



WORLD
DIAMOND
COUNCIL

Stephane Fischler, WDC President

Closing Speech

KP Intersessional 2019

Mumbai, India

Mr. Alok Vardhan Chaturvedi, KP chair,

Mr. Alexander Alexeevich Pshenichnikov, KP vice-chair,

Excellencies,

Ladies and gentlemen:

Allow me to preface my remarks today with a few words of thanks.

First let me salute the KP Chair, the Government of India and the Gem & Jewelry Export Promotion Council for the wonderful hospitality that they have shown us the past few days, not to mention all that they have done in facilitating these important discussions and deliberations.

Second, many thanks to all of you for engaging with us, speaking your minds and showing your commitment to the mission we all have been charged with.

Clearly, our points of view are not always identical, but that is to be expected in an organization that encompasses 82 nations, industry participants from along the entire length of the diamond value chain, and representatives of civil society. The very reason that we meet face-to-face at the Intersessional Meeting, five months before the KP Plenary, is to enable such a dynamic to take place, encouraging a discourse that hopefully advances us toward consensus.

A number of speakers over the past week have mentioned the foresight and wisdom of the original framers of the KP. There was most definitely wisdom in the fact that they did not call it the “Kimberley System,” but rather the “Kimberley Process.”

Solutions within a forum such as ours do not simply present themselves but develop over time. A meeting of minds comes at the end of a journey in which we all participate.

It is in all senses a “process.” It may sometimes be a frustrating experience. But, as history has shown, time after time, it can also be remarkably effective.

A wise colleague told us this week that in the KP there is a tendency to lurch from problem to problem, without properly acknowledging the instances where, through our collective effort, we have helped bring about resolution. An unintended consequence of such an oversight, he said, is the continuing stigmatization of nations where peace has been restored, sometimes even resulting in a restriction of capacity-building in areas where conflict once raged.

He is more than likely correct.

We have been keen to talk about capacity-building efforts, which support artisanal miners to achieve sustainable livelihoods through free access to the world’s diamond markets. We also have highlighted projects that provide capacity and expertise to member states. In both these areas the industry has invested in the development of support mechanisms and will continue to do so.

But where we have been remiss is that we tend not to emphasize that, in places like Sierra Leone, Guinea, DRC and others, where such efforts are being undertaken, they would have been impossible were it not for the effectiveness of the Kimberley Process.

The importance of gatherings like the KP Intersessional is that they compel the various participant in our respective bodies to consider and understand the

perspective of others. Each of us comes with a very particular point of view, which is shaped by the environment in which we work and the specific challenges that face us. But this makes us no less dependent upon one another.

If we are not prepared to consider the others point of view, if we are not able to empathize and reach common ground, we will fail together.

The success of the Kimberly Process within its current mandate must not prevent us from developing further much-needed solutions, which allow the diamond-mining and trading sectors to increase the critical contributions that they are able to make to those most dependent on its income.

A concern expressed by many participants this week is the tendency by some companies producing synthetics to use the publicly perceived shortcomings of the KP as a means of promoting what they sell. Since they are not challenged by conflict, they argue, their product holds the moral high ground.

This is a spurious claim, especially since synthetic diamonds do not have the capacity-building impact as do diamonds found in nature. As we explained to members of this gathering on Wednesday, we are going to great lengths to ensure the benefits that natural diamonds provide, but these are undermined when acts of violence are reported that bring the integrity of our product into question.

We will continue to stand on the front lines, highlighting our concerns and advancing and promoting solutions. To do that, we require the understanding, cooperation and support of all players in the chain of value. If we see consumers turning away, our market share shrinks, revenues fall, and all of us will feel the pain.

As we have learned over the past several days, the nature of conflict has changed over the past two decades, the potential for development remains considerable and the demographics of consumers have changed, as have the motivators that drive them. This means that we all need to shift perspective, to ensure that the KP continues to deliver positive impact on the ground and also enhance the reputation of the diamond to consumers.

How do we go about that?

It almost certainly requires taking a very close look at the KPCS Core Document, and considering how it may be strengthened to meet the challenges that confront us. We need to reconcile on the one hand the need to strengthen its implementation, so that it may deliver a stronger positive impact for all involved through increased collaboration and the exchange of expertise. On the other hand, we need to be able to neutralize the threats that we all recognize as urgently requiring solutions. These are issues that impact lives and livelihoods.

I am confident, certainly after the discussions and bilateral meetings that have taken place this week, that common ground can be found.

What is essential is that, together, we send a clear signal to the outside world, including consumers, that the Kimberley Process remains a vitally relevant institution, which is able to evolve and adapt according to changing conditions. This must be the case at the upstream end of the chain of value, as it is at the downstream end.

We must be transparent and absolutely unambiguous about where we draw our lines in the sand – about what practices we rule to be unacceptable.

We do not believe that there will be much disagreement about what cannot be permitted. Indeed, there have been instances in the past where the KP acted

with the necessary consensus, even though the situation in which it was acting was outside of its mandate. Despite the legal gray area, it was felt at the time that we had no choice but to take a stand.

In those cases, we managed to achieve the results we required. But it would have been preferable if our Core Document had covered such instances as well. This is something that we should address.

My fellow KP participants, as we prepare for the final five months of this reform and review period, let us pledge together that, in Delhi in November, we will emerge united and empowered. Let us ensure together that the diamond continues to hold its position as the world's most popular gemstone, uniquely positioned as a symbol of love and commitment, and it remains a source of hope and promise for a better future, for people in all the countries in which it is produced – leaving no one behind.

Thank you.