



World Diamond Council

Eli Izhakoff, Chairman / 580 Fifth Avenue / New York, NY 10036 / USA

Address to Kimberley Process Intersessional
Windhoek, 23 June 2009

Presented by Andrew Bone on behalf of Eli Izhakoff

Mr Chairman, Participants and Observers of the Kimberley Process,

At last years' Kimberley Process plenary in New Delhi, I said that this unique structure "represents one of the very rare instances in history that government, civil society and the business community have come together to tackle a major humanitarian issue".

You will, I hope, understand that it is with profound regret that I find myself, just seven months later, unable to echo those words with the sincerity that such a claim deserves.

We are gathered here in Windhoek to undertake the serious work of refining and improving a system that is one of the international diamond industry's primary safeguards against attack and infiltration by criminal and rebel organisations. A system that benefits governments and society and not just our industry.

However, for the first time since 2003, we begin proceedings without Ian Smillie, one of the leading figures in the NGO community, who invested many years in helping us to develop a sustainable and credible system of controls that would protect the integrity of our unique product and the livelihoods of millions around the world working in the diamond industry, many of them from developing nations.

Although no one person is bigger than the Kimberley Process, his presence and contribution will be sorely missed.

Over the years, we have had spirited debates with Ian and his colleagues. In the spirit of constructive engagement, I expect this will continue. For example, in his leaving address we believe his critique of the Kimberley Process was too narrow, placing far too much responsibility for any failure of implementation exclusively at the door of the Kimberley Process, without looking outside its scope to existing institutions already empowered to act.

The Kimberley Process cannot – and should not – act in isolation. To assert that the Kimberley Process 'has no teeth' is a spurious accusation that leads people to believe, incorrectly, that this organisation is a one-stop-shop capable of unilaterally resolving any number of societal and humanitarian issues.

The fact is that to be truly effective, the Kimberley Process requires full political and logistical support from its member states and international institutions and the wider international community.

With only a few exceptions, there is little evidence to suggest that the Kimberley Process is receiving this level of support. It is therefore, unsurprising that events and activities associated with the illegal appropriation of valuable natural resources go unchecked.

The Kimberley Process does not have a police force. It does not employ customs officials. It does not have authority or capacity to be the arbiter of the behaviour of sovereign governments.

However, it is run and owned by governments and, therefore, has the right and responsibility to call upon other arms of government to assist it in enforcing policies that they have agreed to and set down in legislation.

What this means is that, although it is beyond the capacity of the Kimberley Process to deal directly with human rights issues by itself, government officials can work together in a spirit of collaboration, across departments and agencies world-wide, to ensure that the resources and political will are mobilised to address them.

Zimbabwe is a case in point. The industry has been proactive in collating, publishing and distributing photographic documentation, with detailed guidelines on how to identify diamonds from Marange. It was the World Diamond Council that demonstrated leadership in heading a team of experts to investigate and analyse regional statistical anomalies regarding partial non-compliance by Zimbabwe. The WDC will also be part of the team that will conduct a review visit to that country immediately following this intersessional. We suggest that there could have been more effective co-operation between officials responsible for Kimberley Process compliance and government authorities around the world responsible for security and cross-border controls to halt the trade in these diamonds.

We believe that a superb opportunity was missed due to the lack of adequate political support and a sincere and strategic approach by governments and across government departments.

Another example is Venezuela. The challenges surrounding the status of that country will never be fully resolved without comprehensive governmental and international intervention. Issues such as this should be on the agenda of inter-governmental meetings and not relegated, as it too often seems to be, to a passing mention under 'any other business'.

Again, it was the WDC, which took the initiative in addressing issues arising from irregularities in cross-border trading between the Ivory Coast and Ghana. Without hesitation, we mobilised personnel and our expertise to assist both governments in resolving the problem.

We call upon governments to review and renew their commitment to the Kimberley Process by providing it with the support and resources it needs to achieve its objectives. We call upon them to establish coherent and strategic engagement between those responsible for KP compliance and other branches of government, including security forces, customs and border control authorities, and the judiciary.

In its turn, the Kimberley Process must be far more vocal and proactive in engaging with these arms of government, drawing attention to the issues that affect us all and calling for effective action and support that will assist it in achieving its objectives.

In addition, we join civil society in specifically calling for governments to:

- Take swift action when faced with cases of non-compliance and agree on interim suspension mechanism with clear criteria;
- Require of its participants stronger government oversight of the diamond industry, including spot checks of companies;
- Require the cutting and polishing sector to adhere to KP minimum standards;
- Require participants to improve internal controls and increase collaboration and enforcement efforts to combat rough diamond smuggling;

Misery and oppression imposed upon innocents anywhere in the world is of deep concern to everyone, whether it affects the work of the Kimberley Process or not.

Be in no doubt. The diamond industry is at one with Ian and his colleagues in civil society in demanding that humanitarian issues associated with the theft and illegal trade of any natural resource are addressed effectively.

What we are calling for here is for the Kimberley Process to be moved closer to the heart of every government and for everyone to recognise that to overcome the challenges we face, we will all have to act in greater harmony, build on and celebrate our successes, and acknowledge and address our failures.

Instead of endless and sterile debate about expanding the scope of the Kimberley Process, let us instead focus our energies on expanding the participation within and around it.

Furthermore, we would like to see more active engagement and co-operation between the Kimberley Process and other initiatives, such as the EITI – another government-run organisation burdened with unreasonable expectations that it alone can deal, in its case, with corruption.

Let us resolve to accept that there is no silver bullet.

Mr. Chair, you will not find this industry wanting in its willingness and ability to welcome and embark upon this new phase of the development of the Kimberley Process. It will require innovation and some courage, but we are here and we are ready.

Thank you.