

# RAPAPORT®

Mr. Motti Ganz  
President  
International Diamond Manufacturers Association  
Betzael 54  
Ramat Gan, Israel

November 18, 2009

Dear Mr. Ganz:

Severe human rights violations have taken place in the diamond fields of Marange, Zimbabwe. I respectfully request that the International Diamond Manufacturers Association (IDMA) adopt a resolution banning the trade of Marange diamonds by all IDMA members. I encourage IDMA to inform all members about the situation in Marange and provide them with information about how to identify diamonds from Marange.

A possible IDMA resolution might read as follows:

"The International Diamond Manufacturers Association (IDMA) is shocked and saddened by the severe human rights abuses that have taken place in Marange, Zimbabwe. IDMA hereby bans the trading of all diamonds originating from Marange. No IDMA member shall knowingly trade in diamonds originating from Marange, Zimbabwe. Any member that violates this ban shall be expelled from IDMA with notice sent to all IDMA organizations. IDMA organizations are asked to inform their members about the situation in Marange and provide members with information about how to identify diamonds from Marange."

Thank you for your kind consideration.

Yours truly,

Martin Rapaport  
Chairman  
Rapaport Group

# RAPAPORT®

Mr. Avi Paz  
President  
World Federation of Diamond Bourses  
Jabotinsky 1  
Ramat Gan, Israel

November 18, 2009

Dear Mr. Paz:

Severe human rights violations have taken place in the diamond fields of Marange, Zimbabwe. I respectfully request that the World Federation of Diamond Bourses (WFDB) adopt a resolution banning the trade of Marange diamonds in all WFDB bourses and by all WFDB members. I encourage the WFDB to inform all members about the situation in Marange and provide members with information about how to identify diamonds from Marange.

A possible WFDB resolution might read as follows:

"The World Federation of Diamond Bourses (WFDB) is shocked and saddened by the severe human rights abuses that have taken place in Marange, Zimbabwe. The WFDB hereby bans the trading of all diamonds originating from Marange. No WFDB bourse or member shall knowingly trade in diamonds originating from Marange, Zimbabwe. Any member that violates this ban shall be expelled from the WFDB with notice posted in all WFDB member bourses. All WFDB bourses should inform members about the situation in Marange and provide members with information about how to identify diamonds from Marange."

Thank you for your kind consideration.

Yours truly,

Martin Rapaport  
Chairman  
Rapaport Group

# RAPAPORT®

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

December 2, 2009

Dear Eli:

I write this letter to express my deep concern regarding human rights violations in the diamond sector and the role of the World Diamond Council (WDC). While the WDC actively supports the Kimberley Process (KP) and at times may encourage the KP to consider a more proactive stance regarding human rights violations, the WDC has failed to take responsibility for investigating, communicating and eliminating human rights violations in the diamond industry.

While I understand the limitations of the WDC given its budgetary and organizational constraints, I cannot accept the fact that the WDC rampantly misrepresents its role, and the role of the KP, with regard to human rights abuses. The diamond industry has been misled by the WDC into believing that diamonds with a KP certificate are acceptable for trade and free of human rights abuses. The WDC has not communicated the limitations of the KP and the WDC.

Furthermore it is entirely unacceptable for the WDC to cover up human rights violations in the diamond sector by withholding detailed information about severe human rights violations in Marange. The WDC has not communicated to the diamond trade the fact that Marange blood diamonds have been issued KP certificates and legally exported to the cutting centers. Many of these diamonds were cut and polished by supposedly legitimate members of the diamond trade and are now reaching retailers as polished diamonds. The WDC has not only failed to stop the flow of these blood diamonds, it has also failed to communicate the existence of "KP approved legal" blood diamonds.

I am shocked and sickened by the fact that the WDC has not made public or notified the diamond trade about the contents of the "Review Mission to Zimbabwe – 30 June to 4 July, 2009" even though the WDC participated in the mission.

I quote from page 26 of the report finally made public by the New York Times on November 4 and still not publicized by the WDC to the diamond trade in spite of my request to do so.

"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."

# RAPAPORT®

Clearly, Marange diamonds are blood diamonds. The WDC must decide if its primary loyalty is to the KP, the diamond industry, or the principles of human decency. The WDC cannot continue to use KP confidentiality as an excuse to cover up severe human rights violations. Failure to disclose such human rights violations may result in higher diamond sales at the cost of human lives, murder, rape and slavery.

A red line has been crossed and I believe the WDC has lost its moral compass. Blood diamonds have been legally exported and allowed to penetrate our diamond trade while the WDC has held back detailed information that could have encouraged legitimate companies to stop trading Marange diamonds. Blood diamonds have been legalized and legitimized. They are now trading freely in the diamond industry.

## Recommendations:

1. The WDC should immediately make public all information it has relating to human rights abuses in the diamond sector, including but not limited to activities taking place in Marange, Zimbabwe.
2. The WDC should publicly state its mission and communicate whether or not it takes responsibility for investigating, communicating and eliminating human rights abuses in the diamond industry. If the WDC limits its role to KP observer it should publicly state this. The WDC must clarify its role and the role of the KP with full and honest disclosure about the limitations of each organization.
3. The WDC should immediately make it clear to the diamond trade that diamonds from Marange that were involved in severe human rights violations have been issued KP certificates and that KP certificates are not a guarantee that diamonds are free of severe human rights violations. Furthermore, The WDC should communicate to the trade that Marange diamonds have penetrated the cutting centers and are now being sold as polished diamonds to dealers and retailers.
4. The WDC should immediately do everything in its power to stop the trade in Marange diamonds wherever and however they are found. Marange diamonds must not be sold anywhere, whether they are rough diamonds in the cutting centers or polished diamonds with dealers or retailers.
5. The WDC should immediately implement transparent and correct governance procedures. It should make public by whose authority it operates and to whom it is responsible. How, when and where are officers and directors elected? How does the board of directors ensure that there are no conflicts of interest?
6. The WDC should call for a meeting of its members; to ensure that everything possible is being done to exclude Marange diamonds from the diamond and jewelry trade and that the role and governance of the WDC is properly defined, communicated and implemented.
7. WDC directors should personally review reports of human rights abuses in the diamond trade including: The in-depth detailed report from Joshua Hammer that appeared in Fast Company.com this past week, *"Zimbabwe's Diamond Mines Lead to Rape, Murder and Thievery"*; New York Times – Nov. 4, 2009, *"Africa's Diamond Trade Under Scrutiny"*; Human Rights Watch – June 2009, *"Human Rights Abuses in the Marange Diamond Fields of Zimbabwe"*; and Partnership Africa Canada – March 2009, *"Zimbabwe, Diamonds and the Wrong Side of History"*.

It should be clear that the responsibility of the diamond industry not to trade in blood diamonds transcends law. The diamond trade has a moral and ethical obligation not to deal in blood diamonds even if such diamonds are deemed by governments to be perfectly legal.

# RAPAPORT®

I take this opportunity to alert the WDC of credible reports that blood diamonds from Zimbabwe are being partially or wholly cut in Zimbabwe so as to avoid KP restrictions on their export and distribution to the diamond trade. Furthermore, Human Rights Watch reports continued human rights abuses including killings in the Marange area of Zimbabwe.

I sincerely hope that this letter encourages the WDC to properly define its role and play a deciding role in the elimination of blood diamonds from the diamond trade.

Thank you for your time and consideration.

Yours truly,

Martin Rapaport  
Chairman  
Rapaport Group

CC: Members of the World Diamond Council, members of the diamond industry and jewelry trade

**From:** Martin Rapaport [mailto:rap@diamonds.net]  
**Sent:** Saturday, 5 December 2009 12:53 AM  
**To:** Michael L. Rae (michael.rae@responsiblejewellery.com)  
**Subject:** RJC and Marange Diamonds

Michael,

What is the RJC position on Marange diamonds?

Have you issued a ban on them?

Have your members been told not to trade in them even if they have KP certificates?

Have you issued any statements about them?

What is the overall RJC position on human rights violation (blood) diamonds?

Do you limit your position to asking members not to trade in diamond without KP certs?

Will you name members that are found to deal in Marange diamonds?

**Martin Rapaport**  
**Chairman**  
**RAPAPORT GROUP**

Tel: +1-212-354-9100

Fax: +1-212-840-1243

Email: [martin@diamonds.net](mailto:martin@diamonds.net)

Web: [www.rapaport.com](http://www.rapaport.com)

**From:** Michael Rae [mailto:michael.rae@responsiblejewellery.com]  
**Sent:** Wednesday, December 16, 2009 5:27 AM  
**To:** Martin Rapaport  
**Cc:** matt@jewelers.org  
**Subject:** RE: RJC and Marange Diamonds

Dear Martin,

The reported human rights abuses in the Marange diamond fields in Zimbabwe are of grave concern to all who advocate responsible practices in the jewellery supply chain.

The Responsible Jewellery Council (RJC) includes specific provisions regarding human rights and conflict diamonds as part of its Certification System.

Through the RJC Certification System, the RJC requires that its Members must not knowingly buy or sell conflict diamonds, or assist others to do so. The RJC Code of Practices includes four provisions requiring conformance with the Kimberley Process Certification Scheme for rough diamonds and the World Diamond Council System of Warranties. Non-compliance with any of these provisions is considered a 'Critical Breach' under the RJC Certification System, which will trigger disciplinary proceedings leading to sanctions against that RJC Member, which may ultimately lead to expulsion.

The RJC Code of Practices also includes specific provisions on human rights, which refer to the Universal Declaration of Human Rights, the Voluntary Principles on Security and Human Rights, and ILO Conventions on child labour, forced labour, freedom of association and discrimination.

RJC Members must evidence compliance through an independent verification assessment, which involves desktop reviews and site visits. Independent, third party auditors will look for objective evidence of conformance in the form of management systems, observed practices and record-keeping.

At time of writing, shipments of diamonds from the Marange fields have been suspended, pending the appointment of a Kimberley Process Monitor. Meanwhile RJC Members are expected to continue to fully comply with all provisions of the Kimberley Process Certification System. In light of the situation in Zimbabwe, the RJC will ensure that auditors place an extra level of vigilance on the potential for non-conformances in this area.

The RJC will continue to monitor progress on KP implementation in Zimbabwe and urges all parties to work towards resolution of these issues.

Kindest regards,

Michael

**Michael L Rae**  
**Chief Executive Officer**



**Responsible Jewellery Council**  
**PO Box 409, Vermont, VIC 3133 AUSTRALIA**  
**T +61 3 9874 6345**  
**F +61 3 9874 3243**  
**M +61 400 66 9391**  
**E [michael.rae@responsiblejewellery.com](mailto:michael.rae@responsiblejewellery.com)**  
**[www.responsiblejewellery.com](http://www.responsiblejewellery.com)**

The Responsible Jewellery Council is the trading name of the Council for Responsible Jewellery Practices Ltd. The Council for Responsible Jewellery Practices Ltd, First Floor, Dudley House, 34-38 Southampton Street, London, UK, WC2E 7HF. The Council for Responsible Jewellery Practices Ltd is registered in England and Wales with company number 05449042.

 Please consider the environment before printing.

The information in this message may be privileged, confidential and protected from disclosure. Any unauthorized use, printing, copying, disclosure, dissemination of, or reliance upon, or communication by persons other than the intended recipient may be subject to legal restriction or sanction. If you think you have received this message in error, please reply to the sender and delete it promptly.



**From:** Martin Rapaport  
**Sent:** Wednesday, December 23, 2009 4:54 PM  
**To:** 'Michael Rae'  
**Cc:** matt@jewelers.org; Hall, John (RTHQ); 'Lussier, Stephen'; 'Michael Kowalski (Michael.Kowalski@Tiffany.com)'; 'Terry Burman (tburman@jewels.com)'  
**Subject:** RE: RJC and Marange Diamonds

Dear Michael,

Greetings and best wishes for the New Year.

The lack of response by the RJC to the situation in Marange is entirely unacceptable.

Rapaport will shortly be issuing the following statement in our weekly market comment.

“Responsible Jewelry Council launches certification system setting ethical standards for jewelry trade but does not ban diamonds from Marange, Zimbabwe in spite of obvious severe human rights abuses. Trade is warned not to rely on this organization for ethical standards.”

If you, Matt, John or others representing the RJC wish to speak with me about this matter, I am available at +972-543-977-960. I would like to encourage dialogue as we plan on issuing a number of additional statements and letters in the near future. You might also want to review our letter to the WDC which is attached to this email.

So as to avoid any misunderstanding I am advising the RJC of the following:

“As a responsible member of the jewelry industry the Rapaport Group is demanding that the RJC immediately instruct its members to cease and desist in the purchase, sale or manufacture of all diamonds or jewelry containing diamonds from Marange. This includes rough and polished diamonds already in the diamond distribution system.”

“The RJC must not represent itself as an ethical standard bearer for the jewelry industry if it refuses to enforce ethical standards with regard to the handling of blood diamonds from Marange.”

The time for RJC to ban its members from trading in Marange diamonds is now – before Christmas.

Yours truly,

**Martin Rapaport**  
**Chairman**  
**RAPAPORT GROUP**  
Tel: +1-212-354-9100  
Fax: +1-212-840-1243  
Email: [martin@diamonds.net](mailto:martin@diamonds.net)  
Web: [www.rapaport.com](http://www.rapaport.com)

## **Email Correspondence – RJC/Rapaport**

**From:** Michael Rae [mailto:michael.rae@responsiblejewellery.com]

**Sent:** Thursday, December 24, 2009 8:01 PM

**To:** Martin Rapaport

**Subject:** RE: RJC and Marange Diamonds

**Importance:** High

Dear Martin,

My greetings to you and all the best for 2010.

I must take issue with your assertion that the “lack of response by the RJC to the situation in Marange is entirely unacceptable.” As you will see from my email attached, the RJC responded to you on December 16<sup>th</sup> about its intentions regarding diamonds coming from the Marange fields. You may not agree with the content of the RJC’s response but to aver to the others on the cc list to your email to me that the RJC had completely failed to respond is simply disingenuous.

As you are aware from my previous email, the RJC System is a transparent, rules-based certification system that requires regular independent audit of objective evidence to assure conformance with the requirements of the System.

That is why the RJC accredited auditors, when they are engaged by RJC Members, will seek evidence from Members that they have not purchased diamonds from Marange while ever shipments of diamonds from Marange are suspended, or subject to any further action as may be determined, by the Kimberley Process Certification System.

As I said in my previous email:

Through the RJC Certification System, the RJC requires that its Members must not knowingly buy or sell conflict diamonds, or assist others to do so. The RJC Code of Practices includes four provisions requiring conformance with the Kimberley Process Certification Scheme for rough diamonds and the World Diamond Council System of Warranties. Non-compliance with any of these provisions is considered a ‘Critical Breach’ under the RJC Certification System, which will trigger disciplinary proceedings leading to sanctions against that RJC Member, which may ultimately lead to expulsion.

The RJC Code of Practices also includes specific provisions on human rights, which refer to the Universal Declaration of Human Rights, the Voluntary Principles on Security and Human Rights, and ILO Conventions on child labour, forced labour, freedom of association and discrimination.

RJC Members must evidence compliance through an independent verification assessment, which involves desktop reviews and site visits. Independent, third party auditors will look for objective evidence of conformance in the form of management systems, observed practices and record-keeping.

The RJC believes that this requirement, backed up by independent audit, is both consistent with the philosophy of the RJC System and patently more transparent and rigorous than any claim based on a simple self-declaration from a company without any form of independent assessment of conformance.

In the light of the above, you would be demonstrably misleading your readers to issue the statement "Responsible Jewellery Council launches certification system setting ethical standards for jewelry trade but does not ban diamonds from Marange, Zimbabwe in spite of obvious severe human rights abuses. Trade is warned not to rely on this organization for ethical standards." in your weekly market comment.

The RJC will continue to monitor progress on KP implementation in Zimbabwe and urges all parties to work towards resolution of these issues.

Kindest regards,

Michael

**Michael L Rae**  
**Chief Executive Officer**



**Responsible Jewellery Council**  
**PO Box 409, Vermont, VIC 3133 AUSTRALIA**  
**T +61 3 9874 6345**  
**F +61 3 9874 3243**  
**M +61 400 66 9391**  
**E [michael.rae@responsiblejewellery.com](mailto:michael.rae@responsiblejewellery.com)**  
**[www.responsiblejewellery.com](http://www.responsiblejewellery.com)**

The Responsible Jewellery Council is the trading name of the Council for Responsible Jewellery Practices Ltd. The Council for Responsible Jewellery Practices Ltd, First Floor, Dudley House, 34-38 Southampton Street, London, UK, WC2E 7HF. The Council for Responsible Jewellery Practices Ltd is registered in England and Wales with company number 05449042.

 Please consider the environment before printing.

The information in this message may be privileged, confidential and protected from disclosure. Any unauthorized use, printing, copying, disclosure, dissemination of, or reliance upon, or communication by persons other than the intended recipient may be subject to legal restriction or sanction. If you think you have received this message in error, please reply to the sender and delete it promptly.

**From:** Martin Rapaport  
**Sent:** Wednesday, December 23, 2009 4:54 PM  
**To:** 'Michael Rae'  
**Subject:** RE: RJC and Marange Diamonds

Dear Michael,

Greetings and best wishes for the New Year.

The lack of response by the RJC to the situation in Marange is entirely unacceptable.

Rapaport will shortly be issuing the following statement in our weekly market comment.

“Responsible Jewelry Council launches certification system setting ethical standards for jewelry trade but does not ban diamonds from Marange, Zimbabwe in spite of obvious severe human rights abuses. Trade is warned not to rely on this organization for ethical standards.”

If you, Matt, John or others representing the RJC wish to speak with me about this matter, I am available at +972-543-977-960. I would like to encourage dialogue as we plan on issuing a number of additional statements and letters in the near future. You might also want to review our letter to the WDC which is attached to this email.

So as to avoid any misunderstanding I am advising the RJC of the following:

“As a responsible member of the jewelry industry the Rapaport Group is demanding that the RJC immediately instruct its members to cease and desist in the purchase, sale or manufacture of all diamonds or jewelry containing diamonds from Marange. This includes rough and polished diamonds already in the diamond distribution system.”

“The RJC must not represent itself as an ethical standard bearer for the jewelry industry if it refuses to enforce ethical standards with regard to the handling of blood diamonds from Marange.”

The time for RJC to ban its members from trading in Marange diamonds is now – before Christmas.

Yours truly,

**Martin Rapaport**  
**Chairman**  
**RAPAPORT GROUP**

# RAPAPORT®

Michael Rae  
CEO  
The Council for Responsible Jewellery  
First Floor, Dudley House,  
34-38 Southampton Street,  
London, UK, WC2E 7HF.

Via email – michael.rae@responsiblejewellery.com

January 19 2010

Dear Michael,

The Responsible Jewellery Council's noble mission *"To advance responsible ethical, social and environmental practices, which respect human rights, throughout the diamond and gold jewellery supply chain, from mine to retail."* is worthy of implementation and vitally important as the diamond industry confronts its greatest human rights crisis in a decade.

Marange diamonds associated with the murder, rape and enslavement of innocent civilians have penetrated the diamond and jewelry supply chain. The purchase and onward distribution of these blood diamonds to consumers is funding a continuing cycle of horrific human rights violations. And even worse, it is sending a strong signal of encouragement to the perpetrators of these inhuman crimes. That it is OK to kill people because the diamond and jewelry industry really doesn't care about anything but their profits.

For many years the Responsible Jewelry Council (RJC) has talked the talk. Now it is time to walk the walk. The Marange crisis is upon us and the reputation of your organization and our industry is on the line. The RJC is perfectly positioned to take on a proactive and positive role that can save lives. This is your chance to do the right thing.

I pray that my words– as harsh and blunt as they may be – encourage your organization to move forward in the right direction. If not for the loss of human life and severe human rights violations I would communicate more diplomatically. However, knowing what I know and seeing what I have seen during the last crisis in Sierra Leone, I cannot and will not be silent in the face of death and destruction caused by blood diamonds. So forgive me, for what I have to say.

I am severely disappointed by the RJC's unconscionable and irresponsible failure to adequately respond to the Marange crisis, I believe that the RJC has not only neglected its responsibility to the diamond and jewelry trade but much worse to the people of Marange. You have the ability and responsibility to save lives yet you refuse to do so.

I cannot and will not accept the continued refusal of the Responsible Jewelry Council (RJC) to instruct its members to immediately cease and desist in the purchase, sale or manufacture of all Marange diamonds or jewelry containing Marange diamonds including diamonds and diamond jewelry already in the wholesale and retail distribution system.

Given the fact that blood diamonds from Marange have been exported with Kimberley Process (KP) certificates the position of the RJC limiting compliance to conformance with the KP certification scheme (KPCS) and the narrow unacceptable KP definition of conflict diamonds is fundamentally wrong and unethical, as it allows for the continues sale and distribution of blood diamonds with KP certificates.

The RJC and its members must face the fact that blood diamonds from Marange have entered the diamond distribution system. These blood diamonds have been cut, polished, set in jewelry and sold to retailers, many of

# RAPAPORT®

whom may very well be members of the RJC. These diamonds must be immediately removed from distribution and urgent measures taken to ensure that no additional blood diamonds enter the distribution system.

So as to ensure that you and others reading this letter fully understand the situation I will provide basic background information, necessary definitions, key issues and recommendations. A list of informative articles is also provided as an attachment to this letter.

## Background:

1. Severe human rights violations, including murder, rape and enslavement took place in the diamond fields of Marange, Zimbabwe in 2008. Recent reports from Human Rights Watch indicate that these horrific conditions continue to take place.
2. Blood diamonds from the Marange fields involved in these severe human rights violations were imported into the cutting centers with KP certificates.
3. These blood diamonds were cut and polished and then sold on to wholesalers and retailers.
4. It is extremely likely that some of these blood diamonds are in the inventory of RJC members.

It is important to note that due to the fact that the blood diamonds were imported with KP certificates customs officials in the importing countries (i.e. cutting centers) did not and do not have the legal right to stop the importation of these blood diamonds even if they recognize them as Marange diamonds.

To understand how it is possible for blood diamonds to be issued KP certificates we must define "Blood Diamonds" and then compare that definition to the KP definition of "Conflict Diamonds."

**Rapaport definition: "Blood Diamonds are diamonds involved in murder, rape or enslavement."**

We specifically exclude other abuse, including child labor, unsafe working conditions and environmental damage because severe human rights violations must be differentiated from lesser abuse.

## Kimberley Process's definition:

**"CONFLICT DIAMONDS means rough diamonds used by rebel movements or their allies to finance conflict aimed at undermining legitimate governments, as described in relevant United Nations Security Council (UNSC) resolutions insofar as they remain in effect, or in other similar UNSC resolutions which may be adopted in the future, and as understood and recognised in United Nations General Assembly (UNGA) Resolution 55/56, or in other similar UNGA resolutions which may be adopted in future;"**

The KP definition of conflict diamonds does not include blood diamonds. It is a legal definition established by governments to control and limit the scope and authority of the Kimberley Process. As someone who participated in the creation of the KP I can testify that the "Conflict Diamond" definition was specifically designed to exclude human rights abuse due to concerns by governments for their national sovereignty.

It is not by accident that the words "human rights" are absent from the KP definition of "Conflict Diamonds" or that at the KP Plenary this past November the Russian delegation stated "at present there are no conflict diamonds in Zimbabwe." Shockingly by definition, the Russian's are right, after all the murder, rape and enslavement in Zimbabwe is carried out by government forces, not rebels.

# RAPAPORT®

The KP is a highly politicized process controlled by governments for governments. Its primary function is to protect governments and their revenue – legitimate or not – from rebel forces and consumer boycotts. The KP is essentially agnostic when it comes to human rights. As Human Rights Watch concludes in their November 6, 2009 report “This diamond monitoring body has utterly lost credibility.”

## Issues:

1. There is a common misconception in the diamond trade that diamonds with KP certificates are free of human rights abuses. Organizations such as the WDC and the RJC have promoted the KP as an acceptable standard but have failed to inform the trade about the limitations of KP certification and the definition of conflict diamonds. The trade must be informed of the KP certificates limitations and warned not to accept KP certification as the sole standard for ensuring that diamonds are free of human rights abuses.
2. Blood diamonds have been imported into the cutting centers with KP certificates. The diamond trade in general and the RJC in particular cannot promote “responsible ethical human rights standards” based on Kimberley Process certification and the narrow KP definition of “conflict diamonds.” New compliance standards, terminology and definitions must be established.
3. The diamond trade cannot rely on governments to stop the flow of blood diamonds into the cutting centers. Blood diamonds with KP certificates are perfectly legal. The trade must establish strong disincentives for those that introduce blood diamonds into the cutting centers. Formal voluntary disclosure systems must be established, publicized and enforced.
4. Cutters, wholesalers and retailers currently have Marange blood diamonds in their inventories. The sale of these diamonds must be stopped. Inventories must be inspected and possible blood diamonds removed from showcases. Blood diamonds should be returned to seller with demand for full repayment. The continued sale of blood diamonds within the trade and to consumers provides renewed financial incentive to firms that trade in blood diamonds and encourages addition human rights violations.

## Recommendations:

1. The leadership of the RJC should hold an urgent meeting to discuss what measures it can take to ensure that Marange diamonds are not traded.
2. The RJC should immediately instruct its members to cease and desist from the purchase, sale or manufacture of all Marange diamonds or jewelry containing Marange diamonds, including all diamonds and diamond jewelry already in the wholesale and retail distribution system.
3. The RJC should clearly and publicly instruct members what they can and should do to ensure the diamonds they trade are not Marange or blood diamonds. The RJC should publicize to its members and the trade the fact that KP certification is not proof that diamonds are free of human rights abuses. It should educate its members and the trade about the situation in Marange and their moral responsibility not to trade in Marange diamonds even if such diamonds are legal. The RJC should establish compliance standards that are not based solely on KP compliance and/or future audits.
4. RJC members should publicly commit to not buying or selling Marange diamonds and they should require their suppliers to make the same commitment. RJC members should publicly disclose the measures they are taking to ensure compliance.

# RAPAPORT®

5. The term Blood diamonds should be defined as: "Blood Diamonds are diamonds involved in murder, rape or enslavement." The term blood diamonds should be used to describe blood diamonds to the exclusion of other terminology that has been used to cover-up their true meaning and desensitizes the diamond trade to the horrific consequences that the trade in blood diamonds entails. The term "conflict diamonds" is misleading and should only be used as per its' KP definition.

## Conclusion:

The primary goal of this letter is to encourage the leadership of the RJC to take proactive measures that will save lives and eliminate or at least diminish severe human rights violations. I recognize that the ideas presented herein may not be the best or optimal for your organization and encourage the RJC leadership to develop better solutions. The important thing is that we move forward and quickly stop the trade in Marange diamonds.

Attached to this letter is our recent email correspondences and a list of articles that are available at [www.diamonds.net/zimbabwe](http://www.diamonds.net/zimbabwe).

This letter is being sent to a broad range of leaders including RJC members, industry leaders, NGO's, media and government officials. All comments and suggestions are welcome to email [rap@diamonds.net](mailto:rap@diamonds.net).

Thank you for your time and consideration.

Yours truly,



Martin Rapaport  
Chairman  
Rapaport Group

Attachments: Emails Correspondence RJC/Rapaport, List of Articles



# RAPAPORT®

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 and Cecelia Gardner, 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

# RAPAPORT®

the WDC's and Ms. Gardner's first 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