



Press Release

Antwerp diamond industry supports reform of the KP definition of 'conflict diamond'

In the context of the Kimberley Process (KP) Intersessional taking place in Mumbai this week, the Antwerp World Diamond Centre (AWDC), the umbrella organization for the Antwerp diamond industry, wishes to clarify that the industry fully supports the proposals to reform the KP's definition of 'conflict diamond'. The AWDC is fully aware of the need to broaden the scope of the KP by expanding the definition of conflict diamonds. Through the World Diamond Council – the organization that bundles the interests of the global diamond industry – the worldwide industry affirms its full support for this initiative.

Since its establishment in 2003, the KP has been highly successful in combatting conflict diamonds. Over the past 15 years, the percentage of conflict diamonds in the global diamond trade has declined from 15% to less than 1%. The KP has proven its efficacy in this regard, but the battle is far from over. The KP's scope is too narrow.

The industry advocates the expansion of the KP's definition of conflict diamonds so it is no longer limited to rough diamonds used to finance rebel groups, but includes diamonds associated with other serious and systemic forms of violence, such as: violence committed by public and private security forces, the illicit diamond trade and/or rough diamonds that are directly linked to the worst forms of child labor and poor labor conditions. The KP should be more directly involved as a mechanism contributing to the economic and social development of – mainly African – diamond-producing countries.

A relevant side note concerning this issue is that 95% of all rough diamonds (in terms of value) are currently mined in a large-scale industrial manner by public companies whose financial, social and environment-related performance is audited by third parties. Roughly five percent of all diamond output is still produced by means of artisanal mining. Several initiatives, for which the AWDC and the WDC are the main drivers, have already been set up to improve the economic and social ecosystem in the artisanal sector.

The AWDC is one of the founding partners of the Diamond Development Initiative (DDI), an organization that brings together NGOs, governments and the diamond and jewelry industry to address problems that arise in artisanal and small-scale mining. The DDI has developed specific standards (DDI Maendaleo Standards) to mitigate risks linked to human rights violations, labor conditions and corruption.

The AWDC also provides training that enables officials from diamond-producing countries to more accurately value their diamonds. This training consists of theoretical explanation,

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sharing of best practices and practical training, in which the officials are taught how to recognize and analyze rough diamonds so as to become more adept at determining their origin and value. These training courses are also part of the AWDC's mission to contribute actively to strengthening the KP.

Additionally, the AWDC recently provided support for the WDC's updated System of Warranties and the Responsible Jewellery Council's new Code of Practices. Using these tools, the industry strives to meet the increasing demand by governments, civil society and consumers for the application of due diligence measures. It is therefore the AWDC's stated ambition in the coming years to continue to play a leading role in the establishment of a value chain that guarantees the greatest possible transparency and compliance. Finally, the AWDC is working on a project to develop a direct and ethical value chain starting from artisanal diamond-mining regions in Guinea, following the example set by Antwerp's first ethical line of jewelry, My Fair Diamond.

"The KP must implement the necessary reforms to remain fit for purpose," says Ari Epstein, CEO AWDC. "The KP is very important for the industry because it is essentially a 'license to operate'. The AWDC is therefore a strong advocate of the entire reform agenda and is doing all it can to see it adopted. While it has not made as much progress as hoped, we continue to press for phased but ambitious reform. Consumers not only demand that a diamond is conflict free, but also that diamond jewelry provides added value and creates a positive impact, certainly with respect to communities that depend on the production of rough diamonds. This is a message we fully endorse and intend to help see through to its realization. These issues will again be discussed this week during the KP Intersessional in India."

Diamond is and remains one of Belgium's most important trade goods. The diamond trade is responsible for 15% of Belgium's total exports outside the EU. The diamond industry also provides more than 5% of Belgium's GDP. Therefore, the economic importance of the industry should not be underestimated.

The AWDC endorses the strict control mechanism that applies to the trade in Antwerp, whereby government controls are conducted on 100% of all diamond imports and exports, and whereby diamond traders are required to fully comply with anti-money laundering legislation. The Belgian diamond industry is therefore internationally recognized as the top of the class with regard to ethical enterprise and serves as a role model for the global diamond and jewelry industry.

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Private Stichting – Antwerp World Diamond Centre (AWDC) • Hoveniersstraat 22, BE-2018 Antwerpen, Belgium
T +32 3 222 05 11 • F+32 3 222 05 99 • info@awdc.be • www.awdc.be • BTW – BE 0885 969 987



The **Antwerp World Diamond Centre (AWDC)**, coordinates and officially represents the Antwerp diamond industry, the global leader in the diamond trade. In this role, AWDC promotes the entire diamond industry at home and abroad. AWDC is also recognized internationally as the point of contact, spokesperson and intermediary for the entire Belgian diamond community.

86% of all rough diamonds and 50% of all polished diamonds pass through Antwerp. Diamonds represent 5% of the total Belgian exports and 15% of all Belgian exports outside the EU, making diamonds the most important export product outside the EU.

Press contact:

Margaux Donckier

Head of PR & Communications and AWDC spokeswoman

mado@awdc.be

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