



**THE STATE OF ISRAEL
THE MINISTRY OF INDUSTRY, TRADE AND LABOR**

**FIRST TEST FOR ISRAEL AS CHAIR OF THE KIMBERLEY PROCESS FOR THE
PREVENTION OF TRADE IN CONFLICT DIAMONDS (20.6.10)**

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Prevention of Trade in Conflict Diamonds**

Boaz Hirsch, Director of the Foreign Trade Administration and Chairman of the Kimberley Process on behalf of the Ministry of ITL

“We in the Process are facing a critical crossroads. The eyes of the whole world are trained on us and we have to prove that the Process is still credible and relevant and that we have the ability to prevent trade in conflict diamonds and thus prevent the infringement of human rights”.

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“We are at a critical crossroads for the Process. The eyes of the whole world are trained on us and we have to prove that the Process is still credible and relevant and that it is within our ability to prevent trade in conflict diamonds and thus prevent the infringement of human rights”. This was stated by Boaz Hirsch, the Ministry of ITL Director of Foreign Trade and Administration, and Chair of the Kimberley Process, prior to the Kimberley Process Conference for the Prevention of Trade in Conflict Diamonds which took place between June 21 – June 23, 2010 at the Dan Panorama Hotel in Tel Aviv.

As Chair in 2010, of the Kimberley Process for the prevention of trade in conflict diamonds (“Blood Diamonds”) Israel is hosting a conference of working groups of the Process that is taking place against the background of reports of Zimbabwe failing to meet the requirements of the Process and the continuing infringement of human rights in the Maranga Region of Zimbabwe. This meeting is in actual fact a preparatory conference prior to the plenum meeting which will take place in Jerusalem on November 1 – 4, 2010.

“Decisions are made in the Kimberley Process based on consensus. The achievement of unanimity on this subject is a difficult task. We must constitute a bridge between the diamond producing countries for who every decision has immense economic implications, and human rights organizations who are engaged in the struggle in view of

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the recent reports. In my opinion we cannot afford the luxury of not making a decision. We are navigating in stormy waters and Israel, as Chair, must steer the process into a secure haven” says Hirsch.

The Kimberley Process started work in 2003 – it is a forum of representatives of producing countries and countries trading in diamonds and constitutes a credible system, which exercises supervision over the trade in rough diamonds. The mandate of the Process, as it has been defined by the UN Security Council, is to prevent trade in rough diamonds reaching areas under the control of rebels in West African States which enables them to use the money received in payment for these diamonds in order to finance the activities of underground organizations, arms trading, the overthrow of lawful governments and activities that infringe human rights and of citizens of some of the rough diamond producing countries. Within a short period of seven years the Kimberley Process has succeeded in reducing the trade in “blood diamonds” from 15% of the trade in rough diamonds to somewhat less than 1%.

Nevertheless, Zimbabwe during the last two years has been the focus of the activity of the Process and of reports as to its failure to meet the requirements of the Process. A Kimberley Process delegation to Zimbabwe in 2009, determined that there are indications of a breach of the Process requirements in the Maranga Mining Region. As a result of this, in a meeting of the plenum of the Process in Swakopmund, Namibia in November 2009 a joint working program was adopted for the adoption of the Process requirements and for creating a supervision and control mechanism over the export of Maranga Diamonds to ensure that the mining of them meets the requirements of the Process.

In April it was discovered that from the beginning of the year a number of consignments of Maranga Diamonds from Zimbabwe had been dispatched to the United Arab Emirates without approval of the Process Inspector. Since his appointment the Inspector has made two visits to Zimbabwe, in March and in May. Following his last visit he reported that there are mines in the Maranga Region that meet the requirements of the Process and that diamonds can be exported from them. This report was received with some degree of suspicion by some of the members of the Process against the background of reports that a human rights activist in Zimbabwe was under arrest and facing an accusation that he has supplied classified material to the Inspector that appears to testify to the fact that the Zimbabwean army is engaged in unlawful activity in the Maranga Region.

It should be noted that the Kimberley Process is a unique example of cooperation between the Governments of 75 countries, the International Diamond Industry, represented by the World Diamond Council, and representatives of human rights organizations. This is the widest international process that Israel has led. The achievements of the Process so far have assisted in the creation of and the imposition of order and security in wide areas on the African Continent. This is in addition to the restoration of and building up the goodwill of the diamond industry which is responsible



for the livelihood of millions of people all over the world and upon whom the economies of many developing countries depend.

As Chair, Israel has placed on the agenda of the Process, additional topics which it views as being important in terms of its continuing activity. The effectiveness of the Kimberley Process depends to a major degree on the enforcement capabilities of the member states and in the main, enforcement of border control in the diamond producing countries. In February 2010, the Chair of the Kimberley Process had a meeting with the Secretary General of the World Diamond Council. At that meeting it was decided to set up a “think tank” with the object of formulating a year-on-year plan of action for collaboration between the two bodies surrounding the subject of border enforcement. Additionally, during the conference a seminar will take place on the subject in which customs representatives of many countries will take part.

As one of the leading centers of diamond trading worldwide, Israel has over the years, uncovered cases that can be interpreted in different ways in relation to technical issues of the Process giving rise to the monitoring of diamond consignments. At the present time, the Process lacks a body with the authority to resolve such technical disputes. Israel is seeking to set up a working group whose function would be to settle disputes of this kind.

A different country serves as Chair of the Process each year. This situation gives rise to a loss of capability and organizational memory every year. This is even more serious when the country acting as Chair of the Process is a country of slender means. Additionally, the Process does not have an established channel of communication with the Press. For this purpose Israel is promoting the setting up of an office for administrative support whose function will be to provide support to the serving Chair and to act as spokesman of the Process.