

Responsible Jewellery Council

Certification Outcome Assessment Report

2019-2020

SOCIAL ACCOUNTABILITY INTERNATIONAL

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Acknowledgements

About Social Accountability International

Founded in 1997, Social Accountability International (SAI) is a global non-governmental organization advancing human rights at work. SAI's vision is of decent work everywhere, sustained by an understanding that socially responsible workplaces benefit business while securing fundamental human rights. SAI empowers workers and managers at all levels of businesses and supply chains, using its multi-industry SA8000® Standard, as well as Social Fingerprint®, Ten Squared, and other training and capacity building programs.

SAI is a leader in policy and implementation, working together with a diverse group of stakeholders, including brands, suppliers, governments, trade unions, non-profits, and academia. The SA8000® Standard is the leading social standard for factories and organizations across the globe. SA8000 measures social performance in eight areas important to social accountability in workplaces, anchored by a management system element that drives continuous improvement in all areas of the Standard. SA8000 reflects labor provisions contained within the Universal Declaration of Human Rights and International Labour Organization (ILO) conventions. It also respects, complements, and supports national labor laws around the world, and currently helps secure ethical working conditions for over two million workers.

About the Responsible Jewellery Council

The Responsible Jewellery Council helps companies of all sizes throughout the jewellery and watch supply chain meet the rising ethical demands of peers, consumers, financial institutions, and civil society. It does so by providing a clear set of standards – the RJC Code of Practices – which is verified through a third party, independent audit. Adoption and adherence with the RJC's Code of Practices presents a pathway for companies to address sustainability best practices and align with key United Nations Sustainable Development Goals. The Responsible Jewellery Council is a gateway to sustainable growth for businesses. The Responsible Jewellery Council also works with multi-stakeholder initiatives on responsible sourcing and supply chain due diligence. The Responsible Jewellery Council's Chain-of-Custody Certification supports the development of responsible supply chains of precious metals.

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Acronyms

SAI: Social Accountability International

RJC: Responsible Jewellery Council

ISEAL: International Social and Environmental Accreditation and Labeling

Executive Summary

As a member of ISEAL, the Responsible Jewellery Council (RJC) is required to adhere to the ISEAL Impacts Code, which specifies general requirements for the development and implementation of a monitoring and evaluation system by sustainability standards. Part of this adherence requires ISEAL members to conduct periodic in-depth outcome or impact evaluations that assess their programs. The purpose of these evaluations is to analyze if and how their systems are producing the intended sustainability outcomes and impacts and to highlight areas for improvement. Evaluations are also intended to identify the positive or negative unintended effects from the activities being assessed.

To meet this requirement, SAI worked with RJC to conduct an outcome evaluation of their system. The evaluation focused on RJC's member companies in and around Mumbai and Surat, India (key gems and jewellery hubs) and examined the outcomes of a company's involvement in the RJC certification on labor rights and working conditions in their business. The evaluation consisted of three phases:

- **Phase one (2019):** Distribution of a digital survey during October 2019 to all 132 member companies with operations in India. The response rate for this survey was approximately 20% and included partial and full responses. 48% of survey respondents were located in Mumbai City District, 41% in Mumbai Suburban District (Santacruz Electronics Export Processing Zone-SEEPZ), and 11% were located in Surat, approximately 300 kilometers north of Mumbai. All respondents are certified members of RJC.
- **Phase two (2019):** Collection of information at 23 member sites in Mumbai and Surat during October and December, which included interviews with management and workers, facility walkthroughs, and review of factory documents. Not all sites visited completed the survey, and not all survey respondents were visited.
- **Phase three (2020):** SAI conducted additional interviews in October with a sample of 10 members who were 2019 survey participants. Interviews were conducted by telephones due to the restrictions imposed by COVID-19. The goal of this phase of evaluation was to ascertain additional context and insights for answers provided in the 2019 survey, and to gain a deeper understanding of the member replies specific to labor rights and working conditions, as well as understanding the unintended consequences of RJC certification. These interviews were also used as an opportunity to assess member responses to COVID-19, and these findings are outlined in a separate report titled "COVID-19 Adaptation Evaluation."

The 2019 survey focused on assessing the outcome of RJC certification on each company's policies and procedures, worker comprehension of these, and level of compliance across three major areas of focus: labor rights, working conditions, and general business benefits to members. Survey responses revealed the following high-level trends:

Labour Rights & Working Conditions

There was high variance in member responses regarding the level of changes in policies and procedures, and worker comprehension of these, related to labour rights and working conditions as a result of RJC certification. Across all topics surveyed 50% or more of respondents indicated that there had been no change. During the 2020 interviews, SAI explored this result in more in depth to determine why. The majority of members already complied with the requirements of the standard prior to RJC certification, as:

- They had already established various management systems due to brand and customer requirements;
- The CoP requirements were already integrated into their existing systems;
- Some CoP requirements are legal requirements and had already been addressed.

In terms of labour practices, 47% of respondents indicated experiencing small to substantial improvements with regard to policies and procedures related to employment terms, and 50% indicated experiencing small to substantial improvements in policies and procedures related to excessive hours/overtime. These results were reflected in worker comprehension data where 40% of respondents noted small to substantial improvements related to employment terms, and 42% for excessive working hours/overtime.

For working conditions, 39% of respondents also saw small to substantial improvements in policies and procedures related to personal protective equipment, and 46% saw small to substantial improvements in policies and procedures related to their Health and Safety Committees. These results again were mirrored in the worker comprehension data, where 39% noted small to substantial improvements related to PPE, and 46% related to Health and Safety Committees.

The timeline for these changes was reported as varied across the board. For respondents that did experience changes, they were mainly reported as taking place pre-certification and after the first certification cycle.

General Business Benefits

With regards to the business benefits to members as an outcome of RJC certification, 69% of members reported small to substantial improvements in business operations, 62% in risk identification, and 61% in worker engagement. Substantial improvements were noted as a result of RJC certification in the identification of risk areas, access to practical trainings, tools, and resources, worker satisfaction/morale (all 31%); as well as overall business improvements, worker engagement, and worker productivity (all 23%). Areas for improvement included reducing audit burden and overall operating costs.

The above survey findings were validated by onsite primary source data collection. SAI found that members reported the largest improvements in identifying and reducing risk, improving worker wellbeing and engagement, as well as in the acquisition of new customers. During onsite data collection, RJC members consistently reported two areas for RJC improvement as reduction of facility audit burden and operating costs.

Users of the Evaluation

This evaluation is intended for use by RJC, its stakeholders, and ISEAL to assess whether RJC certification produces the intended social outcomes as well as to identify any positive or negative unintended effects from the activities being assessed. It is also intended to help identify areas for improvement.

Assessment Methodology and Outline of Main Activities

To assess the outcome of RJC certification on the labour rights and working conditions of member companies, SAI employed the following methodologies:

1. **Cross-Sectional Survey (Phase 1):** SAI used a cross-sectional survey to collect data from the RJC members with operations in India (Annex, Figure 1). The survey was designed to collect qualitative data, focusing on metrics such as worker wellbeing, workplace safety, worker engagement, etc. as outcomes of the RJC system. SAI focused on data that highlights the connection of SDG 8 Decent Work & Economic Growth to the RJC Code of Practices, to provide context for the overall outcomes of RJC system, primarily in regard to labour. The online survey was distributed via

email to the principal contacts of 132 members and was open for responses between October and December 2019. The response rate for this survey was approximately 20% and included partial and full response.

2. **Primary Source Data Collection (Part 2):** Observations were made in the field by SAI's representative in India to validate and contextualize the information gathered through the survey. This methodology involved site inspection, asking questions of staff, and recording detailed field notes. This methodology also included the review of onsite documents including but not limited to employee manuals, written procedures, risk assessment records, personnel files, hiring records, non-discrimination policies, etc. (Annex, Figure 2). The site visits were half-day visits that took place between October 14-25, 2019 and December 4-6, 2019.
3. **Primary Source Data Collection (Part 3):** In October 2020, SAI conducted interviews to collect data from a select group of RJC members with operations in India (Annex, Figure 3). Because of the COVID-19 pandemic, interviews were conducted remotely over the phone to protect those involved in the evaluation. The purpose of the interviews was to ascertain additional context and insights for answers provided in the 2019 survey, and to gain a deeper understanding of the member replies specific to labor rights and working conditions, as well as understanding the unintended consequences of RJC certification. Respondents were asked survey questions over the phone during sessions with SAI's representative in India. In total, 10 members were interviewed between October 12-October 30, 2020.

Evaluation Methodology Parameters and Limitations

While the assessment was conducted independently and objectively, SAI did not select the members that participated in the on-site interviews. The participants were a combination of voluntary survey respondents and others selected by RJC. They represent a small portion of RJC members and are not necessarily representative of all RJC members in India.

Onsite visits as part of phase 2 were limited to half a day each and not all sites visited completed the survey. Similarly, not all survey respondents were visited in-person. The response rate to the survey was low which was likely impacted by the timing of the study, which occurred around the Diwali festival in India. These constraints resulted in two separate sets of data that were unable to directly compare to each other.

The assessment was intended to give initial insights into members' opinions of the outcomes and value of the RJC system, and thus focused on managers. Worker and other stakeholder interviews were not included in this scope, though participants cited worker feedback from their existing engagement channels.

Findings

Survey respondent profile

All of the survey respondents are certified members of RJC. 52% of respondents had completed one certification cycle with RJC, while 22% had undergone two certification cycles, and 19% had completed three certification cycles. In addition, 7% had undergone four certification cycles.

48% of survey respondents were located in Mumbai City District, 41% were located in Mumbai Suburban District, and 11% were located in Surat. Company size ranged from 1-50 employees (including contract and seasonal workers) (19%), 51- 250 (23%), 251-500 (23%), and 500+ (35%). 48% of respondents were

diamond traders and/or cutter and polishers, 37% were jewellery manufacturer and/or wholesaler, and 4% were jewellery retailers.

Notes Regarding Data

The survey was structured according to three main areas of focus: labour rights; working conditions; and general business benefits. For each area of focus, survey respondents were presented with Likert-type scales designed to measure their opinion on the extent to which RJC certification has had an outcome on:

- **Changes to policies & procedures:** Policies are principles, rules, and guidelines that are created by an organization. They are typically published in a manual or other medium that is widely accessible. Procedures are the specific methods employed to implement these policies in day-to-day operations.
- **Changes to worker comprehension:** The extent to which workers understand the policies and procedures based on management's perception.
- **Timeline for changes resulting from RJC certification:** The amount of time in the certification cycles it took to see changes take place: pre-certification, 1st certification cycle, 2nd certification cycle, 3rd certification cycle, and 4th certification cycle. Pre-certification refers to the time a company spends in membership preparing for RJC certification.
- **Frequency of non-conforming practices during day-to-day business operations:** How often during the normal operation of business do practices not meet the requirements of the RJC Code of Practices.

Labour Rights Policies & Procedures

Survey respondents reported no deteriorations in policies and procedures. Most respondents (50%-90%) indicated that there had been no change in policies and procedures as a result of RJC certification, specifically with regard to piece rate employment (90%), child labour (88%) and freedom of association (85%). During the 2020 interviews, SAI explored more in depth to determine why no changes had been listed across these categories. Through these follow up conversations it was determined that the majority of members already complied with the requirements of the standard prior to RJC certification, as:

- They had already established various management systems;
- The CoP requirements were already integrated into their existing systems;
- Some CoP requirements are legal requirements and had already been addressed.

Many RJC Certified members had preexisting management systems as a result of brand and customer requirements. The majority of RJC members indicated that requirements from customers had resulted in the implementation of management systems pre-dating their RJC Certification. This was helpful during their certification process, as members were able to adapt existing systems to meet RJC requirements. Examples of management systems that had already been in place include ISO9000 Certification and various OSHA certifications. ISO 9000 Certification refers to management systems and covers the fundamentals of such systems,¹ and OSHA refers to occupational health and safety requirements.

The top 3 areas where members noted improvements resulting from RJC certification were excessive hours/overtime (50%), employment terms (47%) and age verification (39%). 8-29% of survey respondents reported substantial improvements, and 8-21% reported small improvements in policies and procedures across the aspects of labour rights covered during the survey.

¹ [ISO Standard](#)

	Substantial improvement	Small improvement	No change	Not sure	Small deterioration	Substantial deterioration
Employment terms	27%	20%	53%	0%	0%	0%
Apprenticeship programs	9%	9%	73%	9%	0%	0%
Assignments for young workers	17%	8%	75%	0%	0%	0%
Child Labour	13%	0%	88%	0%	0%	0%
Age verification	31%	8%	62%	0%	0%	0%
Excessive hours/overtime	29%	21%	50%	0%	0%	0%
Piece rate employment	10%	0%	90%	0%	0%	0%
Minimum wage	14%	14%	64%	7%	0%	0%
Employment benefits (E.g.: bonus, gratuity, leave, PF, ESIC))	15%	8%	77%	0%	0%	0%
Wage deductions	17%	17%	67%	0%	0%	0%
Grievance mechanisms, policies, & procedures	23%	15%	62%	0%	0%	0%
Recruitment agencies or labor	10%	0%	80%	10%	0%	0%
Worker document retention	15%	8%	69%	8%	0%	0%
Freedom of association	8%	0%	85%	8%	0%	0%
Non- discrimination	23%	0%	77%	0%	0%	0%

Labour Rights Worker Comprehension

No deteriorations or decreases in worker comprehension were noted by member respondents. Overall, many respondents (53-82%) reported that worker comprehension of policies and procedures had not changed as a result of RJC certification across the difference aspects of labour rights surveyed. The follow up interviews conducted in 2020 confirmed that this was due to members already having the management systems in place to manage these issues prior to RJC certification. Workers at these facilities had already been familiar with many of the policies and procedures required, and had undergone multiple audits prior to certification due to brand and customer requirements, which helped with their comprehension and understanding of RJC requirements.

The top 3 areas where members noted improvements resulting from certification include excessive hours/overtime (42%), minimum wage (43%) and employment terms (40%). 9-31% of respondents reported a substantial improvement in worker comprehension, and 8-21% reported small increases across the different labour rights areas.

	Substantial increase	Small increase	No change	Not sure	Small decrease	Substantial decrease
Employment terms	27%	13%	53%	7%	0%	0%
Apprenticeship programs	9%	0%	82%	9%	0%	0%
Assignments for young workers	10%	10%	80%	0%	0%	0%
Child Labour	21%	0%	79%	0%	0%	0%
Age verification	31%	8%	62%	0%	0%	0%
Excessive hours/overtime	21%	21%	57%	0%	0%	0%
Piece rate employment	20%	0%	80%	0%	0%	0%
Minimum wage	29%	14%	57%	0%	0%	0%
Employment benefits (E.g.: bonus, gratuity, leave, PF, ESIC))	15%	0%	77%	8%	0%	0%
Wage deductions	25%	8%	67%	0%	0%	0%

Grievance mechanisms, policies, & procedures	23%	15%	62%	0%	0%	0%
Recruitment agencies or labor brokers	10%	0%	70%	20%	0%	0%
Worker document retention	23%	8%	62%	8%	0%	0%
Freedom of association	23%	0%	77%	0%	0%	0%
Non-discrimination	31%	0%	69%	0%	0%	0%

Labour Rights Timeline for Changes

The vast majority of respondents reported that they observed no changes. For those that indicated changes had been experienced, most reported that these took place pre-RJC certification (8-33%) and after the first RJC certification cycle (9-42%).

	Pre Certification	1st Cycle	2nd Cycle	3rd Cycle	4th Cycle	No change	Not Sure
Employment terms	23%	15%	0%	0%	8%	46%	8%
Apprenticeship programs	0%	0%	0%	10%	10%	70%	10%
Assignments for young workers	0%	0%	11%	0%	11%	78%	0%
Child Labour	17%	0%	0%	0%	0%	83%	0%
Age verification	18%	18%	0%	0%	0%	64%	0%
Excessive hours/overtime	8%	42%	8%	0%	0%	33%	8%
Piece rate employment	11%	0%	0%	0%	0%	89%	0%
Minimum wage	33%	0%	0%	8%	0%	58%	0%
Employment benefits (E.g.: bonus, gratuity, leave, etc.)	9%	9%	9%	0%	0%	73%	0%
Wage deductions	20%	10%	0%	10%	0%	60%	0%
Grievance mechanisms, policies, & procedures	18%	18%	0%	0%	0%	64%	0%
Recruitment agencies or labor brokers	11%	11%	0%	0%	0%	67%	11%
Worker document retention	9%	9%	0%	0%	0%	73%	9%
Freedom of association	9%	9%	0%	0%	0%	82%	0%
Non- discrimination	18%	9%	0%	0%	0%	73%	0%

Frequency of non-conforming labour practices during day-to-day business operations

The majority of respondents (46-89%) reported that there had been no changes in the frequency of non-conforming practices across the different aspects of labour practices surveyed, and that they were already compliant. When changes were reported, they were mostly characterized as substantial decreases in the frequency of nonconforming practices (8-25%), including age verification (25%) and excessive hours (23%).

Some members reported small to substantial increases in the frequency of non-conforming practices (8-13%) as a result of RJC certification. Examples include excessive hours/overtime (23%), minimum wage (15%) and employment terms (14%). These results were explored further during the interviews in 2020 to gain an understanding as to why non-conforming practices had increased post RJC certification. It was clarified that the survey result was due to misunderstanding and misinterpretations of the survey question and scale presented during the 2019 survey. One member interviewed explained that they meant to express that they had taken steps to address these issues and had actually achieved a decrease in non-conforming practices in these areas.

	Substantial increase	Small increase	No change	Not sure	Small decrease	Substantial decrease
Employment terms	7%	7%	60%	0%	13%	13%
Apprenticeship programs	0%	0%	80%	10%	0%	10%
Assignments for young workers	0%	11%	78%	0%	0%	11%
Child Labour	0%	0%	85%	0%	0%	15%
Age verification	8%	0%	67%	0%	0%	25%
Excessive hours/overtime	15%	8%	46%	0%	8%	23%
Piece rate employment	0%	0%	89%	0%	0%	11%
Minimum wage	0%	15%	69%	0%	0%	15%
Employment benefits (E.g.: bonus, gratuity, leave, PF, ESIC))	0%	0%	83%	0%	8%	8%
Wage deductions	0%	0%	73%	9%	0%	18%
Grievance mechanisms, policies, & procedures	0%	0%	83%	0%	0%	17%
Recruitment agencies or labor brokers	0%	0%	67%	11%	11%	11%
Worker document retention	0%	0%	75%	8%	0%	17%
Freedom of association	8%	0%	75%	8%	0%	8%
Non-discrimination	0%	0%	83%	0%	0%	17%

Working Conditions Policies & Procedures

No deteriorations were reported for working condition policies and procedures as a result of RJC certification. The majority of respondents (57-86%) indicated that no changes had been experienced across the different aspects of H&S covered in the survey, notably potable water (86%), Fire NOC (79%) and sanitary restrooms (73%). During the interviews in 2020, the majority of respondents indicated that customer requirements that pre-dated RJC certification had enabled them to address these issues effectively, and are the reason they listed no changes. One respondent also clarified that some aspects of working conditions were not impacted by RJC certification as services were already provided by the local Diamond Bourse in Mumbai.

The top 3 areas where members noted improvements in H&S policies and procedures resulting from RJC certification, were PPE (43%), fire safety (42%) and emergency evacuation (36%). Substantial

improvements were noted by 13-29% of respondents and small improvements by 7-21% respondents across the different H&S elements surveyed.

	Substantial improvement	Small improvement	No change	Not sure	Small deterioration	Substantial deterioration
Sanitary restroom facilities	13%	13%	73%	0%	0%	0%
Potable water	14%	0%	86%	0%	0%	0%
Fire safety	21%	21%	57%	0%	0%	0%
FIRE NOC or Fire clearance	14%	7%	79%	0%	0%	0%
Personal Protective equipment	29%	14%	57%	0%	0%	0%
Health and Safety Committee	21%	7%	64%	7%	0%	0%
Emergency Evacuation	29%	7%	64%	0%	0%	0%
On-site health and medical facilities (e.g. first aid)	29%	0%	71%	0%	0%	0%

Working Conditions Worker Comprehension

While there were no reported decreases in worker comprehension around policies and procedures on working conditions resulting from RJC certification, the majority of respondents (54-85%) indicated that there had been no observed changes in worker comprehension. Respondents noted that the workforce was mostly stable and that the workers had existing knowledge of these concepts as a result of pre-existing customer requirements.

The top three areas where members noted improvements in worker comprehension resulting from RJC certification include H&S committee (46%), PPE (39%) and emergency evacuations / on-site health & medical facilities / fire safety (31%). 14-31% of respondents noted substantial increases in worker comprehension and 8-15% noted small increases across the different working conditions topics.

	Substantial increase	Small increase	No change	Not sure	Small decrease	Substantial decrease
Sanitary restroom facilities	14%	14%	71%	0%	0%	0%
Potable water	15%	0%	85%	0%	0%	0%
Fire safety	31%	0%	69%	0%	0%	0%
FIRE NOC or Fire clearance	23%	0%	69%	8%	0%	0%
Personal Protective equipment	31%	8%	62%	0%	0%	0%
Health and Safety Committee	31%	15%	54%	0%	0%	0%
Emergency Evacuation	31%	0%	69%	0%	0%	0%

On-site health and medical facilities (e.g. first aid)	31%	0%	69%	0%	0%	0%
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Working Conditions Timeline for Changes

The majority of respondents (45-73%) reported that there were no observed changes as a result of RJC certification across the different elements of working conditions surveyed. However, for those that did indicate changes, the majority (9-36%) were reported as taking place pre-certification.

	Pre Certification	1st Cycle	2nd Cycle	3rd Cycle	4th Cycle	No change	Not sure
Sanitary restroom facilities	25%	8%	0%	0%	0%	67%	0%
Potable water	9%	9%	0%	0%	0%	73%	9%
Fire safety	27%	9%	0%	0%	0%	55%	9%
FIRE NOC or Fire clearance	27%	0%	0%	0%	0%	64%	9%
Personal Protective equipment	36%	9%	0%	0%	0%	55%	0%
Health and Safety Committee	27%	9%	0%	0%	0%	64%	0%
Emergency Evacuation	27%	9%	0%	0%	0%	45%	18%
On-site health and medical facilities (e.g. first aid)	27%	0%	0%	0%	0%	64%	9%

Frequency of non-conforming working conditions during day-to-day business operations

The majority of respondents (58-85%) reported that there were no changes in the frequency of non-conforming practices during day-to-day business operations across the different aspects of working conditions surveyed. A smaller percentage of respondents (15-27%) indicated that they had experienced substantial decreases in the frequency of nonconformities. 27% of members experienced a substantial decrease in non-conformances in personal protective equipment, and 25% in fire safety and emergency evacuation non-conformances.

A very small number of responses indicated substantial increases in emergency evacuation nonconformities (8%) and non-conformities with regard to availability of on-site health and medical facilities (8%). It was not possible to obtain clarification of these findings in the 2020 member interviews, as none of the participants in that phase of the evaluation had experienced these increases.

	Substantial increase	Small increase	No change	Not sure	Small decrease	Substantial decrease
Sanitary restroom facilities	0%	0%	85%	0%	0%	15%
Potable water	0%	0%	83%	0%	0%	17%
Fire safety	0%	0%	75%	0%	0%	25%

FIRE NOC or Fire clearance	0%	0%	83%	0%	0%	17%
Personal Protective equipment	0%	0%	64%	0%	9%	27%
Health and Safety Committee	0%	0%	75%	0%	0%	25%
Emergency Evacuation	8%	0%	58%	8%	0%	25%
On-site health and medical facilities (e.g. first aid)	8%	0%	67%	0%	0%	25%

General Benefits

With regards to the business benefits to members as an outcome of RJC certification, 69% of members reported small to substantial improvements in business operations, 62% in risk identification, and 61% in worker engagement. 31% of respondents reported substantial improvements in worker satisfaction and morale, identification of risk areas, and access to practical trainings tools and resources.

Some survey respondents reported deteriorations in areas such as absenteeism, audit burden and operating costs (all 8%); the latter two was validated by the member site visits conducted in 2019. However, in some cases, deteriorations were reported that did not align with the rest of that particular response, which could be a result of user misinterpretation of the question. Examples include substantial deteriorations reported in the number of worksite injuries and illnesses and labour conflicts (both 8%). Respondents may have interpreted this as “reductions” not as “deteriorations”.

	Substantial improvement	Small improvement	No change	Not sure	Small deterioration	Substantial deterioration
Overall business improvements	23%	46%	23%	8%	0%	0%
Audit burden	15%	15%	46%	15%	8%	0%
New customers	15%	15%	38%	31%	0%	0%
Identification of risk areas	31%	31%	31%	8%	0%	0%
Access to practical trainings, tools, and resources	31%	23%	46%	0%	0%	0%
Job opportunities for workers	8%	0%	77%	15%	0%	0%
Worker productivity	23%	0%	62%	15%	0%	0%
Number of worksite injuries and illnesses	8%	0%	85%	0%	0%	8%
Worker satisfaction / morale	31%	0%	62%	8%	0%	0%
Worker engagement	23%	38%	38%	0%	0%	0%
Labour conflicts	8%	0%	85%	0%	0%	8%
Absenteeism	8%	0%	85%	0%	8%	0%
Operating costs	15%	8%	69%	0%	8%	0%
Employee turnover	15%	8%	77%	0%	0%	0%

General Benefits Timeline for Changes

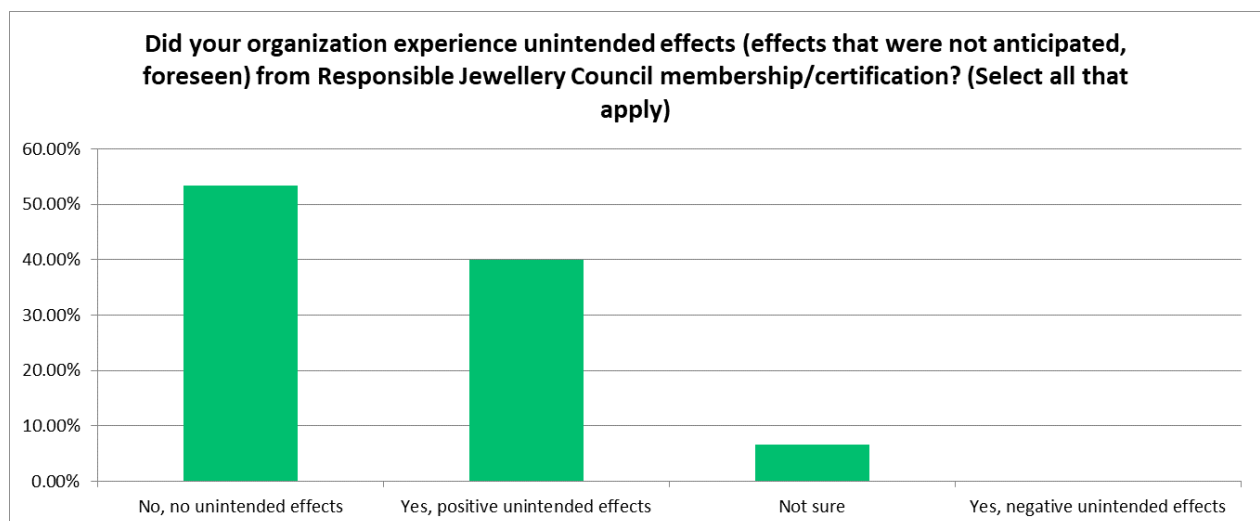
In terms of the timeline for changes related to general business benefits, 18-91% of respondents reported no changes across the different business benefits surveyed and 9-45% reported not being sure of the timeline of changes. For those that did report experiencing changes, 9-18% of respondents indicated these

happened pre-RJC certification, and 9-36% indicated they happened after the 1st certification cycle.

	Pre Certification	1st Cycle	2nd Cycle	3rd Cycle	4th Cycle	No change	Not sure
Overall business improvements	0%	36%	9%	0%	9%	18%	27%
Audit burden	9%	9%	9%	0%	9%	45%	18%
New customers	9%	0%	0%	0%	9%	36%	45%
Identification of risk areas	18%	27%	0%	0%	9%	27%	18%
Access to practical trainings, tools, and resources	18%	18%	0%	0%	9%	45%	9%
Job opportunities for workers	0%	0%	0%	0%	9%	73%	18%
Worker productivity	0%	0%	9%	0%	9%	73%	9%
Number of worksite injuries and illnesses	0%	0%	0%	0%	9%	82%	9%
Worker satisfaction / morale	0%	9%	0%	0%	9%	73%	9%
Worker engagement	18%	18%	9%	0%	9%	36%	9%
Labour conflicts	0%	0%	0%	0%	9%	91%	0%
Absenteeism	0%	0%	0%	0%	9%	91%	0%
Operating costs	0%	9%	0%	0%	9%	73%	9%
Employee turnover	0%	9%	0%	0%	9%	82%	0%

Unintended Effects

No respondents reported any negative unintended effects as an outcome of RJC certification. 53% of respondents reported that they did not experience any positive or negative unintended effects. 40% experienced positive unintended effects, and 7% were not sure if they experienced unintended effects (Annex, Figure 13). More information regarding the specifics of the positive changes that members experienced as a result of RJC membership are detailed in the summary of the onsite assessment findings in the following section.



Onsite Assessment Findings

All of the sites visited for follow up in 2019 were located in Mumbai and Surat. 54% were located in Surat, 24% in SEEPZ Mumbai (a special economic zone), and 22% in Bandra Kurla Complex in Mumbai (the

business district of Mumbai). All locations are key international hubs for diamond trading, cutting and polishing as well as jewellery manufacturing. 53% of the sites visited were jewellery manufacturers and 47% were traders/cutters/polishers.

Overall, the facilities visited in 2019 were very positive about RJC. Respondents indicated positive outcomes as a result of certification in the following areas: worker wellbeing and engagement, identifying risk and compliance performance, and new customer acquisition. In the area of worker wellbeing, respondents indicated a range of positive impacts including one respondent who noted an “improvement in workers morale and involvement at work resulting in improved productivity.” Another member reported seeing an “improvement in Health and Safety performance [including] concessional coupons for medical checkup provided to employees over the age of 40 for better monitoring of health.”

Respondents also noted that RJC Certification helped support improvements in traceability and better transparency, as well as overall identification of risks. Some respondents cite the RJC certification as “evidence of better social compliance,” and as a result of this recognition they reported being able to identify and acquire new customers. The most cited area for improvement of the RJC system included reducing the audit burden and fatigue factories face, which would help them to reduce operating costs. These findings were further supported by the follow up member interviews that took place in 2020.

Conclusion

Given RJC’s status as an ISEAL member, the purpose of this evaluation was to analyse if and how RJC systems are producing the intended outcomes and to highlight areas for improvement. This assessment was also intended to identify the positive or negative unintended effects from the activities being assessed. Overall, respondents had positive feedback regarding the impact of RJC certification on their operations. Areas where the greatest proportion of survey respondents noted small to substantial improvements in policies and procedures include:

- Labour practices:
 - excessive hours/overtime: 50%
 - employment terms: 47% (of which 27% noted substantial improvements)
 - age verification: 39% (of which 31% noted substantial improvements)
- Working conditions:
 - PPE: 43% (of which 29% noted substantial improvements)
 - fire safety: 42%
 - emergency evacuation: 36% (of which 29% noted substantial improvements)

The policy and procedure results are largely reflected in the worker comprehension results. Areas where the greatest proportion of survey respondents noted improvements (small and substantial) in worker comprehension include:

- Labour practices:
 - excessive hours/overtime: 42%
 - minimum wage: 43% (of which 29% noted substantial improvements)
 - employment terms: 40%
- Working conditions:
 - H&S committee: 46% (of which 31% noted substantial improvements)
 - PPE: 39%:

- Emergency evacuations / on-site health & medical facilities / fire safety: 31% (all noted substantial improvements)

During the 2019 site visits, RJC members reported the largest improvements in worker wellbeing and engagement, identifying and reducing risk as well as in the acquisition of new customers because of their RJC certification. Some areas that were reported to have not improved as a result of RJC certification include audit burden and consequently overall operating costs. These latter themes are consistent with broader industry trends.

When SAI spoke with survey participants in 2020 who had indicated “no changes” to many of the question posed on changes to policies and procedures and worker comprehension in the 2019 survey, it was determined that this did not necessarily mean that RJC principles were unimportant, but rather that the organizations had already implemented various management systems, and consequently the CoP requirements prior to achieving RJC certification. This was due to existing brand and customer requirements as well as those mandated by the local Diamond Bourse in Mumbai. As a result they did not indicate that RJC had a significant impact on their policies and procedures, worker comprehension, and non-conformance performance.

Overall, respondents noted that a lack of changes reported did not represent a plateau in their compliance, rather that they already had pre-existing systems that helped them address the issues prior to RJC certification.

As a next step, SAI believes that a more in-depth study of RJC’s membership could be conducted to gain a deeper understanding of the impact that RJC certification has on labor and social compliance outcomes. As part of this study, a third party would select the facilities to visit independently and include worker and stakeholder interviews. The site visits would directly correspond to survey respondents for a cleaner and more cohesive data set. It would also be critical for the extended study to be timed appropriately to avoid major holidays in India.

Annex

Figure 1: 2019 Online Survey Questions

Survey Intro

Thank you for taking the time to complete this survey.

This survey is intended to collect data about the outcomes of the Responsible Jewellery Council system with regard to labour rights and working conditions in India.

Outcome measurement will incorporate indicators of Sustainable Development Goal (SDG) 8: *to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.*

We appreciate your time and support of this mission. The survey will take about 15 minutes to complete.

Demographics

1. Your Name (optional)
2. Your Organization (optional)
3. Where are you located?
 1. Mumbai City District
 2. Mumbai Suburban District
 3. Surat District
 4. Other:
4. Which best describes your organization?
 - Diamond Trader and/or Cutter and Polisher
 - Gold and/or Platinum Group Metals Trader and/or Refiner and/or Hedger
 - Jewellery Manufacturer and/or Wholesaler
 - Jewellery Retailer
 - Service Industries
 - Other:
5. Which best describes your role within your organization?
 - Worksite manager
 - Brand/Retail manager
 - Brand/Retail salesperson
 - Sourcing
 - Quality control
 - HSE

- Internal Auditor
- Other:

6. How many workers does your company employ in India? Include contract and seasonal workers.

- 1-50
- 51-250
- 251- 500
- 500+

7. What is your current status?

- RJC member – not yet certified
- RJC member - certified

8. What year did you first become a member of the Responsible Jewellery Council?

9. What year did you first become certified by the Responsible Jewellery Council?

10. If certified, how many certification cycles has your company been through?

- 1
- 2
- 3
- 4

11. What auditing firm did you work with for your most recent RJC certification?

- Bureau Veritas Italia
- BSI Group India Private Ltd
- Intertek Italia Spa
- ISOQAR India Private Limited
- RCS Global Ltd
- QIMA
- SCS Global Services
- SGS United Kingdom Limited
- UL Responsible Sourcing
- Other:

Labour Rights

For the section below, the following terms are defined as:

- **Policies & Procedures:** Policies are principles, rules, and guidelines that are created by an organization. They are typically published in a manual or other medium that is widely accessible. Procedures are the specific methods employed to implement these policies in day-to-day operations.
- **Worker Comprehension:** The extent to which workers understand the policies and procedures.
- **Timeline for changes:** The amount of time in the certification cycles it took to see changes take place.
- **Frequency of non-conforming practices during day-to-day business operations:** How often do practices not meet the requirements of the CoP during the normal operation of your business (outside of the RJC audit)

Please indicate the extent to which Responsible Jewellery Council membership/certification has resulted in changes in:

	Policies & Procedures -Substantial improvement -Small improvement -No change -Not sure -Small deterioration -Substantial deterioration	Worker Comprehension -Substantial increase -Small increase -No change - Not sure -Small decrease -Substantial decrease	Timeline for changes -Pre Certification -1 st Certification cycle -2 nd Certification cycle -3 rd Certification cycle -4 th Certification cycle - No change - Not sure	Frequency of non-conforming practices during day-to-day business operations -Substantial increase -Small increase -No change - Not sure -Small decrease -Substantial decrease
Employment terms	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Apprenticeship programs	[Drop down]	[Drop down]	[Drop down]	[Drop down]

Assignments for young workers	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Child Labour	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Age verification in hiring	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Excessive hours/overtime	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Piece rate employment	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Minimum wage	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Employment benefits (E.g.: bonus, gratuity, leave, PF, ESIC)	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Wage deductions	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Grievance mechanisms, policies, and procedures	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Recruitment agencies or labor brokers	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Worker document retention	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Freedom of association and collective bargaining	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Non-discrimination	[Drop down]	[Drop down]	[Drop down]	[Drop down]

Please provide any examples of changes observed:

Working Conditions

For the section below, the following terms are defined as:

- Policies & Procedures: Policies are principles, rules, and guidelines that are created by an organization. They are typically published in a manual or other medium that is widely accessible. Procedures are the specific methods employed to implement these policies in day-to-day operations.

- Worker Comprehension: The extent to which workers understand the policies and procedures.
- Timeline for changes: The amount of time in the certification cycles it took to see changes take place.
- Frequency of non-conforming practices during day-to-day business operations: How often during the normal operation of your business (outside of the RJC audit) do practices not meet the requirements of the CoP

Please indicate the extent to which Responsible Jewellery Council membership/certification has resulted in changes in:

	Policies & Procedures -Substantial improvement -Small improvement -No Change -Not sure -Small deterioration -Substantial deterioration	Worker Comprehension -Substantial increase -Small increase -No change - Not sure -Small decrease -Substantial decrease	Timeline for changes -Pre Certification -1 st Certification cycle -2 nd Certification cycle -3 rd Certification cycle -4 th Certification cycle - No change - Not sure	Frequency of non-conforming practices during day-to-day business operations -Substantial increase -Small increase -No change - Not sure -Small decrease -Substantial decrease
Sanitary restroom facilities	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Potable water	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Fire safety	[Drop down]	[Drop down]	[Drop down]	[Drop down]
FIRE NOC or Fire clearance	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Personal Protective Equipment	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Health and Safety Committee	[Drop down]	[Drop down]	[Drop down]	[Drop down]
Emergency Evacuation	[Drop down]	[Drop down]	[Drop down]	[Drop down]
On-site health and medical facilities (EG first aid)	[Drop down]	[Drop down]	[Drop down]	[Drop down]

Please provide any examples of changes observed:

General Benefits

Please indicate the extent to which Responsible Jewellery Council membership/certification has resulted in changes in:

	Change Type -Substantial improvement -Small improvement -No change - Not sure -Small deterioration -Substantial deterioration	Timeline for this change -Pre Certification -1 st Certification cycle -2 nd Certification cycle -3 rd Certification cycle -4 th Certification cycle - No change - Not sure
Overall business improvements	[Drop down]	[Drop down]
Audit burden	[Drop down]	[Drop down]
New customers	[Drop down]	[Drop down]
Identification of risk areas	[Drop down]	[Drop down]
Access to practical trainings, tools, and resources	[Drop down]	[Drop down]
Job opportunities for workers	[Drop down]	[Drop down]
Worker productivity	[Drop down]	[Drop down]
Number of worksite injuries and illnesses	[Drop down]	[Drop down]
Worker satisfaction / morale	[Drop down]	[Drop down]
Worker engagement	[Drop down]	[Drop down]
Labour conflicts	[Drop down]	[Drop down]
Absenteeism	[Drop down]	[Drop down]
Operating costs	[Drop down]	[Drop down]
Employee turnover	[Drop down]	[Drop down]

Please provide any comments regarding any of the above answers:

12. Did your organization experience unintended effects (effects that were not anticipated, foreseen) from Responsible Jewellery Council membership/certification? (Select all that apply)

- Yes, positive unintended effects
- Yes, negative unintended effects
- No, no unintended effects
- Not sure
- Other (please specify)

END OF SURVEY

Thank you very much for your time and efforts in completing the survey. The results of the survey will be analysed by SAI on behalf of RJC.

To validate the results of the survey and to obtain further information on the effects of RJC certification on labour practices, SAI will undertake half-day site visits to a sample of survey respondents. These visits will consist of interviews with key staff (including workers and managers), document review, and facility walk-through.

We would very much appreciate your participation in the next phase of the research, which will take place between October 14th and 25th. If you are willing to participate, please provide your contact details:

- Name:
- Role:
- Email address:
- Telephone number (with dialing code):

Figure 2: 2019 On-Site Question Guide

Profile

Name:	
Organization:	
Location:	
Type of organization (cutting, polishing, etc.):	
Individual's Role:	
RJC Certification Status:	

Overall Observations/Notes

Labour Rights

	Policies & Procedures	Worker Comprehension	Timeline for changes	Frequency of non-conforming practices during day-to-day business operations	Notes, Comments, Observations	Relevant Quotes	Relevant Documents
Employment terms							
Apprenticeship programs							
Assignments for young workers							
Child Labour							
Age verification							
Excessive hours/overtime							
Piece rate employment							
Minimum wage							

Employment benefits (E.g.: bonus, gratuity, leave, PF, ESIC)							
Wage deductions							
Grievance mechanisms, policies, & procedures							
Recruitment agencies or labor brokers							
Worker document retention							
Freedom of association							
Non-discrimination							

Working Conditions

	Policies & Procedures	Worker Comprehension	Timeline for changes	Frequency of non-conforming practices during day-to-day business operations	Notes, Comments, Observations	Relevant Quotes	Relevant Documents
Sanitary restroom facilities							
Potable water							
Fire safety							
FIRE NOC or Fire clearance							
Personal protective Equipment							
Health and Safety Committee							

Emergency Evacuation							
On-site health and medical facilities (e.g. first aid)							

General Benefits

	Policies & Procedures	Worker Comprehension	Timeline for changes	Frequency of non-conforming practices during day-to-day business operations	Notes, Comments, Observations	Relevant Quotes	Relevant Documents
Overall business improvements							
Audit burden							
New customers							
Identification of risk areas							
Access to practical trainings, tools, and resources							
Job opportunities for workers							
Worker productivity							
Number of worksite injuries and illness							
Worker satisfaction/morale							
Worker engagement							
Labour conflicts							
Absenteeism							
Operating costs							
Employee turnover							

	Response	Notes, Comments, Observations
Did your organization experience unintended effects (effects that were not anticipated, foreseen) from Responsible Jewellery Council membership/certification? (Select all that apply)		

Figure 3: 2020 Telephone Survey - Follow Up Questions

Profile

Name:	
Organization:	
Location:	
Type of organization (cutting, polishing, etc.):	
Individual's Role:	
RJC Certification Status:	

Overall Observations/Notes

Labour Rights

	Policies & Procedures	Worker Comprehension	Timeline for changes	Frequency of non-conforming practices during day-to-day business operations	2020 Follow Up Actions	2020 Notes
Employment terms						
Apprenticeship programs						
Assignments for young workers						
Child Labour						
Age verification						
Excessive hours/overtime						
Piece rate employment						
Minimum wage						
Employment benefits (E.g.: bonus, gratuity, leave, PF, ESIC)						

Wage deductions						
Grievance mechanisms, policies, & procedures						
Recruitment agencies or labor brokers						
Worker document retention						
Freedom of association						
Non-discrimination						

Working Conditions

	Policies & Procedures	Worker Comprehension	Timeline for changes	Frequency of non-conforming practices during day-to-day business operations	2020 Follow Up Actions	2020 Notes
Sanitary restroom facilities						
Potable water						
Fire safety						
FIRE NOC or Fire clearance						
Personal Protective equipment						
Health and Safety Committee						
Emergency Evacuation						
On-site health and medical facilities (e.g. first aid)						

	Response	2020 Follow Up Actions	2020 Notes
Did your organization experience unintended effects (effects that were not anticipated, foreseen) from Responsible Jewellery Council membership/certification? (Select all that apply)			



RJC MANAGEMENT RESPONSE TO RESEARCH

RESEARCH REPORT

Certification Outcome Assessment Report (2019-2020)
Social Accountability International (SAI)

RJC'S RESPONSE TO REPORT FINDINGS

We thank the SAI team for their collaboration and expertise on this project over the two-year period, as well as the RJC members who dedicated time to participating in this research.

This evaluation provides a useful insight into labour rights and working conditions in a key geographical hub for the jewellery value chain (India). The study found that over 50% of survey respondents noted no changes in policies and procedures for labour rights and working conditions as a result of RJC certification. The independent evaluation confirmed what was initially thought, that many of the companies joining the RJC in India and undergoing certification, already have the required HSE management systems in place due to local legislation and pre-existing customer requirements. RJC also believes that due to the skilled nature of work that is undertaken in this region, such as fine jewellery manufacturing and diamond cutting and polishing, the standards are higher compared with other sectors in India. Through its representative in India, RJC continues to engage with companies of all profiles to start their own RJC journey, to improve working conditions in India across the full spectrum of companies operating in that market.

RJC is pleased to learn that surveyed members noted risk identification, new customer acquisition, worker engagement and satisfaction and access to training and tools as business benefits of RJC certification. We continue to develop supporting materials such as toolkits to support members in implementing the COP and addressing risks. With our digital transformation program, RJC plans to incorporate the tools into a member portal and digitise materials where feasible to aid accessibility and use.

RJC'S RESPONSE TO REPORT RECOMMENDATIONS

RJC acknowledges the members' concerns regarding audit burden and associated costs, and we continue to identify opportunities to harmonise our standard and have recognition agreements in place with key relevant initiatives. Furthermore, RJC continues to engage with brands, to improve awareness and acceptance of RJC certification as part of their respective responsible sourcing protocols.

SAI have recommended a more in-depth study of RJC's membership is conducted to gain a deeper understanding of the impact of RJC certification on labour and social compliance outcomes. SAI also recommend that members for inclusion in the study are independently selected by the research team, as this was not fully possible during this project due to project delivery constraints and a clash with local Diwali festivities, which meant it was difficult to get participation in the project. RJC intends to do a deep dive on specific labour and social issues in the next evaluation and will ensure full independence of the process.