

## Harry Winston Stops Sourcing from Myanmar



RAPAPORT... Harry Winston has decided not to accept gemstones from Myanmar amid criticisms of the country's ethical standards.

The announcement came days before nonprofit Global Witness released a report alleging widespread human-rights abuses in the southeast Asian nation, also known as Burma.

A military junta took over Myanmar in February, prompting the US to place sanctions on its key gemstone companies. The country is best known for its jade and rubies, which the industry considers to be some of the best in the world.

Previously, the jeweler, a unit of Swatch Group, sourced gemstones from "trusted and verified" suppliers who had certified that their Burmese rubies and jade were imported during a period without international sanctions, according to its website. The company also took measures to verify the importation dates and the origin documentation to check that everything complied with the rules, it added. It did not buy directly from the country.

However, "in its ongoing commitment to responsible and ethical sourcing, the House of Harry Winston will no longer source gemstones from its suppliers that have Burmese origin, regardless of their importation dates," the watch and jewelry brand said in a [statement](#) it posted on Twitter last Thursday.

The policy change is a “welcome move,” Global Witness said.

### **‘Corrupt military racket’**

Harry Winston was one of several luxury brands Global Witness singled out as sellers of rubies that fuel “brutal conflict and human-rights abuses” in Myanmar. Graff, Bulgari and Sotheby’s are also offering these stones, the organization claimed in an [investigation](#) it published on Wednesday.

Myanmar’s gemstone trade is a “corrupt military racket” run by Min Aung Hlaing, the general who led the takeover of the country earlier this year, the report argued. The army has brought the gem trade under control to “tighten its grip in power and bankroll atrocities, including the February 2021 coup,” it continued.

Mining in the country is illegal following the expiration of the last license in 2020, Global Witness explained. However, since the coup, informal miners have filled the void, with soldiers “extorting payments for the right to dig rubies and other gemstones.”

“There is no such thing as an ethically sourced Burmese ruby,” said Clare Hammond, senior Myanmar campaigner at Global Witness. “These gemstones are sold as symbols of human connection and affection, yet the supply chain is steeped in corruption and horrific human-rights abuses.” The military is also holding gemstone fairs for “unscrupulous” buyers, the report alleged.

Myanmar’s colored-gemstone industry was worth an average of \$346 million to \$368 million per year at full production between 2014 and 2017, Global Witness estimated, basing the numbers on official data. However, these figures are conservative; the real total could be as much as five times more, it pointed out.

### **Keeping away**

Graff also doesn’t source directly from Myanmar, the UK-based jeweler told *Rapaport News*. The company has “regularly sought and received assurances from our suppliers as to their sources of supply within the country,” a spokesperson said.

Sotheby’s and Bulgari had not responded to requests for comment at press time.

Tiffany & Co., meanwhile, hasn’t bought any gemstones from Myanmar since 2003, when the US banned imports of products from the country, according to its website.

“It is almost impossible to oversee the supply chain of a Myanmar ruby,” Hammond concluded. “And until they know that they are being sourced responsibly, they must stop selling Myanmar rubies. The fact that a handful of brands have already acted leaves the

others with no excuse not to follow suit.”

Rival ruby supplier Mozambique is not an ethical alternative, however, as mines there have also been associated with rights abuses and corruption, Global Witness cautioned.

*Image: A ruby from the Mogok region of Myanmar. (Shutterstock)*