

Antwerp Diamond Masterplan

Diamonds love Antwerp **2020**



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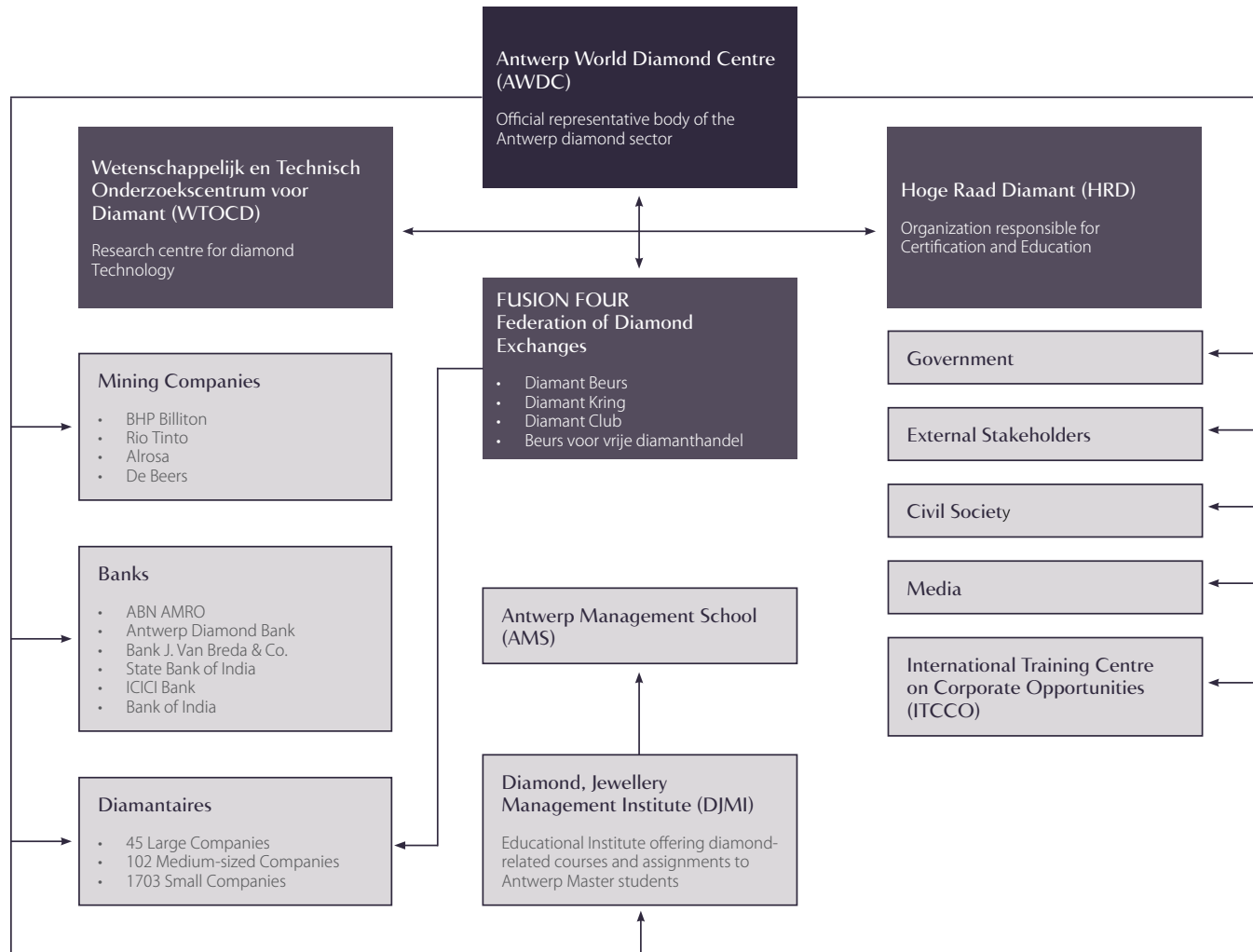


Antwerp Diamond Facts

- The world's largest diamond trading hub
- 80% of the world's rough diamonds and 50% of polished diamonds traded through Antwerp
- Yearly turnover: over €42 billion (2011)
- 1st Belgian export product outside the EU
- The leading component of Belgian trade with India, China and Russia
- Diamonds Account for 5% of Belgian Exports
- Leader in global diamond compliance & CSR
- 1,850 registered diamond businesses in Antwerp

- Diamonds create an added value of €1500 million for Belgium
- 34,000+ jobs in Flanders
- 70% of Belgian trade surplus
- High-end niche manufacturing
- Fiscal & para-fiscal contribution €300-€800 million/year
- Presence of the world's largest diamond mining companies: BHP-Billiton, Rio Tinto, Alrosa, De Beers
- Diamonds are an iconic facet of Antwerp's reputation and image







Cathy Berx
Governor | Province of Antwerp

"I was first approached by some key players of the diamond industry who expressed their concern about the future of their sector in Antwerp. Citing aggressive competition and an 'uneven playing field', they feared that without a clear vision and strategy, the sector's prospects of survival were slim. Despite its problems, I felt there was tremendous potential; with strong leadership, unity and vision combined with a sense of innovation, professionalism and openness, the sector was capable of creating a new and brighter future for diamonds and for Antwerp.

My office was happy to facilitate a repositioning exercise that the sector would own and take responsibility for.

After meetings at the Province House with all the stakeholders, we made a first brief analysis where I expressed my vision and expectations, and a Steering Committee was formed. Led by the dynamic new President of the AWDC, Nishit Parikh and its new CEO, Ari Epstein, it was quickly possible to detect a change in approach and atmosphere.

In addition to the many ideas and initiatives put forward, problems were identified, solutions discussed and new business areas targeted to keep Antwerp as world-leader in diamonds. I am particularly glad to see the exercise has been honest in tackling important issues such as transparency, compliance, individual responsibility, CSR and innovation driven by new technology.

There was also a strong plea for a competitive fiscal operating template, as

without this, successfully competing with India, Dubai or Botswana in the future, will always remain an uphill struggle.

The commitment of this project to engage on the level of our provincial and city communities is to me a vital component, as is the clear intention of the diamond sector to integrate with our other key segments, including industry and the creative sector, as well as our cultural and knowledge centers. It is wonderful to see the diamond sector is keen to tighten these connections in Antwerp for the benefit of the broader community.

During the process I was in fact contacted several times by other stakeholders in the Province. I heard the diamond sector was reaching out, talking of a new phase of cooperation, joint initiatives and sharing ideas. I knew then something was changing in the diamond sector and I cherish this development.

I believe this Diamond Master Plan is a bold, brave statement from a sector that sees itself as winning the battle for its future. The clear mission, implementation detail, scorecard and focus on hard issues, is an excellent way forward.

I wish the sector and the Province of Antwerp great success with this initiative."



Nishit Parikh
President | AWDC

"Change is always a challenge, and in these turbulent times particularly, boldness, innovation and agility must be part of steering a sector forward.

Uniquely impressive, Antwerp must now play its diamond strengths to the full, and capture its collective force. Antwerp expertise has always been used to launch diamond enterprises all over the world. The time has now come for us to unite and combine all our knowledge and experience as diamantaires into a powerful new global strategy for Antwerp.

It has been very encouraging to see clear evidence of the willingness of

Belgian political and administrative stakeholders to engage with our sector. The AWDC is in turn making every effort to introduce a new spirit of unity, transparency, corporate compliance and individual responsibility. Today, with 'Fusion Four' and a wide range of business-building initiatives, we are already unleashing new momentum.

I know full well how smart, dynamic, and resourceful my diamond competitors are in the Antwerp market! Our challenge at AWDC is to harness these talents and for us all to work together in building a strong future for our market and for the Belgian economy."

Ari Epstein

Chairman Project 2020, CEO | AWDC

"As director of the Diamond Office for five years and deputy-CEO for two years, I had the opportunity to observe the structure and dynamics of the Antwerp diamond market before taking up the position of CEO in January 2011. This experience made me keenly aware of the expansion of Antwerp's competing centers, especially India and Dubai.

Like other notable world-leading Belgian sectors such as beer, fashion, engineering, ports and logistics, the Antwerp diamond trade has world-class skills, outstanding human resources, deep experience & knowledge of its specific world markets, all combined with a strong entrepreneurial spirit.

In recent years however, challenges have surfaced. Fiscal, judicial, competition and compliance issues have produced calls for change.

Project 2020, thanks to the inspiration of Governor Cathy Berx, has laid the foundations for a thorough overhaul of the sector. Since the inception of this project I have witnessed a surge of commitment to reasserting our leadership of the international diamond trade and a determination to leverage this unique market's resources for the benefit of Antwerp, for Belgium and for our global trade.

As a measure of the very real work done through Project 2020, AWDC has already approved and commenced a number of the projects brainstormed at



the Workgroup meetings. We are also actively pursuing other projects generated through the discussions.

I believe the Project 2020 Door-Opener strategy promises very interesting opportunities for Belgium with the possibility of exciting openings in China, India and Africa. I expect this strategy to deliver significant benefits.

At AWDC we have several young and dynamic new recruits in key positions working on exciting projects for the benefit of our diamond future, and we are on the way to completing a comprehensive restructuring of AWDC operations and responsibilities.

Backed by my Board and AWDC President, I and my team are fully committed to the long-term success of Project 2020."



Acknowledgements

Marcel Pruwer | IES Project Leader

Frederik Degryse | AWDC Project Officer

Governor of the Province of Antwerp Cathy Berx played a key role in launching Project 2020. She has been indispensable to the process, motivating the setting up of the Steering Committee, facilitating a series of meetings at the Provinciehuis, and lending her full support and advice.

We thank the participants of the Project 2020 Workgroups who took time from their busy schedules to attend meetings and gave their invaluable input to this project.

We would also like to extend a warm thank you to those external stakeholders, the Chamber of Commerce, the Port, the offices of Mayor Janssens, Aldermen Heylen and Van Campenhout, Tourism Flanders and Tourism Antwerp, Actieve Stad, Antwerp

City Planning, the Diamond Museum, Antwerp Headquarters, Flanders Fashion Institute, individual businesspeople, CEO's and others, all of whom engaged with us enthusiastically.

Koen Vandenbempt, Professor of Management at the University of Antwerp gave his unwavering support to Project 2020 advising and guiding the way forward.

We thank the President of the AWDC, Nishit Parikh, AWDC vice-presidents Stephane Fischler and Philip Barsamian and AWDC CEO Ari Epstein, for their motivating support and engagement with the Strategic Planning phase.

The Steering Committee of Project 2020 has been the backbone of this initiative. Their dedication and engagement have been vital in carrying out this important project, for which Antwerp and the diamond sector owe much gratitude.



Antwerp Diamond Masterplan
PART ONE • **GENERAL CONTENT**

Executive Summary

Background

The Project 2020 Antwerp Diamond Masterplan paves the way for the transformation of Antwerp's 550 year diamond trade into a vibrant, expanding sector of Belgian business.

Finance, specialist know-how, trading skills and most importantly, the major flows of rough and polished diamonds, all combine to create the unique 'critical mass' of Antwerp, the world's most important diamond trading centre.

In order to preserve and further strengthen our position we must act now. The industry has changed dramatically in recent decades with downsizing and many jobs lost, including polishers, traders, technicians and administrative workers. On the other hand, professionally managed and well capitalised Antwerp diamond companies have succeeded, continuing to gain strength on an international scale.

Underpinning Antwerp's diamond marketplace is a wealth of experience, world-class knowledge and craftsmanship. Project 2020 is a work in progress that will help the market transition from its traditionally rigid stance to an agile, strategically driven, professional and highly motivated enterprise that leads the international diamond industry.

A Systematic Approach

frustrations and fears. Governor Berx articulated ways forward, leading to the formation of a Steering Committee comprising industry stakeholders. A vision document was developed by consultants Jan Callebaut and Katherine Lamont, who respectively reported on image and reputation, internal and external perspectives, and developed the framework for the project.

The resulting vision 'Antwerp will always be the beating heart of the global diamond community' forms the basis of the Diamond Masterplan for Antwerp.



The Project 2020 process started with a careful examination of the fundamental issues affecting the sector, including the crucial areas of fiscal, judicial, and security. Critically, it also looked at the way our sector is perceived from the outside, and how it is viewed by the different segments of the market internally. Other priorities that emerged from this analysis included; modernising the market, technological innovation, embracing and leveraging the market's "excellences", generating new business opportunities and compliance.

Eight Workgroups, consisting of industry participants, representatives and other stakeholders brainstormed to discover practical and innovative solutions to the issues confronting the industry. The Workgroup sessions, along with external stakeholder consultations, generated and prioritised a wide range of initiatives.

Specific projects developed through this process were then selected by the Steering Committee, approved by AWDC, and brought together in this Masterplan. After the launch of Project 2020, AWDC will manage the implementation.

The process has already commenced; by focusing on leadership, transparency, innovation and modernization, the board of the Antwerp World Diamond Centre (AWDC), its president, Nishit Parikh and CEO Ari Epstein, are working to motivate and consolidate change for the better.



Objectives

Two prime objectives emerged from the vision document. The first is to expand the diamond trade in Antwerp by proactively increasing existing business and introducing new segments to the market; to build growth and innovation.

Unity, Transparency, and Individual Responsibility play key parts in ensuring the success of this project. By internalising these attributes and making them indispensable to the industry, the sector can achieve the second objective; to build trust and confidence.

Quote

“In our global, promotional marketing and sales, the brand awareness of Antwerp as a diamond centre is one of these trumps. It opens doors and conversations. We are delighted to hear that the diamond sector is now taking initiatives to open up and liaise with other sectors. As the port of Antwerp, we encourage this and will support this initiative.”

Marc Van Peel
Alderman of the Port and
President of Gemeentelijk
Havenbedrijf
Antwerpen, June 2011

Projects & Initiatives

With the goal of achieving these objectives, the Workgroups generated a portfolio of business and community initiatives that will secure the transformation of the sector. These range from major business opportunities that have important ramifications for the diamond business and for Antwerp, to niche projects that will play a role in modernising and strengthening the sector. Operational projects are the backbone of the Masterplan.

New Segments

Wide-ranging new business initiatives for Antwerp under Project 2020 include opening new markets for polished diamonds (opening a polished desk in China) and close cooperation with the SDE (Shanghai Diamond Exchange), developing a “Diamonds from Antwerp” brand, promoting hi-tech polishing, launching an electronic trading platform, expanding the rough diamond trade (opening a rough desk in Africa) and establishing a jewellery wholesale market.

‘Door-Opener Strategy’

The new AWDC ‘Door-opener’ strategy will help expand Belgian business by opening up Antwerp diamond sector’s global industry contacts to Belgian firms and entrepreneurs, as part of a structured program. The recent breakthrough into China with the announcement of joint strategic cooperation between AWDC and ICBC, China’s leading bank, opens the door to facilitating increased general trade in products and services between Belgium and China and is one of many initiatives planned by the sector.

Tourism & Diamonds

Projects such as a visitor centre and a powerful new narrative based on Antwerp’s authentic craftsmanship, will not only benefit the diamond sector, they will also have a significant multiplier-effect on jobs and skills-building. Tourism and diamonds can have a powerful positive impact on Belgian economic growth.

Community Integration

Project 2020's community integration initiatives will foster far greater diamond sector commitment and engagement on different levels, developing closer links with the broader Antwerp and Flanders community. These projects include 'Antwerp Diamond Days', the 'Mercator' Scholarship Fund, enhanced communication, increased visibility such as at the MAS, informative, regularly updated, promotional materials, and well-structured ongoing inter-sector cooperation.

Knowledge Centre

An ambitious portfolio of knowledge and educational initiatives will combine to evolve Antwerp into a vital global diamond knowledge centre. Working in cooperation with the ITCCO, expansion of DJMI activities, the provision of educational seminars, promotion of the WTOCD research centre and the launch of the IDDC (International Diamond Data Centre) will all be part of a strong, new education and knowledge focus at AWDC.

SME's

More than 1,500 small and medium enterprises (SME's) operate in the sector, accounting for the majority of Antwerp's diamond companies. They play a key role in the industry, whether dealing in niche products or servicing specific markets. Recognising their important role, many of the projects initiated under Project 2020 will reflect the particular needs of SME's. For example, the new AWDC business advisor will provide guidance on compliance, modernisation and small business support programs.

Other Masterplan projects, such as attracting more rough diamonds to Antwerp, securing new polished business, opening new retail markets, and diversifying into retail, will create opportunities for SME's.

Fiscal, Judicial & Security

The introduction of a new carat tax, a judicial concordat, and a revamped security environment are indispensable to ensuring the long-term, flourishing presence of the diamond trade in Antwerp. Discussions with the relevant authorities and specialists are ongoing.

Transparency & CSR

Transparency is an indispensable attribute of business today. As a hub seeking to grow its position and lead the global diamond trade, Antwerp must ensure transparency in addition to fulfilling Kimberley requirements and other compliance issues (including anti money laundering rules and procedures). In this way, we can retain the engagement of our current internal and external stakeholders and attract mining, manufacturing and trading stakeholders in the future.

Many Antwerp diamantaires have adopted ethical codes of conduct and other compliance frameworks. Taking the lead, several Antwerp diamond companies have signed up to the Responsible Jewellery Council to showcase and advance responsible ethical, social and environmental practices throughout the diamond, gem and jewellery value chain.

AWDC's Corporate Social Responsibility (CSR) efforts have been reinforced by the new AWDC compliance officer. This unit provides accessible advice and support on relevant aspects of CSR, and compliance/legal requirements.

In addition, AWDC will be closely working together with the Antwerp International Training Centre on Corporate Opportunities (Antwerp-ITCCO). This important UN Centre, promoting UN values and UN goals, will be working under the umbrella and auspices of the United Nations, and will underpin the Antwerp diamond sector's

commitment to good governance, enhanced transparency and corporate citizenship in the global diamond trade.

Transparency is also critical to shaping and strengthening the internal market unity needed to create and support positive sector momentum.

Quote

“Dat net zoals voor de industrie ook het aspect duurzaamheid niet uit het oog wordt verloren bewijst het Antwerp International Training Center on Corporate Opportunities (ITCCO), een door de Verenigde Naties begeleid opleidingscentrum voor maatschappelijk verantwoord ondernemen met een focus op de diamant- en juwelenhandel. Door voor Antwerpen te kiezen bevestigt dus ook de VN de koppositie die onze Scheldestad heeft inzake diamant.”

Wouter De-Geest
Gedelegeerd Bestuurder BASF



Job Creation

The Job Creation section of the Masterplan highlights the commitment of the AWDC to a growth strategy. Securing a strong position for Antwerp's diamond hub in the global diamond and jewellery industry is the key to expansion and prosperity.

The ambition is to create some 4,000 jobs over the next decade in a range of areas within the diamond industry and the wider Belgian economy. This is necessarily an estimate, and for this level of new employment to be achieved, with all project targets successfully accomplished, positive economic conditions need to prevail.



Conclusion

The aim of the Diamond Masterplan is to direct a coherent and coordinated effort to improve and increase diamond trade in Antwerp and fully integrate the sector into the wider Belgian business framework.

This endeavour, through bringing together diverse elements in the sector, gave voice to anxieties and aspirations, to fears and hopes. The process created opportunities for discussion and exchanges of ideas that generated excitement, illusion and commitment.

The synergy and momentum triggered by successful execution of the wide range of projects in this Antwerp Diamond Masterplan will bring about a new operating environment, consolidating the critical mass of the sector, creating jobs and enabling growth.

Project 2020 confirms the diamond trade has every intention of remaining in Antwerp, as a flourishing business and a committed, high-performance partner in the Belgian economy.



Antwerp Diamond Masterplan
PART ONE • **GENERAL CONTENT**

Description of the Process | Methodology

In order to achieve tangible results and tackle the issues, a number of Workgroups were formed to address different themes.

- | | |
|---------------------|--|
| 1. Fiscal | 5. Centre of Excellence & CSR |
| 2. Judicial | 6. New Technology & New Segments |
| 3. Security | 7. New Business Facilitation & Finance |
| 4. Trading Platform | 8. New City Experience & Community |

The Fiscal, Judicial and Security Workgroups were managed directly by the Steering Committee. In November 2010, International Economic Strategy (IES) was appointed to manage the five remaining Workgroups to evolve, communicate and support the development of Project 2020 within the sector and to develop the final Masterplan.

After facilitating the Workgroup meetings, which generated a wide range of initiatives and ideas, IES summarized these initiatives and submitted outline recommendations to the Steering Committee and AWDC for their comments and approval. Professor Koen Vandenbempt, of Antwerp Management School assisted with ideas on implementation.

During the strategic planning phase IES also initiated meetings with a large number of Antwerp industry stakeholders.

A selection of the meetings held:

- Port of Antwerp
- Tourism Flanders
- Tourism Antwerp
- Flanders Fashion Institute
- Chamber of Commerce
- Diamond Museum
- Horeca Vlaanderen
- Antwerp Headquarters
- City Officials
- Leading Flanders Businesses
- Muhka
- Luc Tuymans
- VBO

At these discussions, the background and objectives of Project 2020 were outlined. Without exception, all reacted positively, some contributing their own ideas and all expressing interest in exploring cooperation with the diamond sector to promote and develop the economy of Antwerp, Flanders and Belgium.

At each stage of the development of this plan, relevant parties have been updated and invited to provide their input.

The iterative process saw regular updates and exchanges with the President and Vice Presidents and CEO of AWDC, and with the Steering Committee.



Antwerp Diamond Masterplan
PART ONE • **GENERAL CONTENT**

The Diamond Masterplan



Our Vision

*“Antwerp will always be the
Beating Heart of the Global
Diamond Community”*

This vision for Antwerp paints a picture of a city pulsating with the energy and drive of diamond commerce, attracting business from around the world, the diamond centre where the pace of the global industry is set.

To achieve this Vision, we have defined two major goals, namely:

Create growth & innovation opportunities

Ongoing initiatives to stimulate the growth of individual Antwerp businesses and to expand the Antwerp sector as a whole, will help to secure our role in the world of diamonds.

Build trust & confidence within the sector & with external stakeholders

Trust and confidence are essential if we are to maintain the level of commitment and enthusiasm needed to grow the diamond business in Antwerp.

Five key elements, working together, will achieve these two goals.

1. Growing Antwerp as a Diamond Trading Hub
2. Antwerp as a Diamond Knowledge Centre
3. Education/Transparency
4. Community Integration/City Experience
5. Job Creation

Growing Antwerp as a Diamond Trading Hub

Diamond trading, both rough and polished, is the core activity of Antwerp's diamond sector. This €42 billion annual business, conducted in Antwerp's high-security diamond area, contributes 5% of Belgium's exports and 70% of its trade balance, surplus supporting over 34.000 jobs through the skills and services it requires. However, strong competition, globalisation and the rise of the internet are increasingly diverting diamond business from Antwerp.

To secure and then grow its position, Antwerp must take action to preserve and enhance the critical mass of skills and resources that drives its trade. Business in Antwerp must be highly efficient, innovative and 'ahead of the game' to flourish.

The sector must pave the way for its companies to compete effectively in existing and new markets. Strong strategic support must be provided wherever possible. Securing Belgian government backing is essential if we are to achieve this aim. For example, in pursuing new international markets, the sector must involve the Belgian government and EU. In terms of expanding Antwerp's share of existing mature markets, new initiatives to raise the profile of Belgian diamond exports can be developed by AWDC in cooperation with relevant agencies.

The projects outlined in this section will help both directly and indirectly boost the growth of diamond trading in Antwerp, in several cases with the potential to increase it substantially.

See pages 63-91 for individual project details

Quote

“Om de diamantsector in Antwerpen een bloeiende toekomst te kunnen garanderen, moet de sector flexibel inspelen op de wijzigende wereldconjunctuur.”

Patrick Janssens
Burgemeester Antwerpen
November 2011



Antwerp as a Diamond Knowledge Centre

Much can be done to enhance Antwerp's reputation by positioning it as the global centre of diamond excellence and knowledge. Expertise, experience, craftsmanship and knowledge already exist in the Antwerp diamond marketplace in abundance, but these must be far more effectively promoted.

Relevant information, facts and figures on the diamond industry should be made available to encourage best business practices and to enable Antwerp enterprises to compete and grow on the international stage.

Rules and regulations applicable to the industry must be clearly explained and the implications for local business discussed and turned to Antwerp's advantage. This applies to legal issues as well as financing and industry-specific matters, such as the Kimberley Process and RJC standards.

AWDC and The United Nations Institute for Training and Research (UNITAR) have taken an important step in anchoring Antwerp as the international diamond centre, respecting and promoting CSR, transparency, corporate governance and compliance. UNITAR decided to locate an International Training Centre on Corporate Opportunities (ITCCO) in our diamond capital. We must take full advantage of this and ensure that Antwerp diamond businesses



adhere to the highest standards of Corporate Social Responsibility (CSR). By designing these standards in Antwerp, we set the benchmark which others around the world will follow.

The Diamond Jewellery Management Institute (DJMI) an autonomous unit at the Antwerp Management School, is a platform established to provide courses, teach Seminars and conduct research in the areas of diamond and jewellery.

See pages 93-99 for individual project details

Education | Transparency

The diamond business and its workings have long baffled outsiders. The journey taken by a rough diamond from mining through multiple sorting stages, polishing, marketing and trading is a mystery to most people. We must therefore work to remove the veils of secrecy as far as possible, without losing the 'mystique' of diamonds.

This lack of transparency may have been advantageous to some in earlier times, but in today's world of tighter banking regulations and the internet information age, transparency has become an essential operating principle. Whilst diamonds must retain their magical allure and mystery, this should not be confused with any suggestion of questionable or opaque business practices.

The role of AWDC is to inform the public and the media of the measures being taken to ensure and protect the integrity of the diamond pipeline.

Today, the diamond industry is currently subject to a wide range of regulatory bodies, these include;

- Kimberley Process Certification Scheme; The internationally accepted certification and monitoring system for rough diamond trade, mandatory applicable since 2003, designed to remove 'conflict diamonds' from the market and generate prosperity and development diamonds

- Since 2004 the legislation on the prevention of the use of the financial system for money laundering and terrorist financing has become applicable to the diamond dealers in the diamond sector.
Basel I,II, & III; A comprehensive set of reform measures designed to improve the regulation, supervision and risk management within the banking sector.
- RJC -Responsible Jewellery Council; A Code of Practices providing a set of qualifying principles that RJC member companies must conform to if they are to be accredited. Diamond companies joining the RJC commit themselves to advancing responsible ethical social and environmental practices, which respect human rights, throughout the diamond gold and jewellery supply chain, from mine to retail.

The Four Antwerp diamond bourses have clearly defined legal mechanisms through their bye-laws, which are recognised by the Belgian state and courts. Each of the four Exchanges submits to the Federation's rules on mediation and arbitration and has powers of suspension and sanction against members. These are recognized and accepted platforms for the enforcement of diamond-related compliance.

Major mining companies, including De Beers, BHP-Billiton and Rio Tinto have set their own standards to which their customers must conform in order to qualify for supply of rough.

In addition to the regulatory measures listed above, companies are today expected to engage proactively in the community and the environment, through behaviour that reflects a responsible attitude. The AWDC is mindful that the diamond sector must be at the forefront of the evolution and implementation of responsible business practices

and CSR. In that regard AWDC already joined as a trade association important global CSR initiatives such as the RJC, the UN Global Compact and actively participates in the Belgian Global Compact Network Steering Committee, currently chaired by the Antwerp based diamond company Rosy Blue.

Reflecting the importance of CSR, Antwerp- ITCCO - the Antwerp International Training Centre for Corporate Opportunities - which opened mid-2011 at Antwerp's Grote Markt, focuses on CSR training and awareness under a UN umbrella and auspices. Antwerp-ITCCO seeks to promote and accelerate the private sector's adherence to the 10 UN Global Compact Principles, the UN values and progress on achieving the Millennium Development Goals.

Despite Antwerp facing unfair competition from other centres, especially in the context of rough imports and trading, the AWDC and the Antwerp market have embraced CSR and compliance and will maintain strict observance of the Kimberley Process and other regulations such as AML.

AWDC will seek strong support from the Belgian Government, the EU and international diamond bodies to ensure an equal 'level playing field' where global compliance protects the image of ethical diamonds and does not unfairly disadvantage Antwerp.

The AWDC business advisor / compliance officer will play a key role in increasing transparency by mentoring and advising, being available to counsel and propose solutions, and issuing regular newsletters that discuss important issues of the day. AWDC business seminars will deal with issues such as compliance, CSR, financing and other relevant topics. These seminars will also encourage discussion and debate, promoting UN Values UN Goals, and the

10 Principles of the UN Global Compact as per the mandate of ITCCO. This type of interaction will help create an atmosphere of enhanced transparency and equal trust.

Better communications, enhanced engagement with stakeholders (internal and external), and improved information distribution by the AWDC and the sector, will ensure transparency and a better understanding of what the sector does.

The planned Antwerp International Diamond Data Centre will offer companies, institutions, researchers, and journalists around the world the ability to access industry information.

As mentioned elsewhere in this document, a competitive carat tax will provide a compelling case for the sector to embrace fiscal and financial transparency and compliance as indispensable attributes of its daily operations.

Internal division and lack of unity have in the past weakened Antwerp's diamond sector and hindered its prospects. Increased internal transparency based on trust and understanding, will transform the mind set and motivation of the sector and help gear the Antwerp diamond market's drive for leadership of the global diamond business.

See pages 101-106 for individual project details

Community Integration | city experience

Enjoying a central position in the physical heart of the City, the Antwerp diamond sector must also aim to be at the heart of the community. With this in mind, Project 2020 has identified a range of initiatives to draw the diamond sector and the wider social community much closer together. These activities will help create a better understanding of what we do and will then generate positive interest in the sector.

Better communication is an essential step in creating an atmosphere whereby the broader population has a positive appreciation of what our industry is about. A well-informed Antwerp and Belgian public and government will be more supportive of our industry needs when it comes to security, social and other issues.

Whilst opportunities have been lost in previous decades because of the failure to partner with the city and regional stakeholders we all stand to gain enormously through a future strengthening of relations, dialogue and cooperation.

See pages 109-127 for individual project details



Quote

“The diamond sector in Belgium, as a world leader since many decennia is of utmost importance for the economy of our country. We, as Belgian Business Federation, are particularly proud of the dynamism and modernity of the sector; specifically of the vision developed in Project 2020”

Pierre Alain De Smedt
VBO/FEB
December 2011

Job creation

Job creation is a strong indication of a sector's health and a robust barometer of its repositioning and growth. New jobs demonstrate clear success in expanding a vibrant and dynamic sector and Project 2020 aims to create jobs in a number of specific diamond-related domains as well as in adjacent ones. Realistic assumptions have been made to justify job creation forecasts for the coming 10 years. As a general trend, we foresee a steady increase in jobs in each domain up to 2020. Some individual projects may generate steeper job growth while others will perform more modestly, resulting in overall steady expansion of employment.

See pages 129-139 for project details



Antwerp Diamond Masterplan
PART ONE • **GENERAL CONTENT**

Conclusion

Antwerp is host to a unique industry cluster at the heart of Europe. Precious rough diamonds arrive in Antwerp from the four corners of the globe to be sorted, polished and traded, generating billions of dollars in business. Because of the excellence, expertise and infrastructure it offers, Antwerp has for long been an optimal place to transact rough diamond business. It is still the location of choice for international mining companies, diamond bankers and industry specialists.

Antwerp also retains a key position in polished diamonds with its location, distribution networks and credibility still relevant. It is however no secret that this longstanding dominance is under growing threat from competitors. Project 2020 is a direct response to this threat, with a mission to defend, maintain and grow the position of Antwerp as the 'beating heart of the global diamond community'.

Over the years, various initiatives attempted to address different issues within the sector, some small and others more ambitious. Breaking with the past, the distinct approach of Project 2020 is that AWDC and Steercom went to the heart of the matter to deal openly and comprehensively with the most fundamental issues; tax, legal, security, community integration, public image, competitiveness, innovation, technology and modernisation of the industry.

The resulting Antwerp Diamond Masterplan sets out coherent policies and a clear implementation strategy for AWDC. This is not just a cosmetic exercise or a 'blue-sky' vision – in fact, several initiatives have started and are beginning to show positive results – things are already on the move in the Antwerp diamond sector.



Quote

“Project 2020 clearly shows the Antwerp diamond sector’s intention to transform itself. Those who were part of the discussions, brainstorming sessions and Workgroups over the last year have experienced the fundamental change that is happening. There is today great enthusiasm for change, innovation and growth in the sector. This is good news for all engaged stakeholders.”

Koen Vandembemt
Professor in Management University Antwerp
June 2011

Although each separate project outlined in this Masterplan stands on its own merit, it is the demonstration and synergy effect of successfully combining all these projects that will consolidate and grow the essential momentum needed for Antwerp to thrive as the world's prime diamond hub.

Change is demonstrably underway in terms of the leadership of the sector. The Board of AWDC, its President Nishit Parikh and CEO Ari Epstein are fully committed to the process of overhauling the AWDC and giving the organisation a fresh sense of purpose and mission.

Progress made through the Project 2020 Workgroups and other initiatives did address the challenges. However, certain vital organizational changes are necessary to create the conditions for success. These include actions that result in an AWDC Board that is professional, dedicated and informed and the right alignment between AWDC, WTOCD, SBD and the Federation of Diamond Bourses.

SME's – In an age of globalization and consolidation, the interests and relevance of smaller companies are easily overlooked. A global hub, critically dependent on critical mass, has every interest in ensuring that competent, hard-working, talented small and medium-sized companies can prosper and contribute to the overall success of the Antwerp diamond trade.

Diamonds add allure: Antwerp and Flanders stakeholders are invited to cooperate with the sector so that the sparkle of diamonds is reflected onto neighbouring businesses. A cooperative, harmonious partnership between the diamond sector and its fellow Belgian political, economic and social stakeholders will help sustain growth and

development of the country.

Similarly, Workgroup meetings and discussions revealed the massive resource of insight, ideas, creativity and passion within the sector. Management of the Workgroups and the Strategic Planning phase of Project 2020 triggered hundreds of conversations with local City, Government and business stakeholders. There is clear recognition of the vast potential for cooperation, the scope for joint projects, and of opportunities for creating jobs and growing the economy.

If we all climb on board this transformation and focus our minds on working together for the sake of unity and progress, the sum of our efforts will be dramatically greater than any individual gains.

This is an opportunity to take decisive action rather than be passive bystanders, helplessly watching events unfold. We can take the lead and challenge the boundaries of traditional thinking to turn crisis and economic uncertainty to our advantage. A new diamond industry can emerge in Antwerp – unified, modernised and stronger than ever before, setting a brilliant example for the next millennium.

Marcel Pruwer | Project Leader

February 2012



Antwerp Diamond Masterplan
PART ONE • **GENERAL CONTENT**

Special Areas

Security

As part of Project 2020 a special sector security commission, working with Antwerp police and other specialists, thoroughly reviewed the security of the local diamond sector and the community of diamantaires working in the diamond district.

With the huge volume of diamonds that pass through our streets every day, security is of paramount concern, for the diamond buildings, diamond transports, the handling of goods and the daily security of each individual working in the area.

The AWDC is acutely aware that an absolute imperative for all stakeholders in the Antwerp market is a secure and protected environment. Any new planned initiatives or projects must take careful account of security implications, as the AWDC is committed to maintaining the highest level of security for all who work in the Antwerp diamond market.

The Antwerp Diamond Security Charter

After a series of discussions and exchanges with relevant parties and Antwerp Police, the Security Workgroup in conjunction with the “Core Group” of ADA Security, drafted a Security Charter governing building security in the Diamond District.

The recommendations of the security Workgroup were submitted to Antwerp insurance brokers for their input, and then presented to Lloyds of London who shared the recommendations with London underwriters.



The key elements of the strategy include:

- One security badge for all diamond buildings in the diamond district,
- Tight control on entry into the area at night and early morning,
- Supervised entry into buildings at night,
- Sealing off the Rijnstraat and Schupstraat with a remote-controlled sliding security gate (separate to the bollards presently in place)
- Green, Orange and Red alert system that controls entry to and exit from the Schupstraat and Rijnstraat and can shut down access to the diamond streets in emergency situations.

The implications of the Security Charter recommendations will likely be reflected in the insurance rates and physical security conditions of offices and assets in the sector.

For any business operating globally, the fiscal framework is a critical component of its competitiveness. The past 20 years have seen a major upset of the previously prevailing international terms of trade. Asia and other low-cost manufacturing bases have in several cases transformed into low-cost, low-tax, technology and product design environments.

Additionally, India, Antwerp's strongest competitor, sits on the doorstep of its own exploding retail domestic market, providing it with an additional key advantage.

A European business hub competing in the current global environment requires every possible advantage. A hub's fiscal framework must empower and encourage entrepreneurship to ensure growth, create jobs and generate sufficient returns to invest in new business.

Currently, a defining challenge for Antwerp is the uneven playing field of fiscal and legal operating conditions as it faces competing diamond centres. Antwerp's wage and labour costs are the highest of any competing diamond hub and regretfully, Antwerp's historically advantageous location in Europe is today much less compelling.



Quote

“Als Antwerpen zich globaal wil profileren, zijn beeldende kunst en diamant de sectoren die de ruggengraat kunnen vormen voor een uniek stadsprofiel dat bijkomend cultureel engagement, toerisme, investeringen en andere interesse kan genereren, en een rijke en ondersteunende omgeving helpt creëren voor de mensen en bedrijven in Antwerpen.”

Bart De Baere
Directeur, MUKHA

Through Antwerp ITCCO and the sector's CSR commitments, the Antwerp diamond business can lead in protecting and promoting the reputation and image of the global diamond and jewellery trade.

Although they will bring long term benefit, CSR and compliance systems also imply costs. A competitive fiscal framework that is based on a sustainable business model will provide the Antwerp market with the additional incentive to promote and implement compliance and best ethical practice.

Belgium has no diamond mines - almost every rough or polished diamond that transits Antwerp is re-shipped to markets around the world. To position Antwerp as the world's "gateway of choice for ethical diamonds" we must position ourselves as the most efficient and friction-free diamond trading market in the world.

The Antwerp diamond sector must therefore negotiate and arrive at a sustainable solution with the Belgian Government fiscal authorities, to agree a globally competitive, fiscal framework.

Judicial

In recent times, businesses around the world have found themselves caught up in legal tangles as they struggle to deal with changing rules and conventions, or were faced with unauthorized actions by individuals in their industry or business.

From the financial world through to insurance, pharmaceuticals, energy and trading, many companies have faced investigations and censure. With its 1,850 companies, Antwerp's diamond sector has judicial issues on which it seeks closure.

In order to successfully execute its strategy of moving forward and establishing a commanding lead in the global diamond and jewellery industry, the sector seeks settlement of outstanding judicial cases. Closure on the past and agreement of a new fiscal framework will help create a new operating environment. This can set the stage for the next decades of sector expansion, job creation and significant economic contribution to the city, regional and federal economy.



Antwerp today achieves acknowledged superior compliance in terms of Kimberley Process. With other industry standards such as RJC articulating a clear commitment to ethical best practice, Project 2020 presents Antwerp as the world's best prospect for a supervised, transparent diamond trade.

Given past dynamics and today's conjuncture of global competition, with new emerging markets accounting for increasing global growth, the Antwerp diamond sector must be enabled to compete effectively on a global basis. Meaningful discussions with the Belgian fiscal and judicial authorities are therefore essential in resolving past issues, and are critical as a platform for the re-shaping of the sector and paving the way for the future.

Vision	Goals	Key Objectives	Individual Projects
<p><i>“Antwerp will always be the Beating Heart of the Global Diamond Community”</i></p>	<p><i>Create Growth & Innovation Opportunities</i></p>	<p>Growing Antwerp as a Diamond Trading Hub</p>	<ol style="list-style-type: none"> 1. Business & Compliance Advisor 2. Fusion Four 3. Follow up Antwerp Diamond Master Plan 4. Securing New Polished/rough Markets 5. Door-Opener Strategy & Foreign Promotion 6. Improved communication with government/industry 7. AWDC Contact Person & AWDC-led Antwerp Inter-Sector Cooperation 8. Electronic Polished Trading Platform 9. Antwerp Diamond Manufacturing Hub – GIP 10. Jewelry Distribution Hub 11. “Diamonds From Antwerp”
	<p><i>Build Trust and Confidence within the sector & with external stakeholders</i></p>	<p>Antwerp as a Diamond Knowledge Centre</p>	<ol style="list-style-type: none"> 1. International Diamond Data Centre 2. Quality of Information and Promotional Material 3. International Retail Database 4. WTOCD Commercial Focus / Link to Antwerp’s core activities
		<p>Education Transparency</p>	<ol style="list-style-type: none"> 1. Working together with The International Training Centre on Corporate Opportunities (ITCCO) 2. Business/Technology Seminars
		<p>Community Integration City Experience</p>	<ol style="list-style-type: none"> 1. MAS 2. Next Generation of Ambassadors 3. Public Courses and Lectures on Diamonds 4. Story of Authentic Antwerp Craftsmanship 5. Aesthetic Improvements of the Antwerp Diamond Quarter 6. Visitor Centre 7. Low Cost Media Events and Antwerp Diamond Days 8. Antwerp Scholarship Fund & Diamond Competition at Antwerp Universities 9. ‘Secondary Markets
		<p>Job Creation</p>	<ol style="list-style-type: none"> 1. Detailed information Job Creation 2. AWDC Online Recruitment Platform



Antwerp Diamond Masterplan
PART TWO • **INDIVIDUAL PROJECTS**

Growing Antwerp as a trading hub

Note

Several of the projects contained in this Masterplan have already commenced, with planning and preparation well underway. Other projects described below are still at an early stage, so that detailed actions and performance scorecards etc would be unrealistic and can only be estimated.

All of the projects have been approved by the Workgroups, the Steering Committee, and the AWDC, also in terms of priority, so that resources will be allocated to the most urgent projects first. These resources are not only financial, they require considerable input from skilled personnel.

Where projects are deemed by the AWDC or the Steering Committee to be more complex, a more detailed outline has been prepared, explaining the opportunity, showing the rationale, setting out the objectives, the initial funding requirements and giving an overview of the implementation plan.

For the most up-to-date information on the current status of any project please see the appropriate section on the AWDC Project 2020 dedicated website.



Business & Compliance Advisor

[ALREADY IMPLEMENTED]

Description

Following Project 2020 Workgroups and discussions, AWDC has recruited an expert to assist and support local diamond companies to implement rules and regulations applicable to the diamond sector. Through the Business & Compliance Advisor, AWDC anticipates providing assistance and guidance regarding Corporate Social Responsibility (CSR), to follow up on the establishment of the Antwerp – ITCCO where training including on CSR and management will be organized. The Business Advisor will also provide assistance to external diamond companies wanting to set up in Antwerp and actively attract junior mining companies to Antwerp, ensuring future inflow of rough.

Key Objectives

1. Providing information and support services to small and medium sized diamond companies. Particular emphasis on CSR standards and capital adequacy
2. Dealing with compliance issues
3. Communicating with junior mining companies
4. Support for companies looking to set up office in Antwerp

Fusion Four

[ALREADY IMPLEMENTED]

Antwerp is the only diamond hub in the world to have four diamond exchanges. Historically justified by the huge volumes of rough and polished diamond business transacted on the floors of the exchanges, today's trade sees most business done in offices. Nevertheless, the exchanges provide key services to the markets including, the authenticity and credibility of historic trading floors, arbitration and dispute resolution through the Federation of Diamond Bourses, the officially recognised trade body that groups active diamantaires, and a forum for discussions and development of the business.

Fusion Four, a milestone in the history of Antwerp, will now leverage the strength of the Exchanges by drawing them closer, through a newly agreed access and Membership Benefits Scheme. This will enable better dialogue and cooperation and ensure the Antwerp market benefits from the ideas, experience and knowledge of the different exchanges, their members and boards.

First steps include a proposal whereby a member of any Antwerp exchange would be allowed entry to any of the other local exchanges, with a uniform membership fee agreed by all four exchanges. Current discussions include agreeing uniform membership conditions, uniformity of regulations, agreement on retirement age and matching security arrangements.



Quote

“Our four diamond exchanges have been a vital platform for Antwerp’s diamond trading for over 100 years. By signing the Fusion Four agreement, we have brought our four exchanges closer together, increasing unity and helping to modernize the trade. Our two thousand members will be encouraged to actively support the Project 2020 Masterplan, we believe it is the best way to secure a successful repositioning of the Antwerp diamond sector.”

Willy Rotti,
Maurice Fischler,
Julien Drybooms,
David Wahl
Bourse Chairmen
December 2011

Having begun this process, the expectation is that the exchanges will make better use of their assets, for the benefit of all members. Fusion Four will be a step in pooling the hub’s diamond resources, generating sector unity and harnessing the considerable knowledge, ideas and energy of over 2,000 exchange members for the first time.

The four exchanges can then, through the Belgian Federation of Diamond Bourses, play their full and proper role in strengthening the business of the members of the Antwerp diamond exchanges, complementing the role and responsibility of the AWDC.

Our four diamond exchanges have been a vital platform for Antwerp’s diamond trading for over 100 years. By signing the Fusion Four agreement, we have brought our four exchanges closer together, increasing unity and helping to modernise the trade. Our two thousand members will be encouraged to actively support the Project 2020 Masterplan, we believe it is the best way to secure a successful repositioning of the Antwerp diamond sector.

Follow up Antwerp Masterplan

[ALREADY IMPLEMENTED | 2012-2020]

Project 2020 is a focused, results-driven project, not just another consultative document or optimistic 'blue sky vision'. The actions undertaken by the teams involved in this project as well as the overall methodology are themselves a significant step in the right direction. Despite having individual business interests, the different stakeholders met on a regular basis to discuss the issues and find solutions, forming, for the first time, the start of a far greater sense of unity and cooperation.

The follow up will be done by a small steering committee and the CEO

Quote

"The diamond sector contributes to Antwerp's image as a multicultural and economic metropolis. Diamond adds an additional character to our region and to our country. Also, with roughly 80% of the world trade in rough diamonds, the sector lets Antwerp position itself as a leading world centre. Together with the port of Antwerp, this exceptional leverage should be far more strongly promoted internationally. Project 2020 Diamond Masterplan is an important and indeed critical gps for the further development of this diamond sector and enjoys the full support of Voka – Chamber of Commerce Antwerpen-Waasland".

Luc Luwel
Director-General VOKA
May 2011



Securing New Polished and Rough Markets

[SHORT TERM | 0-3 YEARS]

Description

To help Antwerp increase its business, AWDC will assess new and selected polished markets (including China, India, Brazil, Mexico, Indonesia, Poland, Turkey, Philippines, Nigeria, Russia, and Scandinavia) where Antwerp diamantaires can market polished diamonds and establish a preferential relationship as a supplier. Example is a 'polished desk' that will be established in China and a 'rough desk' that will be established in Africa.

Key Objectives

1. Growth of Antwerp's polished and rough sector, for small, medium and large Antwerp companies
2. Dramatically increase Antwerp polished and rough sales and to achieve dominant leadership positions in these markets

Door-Opener Strategy & Foreign Promotion

[SHORT TERM | 0-3 YEARS]

Description

Project 2020 sees significant scope for a new phase of cooperation between the Antwerp diamond sector and Belgian regional and national business. The Antwerp diamond sector plans to open up its extensive networks and access around the world for the benefit of Belgian businesses, with a view to promoting Flemish and Belgian trade and business in international markets. Some of these markets, including India, China, Russia, many African economies, Turkey, are fast-growing with significant need for products, services and inward investments. This offers major potential to Belgian business.

Key Objectives

- Firmly anchor Antwerp diamond sector in local, regional and Belgian business community
- Develop significant new business for Flanders and Belgium
- Help create Belgian jobs and economic growth
- Boost reputation of the Antwerp diamond sector, gaining political and business support
- Network and boost Antwerp diamond sector's reputation and profile in countries where "Door-Opener" initiatives can be launched.

Quote

“The Port, Antwerp industry and business, Fashion and Diamonds collectively bring history, heritage, jobs and growth to Antwerp. All sectors face challenges, but working closely together either through the Chamber of Commerce or other platforms will make everyone stronger and help bring growth and prosperity to the City. We welcome the diamond sector’s Project 2020 repositioning and its strategy to deal with its isolated image and any association of elitism. “

Roger Roels
CEO DP World Antwerpen



Improved Communication with Government & Industry

[SHORT TERM | 0-3 YEARS]

Description

Professional communication with Government is indispensable for the future of the industry. All levels of Government have to understand, appreciate and have confidence in the operations, status, performance and needs of the Antwerp diamond trade. A well-informed government, confident of its information, can protect and promote the sector on a continuing basis. A recently recruited AWDC officer will deal with this issue in a strategic, structured manner. This Officer will communicate on a frequent and professional basis with relevant political stakeholders.



Key Objectives

1. Improved communication with political stakeholders
2. Lobbying at federal, regional, provincial and city levels
3. Securing future inflow of rough and a competitive environment for diamond trading and manufacturing
4. Ensuring timely provision of news on the sector
5. Informing the sector about new government initiatives
6. Participating in seminars and meetings

AWDC Contact Person & AWDC-led Antwerp Inter-Sector Cooperation

[SHORT TERM | 0-3 YEARS]

Description

A contact person will be appointed by AWDC to facilitate communication between the Antwerp diamond centre and other key Antwerp and Flemish sectors and institutions.

The facilitators noted strong interest shown by other key sectors (Port, Tourism, Horeca, Fashion, etc.) in cooperating with the diamond sector and in wanting to have an easy-to-access contact person. These contacts and discussions will be expanded and maintained on a continuing basis, with AWDC professionals managing these relationships.

An informal annual meeting will be organized by AWDC for Antwerp industry stakeholders, whereby all Antwerp sectors communicate their plans to each other, so that optimal synergies can be found, ideas exchanged and tested, relationships built and partnerships formed.



Quote

“Wat Wallstreet betekent voor New York, kan de Diamantwijk zijn voor Antwerpen. De goederen en hun waarde zijn even duizelingwekkend en spreken tot de verbeelding van bezoekers.”

Annik Bogaert
Director, Tourism Antwerp

Key Objectives

1. Explore potential initiatives that can be supported by all Antwerp Stakeholders
2. Network effectively, for lobbying and business
3. Better lines of communication, sharing information, plans and interest
4. Enhance the reputation of the diamond sector
5. Optimizing synergies between all Antwerp sectors

Electronic Polished Trading Platform

[SHORT TERM | 0-3 YEARS]

Detailed rationale

In line with the Project 2020 Vision, a new Antwerp Electronic Trading Platform for polished diamonds will address the issues of market modernisation, transparency and financing, by providing an independent clearing reference price for polished, thereby improving the performance, credibility and strength of the diamond business.

The launch of a successful Antwerp Trading Platform that sets global prices for polished diamonds will be an enormous boost for the Antwerp market and will help consolidate its critical mass and relevance. Diamond financing will be transformed, as objective price-setting will provide far better insight into the values of stocks and company balance sheets.

Efforts are currently underway in other markets to establish the definitive electronic diamond platform and therefore, time presses.

Antwerp has the opportunity to develop both the platform and its associated clearing house, requiring specific skill sets, generating employment and bringing new opportunity into Antwerp's diamond marketplace.

The Opportunity

The launch of a sophisticated new trading vehicle for polished diamonds will require investment to either develop or acquire an electronic platform with the capability of handling thousands of daily buy/sell transactions with the appropriate security, performance and scalability. Unless existing technology can be acquired, initial estimates for creating a robust e-trading platform range from € 500.000 to € 2-3 million, depending on capacity, scope and scalability, plus an indefinable period of time to realise the project.

Estimates of the potential trading turnover can be refined when AWDC, informed by discussions of the Workgroup can decide as to whether the trading platform can develop capability for trading loose, smaller, polished diamonds. If these segments can be traded electronically, then the scope for the trading platform is an order of magnitude larger and the Antwerp platform will be further, strongly differentiated from any other existing service.

Bearing in mind the experience of other commodity markets, a new electronic trading system should not try to change the way traders do business, as this will likely be rejected. Instead, a new e-trading platform should increase the efficiency of current business practices, whilst also providing scope for further expansion. It must be designed to strongly attract both buyers and sellers, as their commitment is indispensable to quickly gaining global traction.

We anticipate the Trading Platform could provide the tools for small and medium sized manufacturers, traders and brokers to access a vast inventory and a global market for their businesses.



The ownership and operational control of the trading platform can be structured in different ways. Discussions in the Workgroups suggest that having the 'institutional' involvement of AWDC may benefit the platform in terms of providing credibility and assurance to both the Antwerp diamond market and to internal & external stakeholders. An information and news service can be added to the Trading Platform website, with links to AWDC's homepage.

If the Trading Platform becomes a major success with global traffic, AWDC and the sector will then have an additional powerful marketing tool to promote Antwerp internationally. Participation by other institutional stakeholders such as banks alongside AWDC could further enhance the image and credibility of the Platform.

This is a great opportunity for Antwerp to take the lead - investing in a successful e-trading platform for polished diamonds can result in a multiple payback - a boost for local diamond businesses, a considerable win for Antwerp's reputation and position as a diamond centre, and taking the lead for modernizing the global diamond and jewellery business.

Objectives

- Significant boost to polished activity in Antwerp
- New levels of transparency in the industry
- Introduction of futures, hedging, derivatives
- Increase turnover in global polished diamond trade
- Migration from other platforms, IDEX, Rap, to new Antwerp platform
- Potential boost to Antwerp's rough business
- Shipments of polished from around the world to Antwerp in order to gain access to the Antwerp trading platform.
- Creation of clearing house that will support the Antwerp Trading platform – skills and jobs for Antwerp
- Positive reporting on the Trading Platform by Belgian and global media, promoting Antwerp.
- Support and participation of key business stakeholders and partners of Antwerp - producers, mining companies, retail, and other channels
- New business interest on the part of banking & investment community

Antwerp Diamond Manufacturing Hub & GIP (Grain Independent Polishing)

[SHORT- MEDIUM TERM | 0-6 YEARS]

Detailed Rationale

Diamond manufacturing, specifically the core activity of diamond cutting and polishing, reinforces the relevance and position of Antwerp as an international diamond hub and continues the centuries-old tradition of craftsmanship that Antwerp represents.

In an age of hyper-competition, the presence of several 4th, 5th and even 6th generation diamond polishers is a tribute to Antwerp's diamond industry traditions and to the commitment & staying-power of its diamond businesses.

Whilst Antwerp is today primarily a trading hub, taking into account the potential impact of manufacturing activity on local employment and the preservation of Antwerp as a diamond centre of excellence, every opportunity to boost manufacturing activity must be seized.

In recent years the bulk of manufacturing has moved to the low labor-cost countries India, China and Thailand and it has been extremely difficult for Antwerp to compete as a manufacturing centre. Today, in a niche sector, only expensive or difficult-to-cut stones are manufactured in Antwerp. This could however change and Antwerp may have a chance of reclaiming some of its lost manufacturing base.

WTOCD, the Antwerp diamond technology research centre, is pursuing the development of Grain Independent Polishing (GIP), a potential technological breakthrough in diamond polishing. They are also currently exploring automation, to integrate robotic manufacturing control with GIP.

The aim is to create a sophisticated and advanced manufacturing platform in Antwerp. A number of these GIP systems are currently being tested in cooperation with the sector, using manual, pre-prototype equipment.

Whilst reactions from the industry are encouraging, research into the final stages of 'smoothing' – the finishing stages, is an important and ongoing aspect of this new technology. Although realization of this project is still some way ahead, if successful it could revolutionize polishing activity in Antwerp.

The Board and management of WTOCD should take ownership of this project, so that a route to a commercial revenue stream can be set out and pursued.

Business Case

If successfully developed, to effectively commercialize this technology, one option is for WTOCD to coordinate the creation of a contract polishing service for Antwerp manufacturers, thus keeping the technology firmly “in-house”. An alternative would be to lease this technology to select Antwerp manufacturers, who would then manufacture their own goods in Antwerp. The flow of leasing revenues will validate the years of AWDC support and Government-funded research carried out by WTOCD in Lier.

Successful GIP polishing in Antwerp would be a revolutionary milestone for the sector, providing an enormous boost to Antwerp’s competitiveness as a polished and rough centre, securing the future of Antwerp as a diamond polishing centre, creating jobs, preserving unique skills, and generating revenue for Antwerp businesses.

As mentioned earlier, technology and production challenges remain and the cost of final development of GIP technology at WTOCD is estimated in the region of € 2 million. Antwerp diamond companies have expressed interest in investing in access to Antwerp GIP polishing, if the technology and economic viability are proven.

Should a WTOCD affiliate set up an automated GIP production line, with the intention of leasing polishing capacity or contract polishing to local companies, the financing of such a production line will require a substantial investment. The financial model could be based on leasing rates built into a \$/per carat formula with manufacturers.

Alternatively, if WTOCD opts for selling the technology to approved Antwerp manufacturing houses, the business

model will be based on a trade-off between a cost that allows competitive Antwerp manufacturing and providing an acceptable return to WTOCD/AWDC.

At this stage it is vital that a rigorous assessment of GIP prototyping is undertaken in conjunction with a cost benchmarking exercise of global manufacturing to ensure that the final system will be globally competitive.

Objectives

- Development of GIP technology
- Implementation of GIP systems in selected factories
- Expand number of polishing jobs in Antwerp
- Expand number of carats polished
- Number of companies/units polishing
- Belgian public, media and political support for manufacturing jobs
- Establish globally competitive polishing in Antwerp



Recommendation

Whilst the WTOCD still requires time and resources to develop GIP and prove its commercial viability, this technology could potentially revive the manufacturing industry of the Antwerp diamond sector. Automated mass GIP polishing could bring bulk production activity of medium-sized stones back to Antwerp. However, questions still remain regarding the 'finishing' of the polishing process, and any decisions on further investment need to be taken after rigorously assessing all risks and potential.

In addition, WTOCD must decide on a policy for commercialization of GIP if the technology is proven and economically viable. The challenge will be to maintain control and commercialization, capturing all deserved benefits for Antwerp, whilst minimizing the risk of leakage of the technology abroad.

Training for Polishers

The skills needed for diamond polishing have changed dramatically in the last decade. With a range of new technologies, software systems, imaging capabilities and quality control options now an integral part of the polishing process, polishing today is becoming increasingly high-tech and professional.

From the point of view of recruiting new talent and particularly young people to Antwerp polishing, it would probably be best if the sector highlighted the technology and technical aspects of diamond polishing today, as this is more likely to attract talented and motivated young potentials.

The use of technologies such as Avalon+, Reflex, Ogi, Sarin and Lumisense for imaging, planning and measurement have brought diamond polishing into the 21st century, ensuring that optimizing yields from rough to polished has become a precision engineering area.

Possibilities also exist for the linking of diamond training to craftsmanship and other Antwerp skills through educational institutes such as the 'Academie voor Schone Kunsten' (Academy of Fine Arts).

Finally, a link with the 'Diamonds from Antwerp' initiative would present an opportunity to develop new designs and differentiation in polishing stones, creating unique Antwerp cuts. This could be part of creating a new niche for Antwerp polishing, increasing jobs and growing turnover, reflecting the growth strategy of Project 2020.

Space for a Manufacturing Hub

A new manufacturing hub in Antwerp, based on GIP, will require physical space and the size of this space will depend on the scale of any polishing operation to be launched. Given the other Project 2020 initiatives, it is possible that fresh space will be required for a range of new operations.

AWDC will need to monitor progress on all the Project 2020 initiatives to assess if there may for example be scope for a new complex in the diamond area that will house new operations. A new complex, housing both hi-tech polishing and other specialized activities, would represent a bold new face of the Antwerp diamond sector and could create a signature centre for the sector's new activities.



Jewellery Distribution Hub

[LONG TERM | 6-9 YEARS]

Description

AWDC will negotiate and verify with Belgian Government and EU the necessary fiscal and legal conditions for an international diamond jewellery distribution centre. Requests have been made several times in the past by Indian jewellery manufacturers for a 'duty-free' zone which could make Antwerp the point of entry for diamond jewellery in Europe. Moving boldly to a new adjacent segment, Antwerp's expertise in diamond logistics, financing and trading will undoubtedly prove invaluable to this jewellery distribution project.

Key Objectives

1. Build up a major jewellery trading hub in Antwerp
2. Create specialized employment
3. Reinforce the Antwerp diamond sector
4. Help promote Antwerp as a diamond and jewellery hub

“Diamonds from Antwerp”

[LONG TERM | 6-9 YEARS]

Detailed Rationale

The Antwerp diamond industry reflects many excellences which can be leveraged, both on a B-to-B and B-to-C level. Antwerp’s unique diamond expertise, a 550 year old diamond heritage combining “Craftsmanship” skills and technology in diamond polishing, all come together to reinforce the strong value proposition of Antwerp as a world diamond centre.

These excellences convey a ‘halo’ effect on all diamonds passing through the city, and could form the basis of a “Diamonds from Antwerp” brand. Such a brand, if also reinforced on the demand side through diamond wholesalers and retailers, could boost the image of Antwerp whilst expanding rough, polished and diamond jewellery sales from Antwerp.

Amsterdam provides a good example of how a coordinated and well-communicated message, jointly supported by retailers and the city,





promotes Amsterdam as a centre of the global diamond trade. This marketing campaign has created a strong business for Dutch retail jewelers and contributes to tens of thousands tourist visits each year to Amsterdam. Similarly, a well devised and integrated marketing and merchandising strategy could have a huge impact on Antwerp and on the diamond sector's role in the city.

The potential of a "Diamonds from Antwerp" brand could rise beyond the immediate benefits to the local diamond trade. Driven by a continuous search for efficiency and value add, diamond companies trading their goods through Antwerp may opt to polish and certify them in Antwerp as well, benefiting from all "excellences" Antwerp has to offer, and providing a full "Diamonds from Antwerp" product to their clients. This will boost certification, manufacturing activity and employment in Antwerp.



Business Case

The success of a “Diamonds from Antwerp” initiative will depend critically on an effective and original marketing and merchandising project. A detailed budget for “Diamonds from Antwerp” will be developed by AWDC as part of its plans for promoting the sector within Project 2020.

The financing of this project can take many forms. A combined financial investment by AWDC and participating Antwerp traders and manufacturers could provide the necessary funds for AWDC to execute this marketing campaign for the benefit of all Antwerp stakeholders.

A market study should be commissioned by AWDC to identify the target audience of a “Diamonds from Antwerp” project in terms of regional preferences, quantities and values and to understand which concerns, aspirations and preferences could be satisfied by a “Diamonds from Antwerp” initiative.

The current shift from the traditional diamond markets of the USA & Japan to new markets such as China and India presents an opportunity for Antwerp to position itself as the best source of supply, so that “Diamonds from Antwerp” becomes the motto for quality, integrity and excellence.



Antwerp Diamond Masterplan
PART TWO • **INDIVIDUAL PROJECTS**

Antwerp as a Diamond Knowledge Centre

International Diamond Data Centre

[SHORT TERM | 0-3 YEARS]

Description

In 2004, the DJMI, the Diamond, Jewellery & Management Institute was set up as a unit of the Antwerp Management School. The Steering Committee of the DJMI pursued the establishment of a new global centre for data on the industry with the University of Antwerp.

As the first in the world, an independent diamond data and knowledge centre in Antwerp would collate, research and distribute reliable, uniform and objective data on the international diamond industry. In July 2011 the Steering Committee of DJMI agreed with the University of Antwerp to co-manage a feasibility study on establishing the IDDC.

Should the feasibility study deliver a positive result, the DJMI and AMS will launch the IDDC with the University of Antwerp. The IDDC's Mission Statement will guide the programs and its operations.

IDDC will bring a new level of transparency and credibility to the international diamond and jewellery industry, as well as a significantly enhanced image and reputation.

Key stakeholders will provide the Centre with relevant pipeline data to be aggregated, analysed, interpreted and

edited for marketing. The IDDC will develop a range of data, information, analysis-based products and reporting for marketing to third parties. In addition, the Centre will also tailor-make reports and analysis for clients.

Key Objectives

1. Improving reputation/transparency of the industry
2. Provision of reliable data on the industry
3. Raise the 'Excellence' profile of Antwerp as a diamond knowledge centre
4. Establish better conditions for financing and bankability of the diamond pipeline
5. Assist local and global diamond and jewellery business with specialized information
6. Ensure Government institutions, media, as well as companies around the world have access to independent, reliable and professionally collated data
7. Reporting periodically on the activities and research carried out
8. Availability of information through a well-presented IDDC website

Quality of Information and Promotional Material

[SHORT TO LONG TERM | 0-9 YEARS]

Description

Antwerp's diamond heritage is actively used by many entities (Port, Tourism Antwerp, etc.) to promote their activities abroad and to attract visitors. It is therefore imperative to provide these stakeholders with accurate, up-to-date and interesting information on the diamond sector. The necessity of upgrading information-sharing and communication on the sector was highlighted by many of the people spoken to in different sectors. Specifically, cooperation with Tourism Flanders, Tourism Antwerp and key stakeholders such as Port, Logistics, Fashion, Embassies, and Museums etc. is strongly encouraged, as they will be receptive.

Key Objectives

1. Better inform fellow sectors, creating stronger Antwerp and Flanders promotion of diamonds
2. Strengthening links between diamond sector and other key sectors
3. Reinforce the sector's image and reputation with City, Region and Federal Governments.
4. Improve sector networking across Belgium

International Retail Database

[MEDIUM TERM | 3-6 YEARS]

Description

AWDC will create an international diamond jewellery retail database that can be consulted by local diamond companies. This database will also help underpin the future of the Antwerp Trade Fair. A rating system included in the database will identify top tier retailers.

This project requires extensive research and the building of a reliable updating system. Additional information can be included, for example: import duties, taxes, other relevant country and local data etc.

Key Objectives

1. Provide Antwerp diamond businesses with up-to-date Information on retail
2. Generate new business for Antwerp diamond companies
3. Assist business with practical trade information
4. Provide AWDC with important new resource

WTOCD Commercial Focus | Link to Antwerp's Core Activities

[SHORT TO MEDIUM TERM | 0-6 YEARS]

Description

As an urgent priority the sector should adopt a new approach to commercializing WTOCD technologies, opening up worldwide sales and business. WTOCD will advantage local Antwerp diamond companies when possible and commercially viable, but will also aggressively exploit the international market to generate revenue and build increased reputation for Antwerp.

WTOCD should direct its future research focus towards core activities and interests of the Antwerp diamond industry. This will benefit local diamond companies, as well as improve WTOCD's image with Antwerp stakeholders. Critically, in the future WTOCD will work more closely with the Antwerp manufacturers and traders to align WTOCD research and development to support and complement Antwerp's needs.

As good ideas often come from leveraging and cross-fertilizing information, data and research, WTOCD will more actively collaborate with other Belgian and international scientific and research institutes to explore potential synergies, research overlaps and common ground.



Key Objectives

1. Proactively commercialize WTOCD research
2. Synchronize WTOCD with commercial needs of Antwerp diamond trade
3. Strengthen competitive position of Antwerp industry
4. Leverage WTOCD technology to promote Antwerp
5. Promote Antwerp Polishing



Antwerp Diamond Masterplan
PART TWO • **INDIVIDUAL PROJECTS**

Opleiding | Transparantie

Cooperation with the International Training Centre on Corporate Opportunities (ITCCO) [already im^PLEMENTED]

Description

The decision of UNITAR to locate the ITCCO in Antwerp offers a significant opportunity for the Antwerp sector to improve and leverage its image vis-à-vis CSR and compliance world-wide.

Key Objectives

1. Promote Antwerp as the Global Centre of CSR in the diamond industry
2. Provide training and knowledge to diamond companies, businesses, and governments. At a later stage this training could be extended to international governments, institutions, companies as per the UNITAR remit.
3. Leverage this fact to promote Antwerp as the diamond centre of excellence and transparent business

Business Seminars

[SHORT TERM | 0-3 YEARS]

Description

AWDC will coordinate with Antwerp diamond banks to host seminars and round table discussions on compliance with rules and regulations applicable to the diamond sector in Belgium concerning capital adequacy, credit policy, CSR, etc.

These seminars and others, particularly directed towards SME's, will help Antwerp companies modernize and improve their business, in a transparent and fully compliant manner.

Companies following these seminars will enhance their bankability and can take advantage of benefits including ongoing and tangible direct support and facilitation services on compliance and CSR by AWDC.



Quote

"Antwerp should be proud of the development of the most important diamond market in the world. The quality and the size of the Antwerp diamond market is above question. The benefits of this entrepreneurial community to the whole of our region are very important. We should nurture and favour the growth of these activities in our country."

Mr. Luc Bertrand
Chairman, Executive Committee of Ackermans & van Haaren

Key Objectives

1. Better understanding and increased awareness of Rules & Obligations
2. Raise the corporate governance and standards of best, transparent business practices
3. Keep Antwerp companies informed, involved and interested in key issues.
4. Build Unity through the interaction and participation of seminars and round table discussions
5. Strengthen links between AWDC and diamond companies based in Antwerp

Technology Seminars

[SHORT TERM | 0-3 YEARS]

Description

Many Antwerp diamond companies are unaware of the technology and research areas developed at WTOCD in Lier. This, notwithstanding new technology is crucial to the modernization of their business. AWDC and WTOCD will organize yearly technology seminars, to keep the Antwerp diamond community fully updated on Antwerp's new and evolving technology, as well as on other relevant technology trends. This is also an opportunity to keep WTOCD in touch with the needs and concerns of the sector.

Key Objectives

1. Modernize manufacturing and trading in Antwerp
2. Increase awareness of new technologies and of WTOCD
3. Boost income for WTOCD
4. Professionalize Antwerp market
5. Benefit from ideas, questions, and knowledge of companies in the diamond community, several of whom develop or utilize state-of-the-art technology

AWDC Online Recruitment Platform

[SHORT TERM | 0-3 YEARS]

Description

An inflow of young talent is of crucial importance to any sector. Young recruits generate fresh ideas and help ensure its future existence. AWDC will organize an online platform where vacant positions in the Antwerp diamond sector are posted and young potentials can find interesting job opportunities. This is a first step towards a more extensive AWDC online recruitment and job placement program, facilitating participation of young professionals in the Antwerp diamond industry.

Key Objectives

1. Attract young talent to the industry
2. Improved profile and access of the sector to the local community
3. Support Antwerp Businesses in growing and professionalizing
4. Create interest on the part of young Belgian and international graduates in the sector





Antwerp Diamond Masterplan
PART TWO • **INDIVIDUAL PROJECTS**

Community Integration | City Experience

Quote

“In the first instance, I think the diamond sector must increase its visibility in the city, by realizing visualization points, anchored within the urban framework. These projects should be created in cooperation with for example, artists, architects and others. Limited not to Belgians but pursued internationally, for example: The Diamond Dust Paintings of Andy Warhol. Apart from image building, quality and stressing the idea of perfection, the sector presenting itself as a process continuing to develop through time is of paramount importance.”

Luc Tuymans
Artist, June 2011

MAS

[ALREADY IMPLEMENTED]

Description

In 2011, the Antwerp diamond industry established a structural and strategic partnership with the MAS, through one of the four pavilions that are connected with the museum itself.

Key Objectives

1. The Diamond Pavilion is where the history of Antwerp and diamonds will truly come to life, in a top class architectural design.
2. The pavilion is more than just an annexe to the museum; it is a meeting space for everyone who shares a love for all things beautiful, art and diamonds.

Next Generation Ambassadors

[SHORT TERM | 0-3 YEARS]

Description

The Antwerp diamond sector will invest in its long term image by creating next ambassadors from the youth of Antwerp and Belgium.

Key Objectives

1. Expand AWDC program for primary and high schools (e.g. "Diamonds love kids")
2. Expand activities DJMI – post-graduate
3. Develop specific diamond-related initiatives for Antwerp youth and under-graduates

Public Courses, Information Sessions and Lectures on Diamonds

[MEDIUM TERM | 3-6 YEARS]

Description

AWDC will organize courses, information sessions and lectures on diamonds to the general public. This will confirm and boost the image of Antwerp as the centre of knowledge on diamonds and also provide information on diamonds to the broad local and international public.

Key Objectives

1. Promote Antwerp as the world centre of diamonds
2. Coordinate with the new Visitor's Centre and Diamond Museum
3. Leverage Antwerp's knowledge resource database
4. Increase awareness, appreciation and image of the sector
5. Networking
6. Create employment
7. Development of tool of interest to Tourism Antwerp and Tourism Flanders



Story of Authentic Antwerp Craftsmanship

[MEDIUM TERM | 3-6 YEARS]

Description

The city of Antwerp wishes to promote the story of authentic creativity and excellence in craftsmanship - diamonds fit the bill perfectly. This story appeals to high-end visitors and tourists from emerging countries as well as to tourists from developed countries. Craftsmanship is used by Tourism Flanders to promote the story of Flanders, along with fashion, gastronomy, art, culture, chocolate, beer, etc. Developing and promoting a strong theme of craftsmanship in diamond cutting will boost Antwerp's tourism, the image of Flanders and Belgium and promote sales of Antwerp polished diamonds globally. This initiative could also help grow retail diamond business in Antwerp.

Key Objectives

1. Strong cooperation with Tourism Antwerp & Flanders
2. Better cooperation with the city of Antwerp
3. Boost the reputation of diamonds internationally
4. Contribute to the promotion of Antwerp, Flanders and Belgium
5. Boost diamond business in Antwerp
6. Better cooperation with other Antwerp and Flemish sectors by promoting Craftsmanship.

Aesthetic Improvements of the Antwerp Diamond Quarter

[MEDIUM TERM | 3-6 YEARS]

Detailed rationale

The visual impression and general aesthetics of the diamond district and its surrounding streets are poor. Discussions in Project 2020 Workgroups, reinforced by statements of many external stakeholders including Tourism, confirm that sector stakeholders, employees and visitors find the streets unattractive and certainly not what one would expect to see at the heart of the diamond world.

Flanders and Antwerp tourism authorities also pointed out that their promotion of Antwerp around the world highlights the City's position as a world centre of diamonds. When tourists arrive at the Vestingstraat, Rijfsstraat and surrounding area, there is bewilderment and disappointment at the shabbiness of the area.

Whilst the Hoverniersstraat and Schupstraat, could with some modest improvements, pass for an acceptable B2B environment, the wider area of surrounding streets is a let-down for the sector and for the city. Discussions with the Central Station management, Tourism Antwerp, Tourism Flanders, Horeca, etc. all point in the same direction – an urgent need for improvement. The architectural celebration of Antwerp central station, the current plans for building a state-of-the art Congress Centre in the Astridplein, the planned rebuilding of the Keyserlei and the MAS project all

strongly raise the question of what can be done to uplift the diamond district.

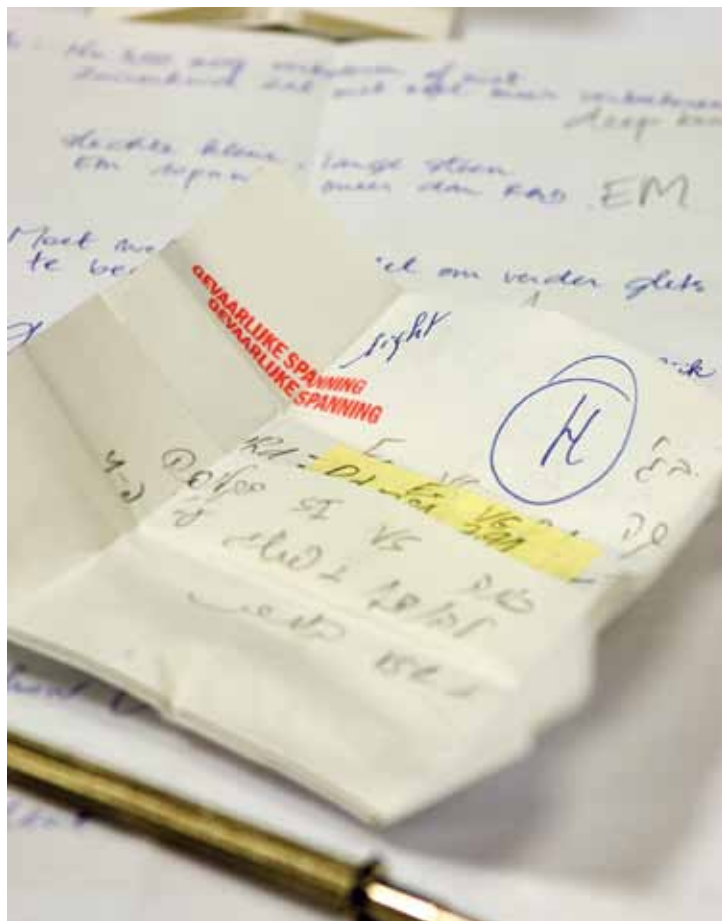
A revamp of the diamond district will help build a new relationship between the sector, the City, and the population of Antwerp. A makeover of the physical state of these streets will also assist in establishing an atmosphere of unity and confidence in the sector. It will help make the strongest possible statement that a fundamental repositioning is indeed taking place, with a view to securing a strong future. Crucially, the upgrading of the sector will also strengthen the city's tourism and visitor attractions.

As part of such a revamp, AWDC can put forward a request to change the street names in the diamond sector, to create a new exciting diamond district character that could work well for the sector and the city.

Business case

A transformation of the diamond quarter could be a significant boost to Antwerp and to its tourism resource base. A more attractive, modern diamond district will provide interesting opportunities for new attractions and activities in Antwerp.

Whilst some modest contribution may be available from the sector, the bulk of the funding will be sourced from external agencies and stakeholders. The budget will be a function of the City, Province, Tourism agencies and other stakeholders joining together to fund the necessary improvements and upgrades.



Many stakeholders will be well-served by a dramatic upgrading of the diamond district. An improved city profile will reinforce the attraction of the city, which would help Antwerp score far higher points on international standing, attractiveness and competitive global ranking as a visitor destination.

We note the City of Antwerp Alderman Van Campenhout's office has earmarked €1.8 million for the diamond area. This would certainly be welcome as a strategic anchor commitment towards a broader comprehensive funding approach for re-shaping the area. The cost/benefit of an investment in upgrading the diamond district extends far beyond the sector. It directly impacts the quality of life of the population of Antwerp, tourism, and the strength, vibrancy and potential of the local economy, extending to Flanders and Belgium. Revamping the diamond area will also reflect the strategy and ambitions of the EU for the development and business potential of European sectors and regions.

Clearly, a revamped diamond district will be more attractive to tenants, developers, investors in real-estate and other activities that would bring additional revenue to the city, as well as creating jobs.

Quote

"The Diamond district is a hidden treasure in the heart of the city. It is time to reveal its urban strategic position and make it more visible."

Hardwin De Wever
Directeur Proces en Projectregie,
AG Stadsplanning Antwerpen

Objectives

- Create a new, attractive physical ambience for the diamond sector
- Enhance the attractiveness and credibility of the area to attract diamond stakeholders from around the world to establish in Antwerp.
- Maximise the advantage and appeal of the sector to those stakeholders already established here.
- Create a new, key asset for Belgian, Antwerp and Flanders tourism authorities to support large-scale inward tourism
- Improve the streets around the diamond district to raise the attractiveness for those working in the area
- Create an asset and visitor experience attractive to both Antwerp and Flanders' population and external visitors.
- Create an attractive physical footprint and general impression that invites official national, regional and city support for the sector



Recommendation

The AWDC should promote the initiative for the improvement of the diamond district as a key element of its new strategy.

AWDC, City, regional and Provincial stakeholders should manage the transformation of the district so that it engages the Antwerp community and becomes in fact a City of Antwerp project. The local population can be addressed and encouraged to contribute ideas and support through creatively sharing news of the City and diamond sector developments.

The combination of fiscal and judicial initiatives, together with business-building projects such as focusing on new polished markets, will work together with the physical revamping of the sector to inject tremendous positive energy and trigger a wave of investment and expansion.



Quote

“For over 500 years, diamonds have been closely linked to the charisma and identity of the city and province of Antwerp. With Project 2020, the diamond sector stands before the exciting challenge of maintaining its profile of an international diamond centre. As Diamond Museum Province Antwerp, we would love to contribute to promoting this “BrilliAntwerp” story across our borders.”

Liene Geeraerts
Director Diamond Museum Province Antwerp
July 2011

Visitor Centre

[MEDIUM TERM | 3-6 YEARS]

Detailed Rationale

The Workgroup proposal for a new diamond 'Visitor Centre' for Antwerp has been widely accepted. Regional and Antwerp tourism authorities agree and emphasize that for both Belgian population and foreign tourists and visitors to Antwerp a Visitor Centre is an absolute must.

Other Antwerp businesses and industry sectors who receive regular visitors and delegations from around the world, have also confirmed that a Diamond Visitor centre would be very attractive, as their business visitors always express an interest in visiting the diamond sector.

Individual Projects | Community Integration | City Experience

A well designed Visitor Centre would significantly raise the profile of the sector in the City and with the local population, offering a venue attractive to students, adults and society at large. It will also positively impact the sense of identity, commitment and ambition of the internal stakeholders, whilst providing an additional facility for diamond stakeholders already established in the city who regularly receive visitors.

A state-of-the-art Visitor Centre will support the professional diamond hub and will provide a new resource to stakeholders already present in Antwerp, including AWDC which can host and receive visitors there.

Business Case

Currently, the AWDC, Tourism Flanders and the Diamond Museum are collaborating on a concept for a Visitor Centre and Diamond Museum, to be located in the diamond district. The group is now working on a concept which is due to be finished by mid - 2012.

A new Diamond Museum should provide the world's best Diamond experience, and the Visitor Centre should be exciting, as befits a historic, global centre for the diamond trade. It must allow the story of the Antwerp diamond centre and the global pipeline to be told in an exciting and appealing way.- The Visitor Centre should be a stunning showcase for Antwerp's diamond business.

AWDC should also seek input from local companies and diamantaires in designing the concept for a Visitor Centre. Many of these stakeholders have experience and presences in other locations around the world and their ideas may be very helpful.

Objectives

- Enhanced accessibility and credibility of the sector
- Reinforce the tourism appeal of Antwerp and Belgium
- Support stakeholders who have invested in and commit to Antwerp
- Create a new exciting, vibrant, world-class platform between Antwerp diamond sector and Antwerp, Flanders and Belgian population.



Low Cost Media Events and Antwerp Diamond Days

[MEDIUM TERM | 3-6 YEARS]

Description

As part of its community integration exercise, the Antwerp diamond sector will regularly take part in low-cost/high-media coverage events and expand its involvement in others. AWDC will encourage the diamond sector to actively participate in such events and to initiate new ones.

Annual “openbedrijvendagen” will be organized by AWDC to coincide with the wider/official Belgian “openbedrijvendagen”, opening up the diamond sector to the Antwerp public, and removing the veil of secrecy. Original openbedrijvendagen and ‘easy access’ events can be designed with the cooperation of supportive sector stakeholders including banks, mining houses and companies. Events can be held in Bourse halls, bank premises and other locations, including MAS. Special materials will be designed for the event and a buzz created around them.



Key Objectives

1. Better relationship with City of Antwerp on all levels
2. Better relationships with media and external stakeholders
3. Improve reputation of diamonds and the Antwerp diamond sector
4. Improve Transparency and accessibility
5. Encourage sector stakeholders to cooperate and combine to develop initiatives

Antwerp Scholarship Fund & Diamond Competition at Antwerp Universities

[LONG TERM | 0-6 YEARS]

Description

Combined Antwerp 'Mercator Scholarship' Fund: The Antwerp diamond sector proposes a new 'Mercator Scholarship', to be funded by: Diamond, Port, Horeca, Fashion, Petrochemicals, and Banking sectors. Ten students a year (five high school and five university students) would receive a scholarship to help them travel, study abroad and attend special courses. The initiative will improve the image of the Antwerp diamond sector and create goodwill. The Mercator scholarship fund will also help mark the beginning of the new phase of the Antwerp diamond sector's integration into Antwerp's social and business community.

Competitions at local universities: The Antwerp diamond sector will invite local educational institutions like UA, AMS and others to participate in a competition where under-graduates and graduates compete to think of smart ways to keep and grow Antwerp as a global diamond centre. An annual nomination and acknowledgement reward could be given. This idea will be supported by academic institutions.



Key Objectives

1. Enhance the reputation of Diamonds and Antwerp
2. Attract new talent to the Industry
3. Foster better relations with local Stakeholders

Quote

“Fashion and Diamonds are important sectors for the city of Antwerp. Both sectors can be deployed in a way that is complementary and mutually supportive.”

Agnes Wené
Project Manager Flanders Fashion Institute
July 2011

Individual Projects | Community Integration | City Experience

'Secondary Markets'

[LONG TERM | 6-9 YEARS]

Description

Significant quantities of diamonds are owned by private consumers. A percentage of these owners are interested in selling these diamonds or trading them for different merchandise. There is a potentially major opportunity for the Antwerp diamond sector to help create and service a European-based secondary market. This is already an important business in the US, where it has been actively developed by dealers in New York and elsewhere.

Key objectives

1. Establish Antwerp as a base for this secondary market
2. Leverage the expertise of Antwerp polishers to repolish these goods
3. Encourage local manufacturers and entrepreneurs to service this market



Antwerp Diamond Masterplan
PART TWO • **INDIVIDUAL PROJECTS**

Job creation

It is recognised that forecasting is precarious. Given the impact of external factors and the volatile, unpredictable mix of macro and micro global trade, financial and political dynamics, the figures in this section must be interpreted as estimations based on assumptions and industry knowledge. Nevertheless, given a strong Project 2020 implementation plan and a reasonable level of economic stability, we are confident that the Antwerp diamond trade, united, committed and led by a strong Project 2020 vision, will see its 1,500+ companies gearing up for growth, investment and job creation.

Antwerp Polishing

If Antwerp succeeds in creating an automated GIP (Grain Independent Polishing) Manufacturing Hub, a minimum of five highly skilled personnel will be required to set up and operate this plant. Depending on the degree of success and the scope of the hub, we expect this number to increase. A GIP Manufacturing hub will also create indirect employment - If goods are shipped to Antwerp for automated polishing, this will also benefit certification, trading and shipping activities in Antwerp, resulting in further indirect job creation in these areas.

Apart from the GIP Manufacturing Hub, Project 2020 will also increase the business of local diamond manufacturers who currently employ some 531 people (SBD, 2011). The “Diamonds from Antwerp” project, for example, along with other tourism and diamond-related retail initiatives could deliver a 2% job increase yearly. We estimate there is potential demand from around the world for diamonds polished in Antwerp – if supported by an effective marketing and promotional campaign.

Antwerp Diamond Trading

Many Project 2020 initiatives focus on growing Antwerp as a diamond trading hub, its core activity today. We take into account the average number of employees per diamond company (Average numbers derived from Trendstop) for small (2 employees), medium-sized (9 employees) and large companies (29 employees), and the current total number of around 1850 diamond companies active in the sector (1,703 small, 102 medium-sized and 45 large diamond trading companies (AWDC, 2011). We make the assumption that, following introduction of a new fiscal/carat tax framework, 20 new small to medium-sized diamond companies will set up office in Antwerp in 2012, requiring approximately 100 employees. We expect this trend of new companies setting up business in Antwerp to increase over the next years.

Conditional on a new fiscal carat tax framework, existing companies in Antwerp are expected to grow, requiring more staff. The impact of a new fiscal carat tax and judicial concordat will be further reinforced by the success of Project 2020's other business-building initiatives. We make the conservative assumption that the number of jobs that could be created by companies already located in Antwerp may increase by 1% each year.



Antwerp Jewellery Wholesale

If Antwerp succeeds in creating the necessary competitive, legal and fiscal conditions for a European jewellery wholesale hub, we can expect an estimated 25 jobs to be created by 2015.

Depending on the competitive success of its business model, this new Antwerp business could expand as the key European point of entry and distribution for jewellery manufactured in India, China, Turkey, Thailand, and Vietnam. A strong business increase will result in significant job creation.

A dynamic, successful Antwerp Jewellery Wholesale Hub will positively impact the diamond sector, as well as adding a further enhancing Antwerp's commercial attraction.





Antwerp Diamond Retail

Several Project 2020 initiatives could help to increase diamond retail in Antwerp. Taking into account the average number of employees in a retail shop (10 employees for large shops and 2-5 employees for small and medium-sized shops) and three (1 large and 2 small) diamond jewellery shops created in 2013, we expect 20 diamond retail jobs to be created in 2013. The number of retail units and retail business could increase, following the successful implementation of initiatives such as; a far more compelling City and regional diamond and tourism promotion strategy, the successful Diamond Pavilion at the MAS and the Visitor Centre.



Quote

"We have seen the diamond companies' true passion for their business, but we have also witnessed some concerns about its future. We believe that the many changes in the diamond sector provide interesting, new opportunities that can be fully exploited."

Aurélië Meulemans
Master Student Antwerp Management School,
Joint Author Consulting Project "The role of
auctions in the rough diamond industry"
July 2011

Academic | University | AMS IDDC | Specialists

Closer collaboration with Antwerp's academic institutes, its university and management school will lead to future interesting projects along the lines of the International Diamond Data Centre, requiring personnel to manage and implement them successfully. Initial successes will increase the pace of collaboration and will help discover more common ground between the sector and broader academic Antwerp and Belgian establishment. Initiatives are currently under discussion with the University of Antwerp on projects that could meaningfully add to the range of teaching and knowledge topics offered in Belgium.

We expect modest initial job creation in this area, although numbers may increase as more projects result from successful collaboration.

Special Projects and Joint Ventures

A more strategically driven Antwerp diamond sector, strongly focused on growth with a dramatically improved image and reputation and acting with professionalism and transparency, will result in the diamond sector becoming more attractive to external investors and strategic partners. This will in turn support investment in new projects and joint ventures, creating jobs.

A strengthened, more vibrant and optimistic Antwerp diamond marketplace, with a transformed image and better prospects, will likely open up new opportunities and interest in collaboration with external business and commercial stakeholders. Antwerp can capitalise on the universal and compelling appeal of diamonds around the world to offer opportunities for special projects, joint initiatives, co-branding, public relations and commercial ventures.

Tourism and Horeca

As an attractive magnet for tourists from around the world, diamonds can be used more intensively and effectively in Antwerp and regional tourism promotion. We are confident Project 2020 will have a strong beneficial effect both on the diamond sector and on supporting tourism and horeca employment. Tourism and Horeca today employ approximately 10,000 people in Antwerp (Guidea, 2011). Using a conservative estimate, we believe a more vibrant, tourism-focused Diamond sector working in full cooperation with the city, regional and other stakeholders could result in an increase in tourism-related employment in Antwerp of 0,5% each year.

Furthermore, an increased number of diamond traders setting up office in the city, and other business men and women visiting on diamond business, will have a positive impact on local horeca, further adding to job creation.



'Door-Opener' Strategy (Non-Diamond)

Antwerp diamantaires are active around the world, with excellent governmental and commercial links in many important markets, especially within emerging economies such as Africa, Asia & Russia. AWDC plans to open up its extensive global networks for the benefit of Belgian businesses, with a view to promoting Flemish and Belgian trade in international markets. Given the anecdotal positive feedback received regarding this initiative, we are confident jobs will be created in Belgium through this AWDC 'Door-Opener' strategy.

As one example, the AWDC China initiative is a major strategic step by the sector into China. With the official support of ICBC (Industrial & Commercial Bank of China) the sector is developing and leveraging its network to expand Antwerp's diamond trade in potentially one of the fastest-growing markets in the world. AWDC and the sector will exploit opportunities to facilitate broader Belgian business opportunities in this and other emerging and developed markets.

Summary of Project 2020 Job Creation Initiatives

	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
Antwerp Polishing Jobs	11	16	18	20	22	24	26	28	30	195
Antwerp Diamond Trading (Offices, admin and related)	156	160	170	180	190	200	210	220	230	1,716
Antwerp Jewellery Wholesale	0	0	0	25	30	40	50	60	70	275
Antwerp Diamond Retail	0	20	20	22	22	24	24	26	26	184
Academic University AMS IDDC	3	4	5	6	8	9	10	11	12	68
Special projects and joint ventures	5	7	10	12	15	17	20	22	25	133
Tourism and Horeca	50	60	70	80	90	100	110	120	130	810
Door-opener Strategy	20	30	40	50	60	70	80	90	100	540
TOTAL JOBS CREATED	245	297	333	395	437	484	530	577	623	3,921

Synergy Effects

It is important to note a potential synergy effect between the individual Project 2020 initiatives that could positively impact overall job creation. Effective cooperation between all stakeholders, with substantial projects devised and implemented at city, regional and national levels can further boost the number of jobs created in Antwerp. This would have a particularly positive effect on employment in local tourism, horeca, real-estate and supporting service industries. If city, regional and federal stakeholders, both Government and commercial, fully participate and engage with the sector, we believe the total number of jobs created by 2020 could rise to over 4,200.



Antwerp Diamond Masterplan

Testimonials | Appendix A & B | Colofon

Ludo Van Campenhout, Schepen voor diamant, sport en stadsontwikkeling voor Antwerpen

Als man en vrouw...

Eerst was er de studiefase. Die was niet van de poes. Niemand hoort graag dat hij zélf voor een belangrijk deel verantwoordelijk is voor de dreiging die als een Korenveld met Kraaien van Van Gogh aan het zwerk staat. Natuurlijk was er in 2008 de internationale crisis, absoluut: zonder voorgaande, maar de onderzoekers wezen onbarmhartig op een nog veel gevaarlijker onderliggend feilen: het onvermogen om een toekomst te zien, laat staan die toekomst voor te bereiden.

Was het een probleem van personen? Dat wordt in zo'n situaties al te gemakkelijk gezegd, alsof de Antwerpse

diamantsector kan worden vergeleken met een doordeweekse voetbalploeg. Ik voel mij niet geroepen iemand met de vinger te wijzen. Iederéén, ook de overheid, lag als Doornroosje in een diepe lethargie, te wachten op De Prins om wakker gekust te worden. Dat viel tegen, want de wake up call leek meer op een bazooka dan op een inspirerend zoenkje op de wang.

Wat jarenlang tot gewoonterecht was geworden, gebeurde deze keer echter niet. Het is de absolute verdienste van AWDC voorzitter Bali Parikh en zijn ceo Ari Epstein dat ze de resultaten van het zelfonderzoek –wat dat is een swot analyse tenslotte – niet in algemene consensus onder de mat hebben geveegd, maar integendeel hebben aangegrepen om aan de –vaak tegen strubbelende- sector duidelijk te maken dat het doemscenario dat zich stilaan aan het voltrekken

was niemand zou sparen en dat het hoog tijd was om de defensieve ersatz veiligheid in te ruilen voor een toekomstgerichte meer offensieve strategie. En die werd dan vertaald in een opdracht voor iedereen die van ver of dichtbij bij de Antwerpse diamantindustrie is betrokken. Iedereen, dus ook de overheid. Ik durf deze missie als volgt samenvatten:

“Antwerpen moet op drie vlakken de onbetwiste wereldleider worden en/of zijn én blijven. Wereldleider in de handel in diamant, met nauwe aansluiting op de wereld- groothandelsmarkt in juwelen. Wereldleider op technologisch innovatief gebied, inclusief zichzelf terugverdienende investeringen. En last but not least: Antwerpen moet de vanzelfsprekende wereldwijde morele leider zijn. De (nieuwe) standaarden moeten hier ontworpen worden en door zelfregulatie gemeengoed worden gemaakt.”

U hebt gemerkt dat ik het woord ‘Antwerpen’ gebruik, ik beperk mij bewust niet tot ‘de diamant’, of ‘de sector’,

of ‘de industrie’, of ‘AWDC’. Omdat deze opdracht voor iedereen geldt, ook voor de Stad Antwerpen en alle andere overheden, die in het verleden eigenlijk best tevreden waren met de misplaatste discretie waarin de sector baadde. Is dat een emotionele vaststelling? Niet in het minst. Een eerstejaars marketeer kan u vertellen dat de diamantsector in cijfers uitgedrukt véél belangrijker is voor stad, regio en land dan door ongeveer iedereen wordt aangenomen.

“Het is nu of nooit”, “Je krijgt maar één kans”, “Er is een momentum, grijp het”, hoorde ik vaak zeggen. Dat is juist. Er was eindelijk consensus over de noodzaak, de intellectuele capaciteit was ruimschoots voorradig, alle gegevens gekend en de sector had begrepen dat de stad meer dan ooit vragende partij was voor een hechte samenwerking. Vergelijk het met een brand. Daarvoor heb je nodig: brandbaar materiaal, zuurstof en een omgevingstemperatuur voldoende hoog om te ontvlammen. Als één van die drie componenten ontbreekt: geen brand.

De zuurstof in dit geval was ... de oprechte passie van het duo Parikh – Epstein. De omgevingstemperatuur werd geleverd door het provincie- en het stadsbestuur. De provincie met gouverneur Bercx als aanjager en –als ik even onbescheiden mag zijn- ikzelf die als schepen voor diamant opdracht gaf een gemeentelijk Masterplan op te maken en voor het eerst een cel Diamant binnen de stedelijke administratie oprichtte.

Wij hebben niet op het uiteindelijke strategische plan gewacht om een hechte samenwerking uit te bouwen. Getuige daarvan is de installatie op de Grote Markt van het ITCCO, het internationale opleidingscentrum dat onder de vlag van United Nations onderricht zal aanbieden op het gebied van Maatschappelijk Verantwoord Ondernemen. In een eerste fase wordt de werking geconcentreerd op de wereldwijde diamantindustrie.

Zoals ik schreef: één van de drie 'conditiones sine qua non' is 'passie'. Maar er is meer. Het gaat hier zeer

zeker ook over wederzijds welbegrepen eigenbelang. Talloos zijn de klinknagels waarmee Antwerpen en de wereldwijde diamantsector aan elkaar vastgeklonken zijn. De sociale structuur van de stad, het internationale netwerk van de diamant, de kritische massa, de kennis, de uitstraling, de hefboomfunctie... Diamant en Stad hebben elkaar nodig als man en vrouw in een goed huwelijk. Overleg, vriendschap, openheid, plaats voor onenigheid, passie ... en in alles: vanzelfsprekendheid.

Zoiets heet in marketingtermen: creatie en onderhoud van een sociaal draagvlak. Op mij mag u rekenen.”.

Philip Heylen, schepen voor cultuur en toerisme, Stad Antwerpen

De diamant is één van de kostbare fundamenteën waarop deze stad gebouwd is. Kostbaar omwille van de grondstof. Kostbaar omwille van de economische return. Kostbaar omwille van de uitstraling. Nergens ter wereld passeren meer diamanten dan in Antwerpen. Toch wordt Antwerpen slechts zelden City of Diamonds genoemd. De diamantsector heeft de knowhow, de geschiedenis, de wereldwijde vertakkingen en de juiste netwerken om een unieke positie te bekleden met grote binnen- en buitenlandse exposure. Maar er is nood aan visibiliteit, aantrekkelijke informatieverstrekkers en een actieve markt.

De diamant moet aansluiting vinden bij het dagelijkse leven van de stad, net zoals de haven haar 'soft values' uitdraagt en een nieuw draagvlak zoekt bij bewoners en bezoekers. De haven heeft daartoe het MAS omarmd en een hele verdieping in het museum ingepalmd. Maar ook buiten het museum is de haven actief in haar

havenpaviljoen. En met WaterkAnt, een tweejaarlijks festival, wordt nogmaals elke bewoner aangesproken. Eenzelfde dynamiek is onontbeerlijk om ook de diamant permanent een plek in de stad te doen veroveren.

Het diamantpaviljoen aan het MAS is een eerste juiste impuls om van de diamant opnieuw iets tastbaars te maken, waarmee mensen vertrouwd zijn. Maar het moet verder gaan dan dat. Net zoals Rubens, zou de diamant een icoon van de stad moeten zijn. Een icoon die je in het straatbeeld tegenkomt, waarvoor je de stad komt bezoeken en waarvan je absoluut een aandenken mee naar huis wil nemen. Zorg dus voor interessante verkoopplekken in het centrum van de stad. Maak hem onderdeel van het rijke aanbod voor bezoekers. Creëer beleefmomenten op maat, en maak elke Antwerpenaar ambassadeur van deze unieke wereldmarkt. Antwerpen beleven = de diamant beleven.

De diamantsector staat bekend om glamoureuze gala-avonden met belangrijke ambassadeurs voor the

happy few. Laat dat de kers op de taart zijn. Maar investeer daarnaast in iets voor iedereen. Bouw aan een nieuw Antwerp World Diamond Visitor Centre, annex university ... waar men de diamant in al zijn aspecten kan beleven, kan aanraken. Waar men geconfronteerd wordt met de processen en het wereldwijde belang. Waar alle kennis gecentraliseerd zit en waar niemand meer omheen kan. Creëer een plek waar iedereen zich thuis voelt, en waar de slogan 'Diamonds are a girl's best friend' opnieuw tot zijn recht komt. Breng de diamant doorheen de stad, maar plaats het bezoekerscentrum letterlijk tussen de diamanten, geïntegreerd in het hartje van de wijk. En laat het samenvloeien met het museum, zodat dat kan voortbouwen op zijn elan van de voorbije jaren.

Kortom, bouw verder aan het stevige fundament in de diamantwijk, maar laat de diamant van daaruit de hele stad tot aan het paviljoen omarmen. Maak iedereen ambassadeur en laat de hele stad het verleden, heden én toekomst van Antwerp, City of Diamonds ademen."



Appendix A

Quotes

“Om de diamantsector in Antwerpen een bloeiende toekomst te kunnen garanderen, moet de sector flexibel inspelen op de wijzigende wereldconjunctuur. Als burgemeester ben ik uiteraard blij met dit Masterplan, dat in nauw overleg met alle stakeholders tot stand kwam, en dat tot doel heeft Antwerpen ook in de toekomst onlosmakelijk met de diamant te verbinden.”

Patrick Janssens, Burgemeester Antwerpen, November 2011

“Our four diamond exchanges have been a vital platform for Antwerp’s diamond trading for over 100 years. By signing the Fusion Four agreement, we have brought our four exchanges closer together, increasing unity and helping to modernise the trade. Our two thousand members will be encouraged to actively support the Project 2020 Masterplan, we believe it is the best way to secure a successful repositioning of the Antwerp diamond sector.”

Willy Rotti, Maurice Fischler, Julien Drybooms, David Wahl, Bourse chairmen, December 2011

“From Antwerp, pure diamonds sparkle to all corners of the world”

Baron Paul Buysse, Chairman Board of Directors Flanders in Action, May 2011

“Naast Industrie en Logistiek is de diamantsector de derde parel aan de kroon die Antwerpen heeft. Belangrijk verschil met die andere sectoren is wel dat met 80% van de wereldwijde ruwe diamant die er verhandeld wordt we hier het échte wereldcentrum zijn, de absolute nummer 1.

Dat net zoals voor de industrie ook het aspect duurzaamheid niet uit het oog wordt verloren bewijst het Antwerp International Training Center on Corporate Opportunities (ITCCO), een door de Verenigde Naties begeleid opleidingscentrum voor maatschappelijk verantwoord ondernemen met een focus op de diamant- en juwelenhandel. Door voor Antwerpen te kiezen bevestigt dus ook de VN de koppositie die onze Scheldestad heeft inzake diamant. Maar misschien nog moeilijker dan de nummer 1 zijn is de nummer 1 te blijven. Ik steun dan ook ten volle de herpositioneringoefening die de diamantsector in Antwerpen aan het maken is met het Project 2020, om er mee voor te zorgen dat deze parel haar schittering niet verliest.”

Wouter De Geest, Gedelegeerd Bestuurder BASF

“In our promotional story to attract foreign investors, we always make use of a combination of the ‘hard’ and ‘soft’ values of the city of Antwerp. Diamonds combine both in a wonderful way. This very international sector is of great importance businesswise, but has also become a symbol of the ‘quality of life’ in Antwerp. This is why it is of the greatest importance for Antwerp Headquarters to continue to work with the diamond sector to find synergies and create leverage.”

Wim Van den Abeele, CEO Antwerp Headquarters, May 2011

"The diamond sector contributes to Antwerp's image as a multicultural and economic metropolis. Diamond adds an additional character to our region and to our country.

Also, with roughly 80% of the world trade in rough diamonds, the sector lets Antwerp position itself as a leading world centre. Together with the port of Antwerp, this exceptional leverage should be far more strongly promoted internationally.

The recently presented Project 2020 Diamond Masterplan is an important and indeed critical gps for the further development of this diamond sector and enjoys the full support of Voka – Chamber of Commerce Antwerpen-Waasland".

Luc Luwel, Director-General VOKA, May 2011

"Van Tokyo over Beijing en Mumbai tot New York, van Kaapstad over Milaan naar Sint-Petersburg: overal associeert men "Antwerpen" met diamant. Toerisme Vlaanderen voert wereldwijd actief promotie voor onze bestemming. Diamant betekent dus een schitterende referentie in ons verhaal over Vlaanderen. Het "steentje" is nauw verbonden met vorstelijke en religieuze rituelen, met de hoofse verhouding tussen geliefden, met passie, beloften en generositeit. We voegen daar in ons verhaal graag het baanbrekend vakmanschap aan toe dat zo broodnodig is bij het be- of verwerken van een diamant en het verhandelen ervan. Toeristische promotie gaat, net als de magie van diamant, over het verkopen van een belofte. Laten we die belofte aan miljoenen potentiële bezoekers dan ook houden en er voor zorgen dat je bij ons diamant écht kan beleven."

Peter De Wilde, Administrateur-generaal Toerisme Vlaanderen

“Wat Wallstreet betekent voor New York, kan de Diamantwijk zijn voor Antwerpen. De goederen en hun waarde zijn even duizelingwekkend en spreken tot de verbeelding van bezoekers. En verbeelding wordt verhaal, een verhaal dat verteld wordt door bezoekers over diamant en haar stad Antwerpen. Dat is wat de toeristische dienst van deze stad wil bereiken.”

Annik Bogaert, Director, Tourism Antwerp

“Er zijn steeds meer grote steden, havens, modesteden en zo meer in deze globaliserende wereld.

Antwerpen heeft twee troeven waarin het zich historisch nummer één mag noemen: beeldende kunst en diamant. Het zou daarop kunnen inzetten.

‘Binnen Europa’ is nu ‘regionaal’ geworden. Als Antwerpen zich globaal wil profileren, zijn beeldende kunst en diamant de sectoren die de ruggengraat kunnen vormen voor een uniek stadsprofiel dat bijkomend cultureel engagement, toerisme, investeringen en andere interesse kan genereren, en een rijke en ondersteunende omgeving helpt creëren voor de mensen en bedrijven in Antwerpen.”

Bart De Baere, Directeur, MUKHA

“For over 500 years, diamonds have been closely linked to the charisma and identity of the city and province of Antwerp. With Project 2020, the diamond sector stands before the exciting challenge of maintaining its profile of an international diamond centre. As Diamond Museum Province Antwerp, we would love to contribute to promoting this “BrilliAntwerp” story across our borders.”

Liene Geeraerts, Director Diamond Museum Province Antwerp, July 2011

"The Port, Antwerp industry and business, Fashion and Diamonds collectively bring history, heritage, jobs and growth to Antwerp. All sectors face challenges, but working closely together either through the Chamber of Commerce or other platforms will make everyone stronger and help bring growth and prosperity to the City.

We welcome the diamond sector's Project 2020 repositioning and its strategy to deal with its isolated image and any association of elitism. The product indeed may be the ultimate luxury good, but the diamond community can fit its glitter into the multi-encrusted jewel that Antwerp's different sectors together create and should become a more integrated part of the Antwerp community in general. Inevitably, unity, leadership and vision in the diamond sector are the first stepping stones to any successful repositioning strategy."

Roger Roels, CEO DP World Antwerpen

"Tourism is one of the most underestimated sectors of our country. It brings much added value and many jobs for low schooled employees. This is why it is important to make good use of the 'unique selling propositions' our country has to offer. Diamonds is one of them. Better promotion of Antwerp as a leading diamond city, will draw both regular and congress tourists and businessmen to our country. This contributes to the broad horeca sector. This is why it is important for the diamond sector to be more active and visible and present itself both domestically and abroad. The fact the Antwerp diamond centre is located in a country with some of the best food in the world, will help convince many to choose Antwerp".

Danny Van Assche, CEO Horeca Flanders, May 2011

Diamonds and Belgian Chocolate, a perfect marriage for a long and happy future"

Kris Doods, President Fenaco, July 2011

"Project 2020 clearly shows the Antwerp diamond sector's intention to transform itself. Those who were part of the discussions, brainstorming sessions and Workgroups over the last year have experienced the fundamental change that is happening.

The first approach of the sector to the academic world started in 2004 with the cooperation between the "Diamond Jewellery & Management Institute" and the former UAMS (University Antwerp Management School). I am happy to confirm that today cooperation with the University is very positive and that many cooperation initiatives are in the pipeline. This also illustrates the new integration policy of the sector into the academic and social fabric of the city of Antwerp.

The international character of the Antwerp diamond sector and its networks will – when successfully integrated – contribute significantly to the business, academic and social life of Flanders and Belgium.

There is today great enthusiasm for change, innovation and growth in the sector. This is good news for all engaged stakeholders."

Koen Vandenbempt, Professor in Management University Antwerp, June 2011

"The Diamond district is a hidden treasure in the heart of the city. It is time to reveal its urban strategic position and make it more visible

Hardwin De Wever, Directeur Proces en Projectregie, AG Stadsplanning Antwerpen

"Fashion and Diamonds are important sectors for the city of Antwerp. Both sectors can be deployed in a way that is complementary and mutually supportive."

Agnes Wené, Project Manager Flanders Fashion Institute, July 2011

"Antwerp should be proud of the development of the most important diamond market in the world.

The quality and the size of the Antwerp diamond market is above question. The benefits of this entrepreneurial community to the whole of our region are very important. We should nurture and favour the growth of these activities in our country.

A more efficient fiscal structure tailored to the needs of this sector would allow this sector to find a good home in Belgium and flourish.

The challenges to maintain and further expand such a position cannot be underestimated.

My full admiration goes to the entrepreneurs that are making this possible."

Mr. Luc Bertrand, Chairman, Executive Committee of Ackermans & van Haaren

"In the first instance, I think the diamond sector must increase its visibility in the city, by realizing visualization points, anchored within the urban framework. These projects should be created in cooperation with for example, artists, architects and others. Limited not to Belgians but pursued internationally, for example: The Diamond Dust Paintings of Andy Warhol.

Apart from image building, quality and stressing the idea of perfection, the sector presenting itself as a process continuing to develop through time is of paramount importance.

As a last point, the idea of transparency as a validation process, the result itself of diversity in terms of application and engagement within the international context of the market."

Luc Tuymans, Artist, June 2011

"It goes without saying that the commercial organization "Beleef Antwerpen", which groups more than 1.000 commercial entities in Antwerp, between Central Station and the river Scheldt, comprising retail, horeca, culture and leisure time, fully supports all efforts to promote the Diamond sector in Antwerp. Antwerp stands for "Fashion", "Good Living", "Rubens", the "Port" and last but not least "Diamonds".

Some of us tend to forget that diamonds have also been a part of everyday life for many Belgians: generations have earned their living as unique craftsmen in the working of raw diamonds. It is such a shame that this has been gradually lost over the past decades.....

The first 4 players plus the City need to thus closely partner with the Diamond sector but the Diamond sector too needs to partner with the former, thus showing its commitment to the City, its inhabitants and its national and international visitors! The VZW Beleef Antwerpen is certainly willing to commit to this ongoing Partnership!"

Linda Cloots, WinkelstraatManager VZW Meir/Beléléf Antwerpen!, May 2011

"The diamond sector in Belgium, as a world leader since many decennia is of utmost importance for the economy of our country. We, as Belgian Business Federation, are particularly proud of the dynamism and modernity of the sector, specifically of the vision developed in Project 2020"

Pierre Alain De Smedt, VBO/FEB, Dec 2011

"We have seen the diamond companies' true passion for their business, but we have also witnessed some concerns about its future. We believe that the many changes in the diamond sector provide interesting, new opportunities that can be fully exploited. Further in-depth research coming from the Diamond and Jewellery Management Institute (DJMI) and Antwerp Management School (AMS) can undoubtedly reveal new insights. But most importantly, we argue that the collaboration of different parties active in the industry is primarily essential to seize all these opportunities."

Aurélie Meulemans, Master Student Antwerp Management School/Joint Author Consulting Project "The role of auctions in the rough diamond industry", July 2011

"Port and the city of Antwerp are closely interlinked. Throughout history, the port has been an important engine for the development of our metropolis. Prosperity literally entered through the river and the port to the city and its European hinterland. Today, Antwerp still enjoys a leading position in the international port rankings. Being a top 10 port on global level and number 2 in Europe is a desirable position, which we are proud of. With the international appeal and promotion of our port, we gladly make use of everything the port and the city have to offer. In our global, promotional marketing and sales, the brand awareness of Antwerp as a diamond centre is one of these trumps. It opens doors and conversations. We are delighted to hear that the diamond sector is now taking initiatives to open up and liaise with other sectors. As the port of Antwerp, we encourage this and will support this initiative."

Marc Van Peel, Alderman of the Port and President of Gemeentelijk Havenbedrijf Antwerpen, June 2011

"ACV-Transcom/Diamond believes strongly in a future for the Belgian diamond industry and trade. There is no doubt the sector will look different in the future. Innovation and technical applications are of crucial importance for the continued existence of the diamond industry in our country. This is why we make a plea for:

- Thorough scientific research at WTOCD
- Education and 'on the job training', dependent on technological innovations and the demands of the market.
- Cooperation between trade and industry to make sure sufficient and proper rough finds its way to the working tables of the Antwerp diamond industry.

As a union, we would like to put an emphasis on the social aspect, so that a balance is kept between the social support and the financial and economic issues. Given that the social tissue is mainly driven by economic and social considerations, we believe the sector must permanently be aware of this. This is the only way governments in this country can be convinced to invest in the diamond sector and in particular in its diamond industry.

Within Europe, it's only the Belgian diamond sector that exists at the level of international diamond wholesale business. Let us make the clear choice to consolidate this position and where possible expand it. Within this context, industry and trade are indissoluble. It is of the utmost importance that everyone at their own level shows the necessary drive to make efforts and investments which result in the anchoring of the diamond industry in Belgium/Flanders.

Antwerp and the Kempen hold many assets: craftsmanship, flexibility, innovation, stability, and foremost a renewed belief and confidence in the survival of the diamond industry and trade which is necessary to give this wonderful business, the place it deserves. Cooperation with other sectors, the city and the province of Antwerp must be realized to achieve a win-win situation for everyone.

We will cooperate constructively with the UNITAR project which recently opened its doors in Antwerp. The education of employees, managers and staff members which will be realized through the Antwerp ITCCO, contribute to the norms and values which we also adhere by. For examples of this, one doesn't need to look further than sustainable development and corporate social responsibility.

Lastly, we as a union will fundamentally help support and realize all offered opportunities to create employment in the sector."

Myriam Dillen, General Sector Responsible Person Diamond, ACV-Transcom

De Antwerpse diamantsector heeft een sectorplan nodig dat de verankering en de versteviging van de positie van Antwerpen als toonaangevend handels- en nijverheidscentrum tot doel heeft. Centrale elementen moeten toegespitst worden op het scheppen van toegevoegde waarde door alle betrokken bedrijven; het garanderen van een hooggeschoold arbeidspotentieel via optimalisering van opleidingen; het introduceren van geavanceerde bewerkingstechnieken.

Met het project 2020 bundelen we onze intellectuele capaciteiten en zoeken we naar een optimalisering van het diamantprofiel.

De diamantsector moet alles op alles zetten om via doorgedreven innovatie en investeringen de diamantnijverheid een toekomst te blijven geven in Vlaanderen. Technologische oplossingen moeten als gereedschap gebruikt worden in symbiose met de menselijke diamantexpertise.

Samenwerking is noodzakelijk tussen alle actoren ten bate van de creativiteit en groei voor de nijverheid en handel.

Alleen door de krachten te bundelen kan Antwerpen inspelen op de uitdagingen.

Edward Denckens Voorzitter SBD



Appendix B

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