

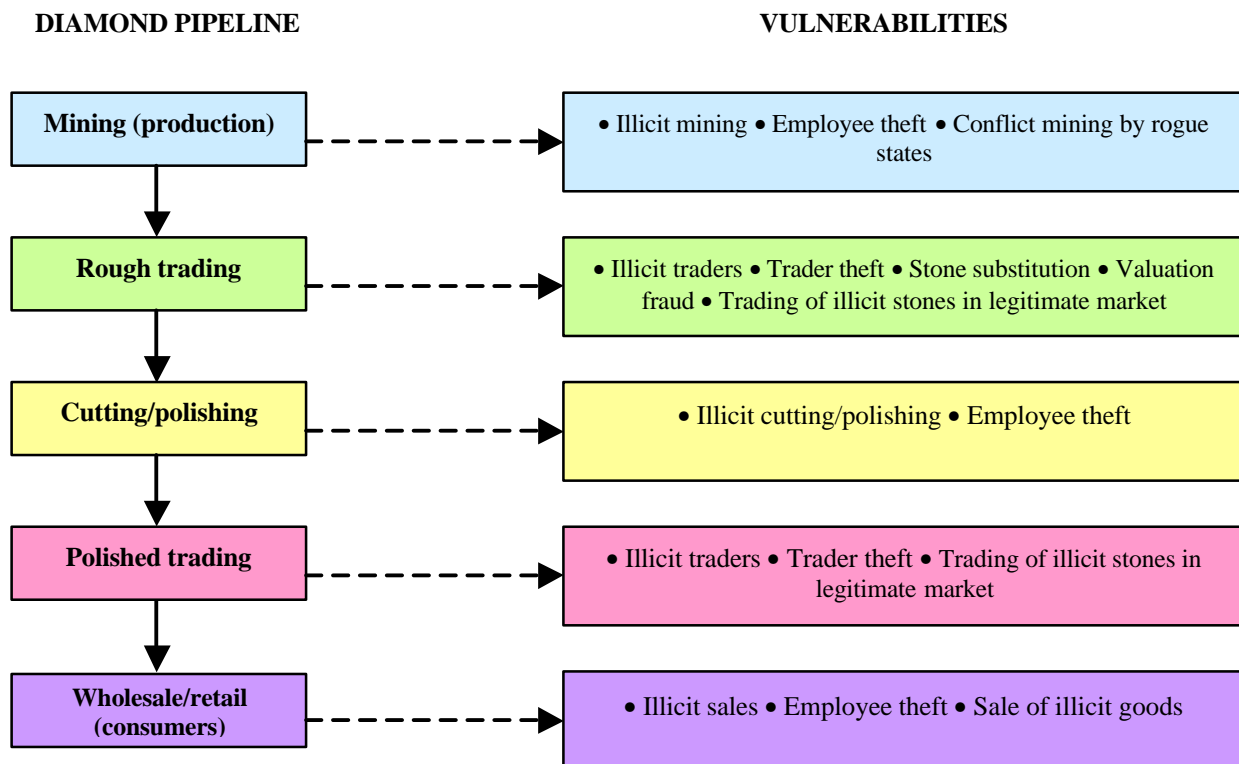


• From the Australian Institute of Criminology •

Diamond industry vulnerable to illicit activity

The Australian Institute of Criminology has released a report detailing the vulnerabilities to criminal activity facing Australia’s diamond industry. “The Illicit Market in Diamonds” report identifies ways in which diamonds may be criminally acquired and/or used, explores potential losses suffered by both the Australian and global diamond markets as a result of crime, as well as possible links to other forms of transnational criminal activity (such as drug and arms dealing). For each stage of the diamond pipeline (such as mining, rough trading and cutting/polishing) there are opportunities for theft and exploitation (for instance illicit mining, employee theft, valuation fraud and illicit trading). Between stages of manufacture, opportunistic theft during transit can occur. The report looks at the potential losses to government and industry as a result of criminal activity in the diamond industry. It is estimated that up to 14 per cent of production could be lost to criminal activity – and this could mean up to \$100 million per year.

The diamond pipeline and its vulnerabilities to illicit activity



SOURCE: Tailby, R. 2002, “The Illicit Market in Diamonds”, *Trends and Issues in Crime and Criminal Justice*, no. 218, Australian Institute of Criminology, Canberra.

Full report available on AIC web site: <http://www.aic.gov.au/publications/tandi/ti218.pdf>