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WDC President notes progress toward Marange agreement in speech to Kimberley Process Plenary Meeting in Kinshasa

KINSHASA, DRC: NOVEMBER 31, 2011 - Speaking during the opening session of the 2011 Plenary Meeting of the Kimberley Process, which began an this morning in Kinshasa, capital of the Democratic Republic of Congo, Eli Izhakoff, President of the World Diamond Council, noted that meaningful progress has been made in recent weeks toward agreement on exports from the Marange diamond fields in Zimbabwe, and he urged the forum to move forward with a renewed sense of urgency.

The following is the full text of his speech:

- The Esteemed Chair of the Kimberley Process, Mr. Mathieu Yamba,
- His Excellency, the Minister for International Cooperation of the Democratic Republic of Congo, Mr. Raymond Tshibanda,
- His Excellency, the Minister for Mines of the Democratic Republic of Congo, Mr. Martin Kabwelulu,
- Her Excellency, the Minister of Mineral Resources of the Republic of South Africa, Ms. Susan Shabangu,
- His Excellency, the Minister of Minister of Mines and Mining Development of the Republic of Zimbabwe, Mr. Obert Mpofu,
- His Excellency, the Minister for Mines of the Central African Republic, Lieutenant Colonel Sylvain Ndoutingaï,
- Delegates and distinguished guests:

We gather for a second time this year in Kinshasa in an atmosphere that is very different to the one that permeated the intersessional meeting earlier this year. Enormous progress has been achieved towards an agreement that has been fine-tuned over the past few weeks.

This progress has created an opportunity for this forum to declare that the KP has succeeded in building a bridge over the obstacles that have stood in its way for more than two years.

On behalf of the World Diamond Council, I would like to extend my thanks to our hosts, the KP Chair, Mathieu Yamba, who with the strong support of the government of the DRC and his dedicated staff, has worked relentlessly in managing the Kimberley Process since the start of this year. You began your term in office in the most difficult of circumstances, but you managed to hold this body together while an agreement was being developed. I congratulate you for the role you have played, and for your grace, patience and perseverance.

Allow me to congratulate all of those who were involved in achieving such meaningful progress towards an agreement on exports from mining operations in the Marange diamond fields.

The European Union deserves special mention for taking the lead, and navigating a path through the forest that had frustrated us for so long.

Let me also offer our thanks to the African countries, and in particular the South Africans led by Minister Susan Shabangu, for all that they did in enabling this agreement.

The government of Zimbabwe and, in particular, Minister Obert Mpofu, is also congratulated, not least for their insistence on staying the course and searching for an agreement within the framework of the Kimberley Process, and so is the United States, which also showed its flexibility in making the accord possible.

Our thanks also go out to all the other individuals and organizations who dedicated time and a great deal of effort in achieving the meaningful progress to date.

It will come as no surprise to anybody that I had prepared a different speech for this Plenary Meeting, and it was one that I happily tore up several days ago. In that speech, I had urged us to remember what had brought us together as a family, drawn to one another by circumstance and a united purpose.

We always were a most unlikely coalition, grouping under one roof representatives of government, business and civil society. But, because we understood that the mission that united us was larger than the differences that separated us, like family, we were able to stick together.

What we need to do now is to move forward with a renewed sense of urgency, and tackle those issues that were sidelined or shelved, largely because of the Marange dilemma.

The reform of the Kimberley Process is among the most important of these issues. Among the reforms that we urge be considered is the appointment of a professional staff, whose task it will be to manage the daily affairs of the KP, and so provide the system with a more sturdy management structure, more erective internal and external communications and a greater degree of continuity.

The current situation, in which every 12 months the responsibility for both leadership and administration shifts to another country, is inherently disruptive. As I have said in the past, like a government whose civil service keeps the wheel turning even when the elected leadership changes, so should be the case with the Kimberley Process.

The fact that since the start of this year there was no KP vice chair underscores the fragile nature of the Kimberley Process in the absence of a professional staff. As things stand right now, there is no real contingency for an uncertain transfer of power, whatever the cause. We have to remedy the situation, by providing the KP with a more robust structure.

I recognize that, even with the hopefully successful resolution of the issue concerning exports of diamonds from Marange, we have not eliminated all the challenges that confront this body, and neither the legitimate differences in opinion and approach that separates its members. But what I do fervently hope is that an agreement confirms our commitment to meet these challenges and bridge our differences through dialogue, respect and a shared dedication of purpose.

The past two years have been tough, certainly, but they also provided us all with the opportunity to learn some valuable lessons. What we are certainly are more aware of today is that, when the diamond sector plays a prominent role in a country's economy, the stakes are not only commercial. Control over natural resources is also is associated with issues of national pride, identity and independence.

But every delegate in this room has to consider the sentiments and sensitivities in the country, region and organization from which they come. Thus, while we all have to be perceptive of our constituents' grass roots concerns, we also must recognize the need to be sensitive to the concerns of our counterpart's constituents.

I believe it is fair to accept that there are always going to be areas in which we do not see eye to eye. But I also believe it is possible to agree about several goals. And that is that diamonds should be mined, processed and sold in an ethical manner, and that the proceeds of that activity fairly benefit all participants and stakeholders in the chain of distribution, and most importantly the individuals and communities in the diamond producing areas.

That is the objective. That is what we should be moving toward. The Kimberley Process is not a goal unto itself - it is a means to that end.

By definition the Kimberley Process is a process, meaning that solutions can be found that enable us to meet our objectives not necessarily in an instant, but rather over time. It is possible that that we agree about the common objective, while at the same that time understand that circumstances may prevent us from all moving forward on our chosen paths at the same pace. What is important is that, ultimately, we are all able to complete the journey.

As members of the diamond industry we are not only observers of the process, but we straddle the length of the entire pipeline, and are intimately involved both in the producing countries and in the consuming markets.

As businesspeople we are obliged to consider the positions of both our suppliers and our clients, for we cannot survive without the support of either. What we have learned over the past decade and implemented at the grass roots level is a modus operandi that supports the development of new and sustainable economic opportunity in the diamond producing regions, and at the same time responds to consumer demand that the diamonds we sell were sourced and produced in an ethical manner. We do not consider these two tasks as being divergent, but rather as being complementary.

I do not suggest that any of this could have been achieved without a robust and efficient Kimberley Process - on the contrary, the Kimberley Process Certification System is a key component in our strategy. But what I am saying is that have we have not been sitting idly by.

Over the past several years, companies from our industry have invested hundreds of millions of dollars in establishing factories in the mining countries, and in the consumer markets an industry-initiated effort is promoting the development of a monitored system to ensure the integrity of the jewelry chain of distribution.

The efforts that I refer to have been undertaken voluntarily, not only because it is the right thing to do, but also because it makes good commercial sense. "Ethical business," ladies and gentlemen, is most definitely not an oxymoron.

So, in the spirit of the proposed agreement, let us move forward, swiftly and decisively. We cannot afford to do otherwise, for too many people are depending upon us. I thank you.