

## **THE DIAMOND DEVELOPMENT INITIATIVE**

The Diamond Development Initiative emerges from a recognition that the underlying problems of Africa's alluvial diamond operations and its estimated one million artisanal miners lie beyond the KPCS, and have not yet been addressed. Artisanal alluvial diamond miners work largely in the informal sector, contributing little to national economies. Their earnings, on average about a dollar a day, place them and their families in the category of absolute poverty. The work is dangerous and unhealthy, and alluvial diamond fields are rife with violence. This is a development problem and one with several security dimensions – human, local, national and international. A pooling of stakeholder efforts holds the potential for achieving real change, change that could bring artisanal alluvial diamond mining into the formal sector, with the major benefits for miners and governments alike, and the diamond industry at large.

The focus of the DDI will be the creation of a multilateral partnership of governments, NGOs and industry that will allow interested parties to pool their resources, experience and knowledge, and to integrate various initiatives that are being developed in this field.

A first exploratory DDI meeting was organized by Partnership Africa Canada, Global Witness and De Beers in London in January 2005. It was attended by a wide cross-section of bilateral and multilateral donor representatives, industry, government representatives and NGOs. Since then, the DDI Steering Committee has been expanded and a meeting was held in Washington in June, in conjunction with and a meeting was in Washington in June, in conjunction with a CASM Meeting at the World Bank, to elaborate the Mission, Objectives, and next steps in the DDI.

### **DDI MISSION STATEMENT:**

To gather all interested parties into a process that will address, in a comprehensive way, the political, social and economic challenges facing the artisanal diamond mining sector in order to optimize the beneficial development impact of artisanal diamond mining to miners, their communities and their governments.

#### **Objectives:**

To gather and disseminate information on artisanal diamond mining.

To promote better understanding of, and possible solutions for:

- Government regulation and mining regulation;
- Distribution and marketing channels;
- Organizational aspects of artisanal production;
- Legitimate and transparent distribution channels;
- Organization among artisanal miners;
- Free and open markets for artisanally mined diamonds.
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To promote wide participation in the process, including governments, donors, industry and NGOs.

**Diamond Development Initiative  
Accra Conference, October 27-30, 2005  
Backgrounder**

This note explains the background and purpose of a meeting of the Diamond Development Initiative (DDI), to be held at the Golden Tulip Hotel, Accra, between October 27 and 30, 2005. The DDI Steering Committee includes Partnership for Africa Canada, Global Witness, the De Beers Diamond Trading Corporation, The Rapaport Groups of Companies, Jeffrey Davidson of the World Bank's CASM Secretariat also serves on the Committee, as does noted Israeli Diamond journalist Chaim Even-Zohr. Funding for the conference is being provided by The World Bank, De Beers, Partnership Africa Canada, Global Witness and the Rapaport Group.

This "convening meeting" follows two very positive exploratory meetings held earlier in 2005, involving civil society (North and South), the diamond industry, donor governments and the governments of African alluvial diamond producing countries. The Accra meeting aims to launch the DDI into concrete action around the political, society and economic challenges facing the artisanal diamond mining sector in Africa.

#### **THE CHALLENGE**

During the 1990s and into the current decade, rebel armies in Angola, Sierra Leone and the Democratic Republic Congo exploited the alluvial diamond fields of these countries to finance their wars. "Conflict diamonds" spread their tentacles into other conflicts as well – Liberia, Guinea, the Republic of Congo and elsewhere. Hundreds of thousands of people died as a direct result of these wars, and many more died of indirect causes.

The issue of conflict diamonds was brought to public attention by NGOs and the United Nations in 1998 and 1999, and in May 2000 the Government of South Africa convened a meeting, bringing together industry, governments and civil society in an attempt to find a solution to the problem. That first gathering, held in Kimberley, where South African diamonds were discovered 140 years ago, was the first in a series of more than a dozen meetings that came to be known as the "Kimberley Process."

In a remarkably short time, the Kimberley Process was able to articulate a system for managing and certifying the internal and international trade in rough diamonds. The Kimberley Process Certification Scheme (KPCS) came into effect on January 1, 2003, and required all participating governments – more than 40, plus represented by the European Commission – to enact new diamond laws and regulations.

The KPCS remains a work in progress. It has been credited, however, with huge increases in official diamonds exports from Sierra Leone and the DRC, and with the ending of all official diamond trade with many countries accused of involvement in conflict diamonds. Participants in the KPCS ascribe its success to the willingness of a wide range of governments, civil society and the diamond industry (represented by the mining, trading, manufacturing and retail sectors through the World Diamond Council) to give each other space and respect, and to work together.