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State of small and medium-sized diamond companies prominent on the agenda of WFDB Presidents Meeting

Antwerp, Jenu 23, 2003 – The heads of the 23 diamond exchanges affiliated to the World Federation of Diamond Bourses (WFDB) will be gathering in Sun City, South Africa, from June 29 to July 2, for their biennial Presidents' Meeting. The event will provide the leadership of the world diamond trade a forum to discuss a range of issues, both regarding the ongoing activities of the WFDB and of the diamond business in general. Prominent among them will be the difficulties being faced by small and medium-sized companies in the international diamond community, especially following the implementation of De Beers' Supplier of Choice program.

The WFDB holds a President Meeting every two years, between years in which is conducted a World Diamond Congress, at which the full general assembly of the federation is gathered. The 2003 Presidents Meeting is being hosted by the Diamond Dealers Club of South Africa.

The state of the small and medium-sized manufacturers has been a prominent fixture on the WFDB agenda, ever since the organization's current president, Shmuel Schnitzer, was elected to the post in London in 2002. This past May, Schnitzer led a delegation from the WFDB to London, where it conducted meetings to discuss the issue with the Diamond Trading Company (DTC). "We came away from the meeting with the impression that the DTC appreciates the structure of our industry, where the small and medium sized diamond firms form the broad base of a pyramid, and without whom the larger companies would find it difficult to exist," Schnitzer said. "However, the DTC's recent decision to cut its sightholder list by about one third, apparently concentrates the supply of rough diamonds among an even more limited group of larger companies."

Representatives of De Beers and the DTC have been invited to address the Presidents Meeting in Sun City.

Among the other issues on the WFDB agenda in Sun City will be the Kimberley Process; the Russian and Indian diamond exchanges' preferences for corporate instead of individual bourse membership; the Shanghai Diamond Exchange's request for WFDB membership; the establishment of associates or associate bodies of the WFDB; HPHT-treated diamonds; the prospects of an international diamond trade show for members of WFDB-affiliated bourses; and a range of gemological matters, including the SI-3 diamond grade, the ongoing business of the International Diamond Council, and the relationship of the WFDB and gemological institutes in general.

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