



NEWS RELEASE

IDMA tackles thorny issues at 36th World Diamond Congress

Antwerp, Belgium – June 24, 2014: With the close of the 36th World Diamond Congress in Antwerp, Belgium, members of the International Diamond Manufacturers Association (IDMA) concluded their deliberations, after raising and discussing a long list of topics that weigh heavily on the minds of diamond manufacturers worldwide. IDMA President Maxim Shkadov emphasized at the concluding press conference on June 19 that his organization was facing many challenges, which all, in one way or another, were related to manufacturers' lack of profitability.

"Our industry's relationships with the banks and financial institutions that partner with the international diamond industry and trade were on the top of our long agenda," Shkadov continued. "First of all, we wish to enhance and solidify the longstanding, mutually beneficial relationship between the diamond industry and its banking partners worldwide. Therefore, in recognition of the industry's dependence on a healthy and enduring long-term relationship with financial institutions, the IDMA members resolved to engage the industry's bankers in constructive dialogue, so that industry members may better understand the intricacies of international and domestic regulatory changes that continue to impact client relationships," Shkadov stated.

Secretary-General Ronnie VanderLinden said IDMA was working with the banks to convene an international banking conference in New York that is scheduled to take place toward the end of November. "Through this dialogue, IDMA is endeavoring to identify and communicate more effectively to our members the structural and reputational requirements necessary to perpetuate and improve the industry's long-term relationships with the banks," he added.

In their talks about the rough diamond market and the changes in the supply chain of rough diamonds to the industry, the meeting resolved to communicate to the rough diamond producers their deep concerns about the viability of the diamond manufacturing industry.

About IDMA

IDMA was founded and convened for the first time in 1946, in Antwerp. It is committed to fostering and promoting the highest ideals of honesty and best practice principles throughout the global diamond industry, as well as full compliance with all relevant national and international laws. The organization has developed and adopted a Code of Conduct, which is binding on all 15 member associations. IDMA also works to encourage fair and honorable practices and decent working conditions for industry employees; and to preserve, protect and promote consumer trust and confidence in diamonds. It encourages and supports social responsibility by the industry in respect to all citizens of the world. The Association has played an active role in establishing the Kimberley Process Certification Scheme and is a co-founder of the World Diamond Council.

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The meeting also spent considerable time discussing the significant discrepancies that have surfaced between laboratory diamond grading standards. The discussion's participants, who were joined by diamond industry analyst Martin Rapaport, expressed their concern about the potential negative impact this may have on consumer protection/consumer confidence in diamonds.

In addition, the IDMA members heard reports on the Precious Stones Multi-Stakeholder Working Group (PSMSWG) and on the Diamond Development Initiative, and the necessity of promoting advances in social and economic conditions throughout the diamond mining sector worldwide. The meeting resolved to encourage members to take part in the PSMSWG discussions.

Alan Martin of Partnership Africa Canada (PAC), who was invited to participate in the meetings, addressed IDMA members about the recent FATF report on the diamond sector. The participants then discussed the seriousness of the issues raised in the report and the need to address potential vulnerabilities.

The topic of synthetic/lab grown diamonds resulted not only in a demand to continue the efforts of detection and the need for proper disclosure, but also a call on the diamond industry trade to engage in constructive dialogue with the synthetic diamond growers. The IDMA members also echoed the long-standing requirement for full disclosure of any diamond treatment, and voted that the following statement should appear on all invoices for sales of natural, untreated diamonds: "The diamond(s) contained herein are natural and untreated."

Further reports were submitted by Edward Asscher, the recently elected president of the World Diamond Council (WDC) and by Harry Levy, chairman of the International Diamond Council (IDC).

The organization concluded its meetings with the election of its officers. Maxim Shkadov was unanimously re-elected for a second term as IDMA President and Ronnie VanderLinden and Stephane Fischler were re-elected as Secretary General and Treasurer, respectively.

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IDMA Vice President Edward Asscher, who was recently elected to serve as President of the World Diamond Council (WDC), stepped down as vice president. Mr. Asscher is a former IDMA president, and also served for many years as president of the International Diamond Council (IDC).

Ronald Friedman, immediate past president of the Diamond Manufacturers and Importers Association of America (DMIA), also tendered his resignation as an IDMA vice-president and was thanked for his service to the diamond community.

IDMA also accepted the resignation of its long-serving vice president Vasant Mehta, of India. IDMA members thanked Mr. Mehta, a former chairman of the Gem & Jewellery Export Promotion Council (GJEPC), for the many years of service he devoted to IDMA and the international diamond industry at large, stating that "his participation, wisdom and contributions to our discussions and decision making will be sorely missed."

The meeting appointed Suresh Shah, Convener of the GJEPC's Diamond Panel, to replace Mr. Mehta on the board and to serve as vice president in his stead.

Edward Denckens of Belgium, and David de Toledo, of Israel, were re-elected as vice presidents. Phillipe Roolant, a vice president of the Thai Diamond Manufacturers Association, was newly elected to the position of vice president.

Finally, Avraham (Bumi) Traub, president of the Israel Diamond Manufacturers Association, was appointed chairman of the IDMA Executive Committee. IDMA joined its sister organization, the World Federation of Diamond Bourses, and approved the organizations' joint proposal to hold the 2015 Presidents' Meeting in Ramat Gan, Israel, and to accept the offer of the Dubai Diamond Exchange to host the 37th World Diamond Congress in Dubai, the United Arab Emirates, in 2016.

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