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Mr. Eli Izhakoff
 Chairman: World Diamond Council
 580 Fifth Avenue
 New York, NY 10036, USA

February 1, 2010

Dear Mr. Izhakoff:

I hereby submit my resignation to the World Diamond Council (WDC).

The WDC is aiding and abetting human rights violations through the dissemination of misinformation and by withholding information that would limit the trading of blood diamonds. Continued trading of blood diamonds by the jewelry industry under the guise of WDC legitimization enables, empowers and provides financial support to individuals, companies and governments that perpetuate severe human rights abuses in the diamond sector.

The issue here is not merely a disagreement as to alternative policies or approaches. No, the issue here is that the WDC is dishonest. The WDC is lying to the diamond and jewelry trade.

Specifically, your statement and subhead in the WDC Press Release of January 27, 2010 — “WDC’s System of Warranties: Assurance of the legitimate source of the diamonds”— is false. You and Cecilia Gardner, Corporate Council of the WDC, are well aware of the fact that Zimbabwean blood diamonds, involved in severe human rights violations, were imported into the diamond cutting centers with KP certificates and that these diamonds were polished, distributed and sold onward with warranties and within the System of Warranties. How dare you legitimize these blood diamonds! Shame on the WDC.

As a result of WDC inaction and misinformation, the diamond and jewelry industry is not taking necessary actions to limit the sale of blood diamonds. Furthermore, the WDC has put the legitimate diamond industry in tremendous danger. Must there be demonstrations and public testimony from women who have been raped? Must consumers become so disgusted with our industry that they stop buying all diamonds?

I am shocked and sickened by the fact that the WDC continues to cover up human rights abuses in the diamond sector. The WDC has still not notified the diamond trade about the contents of the “Review Mission to Zimbabwe – 30 June to 4 July, 2009” even though Cecilia Gardner of the WDC participated in the mission, *The New York Times* has published the entire report and I requested such disclosure in my December 2, 2009 letter to the WDC.

I quote from page 26 of the report:

“Each one of these illegal miners reported seeing people killed and the numbers they cited ranged from one to seven.” “The Team interviewed more than 20 victims in Mutare and Chiadzwa. The victims included women who reported that, while under the custody of the security forces, they were raped repeatedly by military officers and that they have been forced to engage in sex with illegal diamond miners. One victim told the Team that she tested HIV positive after she had been forced to have sex with two men and then raped by a military officer.”

How dare the WDC, withhold this information from the jewelry trade. If more people knew the details of these extreme human rights violations they would undoubtedly be more careful when buying diamonds. There is no justification for failure to publicize this information to the trade. It is clear that the WDC’s first

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loyalty is to the KP governments and not to the jewelry trade or even the victims of severe human rights violations. How many more people must die and how many more women must be raped before the WDC educates the trade about the situation? Once again, shame on the WDC.

Recommendations:

1. The WDC should immediately make public all information it has relating to human rights violations in the diamond sector, including but not limited to activities taking place in Marange,
2. The WDC should immediately make it clear to the diamond and jewelry trade that diamonds from Marange that were involved in severe human rights violations have been issued KP certificates and System of Warranty declarations. It must also be stated that these diamonds have penetrated the cutting centers and are now being sold as polished diamonds and diamond jewelry to dealers, retailers and consumers.
3. The WDC should immediately communicate to the jewelry trade that KP certification and the WDC Systems of Warranty are insufficient and do not ensure that diamonds are free of human rights violations.
4. The WDC should advise trade organizations and members of the trade that the WDC is not responsible for eliminating blood diamonds from the trade. That such organizations and members of the trade must independently establish additional methods and standards to ensure that they do not trade in blood diamonds.
5. The WDC should immediately cease and desist from misrepresenting its role, the role of the KP, the role of the Systems of Warranty, and the KP definition of "conflict diamonds." The WDC should make it clear to the diamond and jewelry trade that by definition it does not play a role in the elimination of blood diamonds and that the WDC has a conflict of interest due to its role as a KP observer and its relationship with KP governments.
6. The WDC should limit its role in the KP to providing technical advice. It should cease its political support of the KP and give up its position as a KP observer. The WDC should communicate to the jewelry industry that it is not a partner in the KP, does not have a vote in the KP and does not take responsibility for KP decisions. The WDC should recognize and communicate to the diamond and jewelry trade that the political process within the KP has enabled the legitimization, legalization and distribution of blood diamonds. The WDC should also state that it does not take responsibility for such process.

As someone who in early 2000 witnessed the amputee camps in Sierra Leone and heard their cry "Tell them what happened to us." As someone who attended the first KP Meeting in Kimberley and helped establish the WDC, let me make it clear: What the WDC is doing today is unethical and wrong. The WDC is supporting a KP that has become a blood diamond laundering process. It is covering up the most severe human rights violations. Yet, no one cries out.

And so I must cry out against this evil and I must resign from the WDC.

Yours truly,



Martin Rapaport
Chairman
Rapaport Group