

## **Conflict Diamonds: What Percentage?**

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A war of numbers has erupted recently over the percentage of diamonds that are and were “conflict diamonds”. To reach figures, you need numerators and denominators. And for the numbers to be consistent with one another over time, both numerator and denominator must have a consistent definition. The definition for the numerator used here is the “official” UN definition, excluding police, army and gang violence in countries at peace, and also excluding the larger and less distinct category of illicit diamonds.

The Kimberley Process and the diamond industry have used a figure of 4% since the KP began negotiations. This was based on an estimate in 1999 of \$150 million from Angola, \$70 million from Sierra Leone, and \$35 million from the Democratic Republic of the Congo. Assuming these estimates were correct (and there is no reason to doubt them), this represented a percentage of rough production value that year (\$6.8 billion) of 3.7%.

Earlier, however, according to UN figures, in 1996 and 1997, Angola’s rebel movement UNITA alone had exported as much as \$700 million annually (although during some of this period there was an official ceasefire). This was at a time when UNITA controlled much more of Angola’s diamond mining areas than they did by 1999. This would have represented 10% of world production. Even if it was half of this number, it would have brought the global total to \$400 million, or about 7%. If the larger UN figure was accurate, the total would have been closer, with Sierra Leone and DRC thrown in, to \$800 million, representing 12-14% of rough production value at the time. At its worst, therefore, and using consistent definitions and figures, conflict diamonds represented between 7% and 14% of total world diamond production during the mid 1990s.

The UN estimate of conflict diamonds emerging from Côte d’Ivoire in 2006 – the only country with “official” conflict diamonds – was between \$9 and \$23 million. Since November 2006, no diamonds have left Ghana, the most prominent named transit point, without independent international oversight. The UN has welcomed the KP’s approach to Ghana but states that diamonds are still being smuggled through Mali (not a KP member) and perhaps Guinea. One could include diamonds leaking from Liberia in the total, a country which – although now at peace – is still under UN embargo. Liberia’s production is likely not more than \$10 million worth of low-grade diamonds – a figure drawn from its best “legal” years in the early 1980s. Taking the highest 2006 figures from Côte d’Ivoire, and \$10 million from Liberia, this would represent less than 0.3% of current rough production value (estimated in 2005 at \$12.67 billion).

This, of course, does not mean that all is well. Kalashnikov rifles are cheap, and a few million dollars worth of conflict diamonds can go a long way. And the fact that large amounts of *illicit* rough diamonds also slip into the pipeline every year means two things: first, the Kimberley Process regulatory system is still not rigorous enough. Second, if it is not strengthened, the loopholes that currently permit illicit diamonds onto the market could allow a resurgence of conflict diamonds and the horrors that accompany them.

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