

STANDARDS FOR ETHICAL DIAMONDS The Way We Work

The Madison Dialogue is a cross-sector initiative established to promote communication and collaboration among companies, civil society groups and others seeking to encourage best practices, sustainable economic development, and verified sources of responsible gold, diamonds and other minerals. Organizations, companies and individuals participate in the Madison Dialogue on a voluntary basis.

Among the initiatives currently under way is an exercise that aims to develop standards for what we are calling “ethical diamonds”. These standards will apply to all diamonds, whether produced in large kimberlite mining operations, or in small-scale artisanal operations. We believe the initiative will have value for the entire diamond industry, but that it will have special value for small-scale producers in Africa and South America.

The process of developing viable standards begins with the enunciation of broad **principles** – such as “no child labour”. Many codes and sets of principles already exist, and the Madison Dialogue is in the process of distilling these into a document specifically relevant to the diamond industry.

The second step will be to convert the principles into meaningful and workable **standards**. Child labour, for example, may be understood differently in situations of extreme poverty, or where the laws defining the age of a child are ambiguous, or where birth records do not exist. The challenge of converting principles into standards will, therefore, be a more lengthy exercise. We will consult the International Social and Environmental Accreditation and Labelling (ISEAL) Alliance and others on issues relating to appropriate procedures and participation in the development of these standards.

The final stage in the development of effective standards is **third party verification**. We see this as an essential part of the exercise, but we understand that agreement on questions about how it will be done, who might carry it out, and how it would be financed need to be elaborated as the discussion about standards moves forward.

We do not underestimate the potential complexity of the exercise, but we believe that it is an important one that will have significant benefits for all stakeholders. In order to underline the importance we attach to it, we will endeavour to complete the exercise within a period of two years, by the end of April, 2010.

This exercise is being undertaken by the Madison Dialogue Diamonds Working Group. The MDDWG is an open group where companies, NGOs and government officials can share information and ideas in this field. For more information, please email Lloyd Cotler (lcotler@earthworksaction.org) or contact the Acting Chair, Estelle Levin (estellelevin@resourceglobal.co.uk).