



PRESS RELEASE

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Speech Avi Paz - 7th Annual Meeting World Diamond Council (WDC) "WFDB has ability to enforce KP"

Distinguished colleagues and friends.
Ladies and Gentlemen.

The Kimberly process Certification Scheme is vital and important for our industry's future and growth. We should all take all the necessary actions in order to strengthen it and to make sure it continues being strong, fair and effective. We, the WFDB play an exemplary role in advancing complete transparency in the rough diamond supply pipeline. As I have said before - there is no other industry in the world that has taken regulatory measures upon itself similar to that of the KP.

I would like use this opportunity to stress once again that the WFDB is fully committed to the KP and remind us all that, at the end of the day, the WFDB is the organization within the industry that has the ability to enforce the KP resolutions.

As such - our commitment is unequivocal and we should continue doing everything to protect the purity of the diamonds and the integrity of everyone involved in our industry throughout the pipeline. As you all know we have acted firmly in the past in order to achieve that and will continue to act in the same manner in the future.

At the moment It is still not clear if an agreement was achieved but we are working very hard on it and I would like to use this opportunity to thank the chair of the KP Mr. Boaz Hirsch, The Zimbabwe government representatives, NGOs and industry members and all the stakeholders for the effort and hard work. Having said, that I would like to stress that we feel very uncomfortable about the fact that up till now the KP did not accept the special monitor report.

Just as we are firm we also all have to be fair: our view is that after receiving the report of Mr. Chikane, the KP was obliged to approve the export of rough diamonds from Zimbabwe. Unfortunately that was not done. We must remember that a deadlock such as the one we are experiencing now, is very bad news. We should do whatever we can in order to solve it and to refrain from such deadlocks in the future. We have to remember that it is not only the diamantaires that will be harmed by it, but also the millions of people in the producing and manufacturing countries that their welfare and prosperity depend very much on the diamond industry.

If there is a specific problem somewhere, we are totally committed to addressing and solving it but the NGO's waving slogans about the return of the conflict diamonds is not a responsible thing to do and I call them to refrain from doing so.

Before I conclude I would like to use this opportunity to thank Mr. Eli Izhakoff for his fine and professional work as president of the WDC.

WORLD FEDERATION OF DIAMOND BOURSES

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Thank you very much and I wish you all a nice and fruitful conference.

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From left: Boaz Hirsch, chairman of the Kimberley Process, and WFDB President Avi Paz.