

Brazilian Indians Sell Diamonds in Auction

Contributed by Alana Gandra
Thursday, 03 February 2005

The Federal Savings Bank reaped US\$ 273.7 thousand from the sale of 665 carats of uncut diamonds belonging to the Cinta-Larga ("Wide Sash") Indians, from the state of Rondônia, in an auction held February 2 in Rio de Janeiro. The Bank's national manager of Microfinance, Paulo Lima, told the Agência Brasil that the 57 lots placed on the block were sold.

Around 40 registered buyers, including individuals interested in purchasing the stones, jewelers, and international diamond merchants, took part in the auction.

Lima revealed that, after deducting operating expenses and taxes, the net proceeds will be turned over to the Cinta Largas.

The most expensive stone, weighing 28.4 carats, was knocked down for US\$ 98.1 thousand (R\$ 257 thousand). The cheapest lot, estimated to be worth US\$ 38 (R\$ 100), also earned an impressive premium; the winner paid US\$ 267.20 (R\$ 700.00).

This was the institution's first auction of merchandise obtained through a temporary government order. The Bank usually auctions jewels deposited in its pawn department and left unreclaimed by their owners.

The diamonds were the object of a conflict between the Indians and prospectors last March on the Roosevelt Indian Reserve, in Rondônia, in the extreme north of Brazil.

The diamonds that were sold will receive the Kimberley Certificate from the National Department of Mineral Research (DNPM). This document is required to negotiate these precious stones on the international market.

Translation: David Silberstein
Agência Brasil