Conflict Diamonds Q &

page 1 of 2

What are conflict diamonds and where are they found?

Conflict diamonds, or blood diamonds, are rough diamonds mined in conflict zones that are used by armed groups to finance conflict and commit grave human rights abuses.

Conflict diamonds have originated from Angola, Sierra Leone, and the Democratic Republic of the Congo. Diamonds have also sustained the conflict in Liberia and are a potential revenue source for future conflicts if the trade in rough diamonds is not effectively managed and monitored. However, all countries that trade and sell diamonds are complicit in the suffering associated with conflict diamonds.

What is the volume of conflict diamonds?

The volume of conflict diamonds has been estimated at between 4% and 15% of the world trade of rough diamonds. Even the low figure is significant volume of cash when set against the 2001 \$7.9 billion annual trade in rough diamonds – enough to buy a substantial supply of cut-rate Kalashnikovs.

What is the impact of conflict diamonds?

The sale of conflict diamonds has sustained conflict in Sierra Leone, Liberia, Angola and the Democratic Republic of the Congo (DRC). As many as three million people have died in these wars over the past decade. In Sierra Leone, upwards of 50,000 were killed, half the population was displaced and more than two-thirds of the already limited infrastructure was destroyed. Rebels from the RUF chopped off the hands and feet of women, children and men in order to frighten civilians away from the alluvial diamond fields. The conflict has lapped over into Guinea and Liberia, causing massive dislocation and economic destruction. A report on the DRC in March 2001 by the International Rescue Committee estimated that 2.5 million people had died and a further 2 million had been displaced by war in the DRC.

International agreements: keeping diamonds conflict-free?

The Kimberley Process is a joint effort between the diamond industry, governments and civil society that aims to end the trade in conflict diamonds through the development of the International Certification Scheme for Rough Diamonds.

The Kimberley Process was initiated by the Government of South Africa in May 2000. To date, over 50 diamond producing, trading and marketing countries have joined the voluntary scheme, including Canada, the US, the European Union and major African producing countries. The Interlaken Declaration, adopted by members of the Kimberley Process in November of 2002, committed member countries to simultaneously launching the scheme at national levels beginning January 1, 2003. The agreement can be viewed at <u>www.kimberleyprocess.com</u>.

The Kimberley Process is a beginning for addressing the issue of conflict diamonds. However, the Kimberley Process as it currently exists will not keep conflict or illicit diamonds out of the trade. A lack of regular, independent monitoring leaves huge loopholes for conflict diamonds to continue to enter the trade. Unethical members of the diamond industry will take advantage of these loopholes, slipping conflict diamonds into the legitimate trade and continuing to make huge profits trafficking in conflict diamonds. Action by governments of diamond producing, trading and processing countries in concert with the diamond industry is required to end the scourge of conflict diamonds.

What is meant by "regular, independent monitoring"?

Regular monitoring means that monitoring measures of all national control systems would occur at pre-established intervals. Independent monitoring means that those conducting monitoring would provide an expert, impartial review of a country's national control systems.



Conflict Diamonds Q & A

page 2 of 2

Partnership Africa Canada has produced a comprehensive set of recommendations for an effective, credible monitoring system. The recommendations are included in the report "The Kimberley Process: the Case for Proper Monitoring", found at <u>www.partnershipafricacanada.org</u>.

Are conflict diamonds still an issue?

Although the wars in Sierra Leone and Angola are officially over and peace negotiations are continuing in the Democratic Republic of the Congo, the situation in these countries is still extremely fragile and the potential for future conflict is very real. Diamonds have been linked to the conflicts in Liberia and Côte d'Ivoire which are still continuing in early 2003 and threatening stability in the West Africa region. Investigations have linked Al Qaeda to diamond deals in West Africa.

While conflict diamond totals may actually decline with the conclusion of formal peace agreements, the Kimberley Process is as much about prevention as it is about cure. Kimberley Process controls will, if effectively implemented, help to ensure that diamonds cannot again be used by rebel movements in these countries or any others to further their military aims.

What is the Canadian government doing?

The Canadian government has played a leadership role in efforts to end the trade in conflict diamonds, motivated by both humanitarian concerns and a desire to protect the rapidly growing Canadian diamond industry. In order to meet its obligations under the Kimberley Process, the Canadian government passed Bill C-14, the Export and Import of Rough Diamonds Act in December 2002. A Kimberley Process office under Natural Resources Canada has been set up to issue Kimberley Process certificates (www.nrcan.gc.ca/kimberleyprocess).

What should the Canadian government do?

The Canadian government should take a leadership role in pressing for regular, independent monitoring at all points in the international diamond trade. (Visit www.amnesty.ca to write a letter to the Canadian government asking them to advocate for regular, independent monitoring).

Where can consumers buy conflict-free diamonds?

Because of a lack of regular, independent monitoring in the Kimberley Process, conflict diamonds can continue to enter the diamond trade. Once a diamond is polished, it is impossible to identify its origin through technological methods; this means that when conflict diamonds enter the diamond trade, there is no way of distinguishing them from legitimate diamonds. No jewellery retailer can guarantee that the diamonds they are selling are conflict-free.

What about Canadian diamonds?

Canada is rapidly growing as a major producer of diamonds. Diamond production from Canadian mines will reach almost 10% of the world trade in rough diamonds by the end of 2003. It is projected that Canadian diamonds will make up as much as 15% of the trade, and possibly much more, by 2010. Consumers are increasingly looking to the "clean" reputation of Canadian diamonds - diamonds that are marketed as conflict-free and produced with ethical environmental and labour practices.

The jewellery industry in Canada has produced a Voluntary Code on Authenticating Canadian Diamonds. However, without regular, independent monitoring of all national controls in the Kimberley Process, the code cannot guarantee that diamonds advertised as Canadian are truly Canadian. All Canadian-mined diamonds leave Canada; some are then re-imported for cutting and polishing in Canada. When Canadian diamonds leave the country, conflict diamonds can be slipped into the supply chain and passed off as Canadian.







Canadian Jewellers for Conflict-free Diamonds is an initiative of One Sky, in collaboration with Partnership Africa Canada and Amnesty International Canada. For more information, please visit www.onesky.ca or contact Kristin Patten at (250) 877-6030, kristin@onesky.ca