Briefing On Her Role As The Newly-Appointed Chair of the Kimberley Process (KP) for 2012

Special Briefing

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Via Teleconference

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MR. VENTRELL: Hey, everyone. How are you doing? Thanks for joining us this afternoon. This afternoon's conference call is on the record. We have with us today Ambassador Gillian Milovanovic, who is going to discuss her role as the newly-appointed chair of the Kimberley Process. She's going to give some opening remarks and then we'll turn it over for Q&A.

So without further ado, Ambassador, over to you.

AMBASSADOR MILOVANOVIC: Thank you very much, Patrick, and thank you for giving me this opportunity to talk with people about the Kimberley Process, a process which I have just become the chair of in the last two weeks.

I have been, as folks may know, ambassador to Mali. I've also served in Botswana and in South Africa. And in Europe, I have served in Belgium, amongst other countries. So that, along with knowing a good deal of French, I think, is part of the reason why I was chosen for this job. It is something that excites me very much. I'm very pleased to have this opportunity, during the United States first chairmanship of the Kimberley Process, to be the person sitting in the chair.

I would say that consensus and seeking consensus is going to be the biggest part of the job. The Kimberley Process, as many probably know, is a combination of government, industry, and civil society. It was launched in 2003 in order to stem the flow of conflict diamonds that were funding rebel groups. It is a process that operates by consensus, and therefore, seeking consensus, fostering the ability to come together and to make decisions in order to move the Kimberley Process forward, is going to be a critical element for the United States this year.

This is the eve of the 10th anniversary of the Kimberley Process, and I will have the privilege of chairing during that period. I will also have the privilege of having, as a vice chair, South Africa, which will be chairing in the 10th anniversary of the Kimberley Process. I hope that this will, again, be a collaborative process between the chair and the vice chair, and I think there will be many opportunities to explore that, notably when I travel to South Africa next week, where there is a Mining Indaba in Cape Town, where I hope to meet, for the first time, many members of the government participants, as well as additional others from industry. This week, I had the privilege of

meeting with NGOs and with industry, and I'm beginning to get my feet wet in understanding how this process works.

We have an ambitious agenda. It's one whose goals are very much in line with what the KP itself has already determined needs to be looked at. The KP decided that it would be looking at reviewing its own goals, its own successes and weaknesses, and that is being done by an ad hoc committee chaired by Botswana. I look forward to working with Botswana again, a country that I know from earlier days, on shepherding the conclusions of that committee through.

One of the goals that I have also is to make sure that more people understand something about the Kimberley Process. I will freely admit that at the moment, I am not the world's greatest expert on the process – again, two weeks in the chair. Nonetheless, I think it's important that more and more people ask questions, understand, and that we have an opportunity to communicate with everyone – the public, the media, civil society, industry, and governments.

I think that's about all I want to say at the moment. Again, thank you for giving me this opportunity, and I look forward to your questions.

OPERATOR: Thank you. At this time, if you would like to ask a question, please press *1 on your touchtone phone, and you will be prompted to record your name. Please unmute your line and do so when prompted. To withdraw your request, you may press *2. Again, to ask your question, please press *1 at this time. One moment, please.

Andrew Quinn of Reuters, you may ask your question.

QUESTION: Hello, Madam Ambassador. Congratulations on your new role. I was wondering if you could tell us a little bit more specifically about how you think the Kimberley Process can be strengthened, given the difficulties that it encountered last year in the pullout of Global Witness. What was once one of the strongest civil society backers of the process is now one of its biggest critics and is calling it essentially a whitewash operation for blood diamonds.

How do you intend to use your chairmanship to bring the Kimberley Process out of this year stronger than it went in? And I'm wondering if you have any view on what the U.S. position will be or how you will use the chairmanship to consider the issue of Anjin, which is the Chinese-backed miner that operates in Zimbabwe's Marange diamond fields. There's – apparently, they have not been given the green light to export, unlike many others in that region, and there's a question now about whether or not they get that approval, will that be seen as a sign that the Kimberley Process is really fulfilling its mandate or not.

AMBASSADOR MILOVANOVIC: Well, thank you, Andrew. That's quite an assortment of questions and I'll do my best with them.

QUESTION: Okay.

AMBASSADOR MILOVANOVIC: All right. As to the difficulties and what we propose to do, I choose to look at things as now we're in a pretty good place, because precisely, there have been enormous difficulties over the last two years, at least. The process went through great difficulty determining how to deal with the question of diamond exports from Zimbabwe, given violence and other matters. And this showed that there was a need to look at systems, to look at definitions, to look at ways to ensure that the lessons were drawn, and that the organization could determine best ways to become more efficient and to remain relevant.

So even though there was that negative, even though there was great difficulty, what you now have, from what I have been able to see so far in talking with people – and at the moment, I have had the opportunity to speak with civil society members and with industry this week – you have a sense that now we can begin to focus in a constructive manner on the Kimberley Process itself. And that is what I propose to do, to look at what lessons can be learned and what the organization itself believes needs to be done.

Again, I will not be alone in doing this. The chair is working in a system in which there are a number of working groups, including, I mentioned, an ad hoc working group on review chaired by Botswana. This will be, even within the organization itself, very much of a collaborative effort to figure out where can we make the most of those lessons learned, where can we make some advances. So I don't actually see the difficulties of the past as a problem to be overcome so much as an incentive to look to the future and to improve matters. And from what I've heard so far, people seem to feel that way – many of the people seem to feel that way about it as well.

Now, you mentioned the departure of Global Witness. Of course, what is important is that the Kimberley Process from the beginning has been a combination of government participants and observers from civil society and industry, Global Witness naturally having been one of the founding members of civil society. We are sorry, naturally, that Global Witness made the decision that it made, and what I can say is that our contacts with both Global Witness and a number of other NGOs that either – that have, in fact, never even been part of the Kimberley Process, continue. We are in constant touch. We will continue to be speaking with one another, gathering ideas, and conversing. So that is not the end of the discussion.

And I would add that out of 12 NGOs that are part of the – were part of the Kimberley Process, there are 11 remaining. The Canada Africa committee as well as – and I've got the name wrong, I apologize, but I'm not perfect yet – as well as a – Partnership Africa Canada, sorry, it's called – and a number of local NGOs, notably throughout Africa but not exclusively. So there will continue to be a very strong participation and very much listening to the role of civil society, both within and without.

And I believe the third thing you were asking about was Anjin --

QUESTION: That's right.

AMBASSADOR MILOVANOVIC: -- and I will tell you, in all honesty, that it is not something that I am sufficiently familiar with at this stage to be able to give a response on. I believe, in any case, that this is something that perhaps we can get some information for you on. If you want to pursue that, I'd be glad to take that back and see if we can get you further information.

QUESTION: Okay. That would be very kind. And I just have one follow-up, if I could, just based on your response where --

AMBASSADOR MILOVANOVIC: Please.

QUESTION: -- you said that one of the things you'd be looking at would be systems and definitions.

AMBASSADOR MILOVANOVIC: Mm-hmm.

QUESTION: Could you explain a little bit more about that? Definitions of what? I mean, are you looking at really – at trying to perhaps broaden the remit of the Kimberley Process so that it would have a more specific function in sort of dealing with industry, dealing with national governments that it – that – are you trying to make it to strengthen its actual functioning systems? And then how would you expand the definitions of what it does?

AMBASSADOR MILOVANOVIC: Okay. Well, again, there is a certain relationship de facto between the questions that are being looked at by the process itself and its review committee and those elements which we have as a number of our goals. Exactly how – exactly what's going to fit within each of these things remains to be determined by the process. But I would say that overall, yes, the organization is looking, for example, at its core objectives and core definitions. That would include the definition of conflict diamonds. Now where that will go remains to be seen, but the goal, certainly, is to look at is there a need to make some changes – breadth, depth, whatever – and then look at what that might – what those changes might be.

On the efficacy side, there are a number of issues, including compliance and enforcement improvements, and administrative workings of the KP and a number of other things. But we will try to get a combination of looking at the core functions and also improving, on a day-to-day basis, the efficacy of the process.

QUESTION: Thank you.

AMBASSADOR MILOVANOVIC: Thank you very much, Andrew.

OPERATOR: Once again, if you would like to ask a question, please press *1 and record your name at this time. One moment, please.

Stephen Kaufman of America.gov, you may ask your question.

QUESTION: Thank you, Madam Ambassador. I'm looking over some of the stats. I'm really wondering if you have any updated figures on how the process has been working. For example, I see that back in the 1990s, maybe 4 to 15 percent of the diamonds that were being traded were considered conflict or blood diamonds, and within just the first few years of the Kimberley Process, that figure had gone down to 1 percent. I don't know if that – if those figures are absolutely correct or not, but I'm wondering if there's any new updated figures you might have to – that could explain how the process has been working. Thank you.

AMBASSADOR MILOVANOVIC: Well, Stephen, thank you very much for that question. It's an excellent one, and I am sorry to say that I have no information that I can give you right off the bat here today. We can certainly look into that as well. What I can say is that the Kimberley Process has clearly had a positive effect on stemming the tide of conflict diamonds, and that the trend, as you yourself pointed out with the statistics that are available to you that you were citing, is definitely a – has been a positive one. But exactly as to what the latest figures are, if we have any, I really don't have that.

Anything else you'd like to ask?

QUESTION: I'm afraid – well, maybe if you – even anecdotal evidence of what – of how things – the only reason is because that figure I cited, I think it was from 2003, and of course, it's been a while since then. Even if there are no statistics you could cite, any kind of even anecdotal evidence?

AMBASSADOR MILOVANOVIC: Well – sorry, am I still on? Okay. What does seem to be the case – and again, since I'm relatively new to this still, it takes me a while to sort it all out. But at the present time, I am told, the only country whose diamonds are fitting within the definition of conflict diamonds is diamonds from Cote d'Ivoire. And that represents, overall, far less than 1 percent of all diamonds.

QUESTION: Okay. Great. Thank you.

AMBASSADOR MILOVANOVIC: You're very welcome. Thank you for calling.

OPERATOR: At this time, I'm showing that we have no further questions.

AMBASSADOR MILOVANOVIC: In that case, then, Operator, we appreciate it. Patrick, did you want to close this out?

OPERATOR: And actually, we did have one more question come in, if you'd like to take that last one.

All right. Andrew Quinn of Reuters, your line is open.

QUESTION: Yes, it's me again. Sorry.

AMBASSADOR MILOVANOVIC: Okay.

QUESTION: I couldn't let it go. (Laughter.) Madam Ambassador, I was wondering if you could talk a little bit, if you have anything to share on this, on the question of supply chain controls over polished diamonds. I mean, obviously, the U.S. has sanctions on a lot of diamond sector businesses in Zimbabwe, including state-owned mining corporations. But these are only covering rough diamonds, and the point of – the activists will tell you that they are being sent to other places, polished, and then shipped into this country.

Is there any notion that the Kimberley Process could somehow gather itself to try and figure out a way to establish verifiable supply chain controls so that we can be sure that our own sanctions aren't being violated by diamonds that are polished in second countries.

AMBASSADOR MILOVANOVIC: Andrew, you raised some excellent questions. What I have to say, however, is that – look, I'm the chair of the Kimberley Process. The Kimberley Process deals in rough diamonds. That is what it was created for, that is what its mandate is. And so I do not foresee within the Kimberley Process, per se, going beyond the question of rough diamonds.

QUESTION: Okay. Okay. Thank you very much.

AMBASSADOR MILOVANOVIC: Thank you very much.

OPERATOR: And now we have no further questions.

MODERATOR: Okay. Thank you to the ambassador and to all of you for participating in today's call. Operator, that concludes today's call.

Thanks. Thank you.

AMBASSADOR MILOVANOVIC: Thank you.

QUESTION: Thank you.

AMBASSADOR MILOVANOVIC: Okay.