

NAMIBIA DIAMOND TRADING COMPANY

BRIGHT SHINING LIGHT



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Diamonds have an undeniable attraction that has made them sought after by collectors, connoisseurs, investors, and lovers: a key part of the economies of southern Africa they are so much more than just another resource mineral

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Namibia Diamond Trading Company (NDTC) was established in 2007, to sort, value and sell diamonds produced by Namdeb (the joint venture responsible for mining activities in Namibia) and more specifically to establish a viable downstream diamond cutting, polishing and jewellery design industry in Namibia. In 2008 the man appointed as the new organisation's chairman, then permanent secretary in the Ministry of Work, Transport and Communications, stepped into the leadership position of Chief Executive Officer at NDTC: in the subsequent six years Shihaleni Ndjaba has presided over the steady realisation of that goal.

NDTC is an equal partnership, or joint venture between the Government of Namibia and De Beers, the world's leading diamond company with unrivalled expertise in the exploration, mining and marketing of diamonds, employing more than 23,000 people round the world. Its primary goal is to drive the growth of domestic diamond manufacturing industry and the creation of a sustainable downstream diamond industry in the country. The aim is to ensure the maximum, long term value from Namibian diamonds through world class sorting, valuing and sales practices in Namibia. This strategy supports the development of new employment opportunities and a broadening of the skills base of Namibian citizens and will, it is hoped, encourage inward investment generally.

It has not been an easy time, he admits. The volatility in the international





1,250

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People employed by NDTC Sightholders

diamond market has affected the demand for jewellery, and as a consequence the demand for the rough diamonds traded by NDTC. You might have thought that wealthy people might think diamonds were a good investment at such a time, but the bulk of business activity is driven by consumption, not speculation, he believes.

But while waiting for green shoots to appear in the depressed global economy, things have gone really well for the diamond trade in Namibia itself. “One of our clearest objectives is to build up a vibrant and creative domestic beneficiation industry and here we have seen very satisfactory expansion,” says Ndjaba. NDTC’s customers are called Sightholders – these are the suppliers of choice, selected in a rigorous process to determine their financial viability, technical capability and integrity. They are appointed for three-year periods during which they have the right to buy diamonds offered to them by NDTC.

Historically the centres of excellence in diamond polishing and cutting activities have been Belgium, Israel, India and New York. Now Namibia has its own group of Sightholders, incorporated in Namibia and employing an overwhelming majority of Namibians in their workshops. During the contract period that ended in 2012 there



were twelve such companies in the portfolio, but in the three year period from 2013 to 2016 this has grown to 13. “Right now we have about 1,250 people employed by these 13 Sightholders,” he says, adding that out of a total population of around two million in Namibia and with 27 percent unemployment, that is quite an achievement.

There’s more. Though it is a highly skilled and creative industry, requiring a high level of craftsmanship as well as a great deal of creative and artistic flair, it is suitable for disadvantaged people who are keen

to learn new skills. Just to take one local Sightholder, Schachter & Namdar employs 160 people at its Windhoek factory, a third of them disabled, deaf or mute, modifying its polishing benches, installing handicapped restrooms and purchasing a modified mini-bus that accommodates wheelchairs.

So successful has this programme been that it has probably already reached its critical capacity. The number of diamonds being extracted in Namibia is not likely to increase. There have been no new discoveries on the land-based diamond

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fields, which are approaching the end of their life. And while Namibia has become the world leader in marine diamond mining since it started exploiting the beaches and undersea resources that won't last forever, Ndjaba warns. "Our task is to make sure the Sightholders we do have work hard, maintain those jobs, and transfer their skills to local people so that one day, even if we are not able to supply them with diamonds, they will be able to source diamonds from elsewhere." The industry will then be self-sustaining, with all the skills and equipment that it needs in place, and able to supply any shortfall in local materials from international sources.

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Turning NDTC into a fully localised operation has been largely thanks to the success of its training academy. Originally the company relied on expatriates from De Beers to evaluate and sort the rough diamonds

14,000

Cut diamonds shown at Shining Light, Windhoek

it receives from Namdeb but now their number has reduced as Namibians have acquired their skills. Now the academy offers courses to staff from the Ministry of Mines and Energy, the office of the Diamond Commissioner and to diamond inspectors to equip them with knowledge about the appearance and quality of rough diamonds. It is also open to Sightholders – they have their own specialist facilities

for training in cutting and polishing but they need also to understand how to assess rough stones. "They learn something of the geology and chemistry relating to rough diamonds and that helps them understand the

assortment that we supply to them."

As time goes on, he continues, the Sightholder community is becoming fully indigenised. No longer seen as a local branch of an international entity, these companies are able to take part in the monthly 'sights' or sales weeks that are held locally and where they negotiate for all or part of the diamonds they are offered. Namibia is after all a stable and secure location to base an operation, and



there is no reason the companies that set up here should be limited to Namibian diamonds for their raw material.

One of the most successful and high profile ways that NDTC has found to promote the industry and take ownership of its African roots is the bi-annual Shining Light Awards. At the launch of the third such event in Windhoek on 21 February 2013 the theme was the Women of Africa, Your Light Shines. More than 14,000 expertly cut diamonds were shown, set into locally designed jewellery pieces, including some from neighbouring Botswana. The overall winner was Erkki Hifindwako, a visual arts student at the Namibia College of the Arts, whose 18-carat white and yellow gold ring set with 575 brilliant cut diamonds took its inspiration from a traditional Namibian basket weave. He was sponsored by Sightholder Julius Klein Diamonds.

“Our African women need to be celebrated,” says Shihaleni Ndjaba. “It is a commonly known fact that a house without a mother is just a house, but a house with a woman is a home full of love and comfort!” The awards are a great showcase for the Namibian diamond industry, the Sightholders and the talented young designers like Hifindwako who are emerging. “Even at the height of the recession we saw no collapse of the industry, so I think we are in good shape to face the future,” he concludes. **BE**

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