Diamond is a mineral, crystal modification of carbon black and the most well-known gem.

* Global leaders in diamond mining are Africa (Botswana, South Africa and the Congo (Democratic Republic), Angola and Namibia) and Russia.
* There are two main diamond exchanges, where you can buy/sell rough diamonds: in Antwerp (Belgium) and Ramat Gan (Israel). They make regular publications of diamonds’ price list (Rappoport’s Table).
* Nowadays diamonds are mined from two diamond deposits: primary (kimberlite and lamproite pipes) and secondary – alluvial deposits.
* Lesotho, Tanzania, Ghana, Zimbabwe, Guinea and Sierra Leone are also Africa’s diamond-mining countries.

Sierra Leone

Sierra Leone is rich with both alluvial deposits and kimberlite pipes. Nowadays alluvial diamond resources of the country make up 90% of diamond export in West Africa. The main part of diamond mining is concentrated in Koidu-Sefadu (Kono) in the eastern part of Sierra Leone (near the border with Guinea and Liberia.

Diamond mining in Sierra Leone is carried out by both state and private companies, which have a license for mining and export of diamonds.

Acquisition of license and market authorization are connected with several mandatory procedures.

In 2012 I was on a business trip to Sierra Leone for the first time to study the diamond business and investment climate in the country. Many business relations were established, and the schemes and methods of doing business taking into account local sensitivities were studied and worked out.

Equity participation in the project for rough diamonds’ export from Sierra Leone

Participatory share: 25 %

Amount to be invested: $150,000

Amount to be invested consists of the necessary expenses for the activities of the company, namely:

1. Entry into an agreement of legal services and support of local law firm – $10,000/year.

2. Company registration – $5,000.

3. Acquisition of Full Exporter Diamond license – $40,000/year.

4. Purchase of the necessary equipment, namely Diamond Colorimeter – $50,000, Diamond analyzer – $30,000.

5. Other – $15,000 (flights, medical insurance, travel expenses, rent, maintenance, operating costs…).

Total: $150,000.

* Company registration with determining a number of project participants and their participatory share.
* Entry into an agreement of legal services with an independent management company.
* Transfer of funds to on the company's account in the amount of $150,000 (transfer methods are discussed).
* Activities on the purchase and export of rough diamonds.
* The advantage of this is having our own client – a large Russian selling diamond company with its rough diamonds purchase volume up to $**60 million,** which eliminates the need to use our own funds for the purchase.
* The estimated profit is **10 %** from the purchases volume
* **25 % participatory share will bring up to $1,5 million profit per year\***
* \*Consideration of changing the participatory share up to 50 % with additional investment at the initial stage of cooperation.
* \*Approximate calculations. Amounts before the deduction of all taxes and charges are stated.