

NEWS BRIEFS

Nare Diamonds Teams with ENDIAMA

■ Nare Diamonds Limited, the Australia-based exploration company, has decided to embark on a joint venture with ENDIAMA, Angola's state-owned diamond company. The venture is part of a long-term move by Nare Diamonds to grow into a major developer of natural resources on the African continent.

Nare Diamonds, which is officially changing its name to Lonrho Mining in an effort to gain greater name recognition in Africa, will collaborate with its new partner to develop the 3,000-kilometer Lulo Diamond Concession in Angola. The initial 39 percent stake in Lulo kimberlite deposits claimed by Nare Diamonds under the agreement will fall to 30 percent when the Australian company recovers its investment in the project. Having put a \$1.4 million refundable cash deposit into the venture, Nare Diamonds will fund a \$6 million work program over its first year.

South Africa's Parliament Passes Diamond Export Levy

■ A bill lowering export duties on rough diamonds from 15 percent to 5 percent has won the approval of South Africa's parliament. For some large diamond producers relying heavily on local cutters and polishers, the bill waves the levy entirely. On the heels of the affirmative vote, the bill will go before a parliamentary select committee before South Africa's president, Thabo Mbeki, gives it his signature.

In light of strong efforts by the government to support indigenous diamond beneficiation, finance minister Trevor Manuel was able

Christie's Approves GCAL Reports

■ Christie's auction house has authorized Newport Beach, California-based Collectors Universe, Inc., to provide diamond certification services through its subsidiary, Gem Certification & Assurance Lab (GCAL).

François Curiel, international director and chairman of Christie's Europe, cited several attractive features of the GCAL certificate, noting that it is "highly informative"

with regard to the four Cs of diamonds; it grades the optical symmetry and brilliance of a stone; and it illustrates the diamond Gemprint with its reflective pattern.

From now on, Christie's will list the GCAL certificate



Christie's

in its auction catalog for diamonds under 2 carats submitted for auction with such a certificate. In the case of D color diamonds with flawless clarity, Christie's also requires a certificate from the Gemological

Institute of America (GIA). For diamonds bigger than 2 carats submitted to Christie's for auction and accompanied by both GCAL and GIA grading certificates, Christie's will list both documents in its catalog.

Botswana's Credit Not on Par With Resources

■ Several factors are keeping Botswana's credit rating, which is the highest in Africa, from being higher still, according to a Dow Jones report. The story cited a Moody's Investors Service survey listing the HIV/AIDS epidemic, poverty, a small commercial sector and a possible future decline in diamond sales as negative influences on Botswana's financial ratings and position.

Nevertheless, the country is enjoying con-

siderable new revenue prospects in the areas of diamonds and minerals, thanks to active exploration and development in the four decades since independence. Moody's survey predicted strong future economic growth as these activities — which helped give Botswana 9 percent or possibly higher growth in 2004-2005 — continue to expand in scale.

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to make a compelling case for the bill, which can help direct regular and adequate supplies of rough diamonds to local cutters and polishers. Besides lowering the levy, the bill introduces tighter relief provisions to ensure that local supply of rough diamonds approximates local demand.

"The core element of these initiatives is to encourage producers to supply the local market with rough diamonds; the remainder can be exported tax free," Manuel told the National Assembly before the vote.