



**WORLD
DIAMOND
COUNCIL**

Officers of the WDC and Members of the Board of Directors

Esteemed members of the WDC,

Captains of the global diamond industry,

Colleagues,

I welcome you all to our Annual General Meeting for 2024.

I want to extend a heartfelt thank you to the WDC Officers, the Board of Directors and all our members for your commitment to the successes of the WDC. Special thank you also to our ED, Elodie Daguzan, for bringing us together, allowing us to take stock of the previous year's achievements and challenges, as well as giving us an opportunity to shape our collective vision for the diamond industry into the future.

Dear Colleagues,

It feels to me that the last few years have been a continuous shock to society, and the diamond industry has not been spared, but rather, faced a very confronting impact that has been felt by all. The last few years have also been vastly different in their turbulence. Each year since the 2020 Covid pandemic we have faced unprecedented challenges that pushed us to new limits. Change is truly the only constant.

2023 was no different. It ended with much uncertainty for the world, and especially for the global diamond industry. This has spilled over into this new year, which is already marked by unpredictable, turbulent, and subdued markets, evolving consumer attitudes, and volatile geopolitics.

With the WDC's mandate being to protect the integrity of the diamond pipeline, I am proud that, despite the challenges, we have pulled together to protect and promote our industry's contribution to global sustainable development, peace, and security.

Today I would like to give you a brief update on some of the work delivered in the last year to help put things into context.

Let me start by highlighting our Membership growth, between the last AGM and this one, our membership grew by 65%.

The work of the World Diamond Council has attracted members from every continent, of all sizes, who bring with them diverse cultural experiences and heaps of specialised expertise.

To our older members, our gratitude for your commitment goes without saying – you have been the backbone of the WDC, especially in these difficult times. And to our newest members, I extend a special and very warm welcome to you, as you have strengthened us simply by joining. I know that the WDC Officers, are exceptionally proud of the calibre of members that have joined our ranks, so we hope you will enjoy the value and benefits of our membership. You will come to see that we operate as a democracy, with every voice heard and every opinion considered – which does not preclude healthy disagreement at times – but we always get there, together.

This growth has also extended into the Kimberley Process Task Force, which has helped the WDC's coverage of the important and varied agenda of the KP and its working bodies. We know that the value of diamonds is based on consumer confidence and the KP is the baseline standard and plays an important role in that.

Last year, the WDC showed up stronger than ever at both the Intersessional and Plenary meetings of the Kimberley Process. I am proud to lead this dedicated team of people, who volunteer not only their time, but also their experience and mental aptitude to advocate for the interests of the industry, strengthen and protect the credibility of the KP and protect consumer confidence in natural diamonds under incredibly challenging circumstances. I want to thank you all for your hard work, late-night brainstorming and consistent participation in the teleconferences of the KP and the KPTF throughout the year. I invite those of you who are interested in learning about the KP and supporting this important work to reach out to our ED. This work demands patience and grit, but is also deeply fulfilling in its affirmation of the importance of the industry.

It was, therefore, with regret that despite the tireless negotiating and mediation efforts of the WDC, the KP closed last year without concluding and publishing a KP Final Communiqué that would detail the progress and decisions of the KP to the world. To not lose this progress we agreed to this work being listed under a Statement of the Chair. Since the end of last year, however, the WDC has supported the United Arab Emirates, as KP Chair for 2024, in working to bring closure to the work of 2023. The KP Chair has recently cemented the decision through written procedure, and I have it on good authority that consensus has been reached today, and so we start the year's work with new ambitions, inspired by the KP Chair's theme for 2024, "The Year of Delivery". This theme strongly resonates with us all.

This brings me to our vision for the future:

Definition

First and foremost, it is important that we understand that for the WDC, the health of the KP is synonymous with the health of the industry. Therefore, progressing the KP's reform is crucial to securing the reputation of the natural diamond industry. It is one of the primary reasons why the WDC has taken its leadership of the Sub-team on the definition of 'conflict diamonds' very seriously, driven by our conviction that an expansion of the definition is necessary, both for the KP and for consumer confidence in natural diamonds. We don't stand alone; the participants and observers stand united in this work and have agreed to it. This is a huge success on its own and it has been anchored in our mandate under the current Review and Reform Cycle, as confirmed in United Nations General Assembly resolution 77/277. We will continue to steer discussions towards constructive development of an expanded definition of conflict diamonds, ensuring respect for all views and aiming to facilitate consensus.

In this second year of the review, we will up the ante, shifting our focus from listing problems, to zeroing-in on a definition that is feasible, realistic, modern, implementable, and agreeable to all stakeholders. We are encouraged by the progress and robust engagement on the definition as a testament to the positive direction we are moving towards, as we look forward to a meaningful 2024.

KP Secretariat

Separately, the WDC has, for over 4 years, led the KP's discussions on the establishment of a Permanent Secretariat, to be launched and hosted in Gaborone, Botswana, in 2024. This has been a long-held desire of the WDC, to professionalise and support the growth of the KP and we are proud of the outcome. We expect to have a functional KP Secretariat by the second quarter of this year and will continue to lend our support to the KP Chair, Secretariat and Government of Botswana for the benefit of our industry and all those who depend on it. Special thanks to Elke, on behalf of the WDC and the KP as a whole, for her dedication and support over the years – we wish you well in all your future endeavours.

Leadership of the KP

In addition to the Permanent Secretariat, the sustainability of the KP requires nations to be willing and able to take up the leadership of and Chair the process for the year.

Over the years we have noted that the appetite among Participants to chair the KP is limited to a pool of candidate countries that can bare the immense financial and human resource capacity required to assume the role of KP Chair. In response, the WDC has proposed a draft Administrative Decision that would support the creation of Co-Vice Chairs and Co-Chairs of the KP, allowing countries to share the burden and costs over a given year. In preliminary discussions, we received positive feedback and learned that countries that have never had the opportunity to Chair, are keen to shape the infrastructure, rules and procedures that would support this new and inclusive approach. We will pursue this as part of our contribution to strengthening the governance of the KP, ensuring equity, equality and continuity.

Finally, I would like to touch on the G7 import restrictions.

You will recall that last year, the WDC responded positively to a call from the G7 committee to develop an industry-wide solution to help them achieve their objective of restricting diamonds of Russian origin from entering their markets.

We participated in numerous consultations internally to align on an industry position, and even more consultations externally with G7 officials to discuss a workable and inclusive solution. Much progressed in the second half of the year, and on December 6th, we were all made aware that new import requirements would start on March 1st, with further measures added on 1st September 2024, where a traceability and certification mechanism would become mandatory.

Although implementation details have yet to be published, as always, we are open to engagements with the G7 to ensure that industry will be able to get there, together and resilient as ever. As the WDC, we stand ready to support the trade in meeting the requirements of the upcoming G7 import restrictions, ensuring that we leave no one behind.

Colleagues,

In closing, as we continue to grow, we must explore and exploit opportunities to gather, collaborate and share, to get the most value out of our community. The annual trade shows and other industry events should be opportunities for us to touch base and drive a mutually beneficial WDC agenda for all. I hope we can find creative ways to achieve this, as well as use opportunities and all platforms to promote our industry widely, beyond our membership, across the entire industry, to governments, consumers, and communities to demonstrate that the principles that underpin the WDC are about partnership and responsible business practices, covering every aspect

of the journey of the diamond, from the mine to the retail. This is our value proposition and what we ultimately ask consumers to place their trust in.

I am extremely confident that we will work together to weather the challenges, we are resilient, and we will come out the other end with renewed vigour to face and shape the new diamond world.

Thank you for your continued trust in the WDC.