

**KIMBERLEY PROCESS ANNUAL REPORT
WORLD DIAMOND COUNCIL
2019**



In the framework of the Peer Review System of the KPCS, Participants are required to make an annual report on their implementation of the Kimberley Process Certification Scheme (KPCS) during the previous year.

The World Diamond Council (WDC) has agreed, on a voluntary basis, to submit an annual report on its KPCS implementation and support to the KP as stated in its mandate and mission statement. The WDC 2019 Annual Report is submitted to the KP Chair and the Chair of the Working Group on Monitoring.

Institutional Framework of the World Diamond Council (WDC)

The purpose and objective of the WDC is to represent the diamond industry in the development and implementation of regulatory and voluntary systems to control the trade in diamonds embargoed by the United Nations or covered by the KPCS. The WDC assists the KP by providing administrative, technical, financial and other support services in its Observer status on all Working Groups, Ad Hoc Committees and participates in Review Visits and Expert Missions. The WDC serves as the Chair of the Working Group of Diamond Experts (WGDE) and as the Chair of its Sub-Group on Valuation. During the recent KP review cycle that ended in 2019, the WDC led the Sub-Group on the Creation of the KP Permanent Secretariat of the Ad-hoc Committee on Review and Reform. In conformity with the 2019 KP Plenary decision the WDC took the helm of a Technical Expert Team under the WGDE to continue the work on establishing the KP secretariat. The WDC hosts the Administrative Support Mechanism (ASM) and maintains the Kimberley Process web site.

Contact details/Contact persons of the WDC as regards the KP

The WDC is governed by a Board of Directors, the composition of which is representative of all sectors of the trade with a broad geographic distribution. The 20 members of the Board of Directors are listed on the WDC web site: www.worlddiamondcouncil.org

The WDC Officers are:

- President - Stéphane Fischler (president@worlddiamondcouncil.org)
- Vice President - Edward Asscher (vicepresident@worlddiamondcouncil.org)
- Treasurer - Ronnie VanderLinden, USJC (treasurer@worlddiamondcouncil.org)
- Corporate Secretary and General Counsel - Udi Sheintal, Israel Diamond Institute (secretary@worlddiamondcouncil.org)
- Executive Director – Marie-Chantal Kaninda (ed@worlddiamondcouncil.org)

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Members of the WDC

The WDC currently has 36 core members, from every sector of the diamond industry, including extraction (mining), wholesale trading of diamonds, manufacturing, and retail sale of diamonds or diamond jewelry. Some of these members represent more than one company or organization. The WDC also has members who represent affiliated services, such as banks, diamond valuers and shipping companies. A list of all WDC members is available on its web site.

Actions taken to support the KP in 2019

During 2019, WDC continued its active participation in all Working Groups and Committees of the KPCS.

1. The WDC KP Task Force (KPTF) committee members and WDC Executive Director attended most KP Committees and Working Groups teleconference calls in 2019.
2. The WDC has been a member of all KP Committees and Working Groups and performed tasks as assigned and allotted by the Chairs of each Committee and Working Group including statistical analysis and annual report reviews.
3. WDC President represented the WDC at the following diamond and jewelry industry events where he highlighted KP engagement and WDC activities:
 - In New York, on March 1st 2019 when the UNGA adopted the KP Resolution but also took part in a panel on February 28th called “From blood diamonds to peace diamonds: conflict prevention through the Kimberley Process”, organized by the EU, KP Chair 2018.
 - In Genval – Belgium, on April 4th 2019 at the 6th Forum of Africa-Belgium Business Week where CAR was the country under the spotlight. The President of CAR had a meeting with both the President and Executive Director of the WDC.
 - In Paris, on April 18th 2019 at OECD during the 14th Forum on Responsible Mineral Supply Chains – Panelist on the Diamond Session called “Diamonds – Looking Ahead”.
 - In Dubai (DMCC), on September 25th 2019 at The Presidents' Meeting during a joint session of WFDB & IDMA where the President provided an update on the Review & Reform of the KP and WDC's priorities.
 - In Sochi, on October 23rd 2019 at The Russia-Africa Summit where he was a Panelist on the session “Russian-African Collaboration in the Diamond Industry” hosted by ALROSA.
 - In Gaborone, on November 5th 2019 during the Diamond Conference co-organized by the De Beers Group and the Republic of Botswana – Panelist on a session called “Consumer Confidence – the changing consumer landscape, trends and its impact on the diamond value chain”.
 - In the Kingdom of Bahrain, on November 18th 2019 during the CIBJO Congress where he spoke during the Opening Session.

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4. WDC President spoke at the KP Intersessional and Plenary meetings, respectively in Mumbai and New Delhi and attended and/or organized meetings with the 2019 KP Chair and Vice Chair, ASM, KP working bodies' Chairs, KP Participants and Observers and various government officials.
5. WDC President, Executive Director and some members attended/participated in forums, meetings, calls with the Civil Society Coalition (CSC), in order to exchange on diamond governance and how best to strengthen the KP.
6. In cooperation with the 2019 KP Chair, WDC as the WGDE Chair organized two Special Forums on Diamond Terminology and on Diamond Origin and Identification on the margins of the KP Intersessional meeting in Mumbai and Plenary meeting in New Delhi respectively. WDC members attended and were panelists in the above-mentioned and other KP Intersessional and Plenary Special Forums, such as "Artisanal Mining - Small steps to larger Outcomes" and "Diamond Industry - Adapting to change".
7. The WDC held bilateral meetings at the KP Intersessional in Mumbai and at the KP Plenary in New Delhi with various KP Participants (country representatives) and with Observers.
8. The WDC held meetings with the Civil Society, respectively at the OECD forum in Paris, at the KP Intersessional meeting in Mumbai and at the KP Plenary meeting in New Delhi during the Observers' Forum. The meetings had representatives from CSC.
9. Internally, the WDC has a KP Task Force Team who held 4 meetings in 2019.
10. The WDC sat on the 4 Sub-groups of the Ad Hoc Committee on Review and Reform:
 - Permanent Secretariat, led by the WDC, represented by Peter Karakchiev
 - Update of the Core Document, represented by Udi Sheintal on behalf of the WDC
 - Strengthening of Peer Review Mechanism, represented by Karla Basselier on behalf of the WDC
 - Multi Donor Fund, represented by the Executive Director, Marie-Chantal Kaninda on behalf of the WDC

11. The following WDC members participated in Review Visits/Missions in 2019:

- a. Switzerland – ALROSA
- b. Singapore – AWDC
- c. UK – WDC President
- d. Canada – ALROSA

12. WDC representatives, Udi Sheintal and Damian Gagnon, continued to serve on the CAR MT, as requested in the Administrative Decision on CAR and subsequent Operational Framework. The WGDE Chair and other technical experts support the CAR MT through examination and monitoring of export shipments from CAR.

13. Peter Karakchiev, on behalf of the WDC served as chair of the WGDE and assisted with efforts related to WGDE Sub-Group on Valuation.

14. WDC actively contributed to the continued Review and Reform cycle of the KPCS by submitting extensive proposals concentrating around:

- Revision of KP Core document
- Strengthening of the KP Peer review system
- Creation of a Permanent KP Secretariat – Chaired by the WDC

Administrative Support Mechanism

As noted in the 2015 KP Plenary Final Communiqué, the 2015 KP Chair, upon approval of the KP Plenary, extended the ASM mandate until Plenary 2019, to continue its role in hosting and implementing the Administrative Support Mechanism for services which are administrative in nature. The ASM, through members of the WDC, continued to voluntarily undertake the designated tasks including:

- Antwerp World Diamond Centre – Central Focal Point of the ASM including Knowledge Management, Institutional Memory and KP web site hosting and maintenance
- Gem and Jewelry Export Promotion Council of India – Logistical support for KP Chair, KP Vice Chair, Chairs of WGs and Ad Hoc committees
- Israel Diamond Institute – Communications

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- Diamond Development Initiative (an Independent Observer, not a member of WDC) brings its Technical and Professional Assistance.

2019 activities of the ASM continued as performed in 2018, specifically:

- Provide communications services for the KP Chair and Chairs of the Working Groups and Committees facilitating all messages sent to Participants and Observers of the KPCS.
- Provide administrative support to the Working Groups, Committees, Ad Hoc Committee and the CAR Monitoring team.
- Through the hosting and maintenance of the web site, provided an enhanced compilation of KPCS official documents, final review visit reports and annual reports.
- Collection of minutes of all working group telephone conference calls and meetings, follow-up on submission of reports, questionnaires, upon request of Chairs of the Working Groups and Committees.
- Administrative and support services prior to, and during the Intersessional and Plenary meetings in Mumbai and New Delhi, which included registration, visa coordination, session agendas, etc.
- Meetings with the KP Vice Chair at the Intersessional and Plenary meetings to assist with smooth transition to 2020 chairmanship.

Other WDC initiatives in 2019

- The 2018 WDC KP Annual Report was submitted on time, and the report was uploaded onto the public side of the KP web site.
- The WDC attended the High-Level Workshop on Regional Cooperation in Central Africa, organized by the Working Group on Artisanal and Alluvial Production, in Kinshasa, DRC, in April 2019.
- WDC held its Board Meeting and Annual General Meeting in Antwerp, Belgium on October 3rd to discuss the WDC Strategic Plan and further KP engagement, relating to the last year of the KP Review Cycle.
- The WDC continued its work of developing the updated System of Warranties – system of industry self-regulation that extends the effectiveness of the KPCS beyond the export and import of rough diamonds and covers domestic trade, encompassing all the segments of the diamond

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pipeline from mine to retail, and transcends industry self-regulation on other spheres, including human rights, anti-corruption, anti-money laundering and countering the financing of terrorism.