



KIMBERLEY PROCESS CIVIL SOCIETY COALITION

OPENING SPEECH FOR 2021 KP INTERSESSIONAL MEETING

VIRTUAL MEETING HOSTED BY THE RUSSIAN FEDERATION

21 JUNE 2021

KP Chair,

President of the World Diamond Council

Dear KP Participants and Observers,

As you will all agree with me, this year is different in the manner and way we are holding the KP Intersessional meeting. We are in the midst of a **global pandemic** that has affected and killed many people around the world. Communities in mining areas, along with mine workers, have not been spared by the pandemic. This reinforces the need for the diamond industry and KP Participants to prioritize safe and healthy working conditions, and the fair distribution of revenues from diamond mining and trading, including to ensure improved access to healthcare facilities. Particularly concerning are reports of workers struck by and even dying of COVID-19 in mining operations, as well as India's cutting and polishing centers, because employers neglected health directives and protocols.

Throughout the past year, the KP CSC has been doing a lot of **work on the national level**, working with communities affected by diamond mining and with artisanal miners. In this work we encountered many obstacles and challenges that make this natural wealth a cause of harm rather than benefit. While we do not deny that diamonds in many cases do good, our work focuses on the most marginalized groups, whose voice is otherwise not heard. And through this work we are increasingly confronted with the fact that the KP is neglecting and failing to protect people against new forms of conflicts affecting the sector.

We have also deliberately been **working more outside the KP**, reaching out to members of the diamond industry, retailers, jewelers, consumers and other NGOs that are willing to listen to and understand the message we have been trying to convey in the KP for years. These actors appear prepared to expose the duplicity of the KP, with ill-intentioned actors and criminals hiding behind its failings to continue profiting at the expense of local communities, through undervaluation of diamonds, revenue mismanagement and violence. We will continue working much more closely with millennial and Generation Z consumers who want to buy ethically sourced diamonds. The future of the industry relies on keeping these consumers on board, and thus taking actions to curb illegality, human rights violations, environmental harm and poor working conditions.

The rise of **synthetic diamonds** should be a wakeup call for rough diamond producing countries as it may affect their economies. Each generation is defined by its technologies. The age of synthetic diamonds, blockchain technology, artificial intelligence, machine learning and big data requires the rough diamond sector at the level of producers, traders and cutting and polishing industries to adapt. Adaptation entails embracing advances in scientific and social norms dictated by the needs of new generations. Governments equally need to start listening to these changing concerns to fix the problems in the diamond value chain. As an example, one of the worlds biggest jewellers, Pandora, said this year it will no longer sell mined diamonds and will switch exclusively to laboratory-made diamonds due to concerns about sustainability, human rights abuses, environmental harm and poor labour standards associated with mined diamonds. This highlights that the problems the KP CSC is pointing to may be difficult for some of you to hear, but these problems don't disappear if you simply look the other way.

Ongoing human rights abuses in diamond mining

Let me now turn to specific and ongoing human rights challenges that are of particular concern to the KP CSC.

As we have invested time and resources in working with and getting updates from communities and workers in different countries throughout the past year, we have noted increasing cases of conflict in the diamond supply chain pitting communities against powerful corporate and governmental interests. Conflicts regularly occur over land displacements, environmental harm, poor labour standards, violence, abuse of women and children, non-compliance with often inexplicable national laws and policies, lack of investment in community infrastructure and pure looting of resources.

It is our mission and responsibility to bring the voice of these marginalized communities to this forum, as we feel many of the discussions we are having here are so disconnected from this reality. We want to open this forum by sharing some of the reports we have collected or come across, in the hope that all of you will keep this reality in mind, throughout this week's discussions. This is a call to all KP Participants and Observers to meaningfully address these concerns, so that we don't have to go back to our constituencies and explain that the KP has no relevance for them.

This is a selection of some of the reports that concern us most:

- In **CAR**, in addition to the devastating civil war, there are new reports of mercenaries violently expelling locals from diamond mines, in complicity with the national army, through a fear campaign of rape, torture and indiscriminate attacks on civilians.
- In **Tanzania**, a private security company protecting the Williamson Diamond Mine of Petra Diamonds, one of the largest diamond companies in the world, is accused of shooting dozens of locals in the past years, leading to their death or life-changing injuries. The company has come to a settlement with a number of the victim's families recently, but it remains to be seen whether that will be satisfactory, and more importantly whether the violence will stop.

- In **Lesotho**, communities around Gem Diamonds' Letseng mine, the highest value per carat mine in the world, live in constant fear that the mine's tailing dams will burst, and that their drinking water is polluted, with the mine unable to provide them any assurances.
- In **Zimbabwe** locals are asking to stop digging up diamonds as these stones do more harm than good, with reports of public and private security services being involved in using violence and abusing artisanal miners and locals. The Zimbabwe Consolidated Diamond Company and any new actors have legacy issues and a duty to seriously address and clean the image of diamonds in Zimbabwe.
- Again, in **Zimbabwe**, Murowa Diamonds, a member of the Natural Diamond Council, committed to promoting responsible sourcing standards, is repeatedly being accused by local communities of drilling and exploring for diamonds less than 100m from a school thereby disrupting learning activities and the children's right to education.
- In **Sierra Leone**, communities have for years been unsuccessfully trying to get compensation from Ocea's Koidu mine, where they claim to be forcibly removed from their homes, their farmland buried under rubble, and their water sources polluted.
- In **Angola's** Lunda Norte province, communities report that their protests against the destruction of villages and livelihoods because of diamond mining continue to be violently suppressed.
- In **Brazil**, there is growing concern that criminal groups mining for gold and diamonds in the Amazon are destroying the environment and assaulting indigenous groups.
- Efforts to formalize artisanal mining in **South Africa** - with the development of the Draft ASM Policy - and **Zimbabwe** also thinking of developing an ASM Policy, should include measures for communities to benefit from the diamond mining sector as well. Failure to formalize artisanal mining sponsors chaos and allows criminal networks to thrive.
- In addition to all the above, artisanal miners continue to struggle with the impact of **COVID19**. While the world market sales and prices are rapidly recovering, artisanal miners continue to receive drastically reduced prices. These are up to 50% less than before the pandemic, seriously cutting their household budgets.

I know that many of you are thinking that dealing with these concerns is not the KP's responsibility. But at the same time all of you like to say that the KP is a conflict prevention, or even a responsible sourcing mechanism. There is a problematic contradiction in that.

Many of you also think that it is enough that the KP allows civil society to speak out on such issues, or that documenting and reporting human rights concerns is the sole responsibility of civil society. This is another problematic misconception. This should be a shared effort that concerns us all, be it in civil society, government or industry. You cannot keep on relying on our limited resources to bring the problems in your supply chains to light. **These problems are not just our problems.**

Bad practices and bad actors contaminating the diamond trade are a threat to all of us. At present those who commit these human rights violations are not held to account,

not by governments, nor by industry who are trading their diamonds. An important question for this forum is how the KP will ensure that these abusers are held accountable for their actions.

The Central African Republic

With regard to the **Central African Republic**, it is in our view, time to look back and zoom out. The KP embargo on CAR has been in place for 8 years now, in different forms. But what has it achieved? The country is still at war, and communities whose livelihoods depend on diamonds are suffering even more and are driven into the hands of criminal networks and armed groups. Illicit trade and trade in conflict diamonds is flourishing. Over 90% of diamonds continue to be smuggled out of the country. The KP will never be able to stop this by looking only at the CAR. These stones find their way to the market via other countries, where they get KP certification, with numerous reports mentioning neighbouring countries, not only Cameroon, but also trading hubs like the United Arab Emirates and Lebanon. These countries need to be involved in seeking a solution to this lingering problem. Enforcing border and custom control measures and cooperation are key tenets that should be strengthened through cooperation between KP Participants.

Principles for Responsible Diamond Sourcing

We view the development of principles for responsible sourcing as something worth engaging on. Yet, our questions with regard to implementation, monitoring and the duties and obligations of Participants in this regard, remain unanswered to date. We hope that these elements will be part of the discussion during this Intersessional, so that the KP finally moves from talking the talk, to walking the walk.

With those remarks I want to wish everyone fruitful discussions.

Delivered by:

Shamiso Mtisi – *Coordinator KP CSC.*

On behalf of the Kimberly Process Civil Society Coalition

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