

Botswana partners gem trader HB Antwerp, seeks to loosen De Beers' grip

By [Brian Benza](#)

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Botswana will take a 24% stake in Belgian gem processing firm HB Antwerp as it seeks to gain more value from its diamonds, President Mokgweetsi Masisi said Monday, 27 March, a move which might start to loosen De Beers' grip on the country's diamond industry.



Rough diamonds displayed at the Botswana Diamond Valuing Company in Gaborone. Source: Reuters/Juda Ngwenya

Botswana's state-owned diamond trading company, Okavango Diamond Company (ODC), will also enter into a five-year agreement to supply rough diamonds to HB Antwerp as part of the deal.

"The key commercial terms of the deal have been agreed and the deal will be signed in the coming weeks. Today is the dawn of a new era for the diamond industry in Botswana, as we begin this journey with HB Antwerp," Masisi said during the official opening of HB Antwerp's cutting and polishing facility in Gaborone.

Botswana, which jointly owns Africa's largest diamond producer Debswana with global giant De Beers, a unit of Anglo American Plc, is moving to explore other options outside the 54-year-old De Beers partnership.



Botswana intent on selling more diamonds without De Beers

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Sales and marketing partnership agreement

The two partners are currently in talks to renew a 2011 sales and marketing agreement which entitles De Beers to 75% of the production from Debswana.

Masisi has threatened to walk away from the talks if Botswana does not get a bigger share of Debswana's output for marketing outside the De Beers system. The government has not publicly stated what share it seeks, but it is believed to be as high as 50%, double the current allocation.

Founded in 2020, HB Antwerp is currently in partnership with Lucara Diamond Corp, buying stones of 10-carat quality and above from the Toronto-listed miner's Karowe Mine in central Botswana at prices based on the estimated polished outcome of each diamond, determined through state-of-the-art scanning and planning technology.

HB Antwerp says this model, which it seeks to replicate with ODC, allows Lucara to earn 40% more than it would from selling at rough diamond market prices.

"It's a strategic partnership, it will add more value to Botswana not just in terms of price or money, but empowering the people of Botswana," HB Antwerp co-founder Rafael Papismedov told Reuters.

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