



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

Alan Martin, Partnership Africa Canada

Eli Izakhoff, Ambassador Milovanovic, Minister Shabangu, distinguished guests.

Thank you for inviting me here, and affording me the opportunity to discuss some of pressing issues facing the diamond industry today.

This is my first WDC meeting, although I know I am in good hands seeing some familiar and friendly faces from the Kimberley Process.

In accepting Eli's kind invitation I had asked that I be able to open a debate today about a critical issue facing the KP and your industry: the need to redefine what constitutes a conflict diamond.

This conversation is apt considering the difficulties we have faced in recent years with countries like Zimbabwe, but also in light of the recent conviction of Charles Taylor, and plans by the WDC to bestow a well-deserved recognition on Nicky Oppenheimer for his foresight and courage in seeing the moral and economic imperative of rooting out the trade of blood diamonds.

Mr. Oppenheimer once infamously declared that conflict diamonds should be kicked into the gutter where they belong.

In a world where such words often come cheap, he followed them up with action, by using his considerable influence to help create the KP.

So today, on behalf of Partnership Africa Canada and the KP Civil Society Coalition, I want to add our congratulations and thanks to Mr. Oppenheimer. It is indeed a well-deserved honour for which he should be proud.

In equal measure, however, it is also time for us to take stock of how the world and criminality have changed since Mr. Oppenheimer, and others in this room, first set about tackling the issue of diamonds mined and traded in violent environments.

As many of you will know the KP is currently undertaking a review of its structures and procedures. There has been slow and incremental progress advancing the reform agenda, including operationalizing a long overdue office to manage the day-to-day running of the KP.

After some very difficult years, the tripartite pillars of the KP are working together for a change. Nowhere is this more evident than the relationship between civil society and the WDC. Together we are some of the strongest proponents for a KP office—something that is sure to add to the efficiency and effectiveness of the KP.

In January the WDC and civil society also met in Washington and agreed to lobby for human rights language to be included into core KP documents—rectifying an oversight made at the KP’s inception.

The latter is the first step toward a recognition of the implicit link between the KP and human rights abuses. It also breaks with current KP practice that focuses only on rebel abuses, to decry all abuses irrespective of whether the perpetrator is a rebel or state actor, whether they occur in a producing or trading country.

Such language—it is important to note—limits its scope only to abuses that are committed within a diamond zone, and does not seek to use the KP as a platform to comment or sanction a country over concerns about its wider human rights record.

Both the KP office and human rights language are important first steps for the KP as it attempts to overcome the widespread perception that it has not only lost touch with its original goals, but its moral authority as the first word on conflict diamonds.

Civil society is glad to have the support and partnership of the WDC on both counts.

The wider industry is also to be commended for the generous support it has given DDI—the Diamond Development Initiative—in its work to improve the legal status and economic outcomes of artisanal miners in the Democratic Republic of Congo. A recent pilot project there registered 80,000 miners—almost 10 times the target it had set for itself.

Such collaboration makes for a win-win outcome for both artisanal miners and diamond companies. The miners see an improvement in their economic security, while industry gets a more secure and predictable investment environment in return.

But despite progress on these fronts, there is much more to do. Notwithstanding the collaborative spirit underpinning current reform discussions, the obstacles to KP reform are many.

The No Brigade is strong: one country insists there can be no reform without changes to national legislation; another thinks that all ills can be cured with a “super-website”.

Even more believe that the status quo is fine. The middle of the supply chain—those in trading and manufacturing centres—remain resistant to changes that will require greater responsibility and accountability of them.

From the civil society perspective, the current reform process is a golden opportunity for the KP to rebrand itself, to take stock of how the world has changed since its formation a decade ago—especially with regard to criminality and violence.

It is a sentiment that appears to be shared by many in this room, and was echoed recently by Ebrahim Rasool, the South African Ambassador to the United States, who called for a “KP 2.0” at a conference in Washington last month.

Ultimately, however, the KP holds its fate in its own hands. If it squanders the current opportunity to address systemic problems that have plagued it – with greater consequences each time – then it will seal its own irrelevancy. More people will reconsider their engagement with the KP and the reflection will shine a bright and unflattering light on the industry as a whole.

Which brings me back to the issue of definitions and conflict diamonds. Despite the WDC’s support for human rights language in the KP, we are troubled by the WDC’s opposition to efforts to redefine what constitutes a conflict diamond.

As you all know, the KP’s current definition concerns itself only with abuses committed by rebel armies in diamond fields, and the subsequent use of rough diamonds to fuel conflict.

A better definition, and one we support, is one proposed by the United States: “Conflict diamonds [are] rough diamonds used to finance, or otherwise directly related to, armed conflict or other situations of violence.”

From our perspective, there is a break in logic in the WDC’s position: How can you be in favour of human rights, and recognize the role state actors sometimes play in abuses, yet not classify diamonds mined in such contexts as conflict diamonds?

As a WDC member once said, human rights are in the DNA of the KP. But that, in and of itself, carries absolutely no weight.

It is the **definition** of conflict diamonds that underpins the KP’s ability to act decisively in the face of unacceptable and criminal behaviour; to censure, to demand improvement, and, if needed, expel a country.

What puzzles civil society is that we are even having this conversation. For industry this should be a no-brainer: there can be no upside to looking the other way to violence anywhere in the diamond supply chain.

To begin our discussion perhaps three questions can help frame our conversation:

- What is the KP regulating—is it only trade, or behavioral standards as well?
- Does the industry think it acceptable for people to be beaten and killed to get their product to market? Or put another way, are you content to have your product associated with death and corruption, as it was in the late 1990s?
- Why is criminality that we see in parts of Africa today seen differently that elsewhere in the world, as somehow less worthy of appropriate action?

Let me tell you about a recent incident I investigated in Zimbabwe, where an artisanal miner was shot at close range in the head and neck by private security guards and his body left to rot in the tailing pond on the property of one of the concessioned companies in Marange given a green light by the KP.

The autopsy report lists the cause of death as drowning. I've seen pictures of his body though, that tell otherwise. I've interviewed the family and others familiar with the case, and they have all confirmed the circumstances of this man's death.

Now some will say this is an isolated incident. Perhaps. But isolated incidents also have a way of becoming a pattern, particularly in places like Marange.

But let's think of it another way. If this man had died in these circumstances in a Canadian or Australian mine, or pretty much anywhere other than Africa, there would have been public outrage. His murder would have been properly investigated by authorities. Charges, and a conviction would have followed.

But when it is in Africa people shrug their shoulders. This is what happens in Africa, they say.

As a consequence the story doesn't get covered, the KP looks the other way, and those who monitor and report these abuses are told to move along.

This is why NGOs are so concerned. If this happened in another jurisdiction such a response would be unfathomable. Why should we be less concerned when this happens in Zimbabwe or other similar places: is it because we expect it or we don't care?

PAC and the KP Civil Society expect the WDC to care. Nicky Oppenheimer did a long time ago. He understood diamond revenues associated with human rights abuses, violence or murder, were not in his De Beer's or the industry's interests. In supporting the KP he also understood that it was often better to stand with civil society, than with intransigent and sometimes compromised governments.

It's not too late for the WDC to do the right thing and support a strong and clear definition of conflict diamonds.

Doing so would affirm that Mr. Oppenheimer was not an exception to the rule; that the WDC has the courage and principle to reject all forms of violence, irrespective of perpetrator.

Thank you.