

New De Beers Deal: Botswana to Keep More Diamonds



De Beers and Botswana have reached an “agreement in principle” for a new contract that will see a greater share of diamonds stay in the country for sale.

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State-owned trading business Okavango Diamond Company (ODC) will initially receive 30% of production from Debswana, a joint venture between [De Beers](#) and the government, the pair said Saturday in a communiqué. This will increase progressively to 50% over the duration of the 10-year agreement to ensure a “sustainable transition path for both partners,” they said. ODC currently receives 25%.

In the night between Friday and Saturday, the longtime partners announced they had

reached a deal on both the sales agreement, which runs until 2033, and the 35-year mining license through 2054. The previous sales agreement expired on Friday following years of [negotiations and delays](#). They issued a second statement later on Saturday with more details.

The terms of the expired sales agreement will remain in place while De Beers and Botswana implement the new deal, they added.



De Beers CEO AI Cook (left) and Lefoko Moagi, Botswana's mining minister, at the signing. (De Beers)

"It's been a long journey...but ultimately we got here," said Lefoko Moagi, Botswana's mining minister, at a [press conference](#) with De Beers CEO AI Cook to mark the signing.

The new deal also calls for the creation of a Diamonds for Development Fund, with De Beers set to invest BWP 1 billion (around \$75 million) up front and make further contributions that could add up to BWP 10 billion (around \$750 million) over the next 10 years. The parties will also focus on "progressing" long-term capital investment to

secure the leading position of Botswana and Debswana and creating the potential for tens of thousands of new jobs in the country.

“Our transformative agreement reflects the aspirations of the country, secures the future of our Debswana joint venture, and reaffirms De Beers’ leadership position for the long term,” said Cook.

<https://youtu.be/D66ophrTPJE>

Main image: A rough and a polished diamond. (Ben Perry/Armoury Films/De Beers)