

Speech for the 2017 Dubai Multi Commodities Centre Meeting, Dubai

Given by Stephane Fischler, Acting President of the World Diamond Council

Good morning to you all.

Excellencies, Mr. Ahmed Bin Sulayem, distinguished guests, ladies and gentlemen, dear friends.

Thank you for inviting me to speak on behalf of the WDC. It is an honor and a pleasure to be with you today. To Ahmed and the DMCC, thank you for your generous hospitality and for hosting us so professionally, as always.

Every day I truly and honestly believe we trade the most beautiful product on earth. To me, no product is more pure than ours. It represents beauty and a promise. It's a symbol of everlasting love, commitment and strength. Its brilliance at every stage of the diamond pipeline is universally acknowledged. As I look around and see friends from the mining and rough trading community, I know that when they see a beautiful uncut diamond already displaying amazing color and clarity, it's difficult for them to look the other way.

I know for myself that when I come into the office and new goods arrive, I can't help myself, I need to touch and feel. Even after decades in the industry, the passion that we all experience for our product unites us.

Then why is it so difficult to protect our industry properly?

There is no doubt we have come a long way. The KP and the many other impressive standards that we have created together have helped affect significant and positive change since we started in 2003.

And though we all talk often of the good that comes from our combined efforts, and of the transparency in our business that used to outpace other trading commodities, the reality is that many of those outside our industry remain skeptical and unconvinced.

The CEO of Coca-Cola said a few years ago in an interview: 'If a good brand is a promise, then a great brand is a promise well kept.' Keeping a promise means never falling into the traps of complacency. It means keeping it alive through changing circumstances in order to remain truthful.

I think we would all agree that today's consumers are more demanding than ever before.

Confronted and targeted increasingly by a huge amount of information from multiple sources and being more inter-connected than ever, they are unencumbered by the legacy of tradition. They live in the “now”.

They expect more from brands and organizations, associations and industries. And they want to see that a brand or organization invests in making a difference; makes them feel fulfilled rather than confronted with moral choices.

This is proven out by a recent global brand research study that found that over 50% of people globally want to buy brands and products that are more sustainable – in other words, brands with a good purpose and a transparent story.

The rise of corporate social responsibility and sustainability is both the symptom and the solution for the underlying disconnect between legacy businesses and the interests of the broader public. You need only read the industry related stories capturing media attention to see the proof of what I am saying. Headlines like ‘Lab-grown diamonds win transparency debate’ and ‘How seed and super-hot gas could take down the \$80 billion diamond industry’ are just a few that symbolize our dilemma.

We are not the only group to face these challenges.

Consider the fur trade for example. While today an important industry in Russia and China, it experienced a precipitous drop in favour in the 1960’s across the rest of the world. Questions of animal rights violations, integrity, and transparency in the industry raised by consumers and special interest groups spawned picketers and boycotts worldwide. The economic effects on local communities and businesses that resulted from this public discord were devastating, particularly across Canada. Though we see some returning to the catwalk and the red carpet in fur, it’s unlikely to ever regain the mass appeal it once had.

Only last week Gucci announced never to use fur in their collections again.

The CEO stated: “I hope it will inspire innovation and raise awareness, and change the luxury industry for the better”.

Diamond consumers won’t look the other way much longer. We all know what the devastating results could be for producing countries and their local economies and populations. Our reputation has never been more crucial than today. The brilliance of a diamond, even with its enchanting powers, is not enough anymore. A KP certificate will not be enough anymore. Consumer demands are well defined and growing louder every day. Alternatives, whether

high tech or targeting short term gratification, keep growing and are very aggressively promoted.

If we are to preserve the integrity, value and legacy of the diamond and our industry, then we must step up, together, all of us. If not only in passion, then in telling the true story; if not only in the story, then in alignment. We need to step up regarding the KPCS implementation, with courage and determination. To pretend to care more than you really do is simply wrong.

The best story we have today to validate our commitment to integrity, is the KP. But it's under pressure. For many outside our industry, the KP is not a promise well-kept. Supporting the KP review by updating the story we wrote 14 years ago is the first step.

Expanding the scope to lower the risks, increasing protection of those most vulnerable and contributing to the generation of long term growth is the way forward. Strict adherence to the KPCS standards is the proof and the essence of our common commitment.

The passion for this industry and the people who share it is what unites us. This business is not just what we do, it's who we are. It's what we know and what we love.

But skepticism of our industry, if left unresolved, poses a clear and present threat to change this industry forever. Let us protect the diamond business and all its shareholders in the way they deserve to be protected. Through systems like the KP, through the due diligence of diamond companies, through complying with the System of Warranties and other self-regulation standards. We have a duty of care.

Last month, at the Vicenza jewellery trade fair, the term 'duty of care' was introduced during a seminar co-organized by Cibjo. It's defined as 'the provision of what is needed for the well-being or protection of a person or thing'.

For us it's both, care for the product and the people all over the world who make up our industry. We need to demonstrate that we care. We must provide proof. We must live this standard of care in everything that we do.

That is why conferences like the Dubai Diamond Conference are so important. They enable us to think, to discuss, to enable change and to unite. Because only through discussion and dialogue can we move forward. It's how we will show the world that we are keeping our promise and how we will secure our future.

Thank you.