Total Clarity
THE REALITY OF MODERN DIAMOND MINING
It takes a trained eye and years of experience, supported by cutting-edge diamond planning technology, to determine the intrinsic value of a rough diamond—a task based on its likely polished outcome.

Shedding new light on the impact of modern large-scale diamond mining on employees, communities and the environment.

Total Clarity is an unprecedented initiative from the Natural Diamond Council (NDC), whose seven Members are mining companies, together representing 75% of the world’s diamond production. The NDC has partnered with Trucost—a reputable independent research company—to examine and quantify the collective socio-economic and environmental impact of its Members’ diamond mining activities. Total Clarity brings together the findings of this analysis and real-life case studies to illustrate the little known reality of modern diamond mining.

Why this initiative? A billion year-old natural diamond is a promise of love, commitment and sincerity. With it comes a legitimate expectation of transparency. NDC Members have all made a formal commitment to leading responsible and sustainable operations and they have individually produced more than 50 sustainability reports over the years. These sustainability reports are in the public domain and they detail the way our Members work and the impact of their operations on their communities, employees and environment. Our objective with Total Clarity is to bring yet another level of transparency by consolidating the collective socio-economic and environmental footprint of NDC Members into one single document and by shedding new light on the reality of diamond mining today.

The diamond sector has undergone significant transformation over the past 15 years, from mine to market. For all its imperfections and needs for reform, the Kimberley Process has been remarkably successful in virtually eliminating conflict diamonds from the market. The Responsible Jewellery Council has provided effective standards and codes of practice for the industry to self-regulate. Finally, new leaders and new geographies have emerged, like Russia and Canada, to become major actors on the world diamond stage.

Our examination took two years to complete and it involved the collection of thousands of data points by Trucost directly from NDC Member company operations. The analysis uncovers the magnitude of the socio-economic benefits brought by our Members’ diamond mining activities to regions and communities in which they operate. It shows that NDC Members provide high-quality and safe local employment to more than 77,000 people in some of the most remote places on the planet. It quantifies the economic wealth created by diamond mining for local communities through local sourcing of goods and services and through government revenues in turn responsibly invested in infrastructure, health and education. The report shows how entire ecosystems have been able to grow and flourish as a result of diamond mining in many African countries, but also in Canada, Russia and Australia.

Importantly, the Trucost analysis also details the positive and negative impacts our Members’ diamond mining activities have on the environment. It uncovers that modern diamond mining has a relatively small environmental footprint, and that continuing to reduce carbon emissions—more than pollution, land usage or water usage—is our key opportunity for improvement. The report provides useful comparisons and benchmarking with other products and industries as a way to better assess our current position and set future objectives.

We trust that you will find the Total Clarity report is balanced, informative and well-illustrated. It is designed to bring new transparency to the impact of diamond mining for all those who have an interest in the diamond sector operating in the most responsible and sustainable way, whether you are consumers, professionals, or simply industry observers. For NDC Members, this report is a baseline and reaffirmation of our commitment to delivering ever more responsible, meaningful, and beautiful diamonds to the world.
By examining the world’s seven leading diamond producers, Total Clarity shines a light on the global impact of modern diamond mining on mining workforces, local communities and on our planet.
WHO WE ARE

In 2016, the world’s leading diamond mining companies came together to form the Natural Diamond Council (NDC). Together, our seven Members represent approximately 70% of the world’s rough diamond production. With 135 operations in eight countries, we engage four continents, NDC Members impact the lives and environments of millions of people.

The NDC and its Members are fully committed to expanding the sustainable development of the diamond sector from mine to market. They aim to provide safe, high-quality jobs to members of their communities and to source locally goods and services needed for their operations. NDC Members partner with local communities and governments to minimize their environmental impact, and work with all sectors in the value chain to expand responsible practices and work with all sectors in the value chain to expand responsible practices.

Importantly, the NDC and its Members are connected to transparency and to engaging with all stakeholders to explore ways to make the diamond sector even more sustainable and responsible.

ALROSA is one of the world’s largest diamond mining companies, accounting for about 45% of global rough diamond production. The company owns or controls some 85% of the world’s diamond reserves, with a network of operations in Russia, and employs more than 120,000 people around the world. In terms of short and long-term sustainability, ALROSA is committed to protecting the environment, ensuring worker safety and a decent standard of living for its people, while ensuring its diamond supply chain is socially responsible. ALROSA’s operations are expanding and ensuring responsible development around the world.

De Beers Group, established in 1888, is the world’s leading diamond producer by value, with mining operations in Botswana, Canada, Namibia and South Africa. Together, the De Beers Group of companies mines more than 30 million carats of diamonds annually. It also maintains the Canadamark™ brand. De Beers Group is guided by the philosophy of “Building Forever” by making mining activities in the diamond business comprise some 1,000 people and employees of De Beers Group from across the diamond pipeline. As part of the company’s operating philosophy, the people of De Beers Group are committed to improving the lives and environments of people around the world. As one of the world’s largest producers of rough diamonds, its diamond portfolio is valued at more than $50 billion and operates a sustainable business with a strong and trusted profile across the diamond pipeline. In terms of short and long-term sustainability, De Beers Group is committed to ensuring the financial and environmental sustainability of its operations. De Beers Group is committed to creating a lasting contribution to the local economies and communities in which it operates, employing more than 20,000 people across the diamond pipeline. RZM is dedicated to the implementation of the Kimberley Process and a member of the Kimberley Process Certification Scheme (KPCS).

Rio Tinto is the world’s largest and most diverse mining company, with a strong and trusted profile in established and developing markets. Rio Tinto employs more than 36,000 people around the world. It is one of the world’s highest producers of diamonds, by value, and owns the De Beers Group, which is responsible for the whole diamond ecosystem. Rio Tinto is committed to ensuring the financial and environmental sustainability of its operations. Rio Tinto is committed to creating a lasting contribution to the local economies and communities in which it operates, employing more than 20,000 people across the diamond pipeline. RZM is dedicated to the implementation of the Kimberley Process and a member of the Kimberley Process Certification Scheme (KPCS).

Lucara Diamond Corp., venue and operations in the Northern Territory located in the Canadian Northwest Territories, is the second-largest diamond producer in the world, and the world’s largest diamond producer by value. Together, the De Beers Group and Lucara Diamond Corp. employ more than 30,000 people around the world. Lucara is an equal joint venture partner with a strong and trusted profile in established and developing markets. Lucara is dedicated to the implementation of the Kimberley Process and a member of the Kimberley Process Certification Scheme (KPCS). Lucara is committed to ensuring the financial and environmental sustainability of its operations. Lucara is committed to creating a lasting contribution to the local economies and communities in which it operates, employing more than 20,000 people across the diamond pipeline. RZM is dedicated to the implementation of the Kimberley Process and a member of the Kimberley Process Certification Scheme (KPCS).

Petra Diamonds, operating in Botswana, Brazil, Ghana and South Africa, is one of the world’s leading diamond mining companies, driven by a strong reputation for responsible and ethical diamond production. Petra employs more than 4,000 people around the world. It is one of the world’s highest producers of diamonds, by quality. The company is committed to realizing the highest possible health, safety, and environmental standards and practices while ensuring the continued development of its host countries and supporting long-term economic growth and well-being of its employees and communities with whom it works.

Rio Tinto

The company operates a global diamond exploration and production portfolio, with a strong and trusted profile in established and developing markets. Rio Tinto employs more than 36,000 people around the world. It is one of the world’s highest producers of diamonds, by value, and operates a sustainable business with a strong and trusted profile across the diamond pipeline. In terms of short and long-term sustainability, Rio Tinto is committed to ensuring the financial and environmental sustainability of its operations. Rio Tinto is committed to creating a lasting contribution to the local economies and communities in which it operates, employing more than 20,000 people across the diamond pipeline. RZM is dedicated to the implementation of the Kimberley Process and a member of the Kimberley Process Certification Scheme (KPCS).

Murowa recently went through a strategy exercise that resulted in a new life-of-mine plan and a new approach to mining. RZM is committed to ensuring the financial and environmental sustainability of its operations. RZM is dedicated to the implementation of the Kimberley Process and a member of the Kimberley Process Certification Scheme (KPCS).

Dumbbell Statement News

Every Diamond Matters is a Dummbell-led initiative that promotes responsible practices throughout the diamond supply chain. The NDC and its Members are committed to working with all sectors in the value chain to expand responsible practices and work with all sectors in the value chain to expand responsible practices.

Engagement with all stakeholders is of the utmost importance. The NDC and its Members partner with local communities and governments to minimize their environmental impact, and to work with all sectors in the value chain to expand responsible practices.

The company contributes to the socioeconomic development of its host countries and supports long-term economic growth and well-being of its employees and communities with whom it works.

Riotinto.com

LUCARA DIAMOND CORP.

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WHAT WE DO

A Diamond’s Journey

Diamonds are found in some of the most remote places on earth and are very difficult to locate. Significant investment and technical expertise are required to bring diamonds along a journey from the earth, where they formed billions of years ago, into beautifully crafted jewelry to be cherished.

1. FORMATION

Diamonds were formed deep in the earth under intense heat and pressure one to three billion years ago. Diamonds were carried to the earth’s surface in lava from volcanic eruptions that occur three times deeper than most volcanoes, forming kimberlite pipes.

5. PROCESSING*

Kimberlite is crushed into smaller pieces and mixed with water. X-rays locate diamonds in the mixture; diamonds are then extracted using a puff of compressed air. The remaining mixture of water and kimberlite is placed in storage facilities and these areas are reclaimed once mining is complete. Rough diamonds are collected and sent to sorting, cutting and polishing facilities. The diamond recovery process uses no chemicals and relies entirely on the diamonds’ physical properties: high density, fluorescence and hydrophobic surface.

6. CUTTING & POLISHING

Each rough diamond is assessed for size, color, clarity and model and sorted into consistent diamond assortments then sold to diamantaires. Diamantaires cut and polish rough diamonds to bring out their individual beauty and maximize their market value. Most diamonds today are cut and polished in the State of Gujarat in India, while Antwerp, Tel-Aviv and New York continue to be home to exceptional craftsmanship.

7. COMPLETING

THE JOURNEY

Polished diamonds are crafted into jewelry. The diamond becomes part of a design that tells your story and continues its billion year old journey with you.

4. MINING*

Mining takes place above and/or below ground (open pit mining and underground mining). Rock that does not contain diamonds is separated from kimberlite, which is transported to the ore processing facility. The area affected by mining is minimized and reclaimed once mining is complete.

3. PERMITTING AND CONSTRUCTION

Before mining begins, cultural, socio-economic, and environmental surveys and consultations are carried out to assess potential impacts of future mining operations and propose mitigation plans and remedies. Once all consultations have taken place and permits have been obtained, substantial investment of resources is required over several years to bring a mine into production. The journey from discovery to production typically extends over 10 to 15 years.

A Diamond’s Journey

The number of recovered diamonds peaked in 2005 and will decrease significantly over the next decade. In fact, most of the diamonds recovered today came from kimberlites discovered decades ago, which is why diamond production is gradually decreasing.

ABOUT US

TOTAL CLARITY

THE ANNUAL RECOVERY OF...

1. GREAT DIAMONDS would fill 15 soccer balls.

5. GREAT DIAMONDS ABOVE would fill 10 exercise balls.

A Finite Resource

Most people know diamonds are measured in carats, but many don’t know what a carat looks like. This image provides perspective on popular sizes of round cut diamonds relative to a hand.

HOW BIG IS A CARAT? 0.25 CT

0.50 CT

0.75 CT

1.00 CT

1.25 CT

1.50 CT

HOW BIG IS A CARAT? Most people know diamonds are measured in carats, but many don’t know what a carat looks like. This image provides perspective on popular sizes of round cut diamonds relative to a hand.
OUR SHARED VALUES

Our shared values are captured by the sustainability commitments signed by all Members on joining the Natural Diamond Council.

Conduct our business with integrity, ethics and high standards of corporate governance.

Promote and encourage responsible business practices throughout the diamond supply chain.

Comply fully with the Kimberley Process Certification Scheme and the World Diamond Council (WDC) System of Warranties.

Support transparency in the way we conduct our business and report payments made to governments in accordance with applicable legal requirements.

Respect fundamental human rights and observe the UN Guiding Principles on Business & Human Rights.

Respect the cultures, customs and values of others with whom we engage, including our employees, contractors and the local communities around our operations.

Seek to further the economic, social and institutional development of communities where we operate.

Seek to protect the well-being of our employees by implementing robust health and safety practices in a culture of continual improvement.

Seek to prevent or otherwise minimize or mitigate and remediate our impacts to the environment and support the conservation of biodiversity, and continually seek to improve our environmental performance.

Want to know more?

Members also share their own specific commitments and progress toward sustainability publicly, with over 50 reports produced by our Members each year.

These reports are made available on our Members’ websites. Links to each Member’s annual sustainability report are also available on NDC’s website.

Requirements for NDC Members include involvement in diamond mining and commitment to the highest standards of integrity and responsibility in all aspects of their business and at all stages of the value chain.

MEASURING OUR IMPACT

In 2017, the NDC commissioned leading global research agency, Trucost, part of S&P Global, to produce the first-ever report on the socioeconomic and environmental impacts and benefits of the large-scale diamond mining sector through an analysis of the activities of NDC Members. The findings of this independent study form the basis for this Total Clarity Report and provide an important baseline to measure the successes of our Members’ ongoing efforts to improve the sustainability of their operations.

Trucost focused exclusively on measuring the impact and benefits directly attributable to diamond mining and processing activities of NDC Members representing 75% of world diamond production. They surveyed 21 key socioeconomic and environmental indicators over 150 different metrics, across 50 Member operations on four continents accounting for 70% of their overall production. Thousands of data points were generated, which were in turn verified by Trucost and analyzed using their proprietary social and environmental capital valuation methodologies. The same proven methodology has been deployed by Trucost in more than 100 studies over the past 15 years.
A rough diamond with an octahedron shape is called a "sawable" because it will most often be sawn in its middle to produce two polished diamonds corresponding to each "pyramid." Octahedrons, comprised of eight triangles, are a naturally occurring phenomena in diamonds formed billions of years ago, deep below the earth’s surface.

**TOTAL CLARITY AT A GLANCE**

$16 Billion
in net positive socioeconomic and environmental benefits

77,000+
people employed by NDC Members.

$6.8 Billion
benefits infused into communities through the purchase of local goods and services.

66%
more than the national average salary is what the average NDC Member employee earns.

$3.9 Billion
benefits created locally through employment.

60%
of the value created is retained locally, benefitting communities directly and indirectly.

69%
less carbon emission per carat than a laboratory-created diamond.

1,023 Sq Miles
of land protected by NDC Members; 3x more than the amount of land used.

$292 Million
benefits of social programs including education and healthcare.

66%
more than the national average salary is what the average NDC Member employee earns.
Iona MacKenzie, senior team leader for Dominion’s processing plant operations in the Northwest Territories, Canada. Iona oversees a team of people who manage the processing of rough diamonds.

Building and operating a diamond mine over several decades in often remote regions of the world requires making long-term commitments to local communities in education, skills development and employment. A successful mining operation is always the result of strong mutually beneficial partnerships with local communities. This is why NDC Members work with local communities and governments to maximize employment from local populations.

As Members shape professional workforces with a long-term view in mind, they invest significantly in career development, training and apprenticeship programs, and in building transferable skills for employees in communities around the world.

NDC Members employ large workforces and provide safe, high-quality jobs to local and Indigenous people.

NDC Members collectively employ 77,000 permanent employees and long-term contractors in safe, highly qualified, high paying jobs. The large majority of these workers come from the region or community in which the operation is located, which in turn leads to the creation of a healthy local economic ecosystem.
Diamond mining involves operating large pieces of equipment and dealing with geological risks. This is why NDC Members put the safety and well-being of their employees and contractors ahead of any other consideration.

Keeping employees safe is a never-ending journey and the responsibility of everyone on site. It requires a strong safety culture in which no shortcuts or compromises are acceptable if they could result in an injury. It also requires following strict rules and processes, wearing the appropriate protective equipment, analyzing every task for its safety risk before performing it and continuously training teams to employ safe behaviors.

At NDC Member companies, every new work shift starts with a safety review of the last shift and a discussion of risks associated with the next shift. Leaders engage continuously with their teams on the ground to coach, train and correct them. New technologies are continuously introduced, such as vehicle proximity detection equipment or geological movement monitoring devices. The safety performance of every operation is closely monitored and is a very important driver of a leader’s performance evaluation. No leader with a poor safety record will be promoted.

The journey to zero harm is still long though and in 2016, NDC Members reported nine fatalities and 118 lost-time injuries (injuries requiring treatment that resulted in time off-work) across their workforce, most often attributable to human errors.

In 2018, NDC Members initiated Program LIFE, a program aimed at improving safety performance through the sharing of best practices.

There is one diamond mining incident per 1,000,000 hours worked.
NDC Members offer attractive training and employment opportunities as they require a highly trained and skilled workforce—employing engineers, programmers, haul truck drivers, mechanics, environmental scientists and support staff, to name a few. Members also invest in their employees to build a skilled workforce with practical and transferrable skills that extend beyond mining operations. In 2016, employees and permanent contractors received a total of US$3.9 billion in direct and indirect benefits from the payment of wages and other benefits. Wages paid by NDC Members are highly competitive due to the large number of skilled roles and the remoteness of some operations. On average they are 66% higher than the national average salary and five times the living wage in the countries of operation.

Collectively, NDC Members are as large as major corporations like BP, Nike, Apple or Shell. Like other large employers, NDC Members help create a more prosperous society for the global economy by providing opportunities for local communities.

JOBS AND FAIR EMPLOYMENT PRACTICES

NDC Members invest significantly in career development, training and apprenticeship programs, and building transferable skills for employees and local community members.
Polishing Prospective Talent

Since it was founded in 2003, the Mine Training Society has supported Indigenous people and other residents of the Northwest Territories, Canada in finding long-term employment in the mining industry through its vocational training courses. Working with employers like Rio Tinto, Dominion Diamond Mines and De Beers Group, the society has been able to place over 1,100 people in long-term roles. This is equivalent to 5% of the entire labor force in the Northwest Territories.

The Mine Training Society runs a variety of programs including Underground and Surface Miner Training, Mineral Processing Operator, Subsurface Crew and more. The programs range from two days to six weeks. Graduates of these programs have gone on to find careers through the society.

At Dominion Diamond's Ekati mine, approximately 50 individuals participate in the apprenticeship program each year, both with Dominion and through contract partners. All apprentices have the opportunity to work closely with the onsite adult educator who supports their continuing education. The program also enables participation in skills competitions, which helps develop knowledge and build confidence.

The Mine Training Society is a partnership between Indigenous governments, the Canadian federal government, the territorial government and the mining industry in Canada.
Modern diamond mining provides me with opportunities I couldn’t have imagined as an academic research scientist. My skills are valued and I put my knowledge to good use every day.”

—April Hayward, Ph.D., Superintendent Environment, Dominion Diamond Mines

Progress Toward Gender Equality

At the Ekati Diamond Mine, 60% of women are employed in traditionally male-dominated roles such as apprentice carpenters, crane operators, machinists, welders, planters and technicians. 40% of businesses taking part in De Beers Group’s Tokafala Enterprise Development Initiatives are women-owned or co-owned. The program helps people in communities near its operations in Botswana start or grow their business. Petra’s Women in Mining (WIM) Committee provides a platform for women at Petra’s South African operations to share experiences, identify challenges in the workplace and promote development opportunities. Rio Tinto has helped to support the development of an all-women diamond cutting and polishing factory in Ahmedabad, in the western state of Gujarat, India. The three-month training program provides women with the opportunity to double their income as they move out of jobs in lower paying industries.

DIVERSITY

NDC Members recognize the many benefits of a diverse workforce and aim wherever possible to employ members of local communities. More than half of all employees at the Ekati mine are Indigenous and 60% of employees at ALROSA’s operations in Siberia are residents of Yakutia. In Botswana, 86% of Lucara’s workforce is Botswana, 84% of De Beers Group employees in South Africa are from historically disadvantaged groups. Efforts to increase diversity also include programs to increase mentorship and leadership opportunities for women. Significant progress toward increasing the representation of women across all levels of the workforce has already been made as a result of our Members’ programs.

Leading Women in Mining

With a few key appointments, Lucara Diamonds has been able to make significant inroads in increasing the representation of women at senior leadership roles, now at 80%. Eira Thomas, CEO of Lucara, is one of the few women leading mining companies globally. Across the mining industry, “The conversation at the top has really changed now. The evidence is in that diverse companies are stronger businesses that perform better. The question now is how do we seed and attract the right female talent?”

Eira is quick to point out that these appointments were merit-based and not part of a decision to hire more women. “It was a matter of availability of strong talent at the time we were looking and we were very quick to jump on it.” She does hope that this serves to encourage women in mining: “It’s so important that younger employees can look up and see that there are no barriers to what they can achieve.”

“Leading Women in Mining” illustration: © Lucara Diamonds Ltd, 2023. The diamond mining industry is a male-dominated sector, but with the right opportunities and support, women can make significant contributions and achieve great success.”
Our Communities

School children in Botswana, walking to class at the Acacia Primary School near the Jwaneng Mine. Acacia was established for the children of Jwaneng’s employees.

Building and running a diamond mine over several decades means making a long-term commitment to local governments and communities and requires building a mutually beneficial partnership. Nowadays, no diamond can be developed without the full support and collaboration of local government and communities. These partnerships often involve making firm commitments to local employment and training, local sourcing of products and services, support of local businesses, health and education programs, environmental protection and of course taxes and royalties. They aim to ensure that local communities share in the success of the mine while in operation, but also prepare for their future after mine closure.

The Trucost analysis establishes that a very large share of the value created by our Member companies’ diamond mining activities benefits local communities in which they operate.

In the far-reaching regions where NDC Member sites are located—like northwest Canada, Yakutia, Western Australia and southern Africa—the discovery of diamonds has meant prosperity and livelihood for generations of local community members. Beyond direct employment benefits, the local sourcing by NDC Members of most of goods, equipment and services required to operate local diamond mines has led to the development of healthy local businesses that generate significant wealth for local communities.

The majority of value created by our Member companies is retained by the local communities in which we operate.

PARTNERING WITH COMMUNITIES

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Building and running a diamond mine over several decades means making a long-term commitment to local governments and communities and requires building a mutually beneficial partnership. Nowadays, no diamond can be developed without the full support and collaboration of local government and communities. These partnerships often involve making firm commitments to local employment and training, local sourcing of products and services, support of local businesses, health and education programs, environmental protection and of course taxes and royalties. They aim to ensure that local communities share in the success of the mine while in operation, but also prepare for their future after mine closure.

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Local purchasing has a broader “multiplier effect” on local communities

For example, when Members provide fresh meals for employees at mine sites, they source local produce which provides steady demand and revenue to local agriculture businesses.

Local purchasing not only supports businesses in the local region through demand for goods and services, but also has a broader “multiplier effect” on the broader local economy. As the income of direct suppliers increases, additional spending on goods and services is stimulated, creating a multiplier effect that propagates throughout the economy.

This revenue is local, resulting in local economic benefits. For example, Members purchase the bulk of the goods and services needed for their operations from local businesses, creating a significant, lasting impact on local economies.

SUSTAINABLE MINES SUPPORT SUSTAINABLE LOCAL ECONOMIES

NDC Member operations depend on the local economies for the procurement of goods and services. Each year, NDC Members spend US$6.8 billion in surrounding communities through local sourcing, which in turn supports the growth of small and medium enterprises.

Local purchasing not only helps small businesses, but it also has a broader “multiplier effect” on the broader local economy. Local contracts deliver direct benefits, such as demand for goods and services, and indirect benefits further downstream — such as demand for raw materials. For example, increased spending in the construction sector to build a new health care clinic stimulates additional spending in sectors that supply the project both directly and indirectly, such as raw materials and engineering services.

Local purchasing of goods and services represents the most significant economic benefit of the NDC members’ operations. Owning a small or medium-sized company brings with it a host of challenges, and our Members offer additional support, beyond financial investment and long-term contracts. For example, Petra has established an Enterprise Development Resource Centre at each of its South African operations to serve as a link between local businesses and the mine’s supply chain. Similarly, De Beers Group’s Zimele initiative provides developmental funding, training and access to a local network of businesses and industries. As of June 2017, the program had supported 3,054 jobs and 262 enterprises.

SUSTAINABLE MINES SUPPORT SUSTAINABLE LOCAL ECONOMIES

Empowering Local Entrepreneurs

Small businesses and the ambitious, hard-working people that own them are the foundations of a vibrant economy. Through business training and incubation programs, Murowa Diamonds helps local entrepreneurs turn their dreams into reality.

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Modern diamond mining makes an important contribution to the economies of diamond producing nations. The positive benefits of these types of investments are clear from the remarkable progress that has been made in countries like Botswana over the last 50 years. In addition to local sourcing, NDC Members provide revenue to local and national governments through corporate taxes, royalties and dividends. In 2016, NDC Members paid more than US$3 billion to local and national governments. Local administrations responsibly invest the revenue generated by diamond mining into infrastructure, healthcare, education, and social security, for example. The revenue provides stable income for local governments ensuring ongoing resources for programs and services.

CIVIC PARTNERSHIPS BENEFITTING COMMUNITIES

In 2016, Members paid more than $3 billion to fund key needs, like roads, schools and other infrastructure. That’s enough to operate the International Space Station for one year (estimated $3B) and nearly enough to operate the London Underground for one year (£2.581B or US$3.4B).

Building Botswana – Partnerships in Prosperity

Diamonds have helped to make Botswana one of the world’s great development success stories. Before diamonds were discovered in Botswana in 1967, the country had six kilometers of paved roads. It now has 7,000. Poverty has been cut in half and every Botswana child receives free primary and secondary education. There are now more than 300 secondary schools in the country, compared with just three in 1966. Ongoing GDP growth of 5.9% per annum for around 50 years since independence has seen GDP per capita surpass that of its peers and neighbors.

These developments are due, in part, to a long-term partnership between De Beers Group and the Government of the Republic of Botswana. Diamond production continues to support jobs and growth in the broader economy through local procurement strategies, development programs for small and medium-sized enterprises and investments in capital works and infrastructure.

60% of the total benefit created by NDC Members is retained by local communities through local purchasing, social programs and money paid to governments.
Diamonds are frequently located in remote environments where communities may lack basic services. As part of their commitment to creating a sustainable industry, Members recognize the responsibility they have not only to employees but also to the surrounding community. They work with communities to identify where social programs are needed and provide financial support to strengthen existing programs or develop new ones.

In 2016, Members contributed US$292 million in benefits related to social programs. Programs targeted for education and healthcare, training and skill development, charitable foundations and cultural events.

In 2016, ALROSA, for example, sponsored 5,300 sporting and cultural events, attracting roughly 220,000 people. The company’s Cultural and Sports Center organizes more than 130 clubs and classes for workers and their families.

Member-Contributed Social Programs Include:

- Healthcare and health promotion programs, such as the operation of hospitals and the provision of health screening services to employees. Hospitals in these local communities are an important provider of primary health care to employees and their dependents, as well as the surrounding community.
- Training and education programs, including scholarships, apprenticeships, and professional education initiatives.
- Local economic development initiatives to support small- to medium-sized enterprises, resulting in increased local employment.
- Charitable contributions to local organizations providing social programs.

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OUR COMMUNITIES TOTAL CLARITY

30
A baby entertains her elders in Kugluktuk, Northwest Territories, Canada. Dominon and the local Indigenous groups often meet to discuss partnerships and take advice from Indigenous stakeholders.

Education is one of the key areas in which NDC Members invest in local communities through their social programs. De Beers Group, for example, has founded 250 schools that provide education to students from their mining operations’ surrounding areas, regardless of whether their parents are De Beers Group employees. In Tanzania, Petra’s Williamson mine owns and operates the Mawudi primary school which provides free education in English to 460 students. The provision of healthcare services and programs are also a common feature of Members’ contributions to local communities, and mine hospitals are an important provider of primary healthcare. De Beers Group’s mine hospitals received 80,000 community visits in 2015, making up almost half of all visits to the hospitals annually. Petra’s Williamson Diamond Hospital in Tanzania pilots a number of health programs in conjunction with the Tanzanian government, including mother and child health, malaria prevention, voluntary counseling and testing and antiretroviral treatment for HIV/AIDS.

CARING FOR GENERATIONS
Transforming Healthcare, Transforming Lives

In the past, people in the Mutambi community in Zimbabwe had to walk up to 12 miles to access medical care. All that changed with the setup of the Mutambi Clinic, built by Murowa Diamonds. Fitted with solar electricity to ensure the building and its equipment never lose power, the clinic is one of five rural health centers supported by Murowa to provide health services to the community. Together, they help about 50,000 local people to lead happier and healthier lives.

Enniah Bvenyura has had her life transformed after undergoing cataract surgery carried out by a Zimbabwean non-profit organisation and supported by Murowa Diamonds. “When I woke up, I was so surprised that I could see,” she said. “And, since then I haven’t had any further problems.” Enniah’s post-surgery care and reviews were undertaken at Mutambi Clinic, whose cheerful staff made recuperation pleasant for her. The center focuses on the provision of improved health standards in a remote community.

NDC Members partnership with the Botswana government now educates on average 452,000 children a year. In Tanzania, Petra’s Williamson Diamond Hospital provides education to students from their mining operations’ surrounding areas. The provision of healthcare services and programs are also a common feature of Members’ contributions to local communities, and mine hospitals are an important provider of primary healthcare. De Beers Group’s mine hospitals received 80,000 community visits in 2015, making up almost half of all visits to the hospitals annually. Petra’s Williamson Diamond Hospital in Tanzania pilots a number of health programs in conjunction with the Tanzanian government, including mother and child health, malaria prevention, voluntary counseling and testing and antiretroviral treatment for HIV/AIDS.

Murowa supports five rural health centers which serve a population of roughly 50,000.
Local communities derive significant benefits from NDC Members’ investments in infrastructure development.

NDC Members created US$42 million in benefits associated with infrastructure in 2016 (excluding the value of projects initiated in 2016 that will be completed over the next few years).

BUILDING ROADS, INVESTING IN LIVES

Before diamonds were discovered in 1967, Botswana had less than four miles of paved roads. It now has roughly the distance between Italy and Botswana. 4,000+ miles

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Changing the Prognosis to Hope

Between 3 and 5% of children in the world have health limitations, including 6,000 children with disabilities in the Yakutia region. Around the world, families from remote regions often have to travel long distances to obtain the care their children require at rehabilitation centers. Not every child can afford such a trip.

There is new hope for these families in Yakutsk, where ALROSA provided critical funding for the construction of a children’s rehabilitation center in 2014. At a total cost of US$12 million, the center now provides therapy for 3,000 children each year with sensory disorders, psychiatric disorders, and impairments to musculoskeletal system function. The center includes medical and recreation facilities, classrooms, and a hotel for those families that need to travel from other regions to receive care.

“Today my son waved his hand to me for the first time in his life,” three-year-old Sasha’s mother recounts joyfully. She and her son, who has cerebral palsy and hardly walks or talks, traveled a few thousand miles every year to receive care before the center opened.

Fostering Prosperity in the World’s Diamond Cutting Capital

Surat is the eighth largest city in India and home to over four million people. As well as being one of the world’s fastest growing cities, Surat is one of the major diamond cutting and polishing centers. Across hundreds of workshops, Indian artisans employ traditional skills and craftsmanship to add value to many stones. This attention to detail positions the country’s position as a world leader in the cutting and polishing of diamonds.

The diamond industry employs approximately one million people in India, earning incredibly important contributions to India’s economy. Diamond polishing companies in India donate around 15% of their overheads to charitable organizations, such as teaching schools, hospitals, orphanages and old-age homes.

The industry also supports long-term development by funding skills and creating opportunities to help India’s next generation thrive. They do this by providing prestigious careers and good jobs that allow people to provide for their families and help them to access healthcare and education. In this way, the diamond industry delivers more than jobs and revenue, it also fosters the things that tie communities together and help them prosper.

An employee examines a diamond during the cutting and polishing process in Surat, India. Surat has emerged as a leading center in the diamond industry, garnering this nickname in 2016. To be considered a national center, a city must meet certain criteria, including a critical density that is at or exceeds greater than 10,000 people per square mile.
Diamond mining, like any industrial activity, has an environmental impact.

It uses and transforms land, depletes water, affects air conditions, and uses energy that releases CO₂ into the atmosphere.

NDC Members recognize that they have an obligation to responsibly manage the environment they are entrusted with and do so in close collaboration with local governments and communities. Environmental permitting, including the securing of water usage authorizations, is one of the most complex and constraining stages in the mine permitting process. It involves in-depth engagement with communities whose historical living, fishing or hunting habitat are going to be impacted by the mine and infrastructure built around it. Once the mine is operating, its environmental impact is continuously monitored to ensure that the mine lives by its strict environmental obligations.

The main environmental impact of modern diamond mining is attributable to greenhouse gas emissions. The Trucost report has established that NDC Members’ diamond mining activities generate carbon emissions of 94kg CO₂e per polished carat. Reducing energy use and carbon emissions is a key individual and collective objective of NDC Members.
The Future is Carbon Neutral

Dr. Evelyn Mervine and her team are working on a pioneering project at De Beers Group that aims to establish a carbon-neutral mine within five to eight years. The project focuses on capturing carbon dioxide from the atmosphere through a process called ‘mineral carbonation’, whereby certain types of mined rock can act like a sponge, taking carbon dioxide from the atmosphere and locking it away in non-toxic, non-reactive materials.

Economically, the use of carbon capture is vital for diamonds, as it helps to reduce the carbon footprint of the mining process.

Dr. Mervine’s team is working on a way to accelerate the process and make it more efficient. They are working on ways to increase the capture rate of carbon dioxide and reduce the energy consumption of the process.

The benefits and findings will be shared with all NDC Members and could also extend beyond the diamond sector. Dr. Mervine explains: “We are working with leading academics in this field, and the insights we discover will be shared. All parts of the mining industry that have rock with carbon capture potential could see our approach, and the project may even have broader applications to other industries that need to capture carbon dioxide.”

Other NDC Members are focused on reducing the demand for energy at their sites. For example, an industrial computer was installed at Dominion Diamond’s Ekati mine to ‘mine’ data at the site. As a result, roughly half the organic waste generated at the mine, which is located in a remote area of Canada’s Northwest Territories, has been composted. From October 2015 to the end of 2016, the transition to composting is estimated to have saved about 16,278 gallons of diesel and 211 tons of CO2e.

Embracing Nature’s Power

Looking to decrease its dependency on diesel, Diavik explored renewable energy options. The site’s power needs were to build the first large-scale wind farm. A local supplier, Yellowknife-based Det’on Cho Nahanni Construction, was awarded the contract for the wind farm’s foundation and concrete work.

Since its installation in October 2012, the 9.2 MW wind farm has exceeded expectations, offsetting 231 tons of CO2e. Furthermore, the project has been recognized with a number of awards, including a Group Leadership Award from the Canadian Wind Energy Association.

The remote location of diamond mines presents challenges in reducing fossil fuel use and greenhouse gas emissions. NDC Members, however, have a variety of robust programs in place to proactively reduce energy consumption and CO2e emissions that are tailored to the constraints of their operations and leverage wherever possible, their proximity to sources of renewable energy.

For example, the Argyle mine in Western Australia is able to source most of its electricity from hydro power, yielding a relatively low CO2e footprint of 231 tons of CO2e. Meanwhile, the Diavik mine in Canada installed a 9.2 MW wind farm in 2015. The wind farm – the most northern wind farm in the world – produces up to 10% of the mine’s energy needs and reduces approximately 90,000 gallons of diesel per year. For this achievement, Diavik was awarded a Group Leadership Award from the Canadian Wind Energy Association.

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Right from the Start

As early as the approval phase of a new mine, future closure plans are agreed upon with local governments and neighboring communities, ensuring that the interests of all stakeholders are considered. When the Ekati mine in Canada’s Northwest Territories closes, the excavated areas will be flooded, leaving a perfectly safe habitat able to support healthy new life in the water and on land. All the rock that is moved during operations will be left on site and re-claimed as part of the natural landscape.

NDC Members have a relatively small footprint on the land due to the compact size of mining operations. Globally, Member diamond mining operations use a combined area of 325 square miles—an area about the size of New York City.

In parallel, NDC Members invest significantly in conservation efforts, protecting over 1000 square miles of natural lands in Australia, Botswana, Canada, Russia, South Africa and Tanzania. The total area of land protected by NDC Members is equivalent in size to Yosemite National Park.

NDC Members also ensure that land used is reclaimed at the end of mining operations. Closure plans are agreed upon in collaboration with local governments and neighboring communities before mining begins, and take several years to execute following the end of mining activities. This ensures that the land is safe for wildlife and people to use once mining is complete.
NDC Members are global leaders in advancing initiatives to protect wildlife and wilderness. These initiatives include their own monitoring and conservation programs, as well as partnerships with local governments, conservation and conservation organizations. Through these efforts, NDC Members help protect vulnerable wildlife, including thousands of caribou, grizzly bears and elephants. At all mine sites, wildlife has the right of way.

A prime example of successful land protection is The Diamond Route, a network of eight conservation sites established by De Beers Group. The network spans over 700 square miles of critical habitats in South-Africa, Botswana and Namibia. Across the huge plains of land, The Diamond Route also creates unique learning opportunities for students, scientists, and academics. Petra Diamonds has made long-term investments in the creation and maintenance of large-scale reserves, including a 47,000-hectare ecological reserve in South Africa and another 904 hectares in Tanzania.

Leaving a Lasting Legacy

Most of ALROSA’s mining operations are located in Yakutia, a remote region of the far east of Russia with a stunning landscape of forests, rivers, mountains and valleys and a harsh climate. To help preserve this unique environment, ALROSA established the Yakutia Diamonds Live natural park in partnership with the Ministry of Nature Protection of the Republik of Sakha (Yakutia). The 79,073 square mile park was established in 2009 and is home to thriving populations of musk sheep, yaks, deer, Yakut horses, bears, reindeer, rabbits and peacocks. In 2016, ALROSA funded wildlife preservation programs, including a reindeer migration program and a fish biodiversity initiative.

The park has become a leading tourist destination where the public can learn about conservation and animals. It has also emerged as a community gathering place and has hosted a festival of local clans and summer camps for children.

Our Members recycle 83% of the water they use to recover diamonds from the kimberlite rock.
Diamond recovery does not require the use of large quantities of chemicals; processing is reliant on water and pressure. The majority of waste generated by NDC Members is waste rock, material that is removed from the mine and placed in nearby storage areas. Once mining is complete, waste rock is reclaimed and becomes part of the natural landscape again.

The remainder of waste generated by NDC Members is comprised of industrial waste (e.g., construction materials, food waste, exhausted machinery) and waste generated through emissions to air, land and water that are associated with energy use, water use, transportation, the incineration of waste and other operations on site.

NDC Members are committed to reducing all waste. On average, Members recycled approximately 26% of all industrial waste by weight, with approximately 5 kilograms per polished carat recycled in 2016.

The Compounding Benefits of Compost

Located in a remote area of Canada’s Northwest Territories, the Ekati mine was driven to develop novel strategies to manage waste. In 2015, it became the first mine in northern Canada to install an industrial composter. According to Joe Poirier, one of the Facilities and Waste Management Team Leaders, the composter reduces diesel use by 66,000 gallons and 750 tons of carbon emissions per year. "We have definitely gone above and beyond our initial expectations. Today, over half of the waste generated at the Ekati mine is composted," he says.

Joe and his team take their role as environmental stewards very seriously and have made great efforts to involve the local community. "We get a lot of support from the local elders and chiefs whenever they tour the facilities," he says. "They are very happy with what we have achieved here in terms of keeping the environment clean." With approximately half of employees at the mine living permanently in the Northwest Territories, there has been a lot of support from workers. "There’s a real sense of collective achievement," says Joe. "The success of the project depended on changing how everybody handled and separated their waste."
NDC Members protect over 1,000 square miles of natural land in Australia, Botswana, Canada, Russia, South Africa and Tanzania.

Instituting new programs and evaluating progress towards minimizing their environmental footprint is a core activity for NDC Members, who all work under close environmental supervision from local governments and communities. They engage continuously with local community representatives to ensure their environmental and socioeconomic concerns are being adequately addressed. In northern Canada, Dominion Diamond Mines supports community-led monitoring programs like “Boots on the Ground” and “Moccasins on the Ground” that are rooted in the traditional knowledge of the Indigenous communities.

LOCAL PARTNERSHIPS TO MONITOR IMPACT

Partners in Protection

Canadian Indigenous People have been fishing the waters of Lac de Gras in the Northwest Territories for millennia. The vast tundra’s lakes and rivers are considered a precious resource by Indigenous People, essential for supporting wildlife the community relies on for sustenance. To ensure the pristine waterways are preserved, the Diavik mine involves local communities in its water monitoring program. As part of the program, the mine runs an ‘on the land’ fish and water monitoring camp, bringing together elders and youth from local Indigenous communities to share this knowledge.

Fish are caught, cleaned, inspected, cooked and tasted at a seasonal camp near the mine site. Chelsea Adjun, a local youth, said, “Knowledge like this is so important... we’re losing elders and our elders have so much to share. I wish more youth from my home got to experience this.” Chelsea will now be able to share what she has learned with her family and friends and keep the tradition alive.

(Above) The land surrounding the diamond mines in the Northwest Territories, Canada, is comprised of boulders, tundra, wetlands and over 8,000 glistening lakes. Community members monitor the water and local fish.
A diamond is inspected with a loupe during the sorting process. Loupes allow people to view a diamond’s unique inclusions, the natural markings that set it apart.

By appointing Trucost to collect data on the collective impact of their diamond mining operations, and by consolidating this information in its first Total Clarity report, NDC Members have shed new light on the modern reality of the diamond sector.

The Total Clarity report focuses exclusively on the impact of NDC Members’ diamond mining operations and provides an important baseline for future reference as they commit individually and collectively to continuously reducing adverse impacts of their activities and maximizing local benefits.

As an organization, NDC also provides its Members with a legitimate collaboration structure through which they can exchange informative and share best practices. NDC Members have together identified two key areas of collaboration on which they are committed to sharing and combining their knowledge, experience and efforts: improving workplace safety and reducing carbon emissions. Indeed, nothing is more important to NDC Members than preserving the health and safety of our teams and the future of our planet.

The NDC will be reporting on ongoing sustainability progress, in which it will follow up on sustainability initiatives and progress made by its Members independently and collectively.

A RENEWED COMMITMENT

Our People
NDC Members employed more than 77,000 people in high value jobs, paying on average 66% above the national average wage.

Our Communities
NDC Members provided a global net benefit of more than USD14 billion, infusing more than USD6.8 billion into local businesses in diamond mining communities and USD300 million into infrastructure and social programs in those same communities.

Our Planet
Committed to taking steps to reduce our footprint. To offset environmental impacts, NDC Members have implemented a range of biodiversity programs protecting three times the land they use, over 260,000 hectares of natural land in Australia, Botswana, Canada, South Africa, Tanzania and Russia.

For more information about the NDC and its members, please visit the NDC website: https://www.naturaldiamonds.com/diamond-industry-sustainability/
The United Nations’ Global Compact and the 17 UN Sustainable Development Goals (SDGs) provide a guiding framework for all organizations in defining and tracking their sustainability programmes. All NDC Members have developed specific strategies to support the UN SDGs in their operations. They have mapped their activities to each relevant SDG and established clear priorities and goals for their organization to pursue.

Collectively, NDC Members have identified the following five SDGs for their sustainability programmes.

1. **SDG 1** - **No Poverty**
   - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
   - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
   - Take urgent action to combat climate change and its impacts
   - Ensure sustainable consumption and production patterns
   - Protect, restore and promote sustainable use of land ecosystems, sustainably halt and reverse land degradation and halt biodiversity loss

2. **SDG 2** - **Zero Hunger**
   - Ensure availability and sustainable management of food production systems
   - Improve agricultural and food-based industries
   - Ensure sustainable water management
   - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
   - Ensure sustainable consumption and production patterns

3. **SDG 3** - **Good Health and Well-being**
   - Ensure healthy lives and promote well-being for all at all ages
   - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
   - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
   - Take urgent action to combat climate change and its impacts
   - Ensure sustainable consumption and production patterns

4. **SDG 4** - **Quality Education**
   - Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
   - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
   - Take urgent action to combat climate change and its impacts
   - Ensure sustainable consumption and production patterns
   - Protect, restore and promote sustainable use of land ecosystems, sustainably halt and reverse land degradation and halt biodiversity loss

5. **SDG 8** - **Decent Work and Economic Growth**
   - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
   - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
   - Take urgent action to combat climate change and its impacts
   - Ensure sustainable consumption and production patterns
   - Protect, restore and promote sustainable use of land ecosystems, sustainably halt and reverse land degradation and halt biodiversity loss

Collectively, NDC Members have developed their sustainability programmes and established clear priorities and goals for their organization to pursue. These programmes are focused on aligning with the UN SDGs, particularly the five SDGs listed above. The programmes are designed to support the UN’s efforts toward achieving the Sustainable Development Goals (SDGs) by 2030.

**CONCLUSION**

The initiatives described above demonstrate the commitment of NDC Members to the UN SDGs and their efforts to contribute to the common goals of sustainable development. Through these actions, NDC Members aim to support the achievement of the SDGs, particularly in the areas of poverty, hunger, health, education, and economic growth.

**AWARDS AND RECOGNITION**

Several NDC Members were recognized for their efforts toward advancing sustainable development in 2016. Awards for health and safety transformation programs, environmental initiatives, and leadership in social and environmental responsibility and corporate governance were complemented by recognition of some of our Members’ health and safety and environmental achievements. These awards reflect our Members’ commitments to our communities, our people and our planet and the effectiveness of their initiatives toward continuous improvement in these areas.

- **SDG 1: No Poverty**
  - Protect, restore and promote sustainable use of land ecosystems, sustainably halt and reverse land degradation and halt biodiversity loss
  - Ensure the conservation of ecosystems, including biodiversity, in order to enhance people’s capacity to provide benefits that are essential for sustainable development

- **SDG 2: Zero Hunger**
  - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
  - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
  - Take urgent action to combat climate change and its impacts
  - Ensure sustainable consumption and production patterns

- **SDG 3: Good Health and Well-being**
  - Ensure availability and sustainable management of food production systems
  - Improve agricultural and food-based industries
  - Ensure sustainable water management
  - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
  - Ensure sustainable consumption and production patterns

- **SDG 4: Quality Education**
  - Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
  - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
  - Take urgent action to combat climate change and its impacts
  - Ensure sustainable consumption and production patterns
  - Protect, restore and promote sustainable use of land ecosystems, sustainably halt and reverse land degradation and halt biodiversity loss

- **SDG 8: Decent Work and Economic Growth**
  - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
  - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
  - Take urgent action to combat climate change and its impacts
  - Ensure sustainable consumption and production patterns
  - Protect, restore and promote sustainable use of land ecosystems, sustainably halt and reverse land degradation and halt biodiversity loss
While the present report details the direct impact of modern diamond mining activities as carried out by NDC Members representing 75% of world diamond output, we have to acknowledge the reality and challenges inherent to the ASM diamond sector. Recognizing that the Kimberley Process was a regulatory agreement and that many of the issues in the ASM sector were economic and social in nature, the Diamond Development Initiative (DDI) was launched in 2005 by representatives of diamond mining activities as carried out by NDC Members representing 75% of world diamond output.

DDI and its initiatives are ground-breaking because relations between stakeholders and industry had historically been antagonistic. It rests on a common acknowledgment of the reality of the development challenges faced by artisanal mining communities, and the shared analysis that ASM could not be brought about the changes envisaged without the participation of industry and the governments of the countries in question.

Today the organization is a testament to the importance of collaboration between the diamond industry and other groups in addressing structural issues within the sector. In 2010, the organization began a series of projects in Africa, South America, and South Africa, for population development projects to test an evolving set of standards, and in 2019 it formally launched the Maendeleo Diamond Standards, helping to formalize the contributions of artisanal miners. As well as making actively mined diamonds legal, violence-free, traceable and taxable, the standards help promote human rights, health and safety, and environmental standards for artisanal processes.

“DDI’s goal, through the Maendeleo Diamond Standards and our other initiatives, is to transform actively mined diamonds from the liability they have been into a developmentally sound, environmentally, mineral asset,” says DDI Executive Director, Dorothée Gizenga. “The easiest ones to convince of this very real potential are the miners themselves, and their communities.”

A key challenge faced by artisanal miners is their ability to secure fair market prices for their products. The Maendeleo Diamond Standards, GemFair implements its standards and acts as a rough diamond buyer and exporter, ensuring that participating miners have the option to obtain fair market prices through the program. The pilot is currently being implemented in Sierra Leone but could be expanded to other regions.

“Despite some challenges inherent to any pilot involving innovative technology in remote areas, we think it’s a template that could be applied to other regions with analogous conditions,” says Ruby, noting the potential of GemFair’s pilot to create a significant market for artisanal diamonds.

“GemFair is a pilot program that launched in Sierra Leone by De Beers Group in 2018, that which seeks to source ethical artisanal and small-scale mining diamonds and secure their route to market through digital innovations. GemFair provides artisanal miners with traceability, empowerment and fair market value. The program is implemented in partnership with the Diamond Development Initiative (DDI) and the digital solution includes a way to track and monitor mined by artisanal miners throughout the supply chain.

Working with miners that are certified, trained and audited to the DDI Maendeleo Diamond Standards, GemFair implements its standards and acts as a rough diamond buyer and exporter, ensuring that participating miners have the option to obtain fair market prices through the program. The pilot is currently being implemented in Sierra Leone but could be expanded to other regions.

“The scheme has proven to be very popular,” according to GemFair’s Programme Manager, Ruby Stodolnik-Weiberg, PhD, of De Beers Group. GemFair provides ethical and environmentally-friendly rough diamonds and secure their route to market through digital innovation.

“A Digital Path to Fair Price
Taking Diamonds on the Blockchain

Blockchain is the record-keeping technology underlying cryptocurrencies like bitcoins. The technology relies on distributed and decentralized public ledgers to record the modification of data once it is logged. This makes the data extremely secure and makes the technology relevant to a range of applications from buying real estate to tracking diamonds. The technology is becoming more widespread, leading to the strengthening of the KP Certification Scheme. Increased effectiveness could be achieved by creating a Permanent Secretariat to implement improvement programs and capacity building measures in some diamond producing countries. The NDC, with support from NDC Members, has committed to funding 30% of the costs of a future KP Permanent Secretariat.

Other promising routes are being explored, such as the adoption and adaptation by the diamond industry of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. This has already become an integral part of the new VJC Code at Franch, and many NDC Members will start to implement it.

This initiative is at almost everyone that the diamond mining community can fully benefit from the trade in responsibly sourced diamonds.
All data contained in Total Clarity is from Trucost’s report, “Total Value: The Socioeconomic and Environmental Impact of Large-Scale Diamond Mining” or NDC Member sustainability reports unless otherwise noted. Data and materials for case studies were gathered from NDC Members unless otherwise noted.

ADDITIONAL REFERENCES


