

Meeting at Annual Meeting, WDC Plenary expresses support for widening 'conflict diamonds' description in KP Core Documents

VICENZA, ITALY: MAY 14, 2012 - Members of the World Diamond Council, meeting today in Plenary Session at the WDC's 8th Annual Meeting, reaffirmed the diamond and jewelry industry's commitment to eliminating the trade in conflict diamonds, and agreed that the Kimberley Process Certification Scheme should evolve to reflect changes that have taken place since the KPCS was first launched in 2003.

In particular, the WDC expressed its support for discussions to widen the conflict diamonds definition in the Core Documents of the KPCS, beyond the current definition which limits its scope to diamonds that finance civil conflict. The Plenary Session affirmed a proposal that conflict diamonds should cover "diamond-related violence in rough diamond producing and trading areas."

"The World Diamond Council was not established to protect the narrow interests of the diamond and jewelry industries in the evolving campaign against conflict diamonds, although it clearly was in our interest that conflict diamonds be eliminated from the face of the earth," said Eli Izhakoff, the President of the World Diamond Council. "The WDC was established to articulate our refusal to allow the product, to which we have dedicated our careers, be used as an agent of suffering and oppression. Under no circumstances should the diamond be associated with collective violence against communities."

In her keynote address at the Annual Meeting, Susan Shabangu, South Africa's Minister of Mineral Resources, also spoke of the need to reassess the KPCS a decade after it was introduced.

"The geopolitical environment within which diamonds are traded is constantly changing. As such, it is important that institutions that oversee the legitimacy of the diamond trade constantly sharpen the efficacy of their tool to be swiftly responsive to such changes in order to remain current and relevant," she stated.

"The challenge to the sustainability of this industry is no longer limited to stemming the trade of conflict diamonds, but today, it also means ensuring that we support the fledgling democracies, and emergent economies previously ravaged by conflict fueled by the illicit trade of this commodity," Ms. Shabangu said. "How do we take this commodity which has been distorted into a symbol of oppression, violence and inequality into a beacon of hope and prosperity for all? It can only be by ensuring that the citizens of these producer countries enjoy a fair share of the revenues generated from their diamond endowments."

In her address to the Plenary Session, U.S. Ambassador Gillian Milovanovic, spoke of the need of the Kimberley Process to codify practices that it has already been implementing for several years. She suggested that the definition of conflict diamonds be modified to cover "rough diamonds used to finance, or otherwise directly related to armed conflict or other situations of violence."

"I want to emphasize that this modified definition will encompass situations already encountered and dealt with in ad hoc manner by the KP and will include clear guidelines derived from international legal principles that ensure all nations and trading entities know exactly what diamonds must be prevented from entering the supply chain, on a mine-by-mine or site-by-site basis. This new definition of conflict diamond would, like the present one, represent a minimum requirement for certification," Ambassador Milovanovic stated.

In its resolution the WDC considered the proposal by the KP Chair a good basis for moving the discussion forward.

Also addressing the Plenary Meeting was Tung-Lai Margue, the Head of the Service for Foreign Policy Instruments of the European Commission, which is the agency responsible for overseeing the Kimberley Process in the European Union. He praised the WDC for its contribution to the work of the Ad-Hoc Committee on KPCS Reform, which was recently met in Brussels. "It is important to emphasize and promote the active role that observers play within the different working groups and committees of the KP. They have made valuable, often leading, contributions in the past, and hopefully they will continue to contribute actively and constructively to these groups going forward," he said.

"The WDC has a particular role to play," Mr. Margue continued. "The industry has specific responsibilities throughout the diamond supply chain, from the protection of the livelihoods and communities where its resources are coming from to remaining credible in the face of its consumers. In light of this, the WDC should be encouraged to take further steps to ensure that cut diamonds will only be traded if the transformed rough diamonds can be traced back to their KP certificate."

In a another vote, the General Assembly of the WDC agreed to expand the size of its board of directors from 20 to 25 members.

The 8th Annual Meeting of the World Diamond Council was hosted in Vicenza, by the Fiera di Vicenza. In a special session which preceded the Plenary Session. Mr. Izhakoff played special tribute the Fiera's president, Roberto Ditri, and its CEO, Corrado Facco, for their organization's generosity and effort making the event possible.