

# Kimberley Process Communiqué

## Brisbane Plenary, 10-14 December 2017

1. The Kimberley Process, created in 2003, is the foundation for the transparency and integrity of the global trade in rough diamonds. The Process has made an important contribution toward peace and security. While there is more work to do, the trade in conflict diamonds has decreased overwhelmingly since the inception of the Kimberley Process. A large part of this success stems from the commitment and collaboration of the tripartite structure of governments, industry and civil society.
2. The mission remains. The threat of instability and conflict continues to pose a challenge. And consumers, for whom a diamond is time and again a symbol of love and commitment, look to the Kimberley Process to not only guarantee that diamonds are conflict free but to address the challenges facing the diamond industry and to consider ways to improve the Kimberley Process.
3. In Brisbane, the Plenary created an Ad Hoc Committee on Review and Reform (KP/2017/Plenary/Administrative Decision 1). The AHCRR will see Kimberley Process Participants and Observers together strive over the next year to review the core Kimberley Process Certification Scheme (KPCS) document and examine ways to enhance administrative and financial support to the Process, including consideration of a Secretariat and a voluntary multi-donor fund to support participation from least developed countries, civil society and experts who implement the work.
4. The Kimberley Process is now in its fourteenth year. As part of the new 2030 Agenda for Sustainable Development, all countries adopted a set of goals to end poverty, protect the planet and ensure prosperity. The Kimberley Process already contributes toward the achievement of these goals. The Plenary noted that Goal 16 will be critical for the eradication of extreme poverty within a decade. Together Kimberley Process Participants and Observers will continue to work to ensure that the Process remains not just relevant for the future but that it makes an even greater contribution toward achievement of Agenda 2030 and the Sustainable Development Goals.
5. The backbone of the hard work of the Kimberley Process is performed by the Working Groups and Committees, the reports of which are detailed below. This effort has produced the following Administrative Decisions:
  - a. The Plenary adopted an Administrative Decision on the Conditional Admission of the Republic of Gabon as a Kimberley Process Participant (KP/2017/Plenary/Administrative Decision 2);
  - b. The Plenary adopted an Administrative Decision on Chairmanship of Kimberley Process Working Bodies (KP/2017/Plenary/Administrative Decision 3);

- c. The Plenary adopted an Administrative Decision on Practical Kimberley Process Guidance on How to Conduct Surveys of Kimberley Process Participants and Observers (KP/2017/Plenary/Administrative Decision 4); and
  - d. The Plenary adopted an Administrative Decision on the Use of Technical Certificates for Scientific and/or Forensic Research (KP/2017/Plenary/Administrative Decision 5).
6. Since 2015, the Kimberley Process Monitoring Team on the Central African Republic has been working assiduously and methodically with the Government of the Central African Republic, the United Nations (including its Multidimensional Integrated Stabilisation Mission in the Central African Republic) and other stakeholders toward the careful and selective resumption of Kimberley Process-compliant exports of legitimate rough diamonds from designated compliant zones in the country. The Plenary welcomed the continuing commitment of the Government of the Central African Republic to work collaboratively with the Monitoring Team to ensure and secure the traceability on the export of rough diamonds from the compliant zones. It is important for the integrity of the Kimberley Process that the arrangements for monitoring be implemented as agreed. The Plenary would encourage the Governments of Kimberley Process Participants in the Central African region to further advance their cooperation with each other on Kimberley Process compliance issues with a regional dimension, in accordance with the relevant Administrative Decision of 2014.
7. The outcomes of the Brisbane Plenary would not have been possible without the strong participation of Ministers and government delegates from 39 Participants, including the European Union (28 member countries), and the vital contribution made by industry and civil society Observers. The Plenary would like to thank the presence of Guests of the Chair, including the World Customs Organisation (WCO) and the World Trade Organisation (WTO).
8. The Plenary appreciated the five special fora arranged by the Chair to canvas broader matters pertinent to the diamond trade. These special fora addressed Indigenous peoples and mining in Australia, diamond supply chain equity, alluvial and artisanal diamond mining, sustainability reporting, and blockchain technology.
9. In striving to guarantee that rough diamonds remain conflict free, the Process will continue to contribute toward an environment in which countries can grow and prosper, unburdened by the threat of conflict and driven by a shared vision of peace, compassion and community. The Plenary would like to thank Australia for its leadership and hosting this year. The Plenary looks forward to working under the Chairmanships of the European Union in 2018, and India in 2019. Kimberley Process Participants and Observers will next meet at the Intersessional meeting in June 2018 in Antwerp, Belgium.

10. The Plenary welcomed with appreciation the tireless work of the Chairs and members of the Working Groups and Committees, reflected in their reports below.

#### **Working Group on Artisanal and Alluvial Production (WGAAP)**

11. The Plenary approved the admission of the People's Republic of China as a member of the WGAAP for one year provisionally.

12. The Plenary welcomed the Democratic Republic of the Congo as WGAAP Chair during the period 2018-2021.

13. The Plenary acknowledged and congratulated Angola's leadership of the WGAAP during the period 2007-2017.

14. The Plenary noted the forthcoming working paper for the impact of synthetic diamonds that will be drafted with contributions from the World Diamond Council (WDC), Diamond Development Initiative (DDI) and African Diamond Producers Association (ADPA). The said document will form the basis of future discussions within the WGAAP.

15. The Plenary noted the request of the WGAAP to engage the WCO in accordance with the Administrative Decision of 2010 on a separate HS Code.

#### **Working Group on Statistics (WGS)**

16. The Plenary noted 12 Kimberley Process Participants with incomplete or missing statistics in the Kimberley Process Rough Diamond website. The WGS welcomed the implementation of the November 2005 Administrative Decision "Guidelines for the Participation and Chairmanship with respect to statistical non-submission" by the Committee on Participation and Chairmanship. The approach should include effective measures against Participants who fail to submit complete statistical information in accordance with Annex III of the KPCS document.

17. The Plenary welcomed the implementation of the 2016 automated standardized country analysis reports, which were developed by the WGS to provide uniformity and to reduce the time needed to create the statistical analysis. The WGS held discussions on the methodology used in the report and the challenges faced in the preparation of the report.

18. The Plenary welcomed the decision to move forward with the development of the best practice document based on the results of the reconciliation survey responses from Kimberley Process Participants. The WGS acknowledged the work done by the survey sub-team of India, the United Arab Emirates, Canada, European Union and the United States of America.

19. The Plenary noted the decision of the WGS to continue with the Data Anomaly Questionnaire process while exploring the development of a more automated process.

20. The Plenary noted the WGS acceptance of Ghana and Lesotho as provisional members of the WGS. In addition, the WGS acknowledged the receipt of the application from Swaziland to join the WGS, which will be reviewed in future teleconference meetings.
21. The Plenary noted the continued efforts by the WGS in providing statistical support to Kimberley Process Participants. The WGS provided outreach and assistance to 4 Kimberley Process Participants during the Brisbane Plenary.

### **Working Group of Diamond Experts (WGDE)**

22. The Plenary welcomed the report on the activities of the Diamond Experts Team in relation to the footprint comparison of export shipments from the Central African Republic (CAR). Diamond experts needed for an expanded group have been recorded in a dedicated expert database. Furthermore, the Plenary noted with appreciation the important work of the South African Mintek laboratory on fingerprinting diamonds from the CAR and the potential for forensic research that this technology entails. New research has revealed that diamonds from the CAR may be positively identified, even when mixed with other productions. This is an important development in the efforts to stop smuggling.
23. The Plenary adopted an Administrative Decision on the use of technical certificates for scientific and/or forensic research, replacing an older Administrative Decision on the same topic but with limited application to Côte d'Ivoire. This Administrative Decision will allow Kimberley Process authorities of Participants to send suspected parcels to scientific laboratories for testing.
24. The Plenary adopted WGDE Best Practice 3, encouraging all Participants to introduce a national 8 digit-code specifically to identify rough synthetic diamonds in order to prevent the circumvention of Kimberley Process requirements by illicitly declaring natural rough diamonds as synthetic rough diamonds.
25. The Plenary welcomed the introduction by the WGDE of a notice of a proposed modification to the core document changing the term "country of origin" to "country of mining origin".
26. The Plenary approved the suggestion of the WGDE to accept Lesotho as "Provisional Member" for one year.
27. In accordance with the Administrative Decision on cooperation enhancement with the WCO of 2010, the WGDE welcomed a presentation on "The WCO Enforcement and Compliance Sub-Directorate" by the WCO.

### **Working Group on Monitoring (WGM)**

28. 2017 was the first year that South Africa chaired the WGM, overseeing the implementation of the WGM Work Programme of 2017.
29. The Plenary noted the WGM's decision to approve Lesotho as a provisional member of the WGM.
30. The Plenary welcomed the submission of Annual Reports for the 2016 calendar year. A total of 52 Annual Reports were submitted out of a total of 54 by Participants of the Kimberley Process. The Plenary further acknowledged and commended all Observers for submitting reports on their activities in support of KPCS implementation over the year 2016. The WGM further engaged in the 2017 assessment of Annual Reports exercise for those that were submitted for 2016.
31. The Plenary noted the WGM's referral to the CPC for non-compliance of two Participants, namely: Panama and Indonesia for non-submission of 2016 Annual Reports. In addition, Indonesia has several Annual Reports from previous years that are still outstanding.
32. The Plenary noted and thanked the following Participants for hosting Review Visits in 2017: Norway, Ghana, Togo, Israel, Sri Lanka, Lao PDR, Namibia, Botswana and Mali. All Review Visits were conducted successfully, which is a testament to the commitment of Participants to the Peer Review Mechanism of the KPCS.
33. The Plenary adopted the Review Visit Reports of Norway, Côte d'Ivoire, Turkey, the United Arab Emirates, Ghana and Togo. The said Participants are expected to provide a report on the implementation of the Review Visit recommendations at the upcoming Intersessional meeting of 2018 and in their Annual Reports. The Plenary further appreciated the leadership of Switzerland, Democratic Republic of the Congo, European Union, the United States of America and the Republic of South Africa in the aforementioned Review Visits.
34. The Plenary also noted the preliminary reports from team leaders of Review Visits conducted from 2015-17 and urged the team leaders to prioritise the finalisation of the Review Visit reports of Cameroon, European Union, Democratic Republic of the Congo, Sierra Leone, India, Lao PDR, Israel, Sri Lanka, Namibia, Botswana and Mali by the Plenary of 2018.
35. The Plenary acknowledged the intent of Thailand, Angola, Mauritius, Brazil, Canada, Russia, Malaysia and Venezuela to host Review Visits in 2018.
36. The Plenary welcomed the report of the technical team on the implementation of the Action Plan of the Regional Approach to Kimberley Process Compliance in the Mano River Union (MRU) (Liberia, Côte d'Ivoire, Sierra Leone and Guinea). The Plenary further encouraged other Kimberley Process Participants with common Kimberley Process compliance issues to address them on a regional dimension. The Plenary acknowledged the support efforts conducted in the MRU countries in addressing the challenges in relation to the Kimberley Process regional action plan, as well as the formalisation

process in Liberia. In this context, the Plenary also acknowledged the ongoing assistance provided by the European Union and its implementing partners in support of the efforts undertaken by the MRU countries to advance their cooperation on Kimberley Process compliance issues with a regional dimension.

37. The Plenary encouraged the partnership of the WGM and the WGAAP. The Plenary noted the frantic efforts of the MRU secretariat to elevate the MRU Regional Action Plans for approval by member countries at the highest political level.
38. The Plenary welcomed the achievements of the CAR Monitoring Team (CAR MT) and the implementation of the Administrative Decision and Operational Framework for the Resumption of Exports of Rough Diamonds from the CAR. The Plenary noted that the CAR MT Lead briefed the joint session of the WGM, the WGDE and the WGS on the CAR MT's work over the past months.
39. The Plenary acknowledged the approval by the CAR MT of exports from Berberati, Carnot, Nola, Boda and Gadzi regions. The success of these shipments was due to the commitment and dedication of the WGDE, the WGM and the WGS, in addition to the support from the Property Rights and Artisanal Diamond Development II (PRADD II) and the United States Geological Survey (USGS).
40. The Plenary acknowledged the progress made by the CAR with implementation of the Administrative Decision and Operational Framework for the Resumption of Exports of Rough Diamonds from the CAR, and welcomed the decisions of the CAR MT to declare the sous-préfecture of Gadzi a 'compliant zone'. The Plenary encouraged the CAR's Kimberley Process authorities to continue implementing the Administrative Decision and to continue implementing enhanced vigilance measures and ensure the traceability of rough diamonds from all five 'compliant zones'. The Plenary invited the CAR MT to continue ensuring a smooth inspection process as regards to proposed export shipments as per its Terms of Reference.
41. It was further noted that the WGM and the WGAAP would be facilitating engagements between the CAR MT, surrounding focal points and Technical Team in Support of the MRU Regional Approach, in a bid to encourage applying similar methods of cooperation in addressing the Kimberley Process challenges in the Central African region.
42. The Plenary noted the commitment of the Republic of South Africa to provide technical assistance to the CAR, on geological surveying, diamond valuation and internal controls. The technical support will assist the CAR in addressing identified challenges in the registration, traceability and record keeping of the production and trade of diamonds as required by the Kimberley Process. The Plenary also noted the commitment of the European Union to provide complementary technical assistance and other capacity building support to the CAR.
43. The Plenary noted that the CAR MT has facilitated and monitored a forensic audit of the rough diamond stockpiles held in Bangui in the CAR and has received the independent forensic audit report, which was made by Diamond Counsellor International (DCi). The

audit report has adhered to the CAR MT's Independent Forensic Audit Terms of Reference and has classified the diamond stockpiles into 6 categories according to their provenance and which is consistent with the Operational Framework of the 2015 Administrative Decision on the CAR. The CAR MT has reported its recommendations to the WGM Chair regarding the disposition of the diamonds classified into the 6 categories according to their provenance and suitability for export. The CAR MT notified the joint session of the WGM, the WGDE and the WGS of the receipt of the independent auditor report for the diamond stockpiles in the CAR.

44. The Plenary acknowledged the report made by the USGS on the rough diamond production estimated from mining zones in the CAR, in fulfilment of the Operational Framework for Resumption of Exports of Rough Diamonds from the CAR (sec. II(D)(iv)) and the CAR MT Terms of Reference (sec. VI).
45. The Plenary welcomed the continuation of the United States development assistance PRADD II program in the CAR, which is enhancing the CAR's capacity and is assisting the country with the implementation of the Administrative Decision and Operational Framework for the Resumption of Exports of Rough Diamonds from the CAR, and encouraged other Participants, Observers, and donors to provide complementary technical assistance.
46. The Plenary welcomed the initiative taken by the CAR and its neighbouring Kimberley Process Participants (Cameroon, Democratic Republic of the Congo, and the Republic of the Congo) to ensure cooperation on the KPCS compliance issues with a regional dimension and encouraged the CAR and the CAR MT to continue working closely together with relevant United Nations actors - notably MINUSCA and the United Nations Panel of Experts – as well as the international community.
47. The Plenary noted the WGM's efforts in reporting a number of fraudulent certificates that have been identified and have been uploaded onto the Kimberley Process website as part of information sharing. Participants are encouraged to continue to report such cases. Shipments accompanied by fraudulent certificates should be dealt with in accordance with the internal legal frameworks and the Kimberley Process requirements.
48. The Plenary noted the WGM's decision to amend the existing Administrative Decision on the Peer Review System so that members of Review Visits/Missions should submit alternate members to serve as their replacement if the official team member is no longer able to serve in their capacity in order to ensure continuity of the work of the Review teams.
49. The Plenary noted that in order to enhance the Peer Review System, the WGM will examine the feasibility of establishing an Expert Bank comprising of a roster of experts nominated by the Participants and Observers, who may take part in Review Visits and Missions as/when needed to provide technical advice. In exploring the matter, the WGM will note that Review Visit or Mission team members will continue to be selected

by the respective Participants and Observers. However, the Review Visits and Missions team may invite a member of the Expert Bank to support the team in any Review Visit, on the basis of consensus.

50. The Plenary noted that the WGM will continue discussing and formulating an Administrative Decision that may establish such an Expert Bank and highlight the criteria used to qualify as an expert, the accreditation of the experts, their functions and a funding model that will enable them to participate in the Review Visits.
51. The Plenary noted that in order to enhance the efficiency and effectiveness of Review Visits and Missions, the WGM will examine the feasibility to adopt a Standard of Procedures to write reports of Review Visits and Missions within specific timelines.
52. The Plenary noted the WGM's recommendation that the final Review Visit/Mission Report should be concluded within a period of 12 months from the date in which the Review Visit/Mission took place barring extenuating circumstances. This will assist the WGM in monitoring the compliance of Participants with the Kimberley Process minimum requirements.
53. The Plenary noted the WGM's recommendation that, to ensure equitable participation of the Peer Review System, Participants and Observers should be encouraged to lead or participate in at least one Review Visit per year.
54. The Plenary noted the WGM's decision to continue discussing the issue of confidentiality and conflict of interests in Review Visits/Missions and to that end will review the current relevant provisions to the Administrative Decision on Peer Review System of the Kimberley Process.

#### **Committee on Participation and Chairmanship (CPC)**

55. The Plenary endorsed the recommendations of the CPC to admit the Republic of Gabon as a Kimberley Process Participant following a conditional Administrative Decision.
56. The Plenary noted that the CPC will continue to assess the applications of the two independent observers (ZNRDF and AYME) under the Chairmanship of Australia of the CPC in 2018.
57. The Plenary noted that at the request of the WGS Chair, the CPC agreed to enforce the 2005 Administrative Decision on Guidelines for the Participation Committee with respect to statistical non-compliance.
58. The Plenary welcomed Australia as the incoming Chair of the CPC in 2018.

#### **Committee on Rules and Procedures (CRP)**

59. The Plenary approved the amendments to "The Administrative Decision Relating to Chairmanship of Kimberley Process Working Bodies" establishing a time frame for

submitting applications for the Chair or Vice Chair of a working body, submitted by the CRP.

60. The Plenary acknowledged the compendium of rules and procedures of the KPCS compiled by the People's Republic of China as Vice Chair of the CRP and encouraged further steps to be taken accordingly.
61. The Plenary approved the "Practical KP Guidance: How to conduct surveys of KP Participants and Observers," submitted by the CRP.
62. The Plenary welcomed the progress of the CRP on preparing the "Kimberley Process Guiding Principles for KP Engagement with External Organizations", and noted its continued inclusion in the Committee's programme of work for 2018.
63. The Plenary welcomed giving the Chinese language the status of a working language in the Kimberley Process.
64. Accordingly, the Plenary noted the inclusion into the provisional program of the work of the CRP for 2018, the preparation of an amendment to Section VII of the 2003 Administrative Decision on "Rules of Procedure of Meetings of the Plenary, and its Ad Hoc Working Groups and Subsidiary Bodies" (the 2003 Administrative Decision) on the basis of previous years' best practices, and to initiate a broader review of the impacted sections of the 2003 Administrative Decision.