



Your Excellencies, distinguished guests, ladies, and gentlemen,

Good morning and welcome. First let me start the meeting with expressions of gratitude.

I am grateful for the presence of so many of you here today. You represent what is best in the diamond industry - corporations and producers, and national governments.

First and foremost I want to thank our Vice Chair Australia, and particularly welcome Robert Owen-Jones, who has just joined the team, and that I had the pleasure of meeting for the first time yesterday. I look forward to working with you.

Thank you to the World Federation of Diamond Bourses and the International Diamond Manufacturers Association - especially Ernie Blom and Maxim Shkadov - for the privilege of hosting the World Diamond Congress with over 200 delegates and 27 diamond bourses last week.

Recognition and gratitude also go to the Chairs of the Working Groups. Your consistent commitment, despite the heavy responsibilities of your regular jobs, to devote time and energy to serving as Working Group Chairs is very much appreciated.

I'm grateful for the hard work and dedication of all the participants in the KP Chair's special forum, and I am delighted to welcome OECD as a special guest here today.

And finally. An event like this doesn't come together over night. That is why I also want to express my deepest gratitude to the team who coordinated this extraordinary event over several months; our marketing team here in the UAE, and also the ASM.

Thank you all.

It is an honour for me to welcome you all here, and for the UAE to be the host to such a distinguished gathering of government and industry leaders here in Dubai, my home town.

The public perception of the diamond business is of a glamorous, alluring and exciting industry. It is fast-changing and ambitious.

Which makes Dubai the perfect city to stage this event, because my city shares all those characteristics.

Our nation is just 45 years old. And in just 14 short years, Dubai has become the third biggest diamond trading centre in the world. The UAE was the first and only Arab country to join the KP family back in 2003, and is now the first to host a KP event. We are rightfully proud, and we are grateful.

For those of you who have not been here before, I encourage you to use your free time to explore our beautiful, welcoming, multi-cultural nation. But don't just trust what you read on a search engine. The best way to explore, I always find, is to use Google Maps to seek out some of the truly spectacular landmarks, from the Grand Mosque in Abu Dhabi, to the Burj Khalifa, here in Dubai. Or why not the International Humanitarian City, a centre for humanitarian aid which hosts nine United Nations agencies and more than 40 international NGOs engaged in delivering foreign aid?

We have a full agenda and have designed this Intersessional as a forum to exchange ideas, proposed solutions, and as a window of opportunity to focus the wealth of experience and expertise each of you can provide on addressing the challenges of keeping the KP strong and relevant. There is much work to be done this week, and I expect all of you will participate actively with your ideas so that we can form the best possible set of proposals to be considered for approval on Thursday.

To emphasize what was said just earlier this morning; It is deeply rooted in our belief as an Arab and Muslim nation, that it is our primary duty to help those in need, and make the world a better place.

That is why, when I accepted the honour of chairing the organisation in Angola at the end of last year, I pledged to fulfil our mandate, to the utmost of our ability, and to focus on those areas that would have the greatest impact on the growth and development of the diamond industry, its millions of workers, and extending the KP to new countries.

Let me give you a brief overview of what we together have done so far this year so as to set the stage for the tasks we will tackle here at the Intersessional over the next few days.

In February, I travelled to Venezuela to meet the leaders of that country. Venezuela is rich in mineral resources - it has the largest oil reserves in the world, for example, and big deposits of diamonds, gold and other precious minerals.

But it faces serious economic pressures, partly as a result of the recent fall in oil prices. We here in the UAE can certainly empathise with that.

Its predicament has been worsened by the fact that since 2008 - when it left the KP - it has been unable to export any of its significant stock of diamonds. Clearly, a resumption of diamond sales would be in the best interests of the Venezuelan economy, and its people.

For the past four years KP chairs have tried to get Venezuela re-admitted to KP, without success. I felt it needed a new, more direct and personal approach. Sometimes you just have to push aside the barriers to progress and cut through the red tape to get something done.

On my visit there, I was impressed by the sincerity of the Venezuelan government to put right the things that were wrong in the diamond industry. As a result, a process has begun and I am optimistic we will see the country re-admitted to full KP membership during my term as KP chair.

So I am especially pleased to welcome the Venezuelan delegation who have travelled to be with us here today.

In March, we made big progress in unblocking a logjam that has prevented another diamond producer - the Central African Republic - from benefitting from the wealth of its natural resources.

CAR had been unable to export stones since 2013, due to serious security concerns in some parts of the country. At a meeting here in Dubai, I was pleased to offer the services of the KP chair as a mediator between the CAR government and the main exporter.

Later that month, following a favourable visit by two team members of the CAR monitoring team, an agreement was reached. As a result the sous-prefecture of Berberati was declared a compliant zone.

After all, the review mission to CAR goes back to April 2015, and despite some deficiencies, it has concluded that the country fulfils the minimum requirements of the KP.

The UAE assumed temporary leadership of the CAR monitoring team at the request of the WDC. It is my sincere hope that we can welcome new compliant exporting zones in due course.

My deepest welcome goes to His Excellency Leopold Mboli, Minister of Mines from the CAR. The Minister has invited me to visit his country in the month of June, and I am looking forward to this opportunity.

Finally, I would like to discuss something that is vitally important to all of us.

Rough diamond valuation.

This is not an easy topic, and one that is certainly not limited to one country, one diamond centre, the KP, the WDC or civil society.

It is a topic of concern to anybody involved in the wider diamond industry.

In particular, it is top of the list of priorities for diamond exporting countries in Africa, which are looking to ensure they get best value from their mineral resource wealth.

Both the Washington Declaration from 2012 and the Moscow Declaration from 2005 were initial attempts to tackle valuation of rough diamonds, where policy goals and recommendations were outlined but never actioned.

Both of these declarations talk about essential items such as enhanced data collection, financial transparency, tackling cross-border trade and supply chain traceability.

Many of these goals and recommendations, if you read the declarations that we will circulate today, clearly overlap with guidelines issued by OECD for conflict minerals.

But the problem has remained a chronic challenge in our industry for years.

I am pleased to say we are now finally beginning to tackle the crucial question of valuation of rough diamonds, with actionable outcomes.

The OECD is indisputably the organization with the vastest experience in the field of conflict minerals and valuation best practices.

For this reason, I met industry leaders in Europe - and with the OECD in April. We both agreed that the issue needed urgent examination.

As a first important step, OECD and large mining corporations joined us yesterday for a KP Chair special forum to discuss diamond valuation. Industry leaders such as Varda Shine, ex CEO of DTC and Sergey Vybornov, ex-president of Alrosa participated in this session and we will continue to engage with them as we move forward.

As chair, it is my goal that our work will lead to a concrete action plan towards a set of best valuation practices and ultimately a level playing field for all importers and exporters of rough diamonds.

Solutions for our specific industry will require some bold steps and out of the box thinking but I am convinced that the involvement of industry specialists will create the proper environment to reach a consensus and move things forward against a defined timeframe.

I look around the room and I see a KP family that believes in better, and looking to produce real results, while removed from distractions.

Speaking as Chair, I see two tasks before us:

- addressing the true challenges of today to strengthen the KP
- and to set a path ensuring the Kimberley Process will meet the challenges of the future.

But are we confident that we are sufficiently investing in the future? With respect, I say we can do more.

We have a responsibility to the entire diamond supply chain and its stakeholders to approach the most challenging questions and through consensus, power forward important, much needed change.

The Kimberley Process is now at a critical juncture. For it to succeed going forward, it will need to take important steps to meet the expectations of member governments, industry, civil society and even consumers, on whom we ultimately depend.

I urge you all to consider this as we work together over the coming days.

I will conclude by commenting briefly on what I believe has become an increasing misuse of important time.

As you will remember, Civil Society took the misguided decision to stage a boycott against the UAE KP Chair at the Angola Plenary in November last year.

During the Angola Plenary, WDC offered to mediate and broker an agreement between the KP Chair Office and Civil Society. We have been fully engaged in, and committed to the proposed mediation.

It took three months for WDC to initiate mediation, but we have been in regular communication since 24th February when the mediation process began. I am pleased to say, that we, the UAE, had agreed to all the conditions imposed by the WDC mediation team.

We were set to move forward with a face to face meeting that was to take place on June 3 under WDC's lead.

That is why I am profoundly disappointed that Mr Martin, self-appointed leader of the CSC and on behalf of 11 other African NGOs, has withdrawn prematurely from mediation, despite the UAE's agreement to WDC's terms, and our continued commitment to seeking a solution through mediation.

Keen to make headlines, Mr. Martin took the opportunity to address the media on why he abandoned mediation proceedings. He made several allegations to justify his termination, all of which I as KP Chair strongly refute and reject. He took the same opportunity to circulate another timely e-mail to the KP family last night.

Mr. Martin's actions were expected, following years of inflammatory remarks in the press and elsewhere against the UAE. His tireless focus on our nation makes one question if he works with an ulterior motive in mind. Or perhaps, someone else's...

At a time so critical for the KP, it is hard to imagine what is more important – one man's personal agenda or the Kimberley Process with its 81 members and tens of millions of people that are directly and indirectly linked to the diamond industry.

Many have questioned Mr. Martin's ability to carry on with his work for the KP while pursuing a boycott. Mr. Martin has claimed that he is fully operational and on top of his KP duties despite his absence here today, and also despite his anticipated absence in the November plenary.

To me, **an empty chair**, does not mean "fully operational".

KP builds on dialogue. We have work to do. And we have to work in collaboration. Not in silos.

Let me be very clear.

Our door remains open to any civil society and industry organisation alike who are in a position to contribute fairly, transparently and independently to discussions on the Kimberley Process and to work together on improving the future for the diamond sector.

But we will question those who individually abuse the KP process for personal gain, create hostility or deliberately bring the KP family to a gridlock.

The KP was not established to suppress countries, but to assist them. It is our duty to help those that need help, and are willing to accept it.

We have a collective responsibility to the millions of workers and their families who depend on diamonds for their livelihoods. If we work together we can ensure that the Kimberley Process evolves to remain relevant and move towards a same level playing field for all.

That is why I urge Mr. Martin, in the strongest possible terms, to get back to work, refrain from making self-serving comments in the press, and allow the future of the KP to continue unhindered.

I also urge a broader group of fellow international and credible NGOs to join the Kimberley Process – be it Amnesty, Human Rights Watch, Global Witness - to be a part of the future of the diamond industry; rather than to allow a single NGO individual, to hold the Kimberley Process and the WDC to ransom.

I should also say, by the way, that the succession of Andrey Polyakov as incoming president of the World Diamond Council will help get the KP back on track in this regard.

It took Eli Izhakoff years to bring the industry together and shape the WDC under his strong leadership. I now eagerly look forward to working with Andrey in his new role as he restores unity and effective leadership into this organization.

Like me, he believes in working with all the pillars of the KP, including civil society, in a fair and equitable manner.

I want KP matters to be decided by consensus, by negotiation and by compromise. Our record over the past six months shows that we are willing to explore new avenues and undertake new initiatives to tackle the common issues we all face.

As Chair, I have sought to improve the flow of information, increase transparency, and foster dialogue within the KP and with the outside world.

This is why I intend to move forward at pace for the remainder of the year. I will be visiting Russia, India, CAR, Namibia, South Africa, Zimbabwe, Democratic Republic of Congo and China over the coming period, and I look forward to seeing many of you there.

For the week ahead, this Intersessional is our opportunity to lay the roadwork for the next six months.

We have an incredible gathering of diamond talent assembled in this room today. Let us use it. And let's go to work.

Thank you.