

**Rapaport International Diamond Conference
New York, Feb. 5, 2007**

Remarks of Mr. Karel Kovanda, Chair, Kimberley Process

Mr Chairman,

Thank you very much for organizing this conference and inviting me. If you'd forgive me, I'd start with a rather personal introduction: I am 62 years old. I've been involved with Human Rights for 40 years, since I was one of the student leaders in opposition to the Czechoslovak Communists, an opposition which helped usher in the Prague Spring of 1968 that some older participants here may recall. I worked for years with Amnesty International on the issue of political prisoners. In 1994, as a member of the UN Security Council, I was the first person in the UN system to publicly describe the cataclysm of Rwanda as genocide. I haven't stopped since.

So I've earned my bona fides and Human Rights credentials. A year and a half ago, I helped getting the European Commission to decide to run for the leadership of the Kimberley Process. Because for me, the KP is above all a Human Rights effort. Nevertheless – the KP has its limitations, of which I will list four:

1. It protects only the human right of not losing life and limb in civil wars. It does not deal with other HR violations that affect the diamond miners – and there are legions of these.
2. It protects even this human right only for people who would otherwise be caught up in civil wars co-financed by raw diamonds – not in others, such as Darfur. (Nobody's questioning this, so I'm mentioning it for completeness sake only.)
3. The KP deals only with the international traffic with raw diamonds. It does not concern polished diamonds – though the industry's system of warranties which bring certification all the way to the point of sale is an extremely welcome complement to the KP.
4. The KP deals only with raw diamonds, not with any other conflict resources.

Even within these limitations of the KP, however, there is stuff we need to do. To protect the integrity of the KP, we need to be vigilant against any smuggling, not only smuggling of diamonds from conflict zones. To protect

the integrity of the KP, we need to insist on as strong internal controls of member countries as possible. These efforts will push back corruption, push forward good governance. We are making efforts in this direction as the KP Chair, but also as the European Union. In the DRC, for example, the World Bank and we are developing a “governance compact” between the government and donors. Better governance of natural resources is an integral part of this agreement.

These are just some of the aspects of the KP that the European Commission, chairing the KP this year, is focussing on. You’ll find our whole programme of action on our website, www.kimberleyprocess.com.

But in addition to improving the KP as it stands, within its parameters I described, we are looking at two issues that go beyond its limitations, beyond its framework:

1. How to address the human rights of diamond miners, beyond the right not to suffer in a war zone? And this, of course, is what Martin Rapaport has all of us thinking about here today. It is becoming clear to us all that the working conditions of artisanal and small-scale miners must be addressed. We need to be able to say that Sierra Leone is gaining from its diamonds as much as Botswana is.

2. Can the success of the KP be translated into other conflict resources? This is not a matter for this meeting, although timber has been mentioned, but going beyond diamonds as a resource is a logical step. In the European Commission, we’re taking an inventory of what its different parts already are doing along these lines. And specifically on timber, we have started working with partners bilaterally, rather than waiting until a consensus will have developed for multilateral action. Also, we are contributing to discussions of this issue in other arenas, including different parts of the UN and the G8, concerning KP lessons and their possible applicability elsewhere.

The part of the European Commission I’m responsible for covers a number of issues, including explicitly Human Rights and Crisis Management. I’m very proud of what we’re doing in HR. Could we be doing more? Yes – but. I’ll return to this “but”. I’m very proud of what the EU is doing in crisis management: EU’s first military mission was to Bunya in eastern DRC, to stop the carnage there. More recently, EU’s efforts resulted in stopping a 30-

years-running civil war in the Aceh province of Sumatra, Indonesia. Could we be doing more? Yes – but.

Today's discussion is largely about the role the diamond industry can play in development. And I'm very proud of what the EU is doing in development as well. The European Community and Member States provide about 60% of the entire global overseas development assistance to the developing world. (This, incidentally, includes a 222 million euro contribution from the European Community to Sierra Leone in 2002 through 2006. Another almost 200 million euro is allocated for 2007-12, and the volume could be augmented by additional 20% depending on the quality of governance in the country.)

Could we be doing more? Probably only on the margins. Could we be spending the money better? Probably so – but it's hard to figure out how, as even the discussion here underscores.

Now about the “yes – but”. Ninety years ago, Max Weber, the great German sociologist, delivered a lecture entitled “Politics as a Vocation”. Toward the end of this lecture he posited two types of ethics that guide a politician's course of action. One he described as the “ethic of ultimate ends”. A politician takes a certain stance, I would paraphrase its principle, come hell or high water. The other type of ethic is the “ethic of responsibility”. This comes from the politician who is aware of possible complications and of their consequences. The line between the two is not solid, and people may adopt this or that type at different times. Weber invokes the moving spectacle of a mature (his underlining) Martin Luther and his “Here I stand; I can do no other”.

We, too, in our discussion witness the two types of ethic. Some people would storm the KP barricades no matter what. Others think about babies and bathwater, about unintended consequences, limitations of resources, conflicting priorities, responsibility for taxpayers' money, about would'a-could'a-should'a, etc.

And the discussion around this table has now and then reminded me of another great German thinker's dictum; as Hegel said, “If the facts don't fit the theory, all the worse for the facts.”

Thank you Mr Chairman.