

April 7, 2007

Dear Friends,

Greetings and best wishes. Two months have passed since the Rapaport Conference, and I now take this opportunity to report on developments.

The development diamond issue is gaining attention as governments, the private sector, NGOs, and media acknowledge the challenges confronting the artisanal miners and their relationship with the jewelry industry. While NGO activities have not generated significant economic backlash, they continue to raise consciousness among opinion makers and support a humanist trend towards greater corporate responsibility, ethical sourcing and media awareness. A recent *New York Times* article, "Diamonds Move From Blood to Sweat and Tears", (March 25, 2007), evidences this trend.

<http://www.diamonds.net/news/NewsItem.aspx?ArticleID=17196>

The good news is that many organizations are moving proactively to address the artisanal sector. Current industry developments include:

- ❖ *The Diamond Development Initiative (DDI)* under the direction of *Partnership Africa Canada (PAC)* is establishing a "standards and guidelines" document for NGO's and companies dealing with the artisanal diamond sector.
www.pacweb.com
- ❖ *The Association for Responsible Mining (ARM)* is working with the *Fair Trade Labeling Organization (FLO)* to establish fair trade gold standards.
www.communitymining.org
- ❖ *The Madison Dialogue* is bringing people and initiatives together as they expand their email broadcasts to their "must read" website.
www.madisondialogue.org
- ❖ *The Council for Responsible Jewelry Practices (CRJP)* is promoting unified Best Practice Standards for the entire diamond and gold jewelry distribution channel.
www.responsiblejewellery.com
- ❖ *The World Jewellery Federation (CIBJO)* dedicated their recent Cape Town conference to sustainability. Major conferences in Dubai and India have corporate responsibility on the agenda, and the Belgium government is funding "yet another study" on the artisanal sector.

Importantly, we are beginning to see these organizations and others communicate and cooperate with each other, however more coordination is needed. There is too much duplication of effort and development chaos. We have to move beyond studies.

A major goal of Rapaport over the next year is to promote greater cooperation and coordination among all those working to address the challenges confronting artisanal diggers. We are also working to establish viable fair trade diamond and jewelry markets.

I am pleased to inform that the Rapaport Group has just employed Amanda Stark, our first full time associate devoted solely to development and fair trade issues. Amanda has an impressive resume including an M.A. in International Peace and Conflict Resolution from American University. She is based in Washington D.C. and will coordinate our many development activities. If you would like to comment or follow up on this email please contact Amanda@Diamonds.Net.

Short term Rapaport initiatives include:

1. Over the next few weeks we will be working to establish a primary Internet information and communication network at www.developmentdiamonds.org The website will include background information, details about initiatives and act as a portal to direct interested parties to the right resources.
2. We have received numerous requests for the names and contact information of those who attended our conference, but we will not release names without your explicit permission. In the near future you will be sent an email asking if you would like your name disclosed as a resource (with or without contact information) so others may contact you for advice or project coordination. We will also ask if you would like to receive regular email updates about our development efforts.
3. We are working on a summary document of the Rapaport Conference which will be distributed and posted upon completion.
4. The Fair Trade Diamond and Jewelry Association has been registered as a New York non-profit organization. Tax approval is in process.
5. Rapaport will host a Fair Trade Conference at the JCK-Las Vegas jewelry show, Monday, June 4, 2:00-5:00 p.m. We will also be sponsoring a Rapaport Fair Trade jewelry booth at the show, booth # 46022. Rsvp: fairtrade@diamonds.net.
6. Rapaport team members have recently visited and evaluated a number of government sponsored community development projects in South Africa. These projects provide training in jewelry design and manufacturing to disadvantaged youth in townships with extreme unemployment. They also support small jewelry cooperatives. Jewelry from the South African development projects will be on display at our fair trade booth. Representatives of the Jewellery Council of South Africa, including chairman Abbey Chikane past chair of the Kimberley Process, will be attending the show and speaking at our Vegas Fair Trade Conference.
7. On a recent trip to Washington D.C., I met with representatives of the U.S. State Department, US-AID, World Bank, and the U.S. Labor department to discuss the establishment of diamond monitoring programs in Sierra Leone. We also followed up on our plan to donate funds to the education of children in Sierra Leone.

8. We are planning a large Fair Trade Conference in Washington D.C. and are consulting with various sponsors to set a date. We are also planning a trip to Sierra Leone in July.
9. Over the next few weeks, two important conferences will take place in Dubai and Mumbai. The sponsors have given me an opportunity to address development issues at both conferences.

Our agenda is full and our resources are limited. Fortunately, we have received numerous requests from volunteers asking how they can help. Amanda will be organizing volunteer efforts in the near future. If you would like to help in our efforts and/or confirm your willingness to be listed as a resource on our development website, email fairtrade@diamonds.net. Please note that your name and contact information will never be disclosed or given to any third-party without your express written permission.

It is very important that we recognize the important work being done by other organizations and the need to coordinate our efforts with them. We will be communicating more regularly with those parties who are interested in our development efforts.

In closing, I wish to thank all the delegates, attendees and associates who made the Rapaport Conference successful. Our goal now is to follow up on the conference and work together to make the world a better place for artisanal diggers.

Thank you for your time and kind consideration.

Martin Rapaport

via email
Chairman
Rapaport Group