



8TH ANNUAL MEETING
VICENZA, ITALY
13-14 MAY 2012

Gaetano Cavalieri, President, CIBJO, the World Jewellery Confederation

Ladies and gentlemen,

At the outset, let me say how delighted I am all to be able to greet you once again on my home ground. The WDC has now met at different times in Italy – first in Milan; then in Catania, which as some you know is where I live in Sicily; and now in Vicenza. But we are not finished yet, for this is a diverse and beautiful country, with much to see and many places to go. So we expect to have you all back in the not too distant future.

Let me also add my voice to what Eli said earlier, and that is to express the thanks of all of us to the Fiera di Vicenza, which generously is hosting us here today. The Fiera will continue to play host as the week continues, with the UNITAR-ITCCO seminar covering CSR in the jewellery sector tomorrow, the CIBJO Congress starting on Thursday, the VicenzaOra Spring show starting on Saturday, which also will be the day of the CIBJO Gemmological Conference. It has been a massive undertaking, and Roberto Ditri, Corrado Facco and the entire Fiera staff deserve our applause.

As a veteran of the World Diamond Council I have witnessed in recent years an evolution in the perception of members of our industry in the mission of this organisation. This does not mean that we are in any less way less committed to the goal of eliminating conflict diamonds from the world markets. On the contrary, as Eli said in his address, we will steadfastly refuse to allow the diamond to be used as an agent of suffering or oppression.

But as Eli also said, together with governments and civil society we have concluded a social contract with our stakeholders, according to which we will help build foundations upon which diamonds can play a positive social and economic role.

In an ideal world the very concept that a diamond resource could be a cause of trouble and unrest should be absurd. Any country, and particularly a developing country that is fortunate enough to be home to a sizeable deposit of rough diamonds should consider itself blessed. This is because of the promise that the diamond provides as a vehicle for economic growth and progress.

The diamond, of course, is not only the only precious commodity that can provide such momentum, but in so many respects it is the one with the greatest potential.

Diamond extraction, as is the case with all mining activity, is non-sustainable, in that once the diamond has been removed from the earth it does not grow back again – at the very least, for the next few million years. But compared to other types of mining, diamond extraction is environmentally benign. It also leaves almost no carbon footprint, which is ironic considering that the diamond is itself a form of carbon. There are no toxic chemicals which remain in the earth as a by-product of diamond mining, and that obviously is a massive plus for the communities living in diamond-mining areas.

A diamond industry, and here I refer specifically to the process by which rough, gem-quality diamonds are transformed into polished stones, requires no heavy infrastructure. It can be set up and maintained with a relatively modest investment, where the most valuable commodity – other than the diamond itself – is the expertise required to cut and polish a gemstone so that it can be sold successfully in the marketplace.

A successful diamond centre can be an engine for economic growth and development, attracting capital and knowledge, and creating jobs and secondary and support industries. That, ladies and gentlemen, is what should happen in an ideal world.

But, what has stood between us and the ideal world is human nature, or more specifically human greed. In fact, the Kimberley Process was not established to place controls on diamonds, but rather to place controls on human beings.

With that said, the Kimberley Process Certification Scheme should not be seen as simply a defensive mechanism. It is in fact a catalyst that, by neutralising the threat posed by human greed, is able to release the diamond to act as an engine for sustainable development.

Yes, ladies and gentleman, while from a mining perspective the diamond may be non-sustainable, from an economic perspective the diamond and jewellery industries most certainly are.

In 2006 CIBJO established a formal relationship with the United Nations, and so began a journey where one of the goals was to instil – both within ourselves and in the international community – a sense of appreciation that, although we deal in a luxury, non-essential product, our value as an industry is essential in places where the prospects of a better future are not always taken for granted.

Tomorrow, in this very pavilion, a seminar will take place that will consider the Kimberley Process from the perspective of the United Nations development programme, and more specifically its Millennium Development Goals. Running the seminar will be the United Nations Institute of Training and Research, or UNITAR, through a new institute called ITCCO, which it established last year in Antwerp, with the help of CIBJO, the City of Antwerp and its diamond community.

ITTCO's establishment is a direct result of the relationship that we forged with the UN six years ago, and is tangible proof that the international community today understands that diamonds are not part of the problem, but rather should be part of the solution.

I hope that as many of you as possible will be able to attend the seminar.

The Chair of the Kimberley Process, who we are privileged to have with us in Vicenza today, comes not from a mining country like her predecessor and like the KP Chair who succeeded her in 2013, but from the world's largest consumer market for diamond jewellery.

There is a poetic sense of logic in the transfer of the KP chair from producing country to consuming country and then back to a producing country, in that it underscores the reality of our global economy. We are all stakeholders, dependent upon the wellbeing of the other.

And why is that the case? It is because in a global economy, sustainability can only persist if all stakeholders benefit from the process. And nowhere is this more so than in a luxury product sector like the diamond industry. For as prosperity spreads, so does our potential pool of customers.

I congratulate the World Diamond Council for continuing to play so important a role, and I trust that you all will enjoy your stay in Italy.

I thank you.