



Kimberley Process Certification Scheme Secretariat - Namibia

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KIMBERLEY PROCESS PLENARY SESSION

5 NOVEMBER 2009

SWAKOPMUND, NAMIBIA

COMMUNIQUE

The Seventh Annual Plenary Session of the Kimberley Process Certification Scheme (KPCS) was held from 2 to 5 November, 2009 at Swakopmund, Namibia. It was attended by 37 Participants. The World Diamond Council delegation and Civil Society attended the Plenary as Observers. Non-Participating Governments comprising of Egypt, Swaziland, Kenya and Mozambique, which are desirous of joining KPCS as Participants, were also present.

2. The total number of Participants in the KP now stands at 49 representing 75 countries (including 27 members of the European Union represented by the European Commission). The Plenary noted that the Participation Committee (PC) discussed the status of the KPCS outreach to countries for joining the KPCS, these are Algeria, Bahrain, Burkina Faso, Cameroon, Cape Verde, Chile, Egypt, Gabon, Kenya, Kuwait, Mali, Philippines, Qatar, Swaziland, Tunisia, Mozambique, Uganda, Niger, Panama and Peru, and agreed to continue its efforts to encourage these countries to join KPCS. The PC also discussed in particular the status of the applications of Kenya and Swaziland.
3. The Plenary noted, as informed by the Working Group on Statistics (WGS) Chair, that the Trade and Kimberley Process Certificate Counts Statistics for the First Quarter of 2009 have been submitted by all the Participants.
4. The Plenary noted that the PC has requested the KP Chair to request a report from the Chairs of other KPCS Working Groups on their engagement with the Bolivarian Republic of Venezuela in assisting the country in developing a plan of action to implement KP minimum standards. The PC on its part has committed to provide all assistance within the KP mandate to the Bolivarian Republic of Venezuela in developing this plan of action and eventually to fully re-integrate the country into the KPCS.
5. The Plenary noted that a sub-group of the Participation Committee has made enquiries about the difficulties facing potential applicants. The responses have been summarised in the form of a report in order to provide a basis for further action. The

report requests the KP Chair to take the three steps suggested therein to encourage resolution of the problems identified in the report.

6. The Plenary welcomed submission of annual reports on KPCS implementation by all 49 Participants, in full compliance with KPCS requirements, and encouraged the Participants to actively contribute to the annual reporting process as the main comprehensive and regular source of information on KPCS implementation.
7. The Plenary supported the efforts of the Working Group of Monitoring (WGM) to strengthen import confirmation requirements and examine the compliance of cross-border internet sales with KPCS requirements, and took note of the creation of a technical expert's team mandated to research these issues. The Plenary notes that further discussions are required as regards the involvement of civil society organisations and the diamond industry in the annual reporting process at national level, with a view in reflecting the KP's tripartite structure at the level of participants.
8. The Plenary considered reports of review visits conducted in 2009 to a number of diamond producing countries (Angola, Democratic Republic of Congo, Liberia and Sierra Leone) as well as trading centres (European Community, Turkey) and welcomed the commitment of those countries to continuously open their certification systems to reviews and improvements.
9. The Plenary noted plans to conduct review visits to Bangladesh, Belarus, Canada, India, Namibia, New Zealand, South Africa and the United States of America, and thanked Botswana and Lesotho for presenting invitations for KP review visits.
10. The Plenary adopted an Administrative Decision on Cooperation pertaining to KP implementation and enforcement in order to enhance KP's capacity and provide guidance to national authorities to address specific enforcement issues such as fraudulent certificates, shipments of suspicious origins and exchange of information in cases of infringements.
11. The Plenary took note of continued monitoring of the situation in Cote d'Ivoire in light of the UN Group of Experts' (GoE) reports and WGM satellite imagery, and noted with concern indications of increasing diamond mining activity in northern Cote d'Ivoire and the continuing infiltration of such production into the legitimate trade in

diamonds. The WGM discussed further collaboration with the UN GoE under UNSCR 1893 (2009), including prospects for a KP visit to Cote d'Ivoire, and liaised with representatives of Cote d'Ivoire in response to their report to Plenary and their request to the KP to assist in preparations for future certification. Plenary took note of plans for the WGM and WGDE to further collaborate to enhance implementation of vigilance requirements, making use of the WGDE footprint of Ivorian diamonds, in order to protect the legitimate diamond trade.

12. The Plenary agreed that further efforts should be made to strengthen KPCS implementation in West Africa and adopted a decision on the strengthening of Guinea's internal controls and to assess that country's production capacity. The Plenary welcomed Guinea's commitment to cooperate with the WGM and WGDE in this effort, and also appreciated Liberia's commitment to hosting a regional meeting to foster regional cooperation. The Plenary appreciated Ghana's continuous efforts to strengthen internal controls and prevent infiltration of illicit Ivorian diamonds, and mandated the WGM and the Working Group of Diamonds Experts (WGDE) to enter into dialogue with Ghana with a view to revising the arrangements applicable to its exports.
13. The Plenary adopted an Administrative Decision on the state of compliance with the minimum requirements of the KPCS in Zimbabwe, also adopting a Joint Work Plan for implementing the recommendations of the review mission to Zimbabwe, which took place from 30 June to 04 July 2009. The review mission had found "credible indications of significant non-compliance with the minimum requirements of the KPCS" by Zimbabwe.
14. The Plenary welcomed Zimbabwe's commitment to urgently start implementation of the 'joint work plan' and called upon participants to support this plan, including the provision of technical assistance. The Plenary recalled that, parallel to actions aiming at ensuring compliance with the KPCS implementation in Zimbabwe, Participants are required to intensify regional cooperation as well as to apply vigilance measures (using the KP guidance and the footprint of Marange diamonds) to contain illicit trade of Marange diamonds. The Plenary requested the KP Chair to further monitor and support implementation of those measures.
15. The Plenary took note of ongoing discussions in WGM on revised proposal from Civil Society on Human Rights in the diamond sector.

16. The Plenary approved the application of Australia to become a member of the WGM. The Plenary acknowledged the application of Zimbabwe and Mexico to become members of the Working Group on Statistics.
17. The Plenary noted that all Participants have submitted the required statistical data for 2008. All statistics for Q2/H1 2009 for the Democratic Republic of Congo and the Republic of Congo are available. These data will be processed in the new KP Rough Diamond Statistics Website after 9 November 2009. Only two Participants have submitted incomplete statistical data for Q2 and H1 2009 and they are Indonesia (Trade/KP Certificate Counts) and Venezuela (Production).
18. The Plenary noted that the WGS discussed issues to do with the low response rate to the annual statistical analyses. For 2008 statistics, the response rate was 64.6% (17 Participants have yet to respond). The group brainstormed processes for handling future annual statistical analyses and agreed that the subject needs to be discussed further within the WGS. Although there is no procedure in place to require responses from participants, it is nevertheless important for the integrity of the data and the overall process, as well as the work of the WGS, for participants to take the time to review the analyses and answer any questions or observations raised by the reviewer.
19. The Plenary noted that the Working Group on Artisanal and Alluvial Producers (WGAAP) analysed the progress achieved under the action plan by the artisanal alluvial diamond producing countries and shared information on the impact of the global financial crisis and economic recession, namely economic and social consequences and its impacts on internal controls.
20. The Plenary noted discussions by the WGAAP on the link between diamonds and development. The WGAAP, in its discussions, encouraged diamond producing countries to promote debate on the subject, as well as to draft policies and enact legislative reforms in order to ensure that diamonds contribute towards poverty reduction, socio-economic upliftment, and development of the places where diamonds are being mined. A translation into French of the results of the Egmont Institute study on artisanal diamond mining was presented, and a follow-up study, focussing on Angola and Liberia (and neighbouring countries) was presented to the group.

21. The Plenary noted the World Bank's offer to extend two types of assistance; One - via the Communities and Artisanal and Small-scale Mining (CASM) network, Two -via World Bank projects providing financial and technical assistance to KP participants.
22. The Plenary took note of the footprint work conducted by the WGDE in respect to Ghana, Guinea, and the Marange diamond fields in Zimbabwe. The WGDE presented an enhanced statistical analysis methodology based on comparison of production and export footprint for West African diamond producing countries, to be incorporated in the work of WGS.
23. The Plenary was also informed on the progress made in amending the Explanatory Notes of the relevant HS-codes. Work on the Valuation Data Matrix is progressing, however, the financial crisis is negatively impacting this work, due to increased price volatility.
24. The Plenary adopted important changes to the Terms of Reference of the WGDE, incorporating the mandate received through UNSC Resolution 1893 (2009) on Cote d'Ivoire to coordinate research on improving the diamond footprint of Cote d'Ivoire. In order to accomplish this important task, the Plenary adopted the creation of a scientific Sub-Group on Characterisation and Identification of Rough Diamonds, operating under the WGDE. The Plenary also welcomed the Democratic Republic of Congo as a new member of the WGDE. The Plenary has acknowledged that Ghana has expressed interest to join the WGDE.
25. The Committee of Rules and Procedures completed the Administrative Decisions, "Participation of Observers in the Work of the Kimberley Process" and "Sharing Information with the United Nations". These documents were endorsed by the Plenary.
26. The Committee on Rules and Procedures recognized the importance of continuing the work to articulate and improve Kimberley Process rules. This strengthens the effectiveness of the Kimberley Process. The Committee will have discussions to set the future work agenda and move forward to consider a document on the hierarchy of documents adopted by the Kimberley Process.
27. The Plenary approved the application of India to become member of the CRP.

28. The Plenary reaffirmed the importance of the tripartite nature of the Kimberley process, and recognised that all Participants and Observers must have free and unfettered access to and participation in all the Plenary and Intersessional meetings, as well as on the margins of the meetings.
29. The Plenary has thanked Namibia for hosting this Plenary Session and appreciated the hospitality extended to the delegates.
30. The Plenary welcomed Namibia as the incoming Chair of the PC for 2010.
31. The Plenary welcomed the election of Israel as the new Chair for the Year 2010, and the Democratic Republic of Congo as the Vice-Chair for 2010.

