



## Press release

Location, 9 December 2019 – Istmina, Colombia

### **Colombian artisanal gold panners part of international incentive scheme to promote responsible mining**

The “Barequeros”– traditional artisanal gold miners – from the municipality of Istmina, Department of Chocó in Colombia are supplying the gold to a fully-traceable and responsible international supply chain in an exciting and rewarding initiative that is improving their livelihoods.

Set up by the Better Gold Initiative (BGI), a public partnership between the Swiss Better Gold Association (SBGA) and the Swiss State Secretariat for Economic Affairs (SECO), the initiative comprises support on the ground and the establishment of a supply chain, which partners Colombian International Gold Trader Anexpo, Colombian NGO Atabaque, major precious metals refiner Valcambi and luxury watch and jewellery Maison Chopard. This value chain was made possible thanks to SECO supporting a broader programme to foster responsible sourcing of gold extracted by traditional artisanal miners.

To date, five hundred Barequeros have received support from the on-the-ground BGI implementation team to attain the SBGA criteria of socially and environmentally responsible mining practices. As part of the scheme, the miners are subject to strict due diligence before they can sell their gold to Anexpo. The metal is then shipped to Switzerland where Valcambi refines it and Chopard finally uses it in the production of its precious watch and jewellery creations. The programme ensures that the Barequeros receive not only a competitive price but also a special SBGA Better Gold Incentive of 0.70 USD per gram for them to reinvest into improving their living and working conditions. In addition, this value chain allows them to know the exact destination of their gold.

In El Chocó, Colombia’s second-largest gold producing region and also one of the country’s poorest, artisanal gold mining is an ancestral livelihood for the population of predominantly Afro-Colombians. The Barequeros, comprising 46 per cent women, use local traditional alluvial mining techniques with hand equipment such as sluices and panning. No mercury is used, protecting the region’s biodiversity which is among the most unique in the world. To be legally registered, the Barequeros need to obtain a special permit that allows them to produce manually and sell up 420 grams of gold per year.

In a region that has endured the presence of various armed groups for decades and is still affected by internal conflict, the Barequeros are highly vulnerable to exploitation by illegal actors. The programme’s partners would like to see the El Chocó artisanal mining practices protected, conserved, promoted, validated and given access to formalisation and international markets under fair conditions.

Diana Culillas, Secretary General of the SBGA said:

“The establishment of this value chain from El Chocó to the Swiss market was rich in learnings and many challenges had to be overcome before it could become a reality. On the ground, the Barequeros were progressing towards meeting the SBGA criteria and, in tandem, the SBGA was engaging with its corporate members to confirm their interest and commitment for this new supply solution. Success requires all partners to work in coordination and synergy, and this experience paves the way for future development of similar initiatives.”

Commenting, Nils Krauer, BGI Regional Advisor, said:

“Artisanal ancestral alluvial miners in El Chocó lack access to effective mechanisms and resources to improve their working conditions, creating barriers to their ability to comply with formal and international market requirements. The BGI seeks to address the situation by supporting them to comply with legal requirements and meet the SBGA stringent criteria such as safe working conditions, elimination of child labour and proper environmental practices. As the implementation team of the BGI, we also facilitate policy dialogue with national and local authorities to support the formalisation of miners become part of community-based governance.”

Isabel Blandón Executive Director of Atabaque, an NGO whose core mission is to support the formalisation of the Barequeros, commented:

“With our long-existing presence on the ground, Atabaque provides assistance to the Barequeros to get the required paperwork done to sell formally. We also support artisanal miners on their continuous compliance with the SBGA criteria and monitor the risks of conflict and respect of Human Rights.”

Paula Gallo, Founder and CEO of Anexpo, said:

“Anexpo wants to contribute to enabling the barequeros to become part of a formal and global value chain. Given the limited volumes they produce, by aggregating their every tiny yield Anexpo offers a viable export solution and a competitive price for their gold. The situation on the ground is complex though, and we have to make sure that we work only with legitimate Barequeros. We have developed a thorough due diligence and traceability system that includes documentary checks, biometric identification of each single Barequero selling gold to Anexpo, and long-term community relations through the local presence of the Atabaque Foundation. Through this stringent process and the support the miners receive, hundreds of Barequeros can benefit from becoming legitimate sellers of their gold through Anexpo.”

Paola Córdoba, a Barequera from Istmina, Chocó, said:

“In my town, the majority of inhabitants are artisanal miners, and most of us are women. My whole family works in gold mining, including my mother and my four sisters. Mining in El Chocó is the biggest source of work. It serves for our daily subsistence, for the education of our children, buys our clothes and, above all, it allows us to be free. It is the freedom that is the most important. I am so proud to be part of this responsible gold project that recognizes the work of artisanal mining, and I thank those buying our gold. Because it is the fruit of the work of our hands, each grain of gold is the result of a lot of effort and helps to support our families.”

Michael Mesaric, CEO of Valcambi, said:

“Valcambi has recognised the importance the artisanal and small-scale gold mining sector holds for the millions of people who depend on it for their livelihoods. We have been at the forefront of supporting artisanal miners to improve their practices and making the gold they extract part of our value chain. The El Chocó programme provides recognition and legitimacy of formal, legal and responsible artisanal miners and their ancestral livelihoods. We are proud to refine the gold of the Barequeros and, together with our partners, to demonstrate that, artisanal mining, when done well, can be a positive contributor to local economies and a dignified source of livelihood for many.”

Caroline Scheufele, Co-President, Chopard, commented:

“In 2013, Chopard started its Journey to Sustainable Luxury by helping artisanal mining communities at the very beginning of our supply chain. To us, these people, who extract the gold essential to the making of our creations, seemed too often forgotten. It was therefore essential to begin our work of promoting sustainability principles in the luxury industry by focusing on defending these communities. The El Chocó initiative is in line with this project and Chopard is proud to be associated with the other partners involved. It shows that even if there is still a long way to go in our journey to build 100% sustainable luxury, we are on the right track.”

To celebrate the viability of the programme and the first delivery of their gold incentive, the SBGA and the BGI invited the Barequeros to a ceremony at the Coloseo of Istmina on 6 December. The celebration event gathered more than 500 people including Mrs Yvonne Baumann, Swiss Ambassador to Colombia, Mrs Carolina Rojas, Colombia Deputy Minister of Mines and Energy, Mrs Silvana Habib, President of Colombian Mining Agency, and representatives of the local authorities, Anexpo, Atabaque and supply chain actors Valcambi and luxury brand Chopard.

“We are extremely happy to hold this celebration today and start remitting the SBGA incentive to the first Barequeros,” commented SBGA’s Culillas “We are all here to witness that artisanal gold panners, producing only a few grams of gold per year and fulfilling the SBGA criteria, can reach the Swiss market and become an SBGA eligible gold supplier. Today we celebrate each and every small gold producer who has become a proud partner of this pioneering initiative.”

SBGA and BGI presented a cheque to the value of \$ 64'257,570 COP representing the total amount of the gold incentive to all Barequeros involved in the initiative. Traditional singing and dancing celebrations followed, before the Barequeros received their individual incentive.

Now that the pilot has proved its viability, the SBGA and BGI are looking to gradually expand the programme to a larger number of legitimate Barequeros from Istmina and the nearby municipalities.

### **Notes for editors**

**El Chocó** is a low-income Colombian Department, traditionally populated by Afro-Colombian descendants, situated on the west of Colombia with coastlines on the Pacific and the Atlantic Oceans. Chocó is known for its unique ecosystems, but also as an important gold-producing region. Mining is the principal economic activity in the department and the principal employer of El Chocoanos. The region has endured the presence of various armed groups, until the peace agreement signed at the end of 2016 with the Revolutionary Armed Forces of Colombia (FARC) saw the country’s former biggest revolutionary group lay down arms, creating expectations for social, environmental and economic development in this region. Nevertheless, armed groups remain in Chocó, leaving local residents vulnerable.

**The Swiss Better Gold Association (SBGA)** is a non-for-profit association of Swiss businesses active in the gold sector, 15 as of today, including refiners, jewellers, watchmakers and financial institutions. It aims to improve working and living conditions in Artisanal and Small-Scale Mining (ASM) communities and facilitate the entry of responsible artisanal gold into the Swiss market.

The SBGA partners with the Swiss Secretariat for Economic Affairs (SECO) and the Better Gold Initiative (BGI), the on-the-ground implementation team that supports ASMs.

The **Better Gold Initiative (BGI)** was set up in 2013 with the aim of improving the environmental and social situation of artisanal and small-scale miners through supporting ASM miners in conducting responsible mining practices. The BGI for ASM is a public-private partnership between the Swiss State Secretariat for Economic Affairs (SECO) and the Swiss Better Gold Association (SBGA). Following the first phase of the initiative which was implemented in Peru from 2013 to 2016, it has now been extended to Colombia and Bolivia to further build transparency, responsibility and profitability in the gold value chain.

**Anexpo** is an international trader of precious metals ensuring secure, traceable and efficient supply chains. Anexpo is committed to the responsible extraction and trading of precious metals creating value across the supply chain for the miners and for our international clients. The company recognizes the traditional and cultural legacy of the artisanal, small and medium-scale miners with whom they work hand in hand to contribute positively to their communities and protecting their environment. They offer them transparent and competitive terms, friendly personalized service and support them in formalizing their activity and complying with all regulations. Anexpo is driving the future of responsible mining in Colombia.

**Atabaque** is a non-profit social organization in the department of Chocó, Colombia. It was set up in 2013 with the purpose of contributing to the recognition and social legitimacy of artisanal and small-scale mining in Colombia. Atabaque supports ASM formalization and socially, environmentally and transparent responsible extractive practices to achieve sustainability and access to fair markets.

**Valcambi** is a world leader in the refining of precious metals with more than 55 years' experience. Based in Switzerland, the company operates one of the world's largest integrated precious metals plants, with an annual refining capacity of up to 2,000 metric tons. Valcambi refines gold, silver, platinum and palladium and offer a broad range of products and services of the highest quality. Valcambi is committed to conducting its activities in a responsible way, to driving industry best practices and to unlocking development and growth opportunities. At the forefront of promoting responsibly mined and sourced precious metals, with a special focus on artisanal and small-scale mining (ASM), Valcambi supports miners in their efforts to adopt responsible labour, technical and environmental practices, and sources and refines gold from Fairtrade, Fairmined certified and SBGA criteria mines.

The Artisan of Emotions since 1860, **Chopard** perpetuates its heritage of traditional know-how and ancestral craftsmanship through contemporary and ethical watches and jewellery. Cultivating boundless creativity, which allows every individual to find precious objects within its collections in harmony with their own nature, the Maison nurtures the ultimate degree of fine workmanship through the expertise of passionate artisans who are masters in their respective fields of competence. In 2013, in line with its fundamental values, Chopard launched The Journey to Sustainable Luxury, a multi-year programme deepening its engagement in sustainable luxury, by sourcing from businesses that are demonstrably committed to responsible, ethical practices, in line with the highest social and environmental standards. Since July 2018, it has also been the first luxury watch and jewellery Maison committed to sourcing 100% ethical and responsibly sourced gold in the production of all its watches and jewellery.

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