

Opening Comments

Kimberley Process Civil
Society Coalition

Mittah Seperepere
International Convention
Center,
Kimberley, South Africa
June 4, 2013

Alan Martin



PARTNERSHIP
AFRICA CANADA




**PARTNERSHIP
AFRICA CANADA**

331 Cooper Street, Suite 600
Ottawa, Ontario, K2P 0G5, Canada

info@pacweb.org
www.pacweb.org

For permission to reproduce or
translate all or parts of this
publication, please contact
Partnership Africa Canada.



Premier (Sylvia) Lucas
Minister Shabangu,
Ambassador Nhlapo,
Eli Izakhoff,
Distinguished guests,
Kimberley Process colleagues,

Margaret Mead, the famed American academic and anthropologist, once said: “Never doubt that a small group of thoughtful, committed citizens can change the world; indeed, it’s the only thing that ever has.”

Indeed, this was the case in May 2000, when a small collection of government officials, industry members and NGOs met down the street from here at the Tabernacle Church and hammered out the broad-strokes of what was to become the Kimberley Process Certification Scheme three years later.

PAC—supported by a broad coalition of civil society colleagues from many parts of Africa—was one of the original architects of the KP.

One of the first to expose the unfortunate and destructive link between the trade of rough diamonds and civil war in West Africa.


One of the first to demand a change in the way the diamond business operates.

In those early years, there were many doubters and detractors, those who said it could never be done, who derided us as dreamers and idealists.

Some of the more cynical critics argued the diamond trade was so unique that it could never be expected to change.

Of course, the critics were proven wrong.

Not only did the KPCS get off the ground, for many years it was the gold standard of multi-stakeholder initiatives, especially in the realm of natural resource governance.



But a decade on, the mineral conflict and resource governance landscapes have changed. New realities and challenges are in play. People now talk about things that the KP founders never contemplated:

- human rights abuses perpetrated by governments and private security companies;
- revenue transparency;
- price manipulations that deprive African governments of much needed tax revenues;
- working and legal conditions for artisanal miners;
- environmental protections, to name a few.

The KP doesn't have to solve every problem, or have an answer to them, but neither can it be silent, indifferent or actively opposed to addressing these emerging issues.

A decade on, to put it diplomatically, the KP is suffering from an existential crisis. Human rights are in its DNA we are told, but we've dithered for years, not only on the substance of a new conflict diamond definition, but whether we even need one at all.

Ian Smillie, one of the original architects of the KP and someone familiar to many of you, recently said this about the KP:

“It seems like the KP has slipped into a nice comfortable rut where nothing really matters very much and nothing really needs to change.”

It doesn't have to be this way.

The KP can prove the critics wrong again, but for that to happen it must do two things. The first is to demonstrate that it is a regulatory body that can implement and enforce its own minimum standards.

The second is to take stock of what has changed in the last decade, and think hard about how best to innovate to proactively address some of the new challenges we collectively face.



More on the second point in a moment.

The KP Chair has often spoken about the need to defend the KP's credibility by focusing on the implementation of core and agreed standards. In that vein there are two issues that need to be addressed at this Intersessional that fit that bill.

The first is Venezuela: Venezuela has been non-compliant with KP minimum standards for the last seven years.

It has repeatedly failed to file annual reports or statistical data. It has ignored our many overtures for technical assistance—including by the current Chair—and rebuffed requests for information that would help us assess its sincerity in rectifying identified compliance shortcomings.


In normal circumstances Venezuela would have been expelled from the KP long ago. The KP Civil Society Coalition, however, has proposed a compromise solution that has won the support of the WDC, other the members of the PC, and the KP Chair.

The solution is simple: The KP should formally record Venezuela's suspension, increase vigilance and enforcement efforts to thwart the illicit trade of their diamonds and place the onus on Venezuela to decide when it wants to return.

By taking this approach, Venezuela would remain a KP member but would be removed from the KP agenda—where it has been a perennial and largely wasted discussion point for the last six years.

Of course, the KP would continue to offer technical assistance should Venezuela request it. And whenever Venezuela decides it wants to return and take its KP obligations seriously, the KP will be ready to welcome them back.

The second issue is the Central African Republic: As you are all aware the KP Chair, on the recommendation of the WGM, issued a Notice in May that temporarily blocks exports from CAR following the violent overthrow of the government by a rebel group.



The KP should be commended for its fast and judicious response to this delicate issue.

The KP Chair, in particular, should be congratulated for his professional role achieving a consensus response from participants.

This decision is to be reconsidered here at this Intersessional. The KP civil society coalition believes a removal of the embargo would be premature until several conditions are met, not the least being the successful conclusion of a KP Review Mission and legitimate elections that confer political recognition on a new government.

Why should this be the case?


United Nations General Assembly Resolution 55/56, the original 2001 document that mandated the creation of the KP, defined conflict diamonds as “rough diamonds which are used by rebel movements to finance their military activities, including attempts to undermine or overthrow legitimate Governments.”

For the lawyers in the room, there is an interesting placement of a comma. The primary emphasis is on rebel movements’ use of diamonds to finance military activities. Undermining or overthrowing governments is a supplementary consideration.

By this objective standard, CAR has been a classic case of conflict diamonds since 2010 when armed rebel groups entered diamond-producing zones. The March 2013 takeover simply served to finalize the rebel’s control of the country’s entire diamond trade.

The international response, most notably by the African Union and individual African governments, has been to **not** accord political recognition or legitimacy to the new rebel government until such time as there are free and fair elections. This is a prudent and laudable response.

It also aligns fully with the KP’s long-standing rejection of rebels illegally controlling and benefiting from a country’s diamond resources.



Chair Nhlapo has often spoken of the advantages of finding greater cooperation between the KP and the African Union. CAR represents a good opportunity to showcase a shared response and resolve that reflects positively on both us and the AU.

The above interpretation of the current conflict diamond definition also deserves further acknowledgement as we deliberate on how to improve clarity and responses to existing and new forms of armed and systematic violence in diamond zones.

Reform of the KP—particularly a new and agreed conflict diamond definition—requires that we have the same ambition, courage and determination as the KP founders.

It also requires that we fundamentally re-imagine responsibilities for all stages of the supply chain.


Just as governments have to take responsibility for the actions of their security forces in diamond zones, so too, should industry members who take advantage of resource constraints and governance vulnerabilities in producer countries.

With this in mind, the current reform period should not be perceived as an opportunity to simply say “No” to whatever is under negotiation. Rather it should be an opportunity to either improve existing proposals or propose new ones that reflect your particular needs and concerns.

We especially make this appeal to African producers who are with us today.

The KP Civil Society Coalition has always believed that improved governance of the diamond sector requires a multi-pronged approach. No one initiative can deliver the moral and economic clarity industry and governments need to keep abreast of the ever-changing challenges we face.

It is our hope that the KP can demonstrate the leadership needed to regain its status a gold standard in resource governance. We have



shown that we are capable of doing so in the past, and there is no reason why we cannot do it again.

But if the KP chooses not to act, do not doubt that a small group of thoughtful, committed citizens will look to other initiatives to deliver that governance, with the aim of supporting and supplementing the work of the KP.

This could include an OECD due diligence for precious stones, including diamonds, similar to those concluded for other high value and conflict prone minerals.

Whether it be in that forum, or through other initiatives, the Civil Society Coalition remains committed to our original goal of breaking the link between diamonds and violence.

As the KP commemorates its 10th anniversary and takes stock of its successes and missed opportunities, we hope that you will also re-commit yourselves to the same goal.