



**global witness**

## **KIMBERLEY PROCESS UPDATE, 13 NOVEMBER 2006**

The annual Kimberley Process Plenary meeting was held in Botswana from 6-9 November 2006. There were several important issues facing the Kimberley Process, many of which were raised in a report assessing how effective the Kimberley Process has been in its first 3 years. The main issues were:

### **COTE D'IVOIRE:**

#### **Problem:**

A UN panel of experts found that up to \$23 million of conflict diamonds from the rebel-held north of Cote d'Ivoire were being smuggled to neighbouring countries and reaching international markets. Ghana, a Kimberley Process participant, was accused of certifying a large proportion of these conflict diamonds.

#### **Action:**

A KP envoy was sent to Ghana. Ghana has come up with a 3 month action plan for strengthening their controls. The World Diamond Council (WDC), the body representing the diamond industry on blood diamond issues, also agreed to send experts to Ghana to check diamond shipments to try and make sure that no Ivorian diamonds are exported. This is supposed to be carried out two weeks after the Kimberley Process meeting. The Kimberley Process will send a review mission to evaluate progress in 3 month's time. If the team is not satisfied with Ghana's actions to strengthen their internal controls to stop conflict diamonds entering legitimate trade, the team can call for Ghana to be removed from the Kimberley Process. Civil society has continued to call for Ghana to voluntarily suspend its exports so that it does not continue to certify conflict diamonds smuggled across the border from Cote d'Ivoire.

### **PUBLISHING STATISTICS**

#### **Problem:**

The WDC had been blocking publication of basic Kimberley Process production and trade data from each participating country.

#### **Action:**

At the meeting the WDC changed its position and agreed that summary data from each country should be made public. All Participants agreed that this should happen. Data will now be made public six months after its submission.

### **GOVERNMENT DIAMOND CONTROLS**

#### **Problem:**

The Kimberley Process document states that all participants should have diamond control systems to make sure conflict diamonds don't enter the legitimate trade. Currently, there are no baseline standards that all participants control systems must meet.

#### **Action:**

A set of baseline standards were agreed to which give specific guidance on what governments should do to ensure their diamond controls are strong enough to stop conflict diamonds entering the legitimate trade. These standards are reasonably comprehensive, and will be monitored by the review visits that assess a country's compliance with the Kimberley process. However, the new standards are not requirements so civil society will continue to advocate for systematic implementation and monitoring of these standards.

### **GOVERNMENT CHECKS ON THE DIAMOND INDUSTRY**

#### **Problem:**

The Kimberley Process does not require participants to carry out spot checks to verify whether the diamond industry is complying with the Kimberley Process and the industry system of warranties. Some participants do this but others do

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not. Civil society wants all participants to be required to carry out physical checks of rough diamond imports and exports as well as spot checks of companies to make sure they were complying.

### **Action:**

The set of baseline standards (mentioned above) include recommendations to check industry compliance with the Kimberley Process and the system of warranties, including physical checks of rough diamond imports and exports, and spot checks of all companies dealing in rough diamonds. The guidance suggests that all companies involved in the trade in rough diamonds have their compliance with the Kimberley Process and system of warranties independently verified.

The WDC supported civil society calls for government verification of industry compliance with KP and the system of self-regulation. There was agreement that governments need to demonstrate how they verify industry compliance with the scheme. However, there was no consensus over how this would be done. It was agreed that this will receive priority attention over the coming year. This needs to be followed up with a concrete timetable and plan for developing and implementing this requirement.

## **FINANCING THE SCHEME**

### **Problem:**

The Kimberley Process is not funded and is run by those that volunteer time and resources. This is not sustainable and places an undue burden on those who volunteer. Civil society had called for a funding mechanism to be considered.

### **Action:**

At the meeting, individual countries agreed to provide funding for civil society participation in review visits. Individual governments are considering the possibility of providing resources to look in more depth at problems in countries and ensure adequate follow up. The WDC, at the meeting, supported civil society calls for funding issues to be addressed. Financing the KP is one of the priority issues to be further considered by the KP next year.

## **SUSPENDING PARTICIPANTS THAT ARE NOT COMPLYING**

### **Problem:**

The Kimberley Process has no suspension mechanism for participants that aren't complying with the scheme.

### **Action:**

It was decided that the Kimberley Process should develop a suspension mechanism. Another mechanism for further pressuring countries that are not submitting statistics on time was agreed - publishing the names of countries publicly who are habitually late

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