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SPEECH TO THE 2019 CIBJO CONGRESS
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Honored guests, ladies and gentlemen, all protocols observed

May I start by saying what a pleasure it is as President of the World Federation of Diamond Bourses to address you today and be part of this annual event which manages to achieve so much in a brief period of time.

I would like to thank CIBJO, and its President Gaetano Cavalieri, my good friend, for inviting me to address the Congress. It's a privilege to be here with you and to see such a well-attended event. And that bears witness to the dedication of CIBJO's members to this organisation and to the annual Congress.

I applaud your commitment to the operations of this great international body which covers the entire spectrum of the jewellery industry – from precious metals, diamonds and gemstones to marketing, ethics and Corporate Social Responsibility and much more.

As with the organisation which I represent, the World Federation of Diamond Bourses, or WFDB, the presidents of the exchanges also voluntarily devote an enormous amount of time to its work because we know the importance of working together as a global body in order to deal with the challenges we face as happens at CIBJO.

And on that note, I must mention the close cooperation between the WFDB and CIBJO that has proven to be so valuable, especially in recent years regarding our united stand on various challenges facing the industry.

In light of the questionable advertising of the lab-grown diamond manufacturers in recent times, I believe that the necessity for us to work together has never been greater so that we can counter these claims and prevent consumer confusion regarding synthetics and diamonds.

I have the greatest respect for CIBJO's work, and I know that Gaetano feels the same way about the WFDB. We see eye-to-eye on the leading issues of our times and that allows us to enjoy close cooperation.

And talking of the important work of the Kimberley Process, as I mention in my latest President's Blog, we fully support the establishment of a Permanent Secretariat for the KP. This has been spoken about for some time, but we believe that it is absolutely essential that the upcoming KP Plenary Meeting adopt it.

I do believe that whatever decisions are made by KP member governments, it should be remembered that those decisions affect members of the diamond industry who are, of course, our members.

I believe that unity and working together is all the more important due to the challenges facing the diamond industry. In this respect, I would mention an initiative we have launched at the WFDB which is a powerful new marketing channel for the dissemination of industry news to promote diamonds in a tie-up with the Diamond Producers Association.

We have set up a WFDB Whatsapp group of all the directors of the WFDB's 29 affiliated member bourses. If every bourse director broadcasts the content to all of his/her many contacts, we will have an initial target of 25,000 people who are active in the diamond trade, which is an excellent start. From there, we expect to see the figure to grow organically and to rise extremely quickly.

I am sure that many of you are fully aware of the work of the WFDB, but for those who are less acquainted, let me just give a brief explanation. Since 1947, we have existed to protect the interests of our bourses and their individual members. But, just as importantly, we aim to protect the consumer by ensuring that diamonds are traded fairly and honestly. These are not just words, but very real facts.

The World Federation of Diamond Bourses plays a very important role in the global diamond industry. The WFDB represents all the official diamond bourses in the world and, as of now, we have 29 affiliated diamond exchange members in 20 countries covering the whole diamond world and on every continent and many thousands of members.

When it comes to diamonds, the WFDB is clearly the leading global organisation, with 95% of rough and polished diamonds traded passing through the hands of our members at our affiliated bourses.

I would also point out that we have the power of suspension and expulsion – which is the ultimate sanction.

I know that CIBJO has been promoting Corporate Social Responsibility. At the WFDB, we have strongly embraced KYC, or Know Your Customer. It is absolutely vital to the future of the trade.

The world of business has changed tremendously. Compliance of a clear audit trail of one's buying/selling processes is now an integral part of a diamantaire's business. You could say compliance is the "Fifth C" of the business. It is for these reasons that the WFDB has adopted the KYC principle.

KYC is about verifying the identity of clients and assessing their suitability, along with the potential risks of illegal intentions towards the business relationship. KYC processes are also employed by companies of all sizes for the purpose of ensuring their proposed customers, agents, consultants, or distributors are anti-bribery compliant or not involved in money-laundering. Banks, insurers, export creditors and other financial institutions are increasingly demanding that customers provide detailed due diligence information.

The establishment of a WFDB KYC platform is an essential tool in restoring credibility and trust in the diamond industry. It may seem an annoying burden coming at a difficult time with credit squeezed, profit non-existent and rough and polished prices in a downward spiral. It is however a bridge the industry needs to cross without any further delay.

Another critical issue that I know CIBJO is involved in and which the WFDB has embraced is that of provenance and telling the story behind the diamond.

Consumers do care about what they're buying, and they want to be assured that their purchase is making a positive contribution. Diamond companies should be providing those assurances. It has become quite clear that the diamond and jewelry brands able to garner growth in today's challenging environment are those investing in technology and telling a meaningful story.

Although we face many challenges, we must ensure that we can prove the origin of our stones and show a clear line of traceability.

This is how we ensure that diamonds are traded fairly right across the world – from the Dubai exchange a one hour flight from here to our bourses across Asia, Europe, Russia and the United States.

The WFDB also aims to promote global diamond trading and to encourage the establishment of bourses, with the view of eventual affiliation of all centres in which diamonds are actively traded.

In conclusion, I would like to again thank CIBJO and Gaetano for working so closely with the WFDB and may I wish you all a very successful and productive Congress.

Thank you