

KPCS AD-HOC COMMITTEE

ADMINISTRATIVE DECISION ON THE PERIODIC REVIEW OF THE KPCS

03 November 2011

1. BACKGROUND

The need for on-going evolution of the KPCS was anticipated in the initial meetings that led to the creation of the KPCS, which is why section VI, paragraph 20 of the KPCS Core Document states that *“Participants intend that the Certification Scheme should be subject to periodic review, to allow Participants to conduct a thorough analysis of all elements contained in the scheme.”*

To date, only one such comprehensive review has been carried out. The first review was conducted in 2006. The 2011 Plenary reached a consensus that the issue of “periodic review” needed to be looked at again, leading to an Administrative Decision on the “Establishment of an ad-hoc committee for exploring the modalities of enhancing the efficiency of the Kimberley Process with a view to provide administrative support for its activities” (hereafter, the “ad-hoc committee”).

Paragraph 3(c) of that Administrative Decision asks the ad-hoc committee to:

Prepare a draft proposal for the steps to be taken to carry out the periodical review of the KPCS as provided for in section VI, point 20 of the KPCS Core Document under “Review Mechanism” and for the future establishment of an a- hoc committee on KPCS Review.

Paragraph 6 of that Administrative Decision tasked the ad-hoc committee with presenting such a proposal to Plenary 2011. In response, the ad-hoc committee has developed this Administrative Decision on KPCS Review, for consideration at Plenary 2011. By accepting this Administrative Decision, the 2011 Plenary would create an “Ad Hoc Committee on KPCS Review (CKR)”, to operate according to the terms of reference proposed below.

2. AD-HOC COMMITTEE ON KPCS REVIEW (CKR) – DRAFT TERMS OF REFERENCE

2.1 Mandate

The CKR is tasked with coordinating the periodic review of the KPCS, as provided by the KPCS Core Document and the 2010 Plenary AD on Efficiency. As the CKR develops recommendations on individual issues, it should provide these recommendations to Plenary on an on-going basis. The CKR should perform its work during the years of 2012 and 2013, although its mandate may be extended if needed.

2.2 Composition

The composition of the CKR is as follows: Botswana (Chair), Canada (Vice Chair), Democratic Republic of the Congo, European Union, India, Israel, Namibia, Russian Federation, South Africa, United States of America, World Diamond Council, Civil Society. Other Participants may be invited to join.

3. Work-Plan

The CKR is to undertake the following actions as part of coordinating the Periodic Review of the KPCS on an on-going basis:

1. **Assess the strengths and weaknesses of the KPCS** as currently designed through:
 - a. A literature review compiling recommendations for KPCS reform available in existing documents (e.g. UN Group of Experts reports, KPCS Evolution Seminar final report, academic literature, First Periodic Review Final Report).
 - b. Consulting with KPCS Participants and Observers, as well as other stakeholders
2. **Identify priority areas** for focus. Examples of priority areas could include:
 - a. What are/should be the objectives of the KP going forward
 - b. Revisions of definitions in the Core Document
 - c. The current composition, functions and management of the Working Groups
 - d. New approaches to decision-making
 - e. How compliance monitoring could be improved (e.g. strengthening peer review system, assessing internal controls and introducing clear benchmarks/indicators by which to assess compliance)

The CKR should aim to address issues (a) and (b) by Intersessional 2012, with issues (c), (d), and (e) addressed thereafter. The CKR can add further issues to its agenda as appropriate.

3. **Develop solutions** to address the weaknesses of the KPCS that can be proposed to future KPCS Plenary sessions.
 - a. Based on its research, consultation and analysis, the CKR may make proposals on any relevant issue to any Plenary or Extra-ordinary Plenary session for approval.
 - b. The CKR may make such proposals on one or more issues while continuing to consider other issues.
 - c. These proposals may include recommendations that Plenary modify the Core Document, per Section VI paragraphs 17-19 of the Core Document.
 - d. The CKR should provide Plenary with a brief update regarding its discussions on any issues that it identifies as important but about which it does not make a proposal in 2012, as well as any other issues it chooses to add to its future agenda.
4. As appropriate, and to encourage transparency, consult with other Participants, as well as relevant entities outside of the KPCS, including non-participating governments, international organizations, other representatives of the diamond industry and civil society, academics and individual experts.