



News Release

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World Federation of Diamond Bourses ExCo Meeting Sets Out Plans to Tackle Industry Challenges

Antwerp, Belgium – September 30, 2016: The World Federation of Diamond Bourses' (WFDB) Executive Committee discussed the major challenges facing the global industry at its meeting in London this week. The gathering focused on the issues of financing, the need for the trade to demonstrate clearly that it is self-regulating, synthetic stones, and the success of the launch of the Young Diamantaires initiative.

"Diamond companies, especially the small and medium-sized firms who make up the bulk of our membership, cannot easily access financing," explained WFDB President Ernie Blom. "Diamond manufacturing and trading companies need to finance their operations, however with banks facing higher capital requirements, risk aversion and increased regulatory burden, the financing they make available to diamantaires has fallen significantly in recent years and that has meant reduced operational flexibility and increased vulnerability to market movements for diamond companies.

"The WFDB aims to proactively address the issue of declining trade financing with a diamond financing seminar and roundtable discussion at the Presidents Meeting in Mumbai in January 2017. We will be inviting representatives from a wide range of organisations, including banks, insurance companies and funds, to understand our needs and to see that we are a well-organised industry that acts prudently," he said.

Blom added that a lengthy discussion was held on the impact of undisclosed synthetic diamonds on natural, mined diamonds. "Whilst they are a very small part of the overall market, our fear is that undisclosed synthetic diamonds could undermine consumer confidence in our product and industry as a result of this underhand activity." The Executive Committee discussed the importance of The WFDB Charter on Disclosure of Synthetic, Treated Natural and Natural Diamonds, and the requirement of its 30 affiliated bourses to comply.

Although the diamond trade is one of the best-regulated in the world, it was agreed that it must demonstrate this clearly and take further steps to show consumers and others that it is a transparent and responsible industry.

The Young Diamantaires initiative was praised for encouraging the younger generation of diamantaires into the diamond and jewellery businesses. Scores of members of diamond companies have joined the group, bringing new ideas for how to market diamonds in the new technological era, the meeting was told.

The Executive Committee also discussed the issue of generic marketing of diamonds and the further steps that need to be taken. In this regard, it renewed its commitment to the work of the World Diamond Mark which the WFDB established to reinvigorate consumer demand for diamond jewellery.

In addition, the meeting held a discussion on steps to be taken to celebrate the organisation's 70th anniversary in 2017. "We held talks on a broad range of issues and really got to the heart of these matters and discussed on-the-ground solutions that can help our members around the globe," Blom concluded. "With bourse presidents attending from all over the world, we were able to have an extremely well-informed debate and agreed to implement excellent proposals for how to move forward," he added.



WFDB President Ernie Blom.

ABOUT THE WFDB:

The World Federation of Diamond Bourses has 30 affiliated bourse members and exists to protect the interests of affiliated bourses and their individual members, and also to further the amicable settlement or arbitration of disputes between individual members of the affiliated bourses and/or between affiliated bourses. The WFDB participates in the promotion of world trade and encourages the establishment of new diamond bourses. In 2012, it established The World Diamond Mark, a not-for-profit organization, to promote consumer desirability and confidence in diamonds.

Members of affiliated bourses pledge to uphold the traditions, principles of mutual trust, consideration and friendship which prevail among the members of the bourses world-wide. They also pledge themselves to abide by and hand down these principles and to ensure that they will forever serve as a basis in business relations between members of affiliated bourses.