

## **PRESS RELEASE**

# **Antwerp Diamond Federation Calls on Government for Decisive Support for the Belgian Diamond Sector**

## **A Favorable Business Climate Could Reverse Declining Trade Trends**

**Antwerp, January 21, 2025 – Following the publication of its 2024 trade figures, the Antwerp World Diamond Centre (AWDC), representing the interests of all Belgian diamond companies, is calling on the Belgian government to support the country’s diamond sector. Significant economic factors have plunged the international diamond industry into a deep crisis, impacting Antwerp as well. For the Belgian diamond industry, the G7 ban on Russian diamonds has had a tremendous impact, with total import and export figures declining for the second consecutive year by more than 20% (20% in 2023 and 25% in 2024). Despite the challenges, AWDC sees hope for Antwerp’s diamond sector, emphasizing that the Belgian government must play a role in fostering a business-friendly environment for diamond companies.**

“The diamond industry is experiencing a severe global crisis,” says Karen Rentmeesters, CEO of the Antwerp World Diamond Centre (AWDC). “Internationally, the sector is caught in a perfect storm, causing declining figures across all trading hubs. Weak consumer markets and competition from synthetic diamonds are leading to historically low demand for natural diamonds, resulting in rock-bottom prices. These factors inevitably affect Antwerp, one of the world’s most important diamond trading hubs. Additionally, geopolitical tensions have resulted in G7 sanctions on Russian diamonds, which have particularly hurt the Belgian diamond industry,” Rentmeesters explains.

### **G7 Sanctions Significantly Affect Trade Figures**

Due to the ban on Russian diamonds, effective January 1, 2024, in all G7 and EU countries, Antwerp saw its total import of rough diamonds drop by 35%. Before the war in Ukraine, more than one-third of all imported rough diamonds were of Russian origin, and many Antwerp diamond companies had built their business models around these goods. “Looking at total import and export figures, which are heavily impacted by the absence of Russian goods, we see a 25% decline compared to 2023, from \$32.5 billion USD to \$24.4 billion USD. Even in 2023, we observed a 20% decline compared to 2022, as trade in Russian diamonds had already significantly decreased since the war began. Additionally, global prices for rough and polished diamonds have plummeted, which is clearly reflected in Antwerp’s figures,” Rentmeesters adds.

## **AWDC Calls for Government Support**

Despite the downward trend, AWDC remains optimistic about the future of the sector in Belgium, believing that both the government and the sector itself have roles to play. The diamond industry, traditionally conservative, is now embracing sustainability and innovation, though it still lags behind many other industries. “As a sector federation, we actively encourage this necessary transition and support our companies in the process. As with any industry, standing still means falling behind,” Rentmeesters emphasizes. Government support is crucial to facilitate and accelerate this transformation.

There is also an urgent need for a stable and predictable business climate to encourage both domestic and international entrepreneurs to operate in Belgium. “We are seeing growing interest from international players to relocate their operations from competing trading hubs to Antwerp. However, moving to Belgium is one thing; becoming operational here is another. Newcomers face obstacles such as Belgian banks denying access, making it virtually impossible to open a local bank account. Companies struggle to obtain work visas for foreign employees with specific expertise, such as diamond sorters, or find that their international clients are hindered by visa requirements that prevent them from accessing their goods. At Diamond Office, which oversees the import and export of diamonds, the lack of clear agreements leads to delayed shipments and fines,” Rentmeesters explains.

With 3,500 people employed in the diamond sector and significant spillover effects to other industries, diamonds remain a vital part of Belgium’s economy. “A government that supports the sector and welcomes entrepreneurs can help reverse the negative trend in these figures. Under such a policy, we are ready to do our part to turn things around,” Rentmeesters concludes.