

**WORLD DIAMOND CONGRESS
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DIAMOND DEVELOPMENT INITIATIVE

“THE DIGGING FIELDS – A WARNING AND AN APPEAL”

LADIES & GENTLEMEN, I AM MOST GRATEFUL TO WFDB & IDMA FOR THIS OPPORTUNITY TO SPEAK TO YOU ON A SUBJECT OF REAL IMPORTANCE TO US ALL IN THE DIAMOND WORLD.

YOU WILL CERTAINLY REMEMBER THE CRISIS THAT FACED OUR INDUSTRY WHEN THE ISSUE OF ‘BLOOD DIAMONDS’ FIRST AROSE. THE VERY REAL THREAT THAT DIAMONDS WOULD BECOME ASSOCIATED WITH WAR AND ATROCITY, AND GO THE WAY OF FUR, WITH CONSUMERS CHOOSING NOT TO BUY OUR PRODUCT. SUCH A BOYCOTT WOULD HAVE BEEN DEVASTATING TO THE TRADE.

YOU WILL REMEMBER, TOO, HOW THE DIAMOND INDUSTRY REACTED TO THAT THREAT. LED BY THE WORLD FEDERATION OF DIAMOND BOURSES AND THE INTERNATIONAL DIAMOND MANUFACTURERS’ ASSOCIATION, YOU ALL CAME TOGETHER TO FORM THE WORLD DIAMOND COUNCIL TO REPRESENT OUR COMMON INTEREST IN THE FACE OF SEVERE CRITICISM FROM GOVERNMENTS, NGOS AND THE MEDIA. THE WDC, ON BEHALF OF THE WHOLE INDUSTRY, ENSURED THAT THE FORMULA THAT BECAME KNOWN AS THE *KIMBERLEY PROCESS* WOULD HAVE LEAST IMPACT ON THE BUSINESS WHILST ADDRESSING THE ISSUE IN AN EFFECTIVE WAY.

WE ALL GRUMBLED AND FELT THAT DIAMONDS WERE BEING UNFAIRLY SINGLED OUT, BUT WE DID WHAT HAD TO BE DONE AND IT HAS PROVED MOST SUCCESSFUL IN AVERTING SERIOUS DAMAGE TO OUR REPUTATION – BOTH AS AN INDUSTRY AS A WHOLE AND AS INDIVIDUALS – AND TO THE INTEGRITY OF OUR PRECIOUS PRODUCT.

I AM NOT HERE TODAY TO GIVE ANOTHER LECTURE ON INDUSTRY ETHICS, BUT TO SOUND A WARNING OF A REAL AND PRESENT THREAT THAT HAS NOT SO FAR RECEIVED THE ATTENTION IT DESERVES. THIS IS A THREAT THAT CAN DIRECTLY AFFECT EACH AND EVERYONE HERE AND THROUGHOUT THE PIPELINE FROM MINERS TO RETAILERS.

IN AFRICA AND SOUTH AMERICA THERE ARE MORE THAN ONE AND A HALF MILLION DIAMOND DIGGERS WORKING IN ARDUOUS AND HIGHLY DANGEROUS CONDITIONS FOR PALTRY REWARD. THEY AND THEIR FAMILIES – *UP TO 10 MILLION PEOPLE IN TOTAL* – BARELY SURVIVE ON LESS THAN TWO DOLLARS A DAY AND THEIR COMMUNITIES ARE TRAPPED IN ABJECT POVERTY, EXPLOITED AND ABUSED.

16% OF THE WORLD’S ROUGH DIAMONDS COME FROM THIS INFORMAL SECTOR OF MINING, AS DOES 12% OF GOLD. FOR THOSE MANUFACTURERS AND POLISHED TRADERS NOT RECEIVING ‘SIGHTS’ FROM THE MAJOR PRODUCERS – MANY OF YOU IN THIS ROOM TODAY – SUPPLIES FROM THE DRC, ANGOLA, ZIMBABWE OR ELSEWHERE, REPRESENT THE ONLY ROUGH ON THE OPEN MARKET. WE ARE THUS DIRECTLY AFFECTED AND INVOLVED WHETHER WE LIKE IT OR NOT.

THE WORKERS IN THE INFORMAL SECTOR ARE UNREGISTERED, UNREGULATED AND UNPROTECTED, AT THE MERCY OF UNSCRUPULOUS TRADERS, CORRUPT GOVERNMENT OFFICIALS AND ROGUE MILITARY.

NOTHING UNUSUAL THERE, YOU MIGHT THINK, AND WHAT HAS IT GOT TO DO WITH ME? THE DIFFERENCE IS THAT THESE WORKERS AND THEIR DEPENDENTS ARE MEMBERS OF THE EXTENDED DIAMOND FAMILY. THEY ARE JUST AS MUCH MEMBERS OF THIS INDUSTRY AS ARE YOUR EMPLOYEES AND COLLEAGUES IN YOUR FACTORY, YOUR OFFICE, YOUR WORKSHOP OR YOUR RETAIL STORE. THEY AS JUST AS MUCH MEMBERS OF THE INDUSTRY AS WE ARE – YOU AND ME – THEY ARE *OUR* PEOPLE! BUT FOR THEM NOTHING MUCH HAS CHANGED AND THEY DON'T HAVE A CHOICE.

MORE TO THE POINT, EVEN IF WE CAN SAY WE DO NOT BUY DIAMONDS FROM THESE SOURCES SO IT'S NOT OUR CONCERN, IT IS NOT THE *ACTUAL* SITUATION THAT MATTERS MOST, BUT THE PERCEPTION OF THE SITUATION BY WORLD AND PUBLIC OPINION.

YOU WILL HAVE SEEN IN THE MEDIA THAT THERE IS GROWING CONCERN ABOUT THE MISUSE OF MINERAL RESOURCES, DIAMONDS AND GOLD, BUT ALSO TIN, TUNGSTEN AND COLTAN. RECENT LEGISLATION IN THE UNITED STATES REQUIRES MANUFACTURERS USING ANY OF THESE MINERALS TO AUDIT THEIR SUPPLY CHAINS AND REPORT CONFLICT MINERALS USAGE.

OK, SO WE CAN SAY WE ARE ALREADY COVERED BY THE KIMBERLEY PROCESS AND THE CHAIN OF WARRANTIES, SO THERE'S NOTHING TO WORRY ABOUT. THAT WOULD BE BURYING OUR HEADS IN THE SAND AS THE GENERALLY ACCEPTED DEFINITION OF CONFLICT MINERALS NOW SPEAKS OF 'NATURAL RESOURCES WHOSE EXPLOITATION AND TRADE CONTRIBUTE OR RESULT IN SERIOUS VIOLATIONS OF HUMAN RIGHTS'. THE KIMBERLEY PROCESS DOES NOT ADDRESS THE ISSUES OF HUMAN RIGHTS OR SOCIAL DEGRADATION, AND BOTH ARE ALL TOO CLEARLY PRESENT IN THE DIGGING FIELDS OF AFRICA.

IF WE DO NOT WANT TO BE CONDEMNED FOR IGNORING THE PROBLEM AND PLIGHT OF THE WORKERS IN THE ALLUVIAL DIAMOND AND GOLD MINES,
IF WE DO NOT WANT OUR INDUSTRY TO BECOME THE TARGET FOR VERY PUBLIC CRITICISM BY INTERNATIONAL ORGANISATIONS AND IN THE MEDIA,
IF WE DO NOT WANT OUR BUSINESS TO BE SUBJECT TO FAR STRICTER OVERSIGHT AND REGULATION,
IF WE DO NOT WANT CONSUMERS TO BOYCOTT OUR PRODUCT, WE MUST TAKE ACTION, AND TAKE ACTION NOW. ACTION TO PRESERVE OUR REPUTATION AND, CRITICALLY, TO PROTECT THE BOTTOM LINE.

SO THIS IS NOT JUST AN ISSUE OF MORALITY – DOING THE RIGHT THING – BUT ACTUALLY A BUSINESS DRIVEN IMPERATIVE, SOMETHING THAT NEEDS TO BE DONE – *AND DONE NOW* – TO PROTECT THE MARGINS, DIFFERENTIATE THE PRODUCT AND CONTINUE TO CREATE VALUE IN ALL THE BUSINESSES REPRESENTED HERE TODAY, LARGE OR SMALL. I KNOW IT IS OFTEN STRUGGLE ENOUGH, JUST TO KEEP THE BUSINESS GOING, WITHOUT HAVING TO DEAL WITH THESE ADDITIONAL CONCERNS. NOW YOU DON'T HAVE TO.

JUST AS THE INDUSTRY CAME TOGETHER TO FORM THE WORLD DIAMOND COUNCIL TO COUNTER THE THREAT OF CONFLICT DIAMONDS, IT HAS ALSO HELPED TO CREATE AN ORGANISATION SPECIFICALLY DESIGNED TO ADDRESS THE ISSUES RAISED BY THE CIRCUMSTANCES AND SITUATION IN WHICH SO MANY DIAMOND DIGGERS AND THEIR FAMILIES ARE TRAPPED, AND WHICH HAVE SUCH POTENTIAL TO DAMAGE THE WHOLE INDUSTRY.

THE DIAMOND DEVELOPMENT INITIATIVE (DDI) EXISTS TO CONFRONT THE POLITICAL, SOCIAL AND ECONOMIC CHALLENGES FACING THE INFORMAL MINING SECTOR, BRINGING GOVERNMENTS, INDUSTRY AND CIVIL SOCIETY TOGETHER TO CREATE SUSTAINABLE DEVELOPMENT FOR THE DIGGERS AND THEIR COMMUNITIES.

DDI PROMOTES BETTER GOVERNMENT MINING REGULATION, EFFICIENT ORGANISATION OF PRODUCTION, LEGITIMATE AND TRANSPARENT DISTRIBUTION CHANNELS AND FREE AND OPEN MARKETS.

WIDE PARTICIPATION IN THE PROCESS INCLUDES NOT JUST GOVERNMENTS AND INDUSTRY, BUT ALSO THE LOCAL COMMUNITIES THEMSELVES, DONORS AND DEVELOPMENT AGENCIES.

DDI IS DOING EXTRAORDINARY AND ESSENTIAL WORK ON THE GROUND IN AFRICA. IN THE DEMOCRATIC REPUBLIC OF CONGO, IT HAS REGISTERED OVER 100,000 DIGGERS IN A DDI LED GOVERNMENT SCHEME – SOMETHING THAT COMMENTATORS SAID COULD NOT BE DONE – AND THUS PROVIDES THE MODEL FOR OTHER PRODUCER COUNTRIES AND OTHER MINERALS.

IN SIERRA LEONE A DEVELOPMENT PROJECT IS EMPOWERING LOCAL DIAMOND WORKERS. DDI IS IN DISCUSSION WITH THE GOVERNMENTS OF COTE D'IVOIRE AND BURUNDI TO INTRODUCE 'DEVELOPMENT DIAMOND' PROJECTS. THESE ACTIVITIES DEMONSTRATE THAT DIAMONDS CAN PROVIDE A SUSTAINABLE INCOME FOR MILLIONS OF PEOPLE LIVING IN POVERTY IN SOME OF THE MOST VULNERABLE PLACES ON EARTH.

THE AIM OF DDI'S WORK IS TO ENSURE THAT 'DEVELOPMENT DIAMONDS' ARE PRODUCED RESPONSIBLY AND SAFELY, WITH RESPECT FOR HUMAN RIGHTS, WITH REAL BENEFITS TO THE COMMUNITIES THROUGH THE PAYMENT OF FAIR PRICES; REVENUE FOR GOVERNMENTS AND PROPER RECOGNITION OF THE INDUSTRY'S ETHICAL INTEGRITY.

ALL THAT IS GOOD, YOU WILL SAY, SO I DON'T NEED TO DO ANYTHING. WELL, THE WORK BEING DONE BY DDI CANNOT BE DONE WITHOUT PROPER AND SUSTAINABLE FUNDING.

DDI RECEIVES FUNDS FROM GOVERNMENTS AND OTHER INSTITUTIONS FOR PROJECTS SUCH AS THE ONES IN THE DRC AND SIERRA LEONE. RECENTLY THE ANGOLAN GOVERNMENT HAS GIVEN DDI A GRANT TO DEVELOP A REGISTRATION SCHEME IN THAT COUNTRY. WE ARE ALSO VERY GRATEFUL FOR DONATIONS FROM GERMANY, CANADA, BELGIUM, THE UK, THE WORLD BANK AND A NUMBER OF CORPORATE AND INDUSTRY BODIES.

THIS IS ALSO GOOD. VERY GOOD. BUT IT IS NOT ENOUGH TO COVER ALL OF DDI'S ACTIVITIES NOR, INDEED, SUFFICIENT TO ALLOW THE INDUSTRY TO SAY, TO CLAIM, THAT IT IS MAKING A REAL AND MEANINGFUL CONTRIBUTION TO THE WORK TO ALLEVIATE THE PLIGHT OF DIAMOND AND GOLD DIGGERS. WE NEED TO BE ABLE TO MAKE THAT CLAIM, AND TO SHOW THAT IT IS TRUE.

THE WFDB, IDMA AND THE ANTWERP WORLD DIAMOND CENTRE DO ALL MAKE VALUABLE DONATIONS TO DDI – FOR WHICH WE ARE MOST GRATEFUL – BUT IN MY VIEW IT IS IMPORTANT THAT COMPANIES AND INDIVIDUALS WITHIN THE INDUSTRY ALSO CONTRIBUTE SO THEY CAN DEMONSTRATE A PERSONAL COMMITMENT TO THIS VITAL CAUSE AND FEND OFF THE CRITICISM THAT COULD SO SEVERELY IMPACT ON OUR BUSINESS.

BE ABLE TO SAY TO YOUR CUSTOMERS WHEN THEY QUESTION YOU ON THIS – AS THEY SURELY WILL – “I SUPPORT THE DIAMOND DEVELOPMENT INITIATIVE, I SUPPORT DEVELOPMENT DIAMONDS”. IT IS NOT GOOD ENOUGH TO SAY “MY TRADE ASSOCIATION IS MAKING A DONATION, SO I DON'T NEED TO”; WE SHOULD ALL BE INVOLVED, BE PROACTIVE AND SHOW OUR DIRECT PERSONAL CONCERN. EVERYONE HERE TAKES OUT INSURANCE AGAINST ALL SORTS OF THREATS TO THEIR BUSINESS – THIS IS NO DIFFERENT AND WE CANNOT IGNORE IT.

I KNOW THERE ARE OTHER EXCELLENT ORGANISATIONS CALLING ON YOUR ATTENTION AND YOUR MONEY. THEY DO IMPORTANT WORK IN EDUCATION AND OTHER AREAS, BUT DO NOT DIRECTLY ADDRESS THE PROBLEM AT THE HEART OF THE MATTER – THE FACT THAT DIAMONDS (AND GOLD AND THE OTHER MINERALS) DO NOT IMPROVE IN ANY SUBSTANTIAL WAY THE LIVES OF THOSE WHO DIG THEM UP – ON OUR BEHALF – IN SUCH APPALLING CIRCUMSTANCES. DDI DOES THIS IN A PROVEN AND HIGHLY SUCCESSFUL MANNER – ON OUR BEHALF.

SO TODAY I AM ASKING YOU TO HELP TO MAKE A REAL DIFFERENCE TO THOSE OF OUR FELLOW INDUSTRY MEMBERS UNBELIEVABLY LESS FORTUNATE THAN OURSELVES, TO SHOW THAT YOU ARE A RESPONSIBLE MEMBER OF AN INDUSTRY PROUD TO BE AT THE FOREFRONT OF SUSTAINABLE DEVELOPMENT – AND TO BE SEEN TO BE SO. ACT NOW, PROTECT YOUR BUSINESS, PROTECT THE INDUSTRY, AND MAKE A DONATION TO DDI.

FILL IN A DONATION FORM (AVAILABLE AT THE BACK OF THE HALL), VISIT THE DDI WEBSITE WWW.DDIGLOBAL.ORG FOR ONLINE DONATION AND FURTHER INFORMATION, OR JOIN 'THE FRIENDS OF DDI'. WE ACKNOWLEDGE AND PUBLISH DONATIONS RECEIVED AND LOOK FORWARD TO BEING ABLE TO CELEBRATE YOUR GENEROSITY. YOUR INVOLVEMENT IS ESSENTIAL TO THIS WORK – SO PLEASE SPREAD THE WORD TO YOUR FRIENDS AND COLLEAGUES THROUGHOUT THE INDUSTRY.

THANK YOU.