



DUBAI DIAMOND CONFERENCE 2017 16-17 OCTOBER

Shaping the future of an interconnected marketplace

Second day of DMCC's Dubai Diamond Conference sees opening of Nemesis International polishing factory, display of exceptional 163-carat gem, keynote speech by Former Prime Minister David Cameron and range of diamond industry debates.

18 OCTOBER 2017

The second day of the third edition of the biennial two-day Dubai Diamond Conference 2017 ('DDC 2017') under the theme 'Destination Next – Shaping the future of an interconnected marketplace' organised by the Dubai Diamond Exchange ('DDE'), a DMCC ('Dubai Multi Commodities Centre') platform, provided participants with a huge amount of food for thought. There were press conferences announcing the launch of the Nemesis International diamond polishing factory and the display by Nemesis International, De Grisogono and Christie's of an extraordinary 163-carat diamond necklace to be offered for sale by auctioneer Christie's.

The official launch of the Nemesis International diamond cutting and polishing factory started off Day 2 of the Conference. The state-of-the-art facility is seen as completing the range of services that Dubai's diamond trade can offer by providing the highest level of diamond cutting. *"We now have the complete package, or one-stop shop," said **DMCC Executive Chairman, Ahmed Bin Sulayem.** "Dubai has become a major importer of rough diamonds which can now be cut and polished by master craftsmen. This joins the world-class facilities that the Almas Tower offers, including customs, insurance, banking, a Kimberley Process office, and international tenders of a wide range of rough diamonds."*

Meanwhile, Christie's displayed the 163.41-carat emerald-cut diamond owned by the Geneva-based luxury jeweler, De Grisogono. The auction house said it is the largest D-colour flawless diamond to ever come to auction and will be offered for sale on November 14 as a highlight of Christie's Magnificent Jewels sale in Geneva. The diamond, cut from a 404-carat rough discovered in February 2016 in the Lulo mine in Angola, was displayed at the Conference as part of a world tour. It is the 27th biggest rough white diamond ever discovered and the largest in Angola, said Fawaz Gruosi, founder of De Grisogono, who purchased the rough diamond. A team of 10 diamond-cutting specialists were involved in mapping, plotting, cleaving, laser-cutting and polishing the extraordinary diamond which took almost a year to cut.

After the press conferences, Ashit Mehta, Director of Platinum Sponsor Aurostar, spoke about the challenges affecting the midstream of the diamond sector where diamond margins are dropping. Following Mehta, there were speeches from the Mining Ministers of important African diamond producing states: The Hon Walter K. Chidhakwa, Minister of Mines and Mining Development, Republic of Zimbabwe; the Hon Keketso Sello, Minister of Mining, Kingdom of Lesotho; the Hon Leopold Mbolli Fatran, Minister of Mines and Geology, Central African Republic; and Dr Obolokile Obakeng, Acting Permanent Secretary, Minerals, Energy and Water Resources, Republic of Botswana. Mr. Chidhakwa spoke about the need for the diamond industry to change and adapt and to increase the benefits received by local communities in diamond mining areas

After an introduction by Ahmed Bin Sulayem, Executive Chairman, DMCC, the keynote speaker of the second day of the conference, former British Prime Minister, Mr. David Cameron, took to the stage. He began by praising Dubai and its openness, diversity and rule of law, values which Dubai and the United Kingdom share.

“It is impossible to visit this country without being wowed, it is a towering example, quite literally, if you look outside, of what can be achieved.

Lots of people questioned whether all of this investment in the desert would ever work, but your airports are international hubs, your tourist industry is a model for others to follow, you’re a business location of huge standing, there are over 100,000 of my fellow countrymen living here today, and I know that they don’t just come for the big attractions - the tallest building in the world, the biggest shopping mall in the world, the top seven star hotel in the world - they come here for the opportunities. They hope that in this global success story, they can write their own success stories.”

Speaking of the strong international relations between the UAE and the UK, Mr Cameron went on to say:

“We believe in openness and international trade, we believe in cooperation and dialogue, we work through multilateral organisations.... But all of these things are under threat today from the rise of populism, and the so-called strongman leaders around the world.

Their proponents say that the free enterprise system, trading with the world, engaging with the world, rejecting the extremes, celebrating diversity, and practising rational, reasonable, moderate politics, that all these things should be abandoned. I don’t agree. I am a big supporter of globalisation. I believe that there is strength in our diversity, and there is no way I think that we should go down the populist route of tearing up the things - the open economies, and the open societies - that we hold dear.

But equally, I do not think that we should ignore the concerns that have fuelled that rise. Because we should remember this, this sentiment of anti-globalisation, it does come from

people. From real people's hopes and fears, from their economic concerns, and from their cultural concerns. The pace of change being too fast.

We should respond to this cultural and political dislocation, not by throwing the baby out with the bathwater, but by course-correcting, and... I believe [this] is the right opportunity to do so."

The first panel discussion of the afternoon session featured an in-depth analysis of the topic of *Lab-grown diamonds and their disclosure*. Panellists spoke about the large rise in the quantity and quality of lab-grown stones in recent years, whether the detection equipment is sufficiently powerful to detect loose and diamond-set jewellery and if sanctions against transgressors is a powerful enough deterrent. The **GIA's Executive Vice President and Chief Research and Laboratory Officer, Tom Moses**, said: *"Synthetic diamonds are not only not going to go away, but production will continue growing. The GIA has equipment that is reasonably inexpensive to detect them, and our technology continues to develop. I would point to the example of synthetic gemstones such as rubies and emeralds which did not take off because consumers wanted the real thing."*

Meanwhile, **World Federation of Diamond Bourses President Ernie Blom** said: *"We don't have a problem with synthetics as long as they are disclosed. Lack of disclosure is our main concern. We rely on our 30 affiliated bourses to aid us in this."*

The next panel debate looked at *Bankability, transparency, innovation*, with a range of banking figures discussing the reasons for the increasing difficulty faced by diamond firms in securing credit. Bankers agreed that further efforts to boost transparency were needed.

The conference then moved on to discuss the issue of *KP Reform: A reality or a never-ending story?* where the discussion focused on how far the KP has advanced in the 14 years since it came into being and what should be its future path. *The impact of value added tax (VAT) or GST on wholesale diamond trading; Diamond trading centres – working together to create global wealth* was the next discussion with participants providing insights as to the likely impact of the taxes. The final panel discussed *Tender or auctions: temporary phenomenon or new business of the future?* The panellists looked at this relatively new marketing method and how they are affecting the prices being paid by the industry for rough goods.

DDE Chairman Peter Meeus said the third edition of the Dubai Diamond Conference, which took place in Dubai's Almas tower which houses the DDE, had once again illustrated its importance and the ability of Dubai to bring together international leaders of the diamond industry ranging from African Ministers to traders, financiers and world-renowned jewellers. The conference provided an opportunity to build relationships between companies and governments in producing and consuming countries further highlighting the pivotal role that Dubai plays in the global diamond trade for diamonds.

About DMCC

Headquartered in Dubai, DMCC is the world's most interconnected Free Zone, and the leading trade and enterprise hub for commodities. Whether developing vibrant neighbourhoods with world-class property like Jumeirah Lakes Towers and the much-anticipated Uptown Dubai, or delivering high performance business services, DMCC provides everything its dynamic community needs to live, work and thrive. Made for Trade, DMCC is proud to sustain and grow Dubai's position as the place to be for global trade today and long into the future.

www.dmcc.ae

About de GRISOGONO

de GRISOGONO has created a characteristic and immediately recognizable style expressed through High Jewellery, Jewellery and Watch collections. Each creation is unique, while bearing within it the distinctive signatures that reflect the spirit of the Maison. In the course of time, its collections have become icons and sources of inspiration, representing an art that at first glance appears astonishingly simple, yet which takes great skill to master. In 1993, Fawaz Gruosi founded de GRISOGONO. 24 years after propelling the black diamond to the forefront of the international jewellery scene, this designer and aesthete is currently considered one of the most innovative creative forces of his generation. His iconic and daring designs have enabled de GRISOGONO to take its place among the most prestigious names in contemporary luxury.

www.degrisogono.com

About Christie's

Christie's, the world's leading art business, had global auction, private and digital sales in first half of 2017 that totalled £2.35 billion / \$3 billion. Christie's is a name and place that speaks of extraordinary art, unparalleled service and expertise, as well as international glamour. Christie's offers around 350 auctions annually in over 80 categories, including all areas of fine and decorative arts, jewellery, photographs, collectibles, wine, and more. Prices range from \$200 to over \$100 million. Christie's also has a long and successful history conducting private sales for its clients in all categories, with emphasis on Post-War & Contemporary, Impressionist & Modern, Old Masters and Jewellery.

Alongside regular sales online, Christie's has a global presence in 46 countries, with 10 salerooms around the world including in London, New York, Paris, Geneva, Milan, Amsterdam, Dubai, Zürich, Hong Kong, and Shanghai.

<http://www.christies.com>