

PRESS RELEASE: 7.16.08

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Diamonds are Forever, and so is Sustainable Development

Madison Dialogue Publishes Third White Paper: *Making Diamonds Work for Development*

The Madison Dialogue has published its third White Paper, entitled "Making Diamonds Work for Development," by Kirsten Hund, SRK Consulting. The paper was commissioned by the non-governmental organizations EARTHWORKS and Fatal Transactions, to facilitate the work of mining companies, NGOs, jewelry retailers, and other members of the Madison Dialogue, who are supporting diamond development projects that advance social and environmental objectives.

The paper chronicles the efforts and challenges faced by project proponents as they seek to make progress on these issues, in the aftermath of the publicity surrounding the conflict diamonds issue.

The Madison Dialogue is a cross-sector initiative that was 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.

During the Madison Dialogue's first Summit, held in October 2007 in Washington, D.C., attendees agreed to form working groups to examine challenges faced by small-scale and artisanal miners in the diamonds, gems and precious metals industries, as well as to examine issues concerning the refining of metals, the manufacture of gems and jewelry, and other topics (for more information, a new, detailed summary of the Summit's proceedings has recently been posted at www.madisondialogue.org).

"We are hopeful that 'Making Diamonds Work for Development' will assist communities, NGOs, companies and governments, as they seek to produce and/ or market so-called 'ethical' diamonds. There is value in learning from other initiatives," says Anneke Galama, International Coordinator for Fatal Transactions.

According to the paper's introduction: "We have come a long way since 'blood' or 'conflict diamonds' made the news for the first time in the '90s. Since then the Kimberley Process Certification Scheme, which seeks to prevent conflict diamonds from entering legal markets, has been put in place. With the relative success of the fight against conflict diamonds came a new dilemma: If we are able to make progress in stopping diamonds from fuelling bloody wars, why do we allow them to sustain poverty and misery among diamond mining, cutting and polishing communities all over the world?"

"On the back of publicity about conflict diamonds, there has been a proliferation of initiatives by the diamond industry, governments, donors, and/or civil society in the past decade or so, to create truly 'clean', 'fair' or 'ethical' diamonds, i.e. diamonds that aim to contribute to sustainable

development."

The paper describes and explains the various on-the-ground, collaborative projects that have been created to improve the lives of artisanal and small-scale diamond miners, as well as, in some cases, workers in the diamond cutting, polishing and jewelry industries. It then goes on to list and describe individual manufacturing companies working to improve the lives of small-scale diamond workers in both the mining and cutting trades. The challenges faced by retailers who want to describe themselves as supportive of "ethical" or "fair trade" diamond initiatives are also listed, and an annex of such retailers is included in the report.

From there, the paper examines various efforts by civil society, industry and governments to develop principles, standards and third-party assurance systems for so-called "ethical" or "fair trade" diamonds – or for the companies that produce them. Such initiatives are necessary to ensure that when claims are made about diamonds or the companies that produce them, they are backed up by objective evidence that proves them to be valid.

"By providing an overview of the state of the art of existing theory and practice, this document hopes to recognize lessons learned from previous success and failures, and possibly also inspire plans and ideas for next steps to be taken in order to make diamonds work for development," the paper concludes.

"It used to be that consumers just wanted a diamond to sparkle; increasingly they also want diamonds to spark sustainable development," says Stephen D'Esposito, President of EARTHWORKS. "This snapshot of current projects and activity demonstrates a growing interest in a new diamond mining paradigm."

The paper also includes a matrix, comparing and contrasting a selection of different proposals for standards and initiatives. While the author made a concerted effort to chronicle as many cases as possible, it is likely that the report missed a number of examples. Those with new or updated information should send it to [lcotler \[at\] earthworksaction \[dot\] org](mailto:lcotler@earthworksaction.org), so that it can be posted on the Madison Dialogue website.

For the full report go to www.madisondialogue.org.

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