



# World Diamond Council

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## **2010 INTER-SESSIONAL MEETING OF THE KIMBERLEY PROCESS**

**ISRAEL, June 21, 2010**

*Address by*  
**Eli Izhakoff, President, World Diamond Council**

Mr. Chairman, delegates, distinguished guests:

It is my pleasure to be able to address you here in Israel at this important meeting of the Kimberley Process. At the outset, I would like to thank our Israeli hosts for organizing this event. In particular, I would like to congratulate the new KP Chairman, Mr. Boaz Hirsch.

Yesterday, as a prelude to this Inter-Sessional Meeting, a group of us – including representatives of government, industry and the NGO community – met to consider the manner in which the Kimberley Process should evolve, so that it continues to meet the challenges thrown up at it more than 10 years after the conflict diamond crisis first raised its ugly head. The role that will be played in this regard by the KP Chairman will be critical. Since he has assumed the KP post I have been impressed not only by Boaz's rapid mastery of what clearly is a complicated subject, but also at his open mind and his readiness to consider and implement change.

To bring about change, we require decisive but deliberate leadership, where the goal is to amend what is necessary, without undermining those qualities and elements that have brought us success in the past.

Boaz, I am confident, is cognizant of this and I believe that, under his chairmanship, the KP will be ready to meet the challenge.

Before I fully address the issue of change and evolution, let me first comment on what clearly has been the most pressing issue of the past year, and that is the situation in Zimbabwe.

Our goal as human beings is to ensure that the citizens of Zimbabwe are able to go about their lives without their basic rights being violated. It is for this reason that the World Diamond Council raised its voice to demonstrate against the recent detention by the Zimbabwe authorities of NGO activists. This clearly was an uncalled for and patently unjust attempt by the country's government to suppress criticism. Such actions need to be condemned clearly and without equivocation.

We call today for the immediate and unconditional release of Farai Maguwu.

The World Diamond Council issued its statement as an organization that is concerned both about what is happening in Zimbabwe and with the provision of basic human rights in diamond producing countries. The Kimberley Process will continue to pay dividends if we keep our eyes on the ball, and in the case of Zimbabwe that means monitoring carefully what is happening in Marange. We will not rest until this diamond producing area is operating for the benefit of all the country's citizens.

There are those who feel that the Kimberley Process is not fulfilling its mission, or possibly that its mission is not properly defined. I will say this: I do not for one moment suggest that the KP is above criticism, nor that the KP cannot be improved. Indeed, I believe that there is much to be done, and I will elaborate about that in just a moment. However, we should never overlook what has been achieved, nor should we underestimate how much skill was required to create this delicate coalition involving government, business and civil society, which in the space of just a few years managed to cut the percentage of conflict diamonds in the market to just a mere fraction of what it once was.

Yesterday we discussed the evolution of the Kimberley Process, and the choice of the word “evolution” was deliberate. Beings evolve in nature because of environmental changes, and, when they do, they maintain those elements that ensure their stability, while eliminating or changing other elements that were ineffective or detrimental to their survival. The same must be true of the Kimberley Process.

I received this week a very comprehensive working paper that had been put together by my good friend Ian Smillie. On a personal note, I am so delighted that Ian has chosen to remain involved in this subject to which he has already made such a very significant contribution.

In his paper, Ian makes a number of proposals. Several involve issues that we at the World Diamond Council have been raising for the past couple of years at least.

These are our recommendations:

First, it is imperative that the administration of the KP be strengthened, and this requires the establishment of a professional staff that will manage its day to day affairs. The current system, by which KP is managed on a part-time basis by, admittedly, a very talented and committed group of individuals, does not properly serve a mechanism on which so many people depend. Furthermore, because the KP chair is transferred annually from country to country, is important that a professional administration be maintained. Like a government whose civil service keeps the wheels turning even when the elected leadership changes, so should operate the Kimberley Process.

Second, we should look at amending the current decision-making process which at present requires absolute consensus for a resolution to pass. We understand that the consensus requirement has played a role in maintaining the KP coalition, but it also has created a situation in which a single participant has the power to block progress, without even having to declare the reason for doing so. The Kimberley Process should consider methods of amending its system of voting so that, on the one hand it can act more decisively, and on the hand still maintain the greatest degree of harmony among participants. In the past there have been suggestions about a super-majority, such as a two-thirds or 75 percent rule. This could provide a viable solution.

Third the KP should reform its rules on the publication of internal reports, with the goal being full transparency of all its actions and conclusions. I would note that at the Kimberley Process panel discussion that took place at the JCK Show in Las Vegas at the beginning of this month, criticism was voiced about a decision to close the Inter-Sessional Meeting to the press.

I do not suggest that we have anything to hide, but with a closed door policy we do give the impression that we are concealing something. I appreciate that there may be instances in which matters are best handled discreetly, but the general approach should be one of openness. I would point out that all meetings of the World Diamond Council, including the upcoming one in St. Petersburg, are open to the press. Not only do we not keep the media outside, but we invite them in to follow our proceedings.

Fourth, we urge our constituents – and here I refer to the diamond industry leadership and the members of the various diamond centers around the world – to vigorously enforce the chain of warranties which is an integral part of the Kimberley Process. In this respect we call for the involvement of key industry bodies, like the World Federation of Diamond Bourses, the International Diamond Manufacturers Association and CIBJO, as well as the governments in the various countries, to oversee this effort.

In summary, we call on all participants to support the Kimberley Process so that it continues to fulfill successfully its most precious mission. At the same time we urge a careful review of the KP system, so that it is properly equipped to meet the challenges thrown up at it seven years after it was first implemented. We also emphasize that, whatever amendments are introduced to the KP system, they be evolutionary. Our environment has changed, and so should the KP, but whatever is introduced should serve to strengthen the alliance between government, business and civil society that provided the Kimberley Process with its strength right from the very beginning.

I thank you.