Conflict Diamonds and the Role of the United States Government

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Why is State Department interested in diamonds?

- Economics
- Security
- Development
“My neck leash was funding a rebellion...”

- “Conflict diamonds” are defined as rough diamonds used by rebel movements or their allies to finance armed conflicts aimed at undermining legitimate governments.

- During 1990s, 4%-15% of rough diamonds

- Angola, Sierra Leone, Liberia, DRC

- U.S. Diamond Trade Act
Getting to Kimberley: 1998 -- 2002

- Advocacy Campaigns
- Industry buy in
- Governments join
- UNGA mandates negotiations
- KP goes “live” in 2003
KP Requirements – More than a piece of paper?
The KP in Practice

- 80 countries + observers
- “Voluntarily mandatory”
- Decision-Making
- Governance
- Administrative Support
Enforcement

- Tackle illicit cross-border trade
- Share information
- Training
- Focus on Artisanal Production
  - Illegitimate financing = Illegitimate diamonds
Challenges

- **Definition of a Conflict Diamond**
  - Enforcement
  - Sourcing
  - Beyond rough?
KP Concerns

- Decision-making processes
- Definition
- Internal Controls
- Staffing/Secretariat
- “Unfunded Mandate”
- Political and economic dimensions
Artisanal Diamond Concerns

- Legal Rights
- Child Labor, Environmental and Fair Trade
- Rough vs. Cut and Polished Diamonds
- Exploitation
- Post-Conflict Vulnerabilities
Reforming the KP

- The definition
- Monitoring & Enforcement
- Addressing non-compliance
- Decision-making
- Artisanal Sector
USG Engagement

- Kimberley Process
- USAID
- U.S. Geological Survey (USGS)
- Census
- Treasury (OFAC)
- United Nations
- Multi-stakeholder fora (OECD)