fostering responsible management practices among Italian enterprises belonging to the jewellery supply chain, through the use of tools and standards inspired by sustainability principles. Such activities provide for a series of seminars, designed for companies belonging to the main Italian golden districts, as well as for a Guidance on due diligence in the supply chain and for the development of a first set of indicators suited for communicating and managing ethical and environmental impacts of jewellery companies and relying on the system of traceability established by Unionfiliera-Unioncamere (Association of the Italian Chambers of Commerce).

Such activities will be complementary to the spreading of the responsibility principles contained in the OECD Guidelines and to the OECD due diligence guidance for responsible supply chains of minerals from conflict-affected and high-risk areas – supplement on gold.

The participating organisations will collaborate to ensure the modalities of their initiatives are mutually supportive. To that end, through RJC membership the Council will provide concrete support to Italian jewellery companies who wish to commit to responsible business practices through its certification standards, RJC Member Certification for diamonds, gold and platinum group metals (compulsory for RJC Members) and the Chain of Custody Certification for gold and platinum group metals (voluntary for RJC Members), in line with OECD and national guidance documents.

IV. MoU GROUP:

The participating organisations will establish a MoU Group to oversee the execution of this Memorandum of Understanding (MoU).

For the Ministry for Economic Development, the members of the MoU Group will be: Giuseppe Tripoli, Head of Department for Enterprise and Internationalisation, and Maria Benedetta Francesconi, Head of Division of the General Directorate for Industrial Policy and Competitiveness.

For RJC, the members of the MoU Group will be: Michael Rae, Chief Executive Officer, and Mila Bonini, Communications Manager.

For Confindustria Federorafi, the members of the MoU Group will be: Licia Mattioli, President, and Stefano de Pascale, General Manager.

V. ROLES AND RESPONSIBILITIES:

The MoU Group is accountable for:

- fostering collaboration among the participating organisations;
- addressing obstacles to the MoU's successful delivery, adoption and use;
- maintaining the focus of the MoU on the agreed scope, outcomes and benefits;
- monitoring and managing the factors outside the MoU's control that are critical to its success.

The participating organisations shall bear their own costs incurred in relation to this MOU.

VI. COMMUNICATION, INFORMATION SHARING AND CONSULTATION PROCESSES:

The participating organisations will seek to maximise communication and information sharing on all issues relevant to the MoU at all relevant levels of the organisations.

Any information either party considers to be of a confidential nature, i.e. not to be shared beyond the other organisations, will be clearly described as such prior to its communication.

The parties commit to consult before making public comments about the MOU and/or its effectiveness.

VII. REVIEW AND EVALUATION:

The MoU Group will annually review and evaluate the effectiveness of the MoU against its objectives.

The participating organisations will regularly consult with their internal and external stakeholders to obtain feedback as to their perception of the effectiveness of the MoU as part of the review process.

Where possible, data will be collected on the success rates and reassessments of activities undertaken pursuant to the MoU.

The Boards of Directors of the participating organisations will be asked to review the Partnership Group’s annual report on the activities and progress achieved pursuant to the MoU.

VIII. AUTHORISATION:

The signing of this MOU is not a formal undertaking and it is not legally enforceable. It implies that the signatories will strive to reach the objectives stated in the MOU, to the best of their ability.

Ministry for Economic Development	<i>Giuseppe Tripoli</i>	Head of Department for Enterprise and Internationalisation	_____ Signature
Responsible Jewellery Council (RJC)	<i>Michael Rae</i>	CEO	_____ Signature
Confindustria Federorafi	<i>Licia Mattioli</i>	President	_____ Signature