



**EDWARD ASSCHER  
WDC PRESIDENT**

**ADDRESS TO CLOSING SESSION  
OF 2021 KP PLENARY, NOVEMBER 12<sup>TH</sup> 2021**

Dear honorable Chair, dear honorable Vice-Chair, your Excellencies, dear Colleagues, Ladies and Gentlemen.

Let me start by complimenting the KP Chair for the ingenuity and efficiency Russia has demonstrated in rising to the challenge of organizing a hybrid Plenary meeting. Let me also express our thanks and appreciation to Peter Karakchiev and his team for how they developed this concept from the ground up, and how they prepared and conducted the meetings. And, on a personal note, let me reveal how eagerly we are looking forward to Peter's return next year to the World Diamond Council KP Task Force.

In my opening address I compared the KP Plenary to the UN Conference on Climate Change. In the case of the latter, millions if not billions of people are watching to see whether the COP26 conference will be able to arrive at practical decisions in the middle of a political maelstrom. But here, too, in the KP, many thousands and certainly millions of people's livelihoods will depend on the direct and indirect outcomes of the decisions that are made.

I am not going to comment further on the outcomes of COP26, but rather on what is important to all of us as KP participants. When we descend from the more abstract ideas of consumer confidence, we come to the practical issues of the KP, on which we spent five days of deliberations, consultations and discussions. We often use the term "KP brothers and sisters" to describe our relationship and perhaps this is an appropriate term because, despite how we are all united as a group we are also sometimes in complete disagreement. A typical family, some may say.

But here at the 2021 KP Plenary, like at COP26, there is a positive feeling that we do want to make progress. We are encouraged by the KP's constructive discussions and adoption of the Declaration on Supporting Principles for Responsible Diamond Sourcing as Best Practices. This is a positive step that further highlights the important role of the KP in stemming the flow of conflict diamonds.

I deliberately choose to see things in a cautiously optimistic light. In the industry, we always seek to support journeys of continuous improvement, and so we will continue to push for

progress. With this in mind, we now also have a better understanding of how we may move forward on the conflict diamond definition.

The World Diamond Council will position the conflict diamond definition as a priority agenda item for the Review Cycle. We would have liked to have already reached a decision, but recognize that, while this has not yet been possible, we have made progress on the procedure. We often hear that, as brothers and sisters in the KP, we should help each other. It's a sentiment I applaud. It is our sincere hope that our brothers and sisters in the KP will support the WDC and the efforts of many Participants by agreeing that this text should be the starting point of discussions, once the Review Cycle is restarted.

So, perhaps like the COP26 we are moving too slowly, but at least we are moving forward.

More broadly, we welcome the acceptance of the new members Qatar, the Republic of Mozambique and the Republic of Kyrgyzstan, three very different countries with very different visions as to their future role in the industry. They are all a welcome addition to the KP family.

In addition, we at the WDC are satisfied that the KP is looking realistically at the situation in the Central African Republic, which is a large country that is rich in minerals and obviously close to the hearts of many. We hope for peace in the CAR, and for the safety and security of its people. However, it is vital and almost certainly more so in difficult situations that countries meet the minimum requirements of the KP. Thus, we are comfortable with the decision that, under present conditions, there will be no expansion of new green zones.

Why are we comfortable with this, you may ask? The answer is that even a small amount of non-compliant goods circulating in the industry has the potential of undermining the reputation of all diamonds. That will cause damage to other countries and communities that rely on the diamond revenues they generate. This reality further underscores the urgent need for us to continue our work on expanding the definition as well as the principles of responsible sourcing.

Every time an organization publishes a critical report on violations of human rights in a diamond producing area, rightly or wrongly, it has an influence on consumer confidence.

Let me assure CAR. It is our fervent hope that your entire country will be considered a “green zone” in the not distant future, and we will do whatever we can as the WDC to support progress towards that. It is an eventuality that your citizens and the communities in which they live deserve. But as I stated, the rules and procedures of the KP must take priority. They are ultimately what will make this happen. If we take shortcuts, we endanger the entire framework, and consequently the future of our product and your country’s wellbeing.

I have spoken about the risk of a two-tier market for rough and polished diamonds, and how we, as the body representing the interests of the global diamond trade, can address it. As a result of the KP’s moving too slowly in its reform process it is not providing smaller diamond businesses with assurances they require to operate on a level playing field with larger companies. Therefore, we have elected to build systems that expand the demands made on all participants.

This holistic approach is imperative for all of us in the business of selling diamonds, because who today wants to buy a pair of sneakers, a t-shirt, coffee beans or chocolate – let alone emotionally symbolic jewelry – if there is any doubt about the conditions in which its components were sourced and the impact they had on society?

We would have much preferred that these issues would have been addressed directly by the KP, but we were unable to wait indefinitely for a decision. So, we are moving forward and making the required improvements ourselves.

The System of Warranties is only the beginning. As, I said, our guiding principle is that is a journey of continual improvement. And we will do so in such a way that two principles are maintained at all times: (1) we must be fair to all concerned, which in practice means moving forward in the spirit of the Declaration on Responsible Sourcing; and (2) we do not want to leave anyone behind.

We all know the vital importance of providing the assurance of sustainability to consumers. At the same we must also recognize that, for the small diamantaire, digger, polishing factory owner or trader, the first thing on their mind is can I make enough of a living to support my family and myself? These are the people I have in mind. It is no different whether they live on the Indian sub-continent, Europe, the Americas, Asia or Africa. We will work tirelessly to protect and advance their best interests, as an industry and through the Kimberley Process, in whose success we remain vested. We hope that our partners, our family, and our friends will do likewise.

The WDC is proud to continue the work of the Working Group of Diamond Experts, with our new team, and in that way continue to deliver our expert knowledge, just as we have done since the beginning of the KP.

Before I conclude, I would like to take a moment to pay special tribute to two outstanding contributors to the KP.

First, I would like to express our appreciation to Hilde Hardeman. We know this is her last KP Plenary, and that the EU and her government have promoted her to new adventures. Hilde, you are an extraordinary person and we owe you a lot. Your charm, untiring stamina, rock-solid consistency, and Belgian flair have time and again driven progress in the KP. It takes an excellent diplomat to keep this family together, and over the years you have done so with grace. It has been an honor and pleasure to work with you and we wish you all the best for yourself and your new career.

Second, we have heard also that Pamela Fierst-Walsh is leaving the KP family. This is a great loss to all of us here, but a win for her next position. Pamela, our best wishes will accompany you and your family in your next career.

Thank you, all stay safe and see you all next year in Botswana