



**Speech given at the 6th World Diamond Council meeting Antwerp,
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by
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Mr. Chairman, Ladies and gentlemen, members of WDC, members of Antwerp Diamond Center and members of the Kimberley Process;

I will start my note by thanking the many supporters of DDI, who have brought this organization to light and that have contributed to its projects: BHP Billiton, Cartier International, World Bank/CASM, De Beers, Global Witness, the Foundation for Environmental Security and Sustainability, International Diamond Manufacturers Association, Jewellers of America, Partnership Africa Canada, Rapaport Group, Rio Tinto, Signet, the JCK Foundation, the Tiffany Foundation and the Government of Sweden. Also, individuals from the KP, WDC and elsewhere who have provided support to me: Mark van Bockstael, Stéphane Chardon, Karla Basselier are not forgotten and finally, the Board members of DDI.

DDI:

The Diamond Development Initiative (DDI) focuses on artisanal diamond miners and their communities, seeking better understanding, and the promotion of policies and possible solutions to the challenges and issues affecting the artisanal diamond mining sector. It brings together NGOs, governments and the private sector.

DDI is **a development focused conflict prevention mechanism** that is concerned with creating social and economic stability in the artisanal diamond mining sector, a sector that is vulnerable to economic predators, violence-prone and difficult to regulate.

DDI *complements* the Kimberley Process, by concentrating on issues that are not covered in its successful but limited mandate, such as social and economic factors in artisanal mining (environmental and labour issues); improving livelihoods; working conditions and human rights; and community beneficiation.

DDI is also working with governments regarding the formalization of artisanal mining and for better natural resource governance.

The Diamond Development Initiative does **not** regulate the diamond industry, but it supports regulation through the formalization of artisanal mining and does not certify or authenticate the origins of diamonds.

I would like to join the many speakers before me in expressing the need for the KP. Most wars are over and the conflict in Côte d'Ivoire is nearing the end, we hope. It would be easy to conclude that the KP is no longer necessary. KP as a response to the wars was not set as a peace building or peacekeeping mechanism, i.e. as a remedial measure. It was set as a conflict prevention one.

In view of the fragility of many diamond producing states that have emerged from conflict, the vulnerability of artisanal alluvial miners to predators and in view of the difficulties managing illicit diamonds, it is important to remember the difference between a remedial measure and a preventative one. The first ends in due time, the latter stays.

Without a regulatory system, developmental conflict prevention efforts are meaningless. DDI needs KP, and KP needs DDI to complement it.

Why is DDI important to the industry?

Within the mine to finger story, lies the story of the artisanal diamond diggers and their communities. The artisanal diamond miners of Africa and South America produce about 15 per cent of the world's gem diamonds a year, and involve approximately 1.5 million individuals, making them – by population – one of the largest constituent parts of the industry.

It is not possible to distinguish artisanally mined diamonds from those produced by large scale mines and mining companies. That is, artisanal diamonds are as much a part of the diamond value chain as any other diamond.

While the collective campaign scotched the worst of the fires kindled by the conflict diamond issue, **it hasn't completely removed public unease over it.** Poverty, environmental degradation, sub-standard and completely unsafe working conditions, including human rights abuses, **are not what a consumer wants along with that something special** that diamonds are known to symbolize.

Holding up clean hands is not enough. The industry has to be seen to care and seen to take action to put things right. Which is why, it needs to pay close attention to social development of its family members, i.e. artisanal miners and their communities.

Consumers are becoming much more discerning. They want to know where diamonds are coming from and how they are mined. A good example of consumer scrutiny in another industry is how the BBC's report on child labour in India is affecting the business of Primark UK, a well known giant.

So, DDI is part of the consumer confidence chain. That is a commercial reason for the industry to be involved. One of them.

In addition, with soaring rough diamond prices and apparently, no prospect of a significant kimberlite mine coming on stream in the next five to 10 years, the industry will continue to look at artisanal diamonds as a necessary and viable part of the supply chain. Here is yet another commercial reason to get invested in a well-organized, formalized artisanal diamond production.

What has DDI been doing?

Formally registered as a not for profit organization in 2006, in 2007, DDI conducted a research study in Sierra Leone which led to the publication in February 2008, of a reference document called *Standards and Guidelines*.

Divided into three sections, the Standards and Guidelines for Government make the case for a more coherent, whole-of-government approach to artisanal diamond mining, miners and investors – an approach that goes far beyond the Ministry of Mineral Resources, and involves institutions such as Social Affairs, Health, Education and Anti-corruption Commission.

Standards and Guidelines for Investors tells exploration and mining companies, buyers and exporters what they need to know and what they need to consider when working in Sierra Leone's diamond industry.

Section three, for Donors and Civil Society makes the case for much greater involvement on the part of local and international development organizations in this important and challenging sector.

The project was very well received in Sierra Leone and has had the buy-in of the government, national civil society and of diamond operators. A small multi-stakeholder platform has been created to follow-up on the recommendations contained in the S&G.

We are currently conducting a similar study in DRC, to be concluded by the end of summer 2008. A much larger country, with significant donor's and investors' interest that stands to greatly benefit from a reference document such as, *Standards and Guidelines*.

In addition, still in DRC, we are concluding the design of a project which aims at removing children from diamond mines. The design takes into consideration existing studies and initiatives for other such projects for different mineral resources. In particular, this project responds to the ILO's global partnership programme entitled "Minor out of Mining" which aims to eliminate child labour in small-scale mining completely by 2015, starting with countries where the problem is most serious. To the image of ILO's project DDI's project in DRC will also be a tripartite effort, involving the government and in accordance with their priorities we have chosen Mbuji-Mayi to be the site of the pilot project. Save the Children UK has conducted a study in the area, which estimates that they are 7,000 children involved in that diamond mining area alone.

The DDI chairs the Madison Dialogue Diamond Group that will be developing standards to be negotiated with each industry sector.

A little over a month ago, I led a civil society delegation to Angola, who invited us to discuss with them a possible programme of collaboration for the diamond industry. We have been their strong critics in the past and it was refreshing to receive their invitation.

When I left the Kimberley Process my farewell message indicated that what impressed me most was the fact that we were always able to find solutions. After hearing throughout the day the many various challenges that remain to be resolved I remain confident that KP and the DDI can and will continue to find the right solutions.

Thank you.

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