

KP Annual Report

World Diamond Council

2014

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 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 2014 Annual Report will be 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 technical, financial and other support and serves in its observer status on all Working Groups, ad hoc committees and participates in Review Visits and Missions. The WDC serves as the Chair of the Working Group on Diamond Experts. The WDC hosts the Administrative Support Mechanism and maintains the Kimberley Process web site.

Contact persons of the WDC as regard 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. WDC Officers are: President Edward Asscher (Royal Asscher), Vice President Andrew Bone (De Beers Group of Companies), Treasurer Ronnie Vanderlinden (Diamex Inc.), and Corporate Secretary Udi Sheintal (Israel Diamond Institutes). The Executive Director is Patricia Syvrud, and the General Counsel is Cecilia Gardner, Jewelers Vigilance Committee.

PAGE 1 OF 4

The main contact person for the organization is Executive Director Patricia Syvrud: patricia.syvrud@worlddiamondcouncil.org. The WDC Corporate Secretary is Udi Sheintal: secretary@worlddiamondcouncil.org.

Members of the WDC

The WDC currently has 49 core members, from every sector of the diamond industry, including producers, dealers, manufacturers and retailers. Some of these members represent more than one company or organization. The WDC also has members who represent affiliated trades, such as banks and shipping companies. A list of all WDC members is available on its web site: www.worlddiamondcouncil.org.

Actions taken to support the KP in 2014

During 2014, WDC continued its active participation in all Working Groups and committees of the KPCS.

- Approximately 11 WDC members participated in the Intersessional meeting in Shanghai, China and 15 in the Plenary meeting in Guangzhou.
- WDC continued to serve as the Chair of the Working Group of Diamond Experts.
- During Plenary, the WDC was nominated Chair of the newly created Subgroup on Valuation, under the WGDE.
- The following WDC members participated in Review Visits:
 - o Kavita Hebalkar, GJPEC, India Guyana
 - o Udi Sheintal, IDI, Israel China
 - o James Evans Lombe, US Coalition Guinea
 - o Sabyasachi Ray, GJPEC, India Australia
- WDC members also participated in Review Missions to Cote d'Ivoire and the "Experts Mission" to CAR. This mission took place under the Chair of the WGM and WGDE, was accompanied by a member of the UN Panel of Experts on CAR, and was conducted in the spirit of the Administrative Decision on ensuring that diamonds from CAR are not introduced into the legitimate trade.

Administrative Support Mechanism: In 2013, the WDC signed an MOU with the KP to continue its role in hosting and implementing the Administrative Support Mechanism for the 2014 KP Chair and Vice Chair for services which are administrative in nature, through 2016. The ASM, through members of the WDC, continued to voluntarily undertake the tasks of the ASM including:

PAGE 2 OF 4

- 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 Logistical support for KP Chair, Chairs of WGs and Ad Hoc committees
- Israeli Diamond Institutes Communications
- DDI Requests for Technical and Professional Assistance.

The ASM submitted reports during 2014 KP Intercessional and Plenary meetings. The 2014 activities of the ASM continued as performed in 2013, specifically:

- Provide communications services for the KP Chair, facilitating all messages sent to Participants and Observers of the KPCS.
- Through the hosting and maintenance of the web site, provided an enhanced compilation of KPCS official documents, and published completed review visit reports, both in short version (for the public section of the web site) and the longer versions for the "Members Only" section for the web site.
- Collection of minutes of all working group telephone conference calls and meetings.
- Provided administrative services during both the Intercessional and Plenary meetings in China.
- As noted in the 2013 WDC KP Annual Report, the mandate of the ASM was extended to Plenary 2016.

As the WDC has done in the past, presentations were made in 2014 about the progress of the KPCS, and the implementation of the WDC System of Warranties. Specifically, Ms. Cecilia Gardner, WDC Legal Counsel, presented to the American Foreign Lawyers Association in March 2014, and at the JCK Show Las Vegas in June 2014.

WDC President, Edward Asscher, represented the WDC as speaker/panelist at the following jewelry industry events throughout the year: World Diamond Conference, New Delhi, India; IDMA International Diamond Conference, Antwerp, Belgium; and the WFDB World Diamond Congress, Antwerp, Belgium. As WDC President, Mr. Asscher spoke at the KP Intercessional and Plenary meetings, and attended meetings with the Antwerp World Diamond Centre, 2014 KP Chair, ASM, KP WG Chairs, KP Participant representatives and various government officials.

Other WDC initiatives in 2014 include:

- A KP Review educational presentation was made to the general membership
 of the WDC at the Annual General Meeting in Antwerp in October. This
 presentation is accessible on the WDC web site here.
- The first Executive Director of the WDC was hired in the last quarter of 2014 to enhance the professionalism of the organization and increase industry-wide engagement with the KP.
- 2013 WDC KP Annual Report submitted and uploaded to KP web site.
- Scheduled meetings with KP Participants, Observers and other stakeholders during the day immediately preceding Plenary in Guangzhou, China.
- The WDC Board Committee 'Kimberley Process Task Force' increased the number of members; members were assigned to all KP WGs and the KP WG Chairs were apprised of the WDC observers for each committee.
- Continued focus on adherence to correct policy and procedures in all WDC activities, both internal and in conjunction with the KP.