

AUTHENTICATION
IN ART

A Happy and Peaceful 2017



Milko den Leeuw of Authentication in Art interviewing Louise Prior, Executive Director of the World Federation of Diamond Bourses.

At this year's Art Business Conference in London, it was Louise Prior who gave one of the most inspiring lectures. The history of the diamond industry shares considerable common ground with the world of authentication research of paintings, and may help shed some light on problems it's faced with today. This is why it is so very encouraging Louise is willing to share her views and insights with Authentication in Art.

Firstly, please tell us how long you have been Executive Director of the World Federation of Diamond Bourses. And, secondly, do you have a background in the diamond industry?

I have been in the diamond industry for nearly 25 years and have been the Executive Director of the World Federation of Diamond Bourses (WFDB) since August 2015. The WFDB is the largest trade organisation in the global diamond sector, representing 30 affiliated bourses in 21 countries and their individual members. I sit on the World Diamond Council's Kimberley Process Task Force Board Committee, which engages with the working committees of the Kimberley Process, a UN-mandated forum created to eradicate conflict diamonds. I am also an international diamond consultant and an ambassador for Diamonds Unleashed, which creates educational opportunities for girls.

I've had many years experience in the international diamond industry and was a senior executive at De Beers where I was Head of Communications and Client Services at the Diamond Trading Company (DTC), the world's leading distributor of circa \$6BN rough diamonds per annum. My focus was on the promotion and protection of the DTC's worldwide business interests and its commercial and ethical reputation. The role encompassed the development, management and implementation of communications and client services on a global basis, with a particular focus on enhancing the company's long-term strategic associations through new international client and partner relationships.

My current focus is working with leading diamond industry players to increase transparency and to further enhance the reputation of this highly self-regulated sector with financial institutions and consumers.

What struck me during your lecture at the Art Business Conference, was that there are great similarities between the world of diamonds, and the world of paintings. Both have a quite protective and conservative history, and a culture based largely on namedropping; reputations are based on blind trust, hardly on proven and clearly defined qualifications. How long did it take to change this subjective attitude to a more

objective based analysis?

Diamond trading has historically been based on trust and honour, many deals are still done without contracts on the utterance of the word 'Mazal'. However, our aim at the WFDB is to help our member businesses become far more transparent. It is also critical that the general public see that we are proactive as far as self-regulation is concerned. Few other industries, if any, have taken the steps that the diamond trade has taken to show that it is willing to regulate itself together with civil society groups and governments, for example, in the Kimberley Process Certification Scheme, which is a body that started operating in 2003 and has been extremely successful in curbing the trade in conflict diamonds.

We believe that the diamond industry is doing a great deal to provide an authentication system. We have been doing this via a chain of warranties as part of the Kimberley Process Certification Scheme to show where diamonds are coming from, that they are clean and not funding conflict – and also not being used in money laundering or in financing terror.

There are many fake items in both our industries. The naked eye alone is not always capable of distinguishing genuine from fake. In our field, this requires a new mind set and the development of a totally different area of the field - we see a stronger interaction between the humanities and material science occur. Did the WFDB play a major role in this transfer for the field of diamonds? And how would you describe this transfer period for your organisation?

Unfortunately, there is the potential for underhand activity wherever high-value items are involved and the diamond trade is no different in this respect. In the diamond industry one of our greatest challenges is the introduction of non-disclosed synthetic diamonds into the diamond pipeline. Synthetics differ from natural diamonds in as much as they are grown in a laboratory, rather than being one of nature's rare gifts formed billions of years ago in the earth's crust.

If the inclusions are such that they can be seen with a naked eye, then yes, they can be detected but the latest synthetics are so good that they can only be detected using technology. Experts can't distinguish naturals from synthetics with the naked eye where there are microscopic or no inclusions present.

We work closely with the leading laboratories in the diamond world that have developed technology to be able to differentiate naturals from synthetics as they can not be told apart just using the naked eye.

We have no issue at all with synthetics, indeed they have a vital application in industry. Where we do have a problem is where unscrupulous individuals try to pass them off as the real thing and so we have introduced a 'zero tolerance' protocol across our worldwide Bourses for individuals found to be dealing in non-disclosed synthetics. Furthermore we have the WFDB charter on disclosure of synthetic, treated natural and natural diamonds, which stipulates and prescribes the rules regarding disclosure of diamonds in whatever form they may be traded.

In your view, what was the cause of the change? Was it ethical or more economical driven, or both?

Both. We have seen tremendous change over the last 15 years in transforming a previously opaque industry to one that is open, transparent and responsible.

We estimate around 10 million people around the world earn their living from the diamond industry and we work closely with the many organisations whose role is to protect the interests of these people, from the mine to retail. So, we are founder members of the Kimberley Process (KP), a tripartite organisation comprising 54 participants, representing 81 countries, together with the World Diamond Council, representing the international diamond industry and civil society organisations. This collective accounts for approximately 99.8% of the global production of rough diamonds. The role of the KP is to stop the trade in 'conflict diamonds' and ensure that diamond purchases are not financing violence by rebel movements and their allies seeking to undermine legitimate governments. This has been a uniquely successful cross party construct and has meant that now, more than 99% of all diamonds are conflict free.

The WFDB also proactively supports initiatives such as the Diamond Development Initiative (DDI), who work to effect systemic change within the artisanal and small-scale mining sector by convening all interested parties in processes and projects that help turn precious stones and minerals into a source of sustainable community development.

Could you elaborate more on this process, how did you manage to gather all these parties and more importantly how did you get the diamond industry to agree to such a collaboration?

It wasn't easy, and it's an on-going process, but we are lucky to have a lot of passionate individuals in the diamond world committed to its success and its evolution into a more transparent business with a strong and trustworthy story to tell the consumer. The vast majority of us want to operate in an environment we can be proud of and that supports, in an ethical way, the approximately 10 million people who rely on diamonds for a living. The bottom line is that if businesses can see a financial benefit to operating more transparently and responsibly, as has been the case in the diamond world, then they will – and have given – their full support to collaboration with other agencies, including government, civil society, banks and so on.

The diamond trade continues to become more transparent. Change is not easy for anyone to accept, but we have realised that it is critical for the health of the business and for our future.

We believe that the diamond industry is doing a great deal to provide an authentication system. We have been doing this via a chain of warranties as part of the Kimberley Process Certification Scheme to show where diamonds are coming from, that they are clean and not funding conflict – and also not being used in money laundering or in financing terror.

Accepting change seems to be the greatest challenge for the field of authentication research of paintings at this time. How was the WFDB able to tackle this in the diamond industry?

The WFDB is about to celebrate its 70th anniversary in 2017, and we established our credentials very early on as

the world's largest diamond trade organisation set up to promote and protect the interests of our members and so were able to have a voice for the industry for many years.

Diamond producers and leading laboratories have been developing sophisticated equipment over the past decade, which can detect synthetic diamonds. The WFDB is actively supporting this and welcomes the provision of such machines and devices to bourses (secure trading hubs) across the world to enable traders to detect synthetic stones being presented as the real thing.

Could you elaborate further on the details of your organisation's collaboration with these laboratories?

We work closely with leading global laboratories such as the Gemological Institute of America (GIA), HRD, De Beers and others in making detection equipment available to our bourses around the world. We also give the organisations our members' feedback on developments in the field on treatments of stones or discovery of undisclosed synthetics.

What role does the WFDB play in setting standards and creating protocols for the scientific research of gems? Are there problems with faulty and dodgy scientific reports in the world of diamonds?

Unfortunately, there are criminal elements who will always try to cut corners and defraud buyers. We lead the way in setting standards for Bourse members around the world, with the charter on synthetics I mentioned earlier, for example. We are fully behind the work of De Beers and the Gemological Institute of America, as well as other labs and bodies, to develop equipment and grading standards that will uncover the efforts of tricksters.

How do experts such as sorters, as well as other experts who rely on the naked eye, present their evidence or findings? Is there a standardized protocol for their reports, or is there no evident structure?

There are two similar but distinct approaches for each of the sorting processes for rough diamonds and those of polished diamonds. Both sorting processes rely on assessment of the 4C's (Carat weight – the only objective measurement; Colour, Clarity and Cut (shape in rough and quality of polishing for polished) both rough and polished are examined by eye at x10 magnification which is the globally accepted standard for defining the clarity of a diamond. Both rely on samples for clarity and colour. Rough diamonds are categorised into around thousands of different categories depending on the combination of the 4C's, all done by eye. There are fewer categories for polished diamonds. Leading laboratories provide grading certificates based on the 4C's, most of which are assessed by eye, under magnification but will also include additional tests on fluorescence, treatments and other technical analyses. The terminology used is universal.

And how are the subjective attributes of the diamond defined? Is there a standard for defining, for example, the colour, or is it purely up to the experts? If it is, how do they justify their conclusions?

There is a universal terminology for colour and clarity for polished diamonds, and whilst the assessment of both is subjective there is a huge rigour to the process. For example, all leading laboratories have a master-set of samples for each and all sorters go through intense training over many years to ensure consistency. All diamonds submitted for testing are graded by at least two sorters and in some cases many more to ensure that consistency.

Are there different fields within the diamond industry that require a different set of scientific skills? And if so, do scientific experts need to specialize in one area, or can they work in different areas, despite this varying requirement in skill?

Rough and polished diamonds can be sorted into thousands of categories and this requires highly skilled sorters who need years of experience to do this accurately.

There are research laboratories around the world that employ highly qualified chemists and physicists who carry out research on all chemical and physical aspects of the diamond, including synthetics for industry or jewellery, diamond treatments, medical, mining and space technology amongst others.

Do all laboratories use the same protocols, or is there specialisation and therefore much difference in the laboratories' protocols?

There is so much research into all aspects of the diamond, so there are differences in specialisms across laboratories. Some specialise in industrial applications, some in the nature of formation or colour or synthesis or grading or detection and so on.

Suppose there are two conflicting scientific reports of the same diamond, what are the rules of conduct dealing with this?

It depends. If there are conflicting grades within the same grading laboratory then the grading is done again by another expert grader (likely to be more than one) and where consensus is found, a decision is made. If the discrepancy is between different laboratories then the laboratory with the better reputation would generally be relied upon. Of course, it depends on whether an individual is buying or selling as to which report he will rely on.

What would you advise the field of authentication of paintings to do first, based on your experience?

The diamond industry came together with other trade bodies and external agencies, including governments, civil society and law enforcement, to explore the challenges facing our industry together, it has proved that opening up an industry to scrutiny and seeking advice in an inclusive manner has led to a highly self-regulated global industry that gives the consumer confidence in both our industry and its product – the diamond.

Do you think that most of the collectors nowadays are better informed or at least want to be honestly informed about the item they purchase?

Without a doubt, the consumer is vastly more interested than in the past about the origin of the goods they are purchasing. That is why we believe it is critical for jewellery retailers to know about the diamond industry and where the diamonds are from and their journey from rough stone to polished diamond set in a piece of jewellery.

Louise, thank you so much for your time and patience in answering questions for AiA.

Oliver Spapens thank you for your assistance.

We thank our friends of the Art Business Conference organization for presenting Louise's knowledge as a great learning inspiration for AiA's endeavours.

- Milko den Leeuw
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links:

<https://www.kimberleyprocessstatistics.org>

<http://www.wfdb.com>

<http://www.responsiblejewellery.com>

<http://www.debeersgroup.com>