



World Diamond Council

580 Fifth Avenue / New York, NY 10036 / USA

RAPAPORT INTERNATIONAL DIAMOND CONFERENCE

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Address by Eli Izhakoff, Chairman, World Diamond Council

Thank you Martin, for bringing us all together today for this fantastic gathering of minds, and thank you for giving me this opportunity to address such a distinguished group of individuals and organizations.

As a collective, the diamond industry is poised to make great strides in 2007 in not only the elimination of the trade in conflict diamonds, thanks in large part to the Kimberley Process and System of Warranties, but also in bringing to light the positive role that our industry plays around the globe. By working with governments, civil society groups, as well as amongst ourselves, we can make a difference for the millions of people around the world who rely on our industry for their livelihood, and in some cases, their survival.

We must continue to keep Botswana and Namibia as a goal for diamond producing counties to emulate as these are shining examples of what good governance combines with socially responsible mining can achieve. In addition, the diamond hope is not just coming from these Sub-Saharan Africa nations, there are programs such as the Peace Diamond Alliance in Sierra Leone and the Diamond Development Initiative in Tanzania that are making great strides in not only bringing to light the issues that our industry faces in the alluvial sector but also in improving the working conditions on the ground which make a tangible difference in the lives of these miners.

But such initiatives ultimately must come from the work that our partner governments do. The onus is on them, some of whom have taken the initiative to make a difference and some of whom still need to face this challenge head on. It is estimated that 15% of the

global diamond supply comes from alluvial sources; this is an important part of our diamond community, one that historically has not enjoyed all of the benefits that diamonds can bring. We are here today to focus the industry's combined efforts on improving oversight of this sector and at the end of the day, while we are only one element of the equation, we can indeed make a difference, but to truly succeed, we will need the help of governments, the international community and civil society.

Our government partners play an integral role in developing this part of the sector. We must ask in a public sphere, "What are these governments doing?," "How are they taking this resource and making a positive impact on their citizens," "How can we, as an industry help them accomplish this task?" We must let our development partners know that great things can be done in this arena and to attract the much needed economic diversity. And finally, we must continue our work with civil society, whose goals are like ours, to stamp out this evil trade and improve the lives of alluvial miners.

We must not lose sight of the fact that as a collective, we can make a difference. We must continue to work together, we must continue the fight to completely eradicate the deplorable trade in conflict diamonds; we must continue to educate ourselves and our colleagues; and we must continue to not only lend our assistance and expertise to governments in need, but also continue to pressure them to make the necessary changes so that diamonds can mean hope and prosperity for every country that is rich with this resource.

It is an issue that will not be solved overnight but it is an issue that must be addressed for our industry to grow in a positive and prosperous direction. The World Diamond Council has great hopes for our industry in 2007 as we capitalize on the momentum of the past year. We are looking forward to working together on solutions that will have a significant and positive impact for the future of our collective industry.

Thank you.