



THE WORLD JEWELLERY CONFEDERATION

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Ladies and gentlemen,

It is my pleasure and privilege to be with you in Idar-Oberstein today and to address this esteemed forum. As I have learned over the years about the coloured stone centre in Idar-Oberstein and the nature of German gemstone and gemmology professionals, there exists here a unique blend of passion for the product, its legacy and the art of gemstone cutting, and also dedication to the science, understanding and precision of gemmology.

Over the years, CIBJO has benefitted greatly from this very special community, as have the many thousands of members of our industry from all over the world. I salute you all.

Idar-Oberstein was the site the first European Gemmological Symposium in 2007, and at the time the event celebrated the 75th anniversary of the founding of the German Gemmological Association. Over the nine years that followed, conferences were held in Paris, London, Bern, Leiden and Zermatt, and this year it returns to the city where it was launched, and where once again we are celebrating a notable occasion. This time it is the 50th anniversary of the founding of the German Foundation for Gemstone Research – the DSEF German Gem Lab.

Both these organisations, the German Gemmological Association and the DSEF German Gem Lab are very well represented in CIBJO.

The association's president, Dr. Thomas Lind, is Vice President of CIBJO's Sector A, which is the division of our international organisation that oversees all activities related to gems materials. It requires that you develop a high level of expertise across a range of materials, including coloured stones, diamonds, pearls and precious coral, and Thomas certainly is blessed with that volume of knowledge.

DSEF's Director, Dr. Claudio Milisenda, serves as Vice President of CIBJO's Gemmological Commission, which in recent years has worked hard to harmonise the systems, standards and nomenclature used at gemmological laboratories around the world. In doing so it has taken on some of the most challenging issues, such as narrowly defining commercial terms like "pigeon blood red" and "royal blue."

Generally, when I am invited to address occasions like this, I take time to point out that the important work done by CIBJO is entirely dependent on its members, and their readiness to contribute knowledge and expertise for the benefit of our international community. I usually point out that if you want to make a difference, then you need to take part in the process.

No such call is necessary today, because individuals like Thomas and Claudio, and many other German friends, have made very significant contributions, not only to CIBJO but other industry bodies, in gemmology, gemstones, diamonds, precious metals, and the development of responsible business standards.

Where does CIBJO get the authority to do what we do? It comes from our structure and our breadth of membership.

CIBJO is the oldest international representative organisation in the jewellery sector, having been founded in Paris in 1926.

We are not a commercial organisation, but our mission is to promote a business environment in which commercial organisations can optimise their effectiveness and revenues. And to do that over the long term, we believe it is essential that our working environment is responsible, fair and ethical.

If this is not the case, in a luxury product industry like ours the viability of our business will be threatened and we will run the risk of losing consumer confidence, which this type of business is unthinkable.

To create a proper work environment, we need to need to be fully transparent in the way we operate our businesses and about what we sell, and when that environment is international, we need to be sure that our counterparts always understand what we are saying. This makes harmonisation of standards and nomenclature a critical necessity.

When a common business language is in place, and its rules and terms are publicly available, then we have the necessary elements to work together, to trust one another and to properly serve our consumers.

And why is this so important?

It is essential because we work in an industry where there is almost no single item produced that does not include elements that were either mined, processed and manufactured in multiple countries.

What this means is that gemstones, jewellery components and complete jewellery items are constantly crossing borders, and are being handled and valued by different people in each of the countries they pass through. It is absolutely essential that members of our industry in one country can communicate accurately with their colleagues in other countries, using a common professional language.

If we are going to be transparent – and we have to be transparent – then a common frame of reference is absolutely essential.

Our membership is made up largely of national jewellery trade organisations from some 40 countries around the world, although we also have commercial members.

We cover the entire jewellery, gemstone and precious metals sectors vertically, from mine to marketplace, and horizontally within each of the component sectors in the various production, manufacturing and trading centres.

Since 2006 CIBJO has been first and only member from the jewellery industry's in the United Nation's Economic and Social Council.

From a functional point of view, CIBJO is divided into three distinct sectors, or areas of interest: Sector A, which includes gem materials, the gem trade and gem laboratories. This is the sector in which Thomas serves as Vice President, and Claudio's Gemmological Commission functions.

Then there is Sector B, which covers jewellery distribution, including retail, and Sector C, which covers jewellery manufacturing, technology and precious metals.

Much of the day-to-day work carried out in the three sectors takes place in the commissions, which are committees created to focus on specific areas of interest in the jewellery industry and trade. Commission members are industry professionals, like yourselves, possessing expert knowledge in their specific fields.

Among the current CIBJO Commissions are the those dealing with gem labs, which we have spoken about, but also diamonds, coloured stones, pearls, coral, precious metals and, since the beginning of this year, responsible sourcing.

Disclosure lies at the heart of our transparency requirement. From the consumer's perspective our responsibility is clear. We have to inform them exactly what we are selling.

Treated and synthetic materials, for example, are not inherently immoral, nor are they illegal. They can be legitimately handled and sold as long as the consumer understands exactly what they are.

To provide our industry with the tools it requires, CIBJO developed its Blue Books. These are today the most universally recognized and accepted sets of jewellery and gemstone standards.

Essentially, it is the Blue Books that serve as our industry's common language.

The process of developing the Blue Books is remarkable, and is a testament to the dedication, professionalism, expertise and voluntary spirit of members of our community.

Each Blue Book standard represents a consensus derived from the broad expertise on the subject within the various commissions, and also from individuals outside the commissions who have expressed an interest in participating in the development of the guidelines.

They are living documents, for they are always subject to review. Comments for revision of the Blue Books standards are welcome from any interested party, regardless of membership affiliation with any trade organisation or laboratory. This, by the way, may include any of you.

Suggestions to make changes in Blue Books should be presented to the CIBJO Secretariat and that should be in the form of a proposed change of text, together with appropriate supporting documents and/or comments.

These are discussed within the commission, leading up to and during our annual congress, and if they are accepted, a resolution is presented to the CIBJO Board of Directors for final decision.

After a congress, the updated Blue Books are uploaded onto the CIBJO website.

The application of the Blue Books is voluntary, but increasingly they are becoming recognised as common standards.

It has taken many years to get to this point. In October 2004, Rudi Biehler, one of your countrymen, appealed to a district court in Munich to issue a restraining order against the German distributor of the Gemesis Corporation, a synthetics diamond producer, from

using the term “cultured diamonds” when marketing its products to the public.

The court granted the injunction, agreeing that the word “cultured” was misleading. In reaching its decision, the judges relied on the terminology and definitions contained in CIBJO’s Diamond Blue Book. In so doing, the court set precedent in the European Union.

In 2015, the International Standards Organisation approved ISO International Standard 18323, entitled “Jewellery — Consumer confidence in the diamond industry,” which for the first time specifies a set of permitted descriptors for the diamond industry that are designed to be understood by consumers. The new standard mirrored almost exactly the definitions outlined in CIBJO’s Diamond Blue Book, and in fact the chairman of the ISO special committee also serves as Vice President of the CIBJO Diamond Commission.

In 2017, CIBJO, the World Federation of Diamond Bourses (WFDB) and the International Diamond Manufacturers Association (IDMA) reached agreement, by which the nomenclature used by the International Diamond Council (IDC) will now be harmonised with that of CIBJO’s Diamond Blue Book. As a result, the CIBJO Diamond Book now functions as the single official reference book for nomenclature in the entire diamond and jewellery industry.

Last year I travel to in Moscow, where we concluded a Memorandum of Understanding with the Russian government, with the goal of harmonising the official system used in that country for the classification of polished diamonds with the standards and nomenclature applied internationally, as it appears in the CIBJO Book.

This is an ongoing process that we believe will accelerate.

Other countries are coming on board, like the Philippines, which in 2013 accepted CIBJO's standards for pearls and precious metals, as Philippine National Standards.

In conclusion, I would like to mention briefly our most recently introduced Blue Book.

At the end of 2017, we decided to investigate whether it be possible to create a responsible sourcing protocol that could be universally accepted.

It took about a year of hard work, and at the beginning of 2019 the CIBJO Board of Directors approved the first edition our Responsible Sourcing Blue Book.

Our goal in producing this document was not to compete with any other due-diligence systems, nor would it be something that we could enforce or police. Like the other CIBJO Blue Books, it is our intention that the principles stated in the new Responsible Sourcing document will come to serve as benchmarks for responsible sourcing systems developed and applied by industry organisations and commercial bodies worldwide, and for governments that may seek to create viable regulatory systems.

An operating principle of the Responsible Sourcing document was that it would be inclusive, meaning that there is an expectation that the standards, guidelines and systems that it describes can reasonably be applied by all members of the industry, irrespective of size or financial capacity.

Companies can choose whether they wish to demonstrate their compliance by being certified by an independent body, such as the Responsible Jewellery Council, or RJC. Still, if they stick to the guidelines in the document, they can reliably claim to be sourcing their supply responsibly.

Our goal is to create a more ethical and more connected industry, that is able to defend its most valuable asset, and that is the confidence of its consumers. I am sure that is yours as well.

I wish you all a most informative conference.

Thank you.