



General Assembly

Distr.: General
2 March 2018

Original: English

Seventy-second session

Agenda item 33

The role of diamonds in fuelling conflict

Note verbale dated 2 March 2018 from the Permanent Mission of Australia to the United Nations addressed to the Secretary-General

The Permanent Mission of Australia to the United Nations presents its compliments to the Secretary-General of the United Nations and, pursuant to paragraph 35 of General Assembly resolution [71/277](#), entitled “The role of diamonds in fuelling conflict: breaking the link between the illicit transaction of rough diamonds and armed conflict as a contribution to prevention and settlement of conflicts”, has the honour to transmit, on behalf of the Chair of the Kimberley Process, the final communiqué of the Kimberley Process plenary meeting held in Brisbane, Australia, from 10 to 14 December 2017 (see annex).

The Permanent Mission of Australia to the United Nations has the further honour to request that the present note verbale and its annex be circulated as a document of the General Assembly, under agenda item 33.



Annex to the note verbale dated 2 March 2018 from the Permanent Mission of Australia to the United Nations addressed to the Secretary-General

2017 Kimberley Process final communiqué

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 towards 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, Australia, the plenary created an ad hoc committee on review and reform (see KP/2017/Plenary/Administrative Decision 1). The committee will see Kimberley Process participants and observers strive together over the next year to review the Kimberley Process Certification Scheme core document and examine ways to enhance administrative and financial support for the Process, including consideration of a secretariat and a voluntary multi-donor fund to support participation from the 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 towards 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 not only remains relevant for the future but that it makes an even greater contribution towards achievement of the 2030 Agenda 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 Gabon as a Kimberley Process participant (KP/2017/Plenary/Administrative Decision 2);

(b) The plenary adopted an administrative decision on the 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);

(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 for the Central African Republic has been working assiduously and methodically with the Government of the

Central African Republic, the United Nations (including the United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic) and other stakeholders towards 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 traceability in 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 Organization and the World Trade Organization.

8. The plenary appreciated the five special forums arranged by the Chair to canvas broader matters pertinent to the diamond trade. These special forums 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 towards 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 in 2017. The plenary looks forward to working under the chairmanship of the European Union in 2018 and India in 2019. Kimberley Process participants and observers will next meet at the intersessional meeting, to be held in Antwerp, Belgium, in June 2018.

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

11. The plenary approved the admission of China as a member of the Working Group on Artisanal and Alluvial Production for one year provisionally.

12. The plenary welcomed the Democratic Republic of the Congo as Chair of the Working Group during the period 2018–2021.

13. The plenary acknowledged and congratulated Angola's leadership of the Working Group 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, the Diamond Development Initiative and the African Diamond Producers Association. That document will form the basis of future discussions within the Working Group.

15. The plenary noted the request of the Working Group to engage the World Customs Organization in accordance with the administrative decision of 2010 on a separate harmonized system code.

Working Group on Statistics

16. The plenary noted that 12 Kimberley Process participants had incomplete or missing statistics in the Kimberley Process rough diamond statistics website. The Working Group on Statistics welcomed the implementation of the November 2005 administrative decision on guidelines for the participation and chairmanship with respect to the non-submission of statistics by the Committee on Participation and Chairmanship. The approach should include effective measures against participants that fail to submit complete statistical information in accordance with annex III to the Kimberley Process Certification Scheme document.

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

18. The plenary welcomed the decision to move forward with the development of the best practice document on the basis of the results of the reconciliation survey responses from Kimberley Process participants. The Working Group acknowledged the work done by the survey subteam of India, the United Arab Emirates, Canada, the European Union and the United States of America.

19. The plenary noted the decision of the Working Group to continue with the data anomaly questionnaire process while exploring the development of a more automated process.

20. The plenary noted the acceptance by the Working Group of Ghana and Lesotho as provisional members of the Working Group. In addition, the Working Group acknowledged the receipt of the application from Swaziland to join it, which will be reviewed in future teleconference meetings.

21. The plenary noted the continued efforts by the Working Group in providing statistical support to Kimberley Process participants. The Working Group provided outreach and assistance to four Kimberley Process participants during the Brisbane plenary.

Working Group of Diamond Experts

22. The plenary welcomed the report on the activities of the diamond expert team in relation to the footprint comparison of export shipments from the Central African Republic. 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 South Africa's Mintek laboratory on fingerprinting diamonds from the Central African Republic and the potential for forensic research that this technology entails. New research has revealed that diamonds from the Central African Republic 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 the authorities of Kimberley Process participants to send suspected parcels to scientific laboratories for testing.

24. The plenary adopted best practice 3 of the Working Group of Diamond Experts, encouraging all participants to introduce a national eight-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 Working Group 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 Working Group to accept Lesotho as a provisional member for one year.

27. In accordance with the administrative decision on cooperation enhancement with the World Customs Organization of 2010, the Working Group welcomed a presentation on the World Customs Organization Compliance and Enforcement Sub-Directorate by that organization.

Working Group on Monitoring

28. 2017 was the first year that South Africa chaired the Working Group on Monitoring, overseeing the implementation of its programme of work for 2017.

29. The plenary noted the decision of the Working Group to approve Lesotho as a provisional member.

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 participants of the Kimberley Process. The plenary further acknowledged and commended all observers for submitting reports on their activities in support of implementation of the Kimberley Process Certification Scheme over the year 2016. The Working Group further engaged in the 2017 assessment of annual reports exercise for those that were submitted for 2016.

31. The plenary noted the referral by the Working Group of two participants to the Committee on Participation and Chairmanship for non-compliance, namely Panama and Indonesia, for the non-submission of the 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, the Lao People’s Democratic Republic, 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 Kimberley Process Certification Scheme.

33. The plenary adopted the review visit reports of Norway, Côte d’Ivoire, Turkey, the United Arab Emirates, Ghana and Togo. Those participants are expected to report on the implementation of the recommendations from the review visit at the upcoming intersessional meeting of 2018 and in their annual reports. The plenary also appreciated the leadership of Switzerland, the Democratic Republic of the Congo, the European Union, the United States of America and South Africa in the aforementioned review visits.

34. The plenary also took note of the preliminary reports from the team leaders of review visits conducted from 2015 to 2017 and urged the team leaders to prioritize the finalization of the review visit reports of Cameroon, the European Union, the Democratic Republic of the Congo, Sierra Leone, India, the Lao People’s Democratic Republic, Israel, Sri Lanka, Namibia, Botswana and Mali by the plenary meeting to be held in 2018.

35. The plenary acknowledged the intent of Thailand, Angola, Mauritius, Brazil, Canada, the Russian Federation, Malaysia and the Bolivarian Republic of 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 (Côte d'Ivoire, Guinea, Liberia and Sierra Leone). The plenary further encouraged other Kimberley Process participants with common Kimberley Process compliance issues to address them with a regional dimension. The plenary acknowledged the support efforts conducted in the Mano River Union countries in addressing the challenges in relation to the Kimberley Process regional action plan, as well as the formalization 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 Mano River Union countries to advance their cooperation on Kimberley Process compliance issues with a regional dimension.

37. The plenary encouraged the partnership of the Working Group on Monitoring and the Working Group on Artisanal and Alluvial Production. The plenary noted the frantic efforts of the Mano River Union secretariat to elevate the regional action plans of the Mano River Union for approval by member countries at the highest political level.

38. The plenary welcomed the achievements of the Kimberley Process monitoring team for the Central African Republic and the implementation of the administrative decision and operational framework for the resumption of exports of rough diamonds from the Central African Republic. The plenary noted that the lead of the monitoring team had briefed the joint session of the Working Group on Monitoring, the Working Group of Diamond Experts and the Working Group on Statistics on the work of the monitoring team over the past months.

39. The plenary acknowledged the approval by the Kimberley Process monitoring team for the Central African Republic of exports from the Berberati, Carnot, Nola, Boda and Gazi regions. The success of those shipments was due to the commitment and dedication of the Working Group of Diamond Experts, the Working Group on Monitoring and the Working Group on Statistics, in addition to the support from Property Rights and Artisanal Diamond Development II and the United States Geological Survey.

40. The plenary acknowledged the progress made by the Central African Republic with the implementation of the administrative decision and operational framework for the resumption of exports of rough diamonds from that country, and welcomed the decisions of the Kimberley Process monitoring team for the Central African Republic to declare the sub-prefecture of Gazi a "compliant zone". The plenary encouraged the Central African Republic Kimberley Process authorities to continue implementing the administrative decision and enhanced vigilance measures and to ensure the traceability of rough diamonds from all five "compliant zones". The plenary invited the monitoring team to continue ensuring a smooth inspection process with regard to proposed export shipments in accordance with its terms of reference.

41. It was further noted that the Working Group on Monitoring and the Working Group on Artisanal and Alluvial Production would be facilitating engagements between the Kimberley Process monitoring team for the Central African Republic, surrounding focal points and the technical team in support of the regional approach of the Mano River Union in a bid to encourage the application of similar methods of cooperation in addressing the Kimberley Process challenges in the Central African region.

42. The plenary noted the commitment of South Africa to provide technical assistance to the Central African Republic on geological surveying, diamond valuation and internal controls. The technical support will assist the Central African Republic 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 Central African Republic.

43. The plenary noted that the Kimberley Process monitoring team for the Central African Republic has facilitated and monitored a forensic audit of the rough diamond stockpiles held in Bangui and has received the independent forensic audit report, which was prepared by Diamond Counsellor International. The audit report has adhered to the terms of reference of the monitoring team for independent forensic audit and has classified the diamond stockpiles into six categories according to their provenance, which is consistent with the operational framework of the 2015 administrative decision on the Central African Republic. The monitoring team has reported its recommendations to the Chair of the Working Group on Monitoring with regard to the disposition of the diamonds, which were classified into the six categories according to their provenance and suitability for export. The monitoring team notified the joint session of the Working Group on Monitoring, the Working Group of Diamond Experts and the Working Group on Statistics of the receipt of the independent audit report for the diamond stockpiles in the Central African Republic.

44. The plenary acknowledged the report prepared by the United States Geological Survey on the estimated rough diamond production from mining zones in the Central African Republic, in fulfilment of section II (d) (iv) of the operational framework for resumption of exports of rough diamonds from that country and section VI of the terms of reference of the Kimberley Process monitoring team.

45. The plenary welcomed the continuation of the United States Property Rights and Artisanal Diamond Development II development assistance programme in the Central African Republic, which is enhancing the capacity of that country and is assisting it in the implementation of the administrative decision and operational framework for the resumption of exports of rough diamonds from the Central African Republic, and encouraged other participants, observers and donors to provide complementary technical assistance.

46. The plenary welcomed the initiative taken by the Central African Republic and its neighbouring Kimberley Process participants (Cameroon, the Congo and the Democratic Republic of the Congo) to ensure cooperation on the Kimberley Process Certification Scheme compliance issues with a regional dimension and encouraged the Central African Republic and the Kimberley Process monitoring team to continue working closely together with relevant United Nations actors — notably the United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic and the Panel of Experts on the Central African Republic — as well as the international community.

47. The plenary noted the efforts of the Working Group on Monitoring in reporting a number of fraudulent certificates, which have been identified and 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 decision of the Working Group to amend the existing administrative decision on the peer review system, so that members of review visits and 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 Working Group will examine the feasibility of establishing an expert bank comprising a roster of experts nominated by the participants and observers, who may take part in review visits and missions as and when they are needed to provide technical advice. In exploring the matter, the Working Group will note that review visit or mission team members will continue to be selected by the respective participants and observers. However, the review visit and mission teams may by consensus invite a member of the expert bank to support the team in any review visit.

50. The plenary noted that the Working Group 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 and for 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 Working Group will examine the feasibility of adopting a standard of procedure to write reports of review visits and missions within specific time frames.

52. The plenary noted the recommendation of the Working Group that the final report of the review visit or mission should be concluded within a period of 12 months from the date on which the review visit or mission took place, barring extenuating circumstances. This will assist the Working Group in monitoring the compliance of participants with the Kimberley Process minimum requirements.

53. The plenary noted the recommendation of the Working Group that, to ensure equitable participation in 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 decision of the Working Group to continue discussing the issue of confidentiality and conflicts of interest in review visits and missions and to that end will review the current relevant provisions of the administrative decision on the peer review system of the Kimberley Process.

Committee on Participation and Chairmanship

55. The plenary endorsed the recommendations of the Committee on Participation and Chairmanship to admit Gabon as a Kimberley Process participant following a conditional administrative decision.

56. The plenary noted that the Committee on Participation and Chairmanship would continue to assess the applications of the two independent observers (the Zimbabwe Natural Resources Dialogue Forum and the African Youth on Mining and Environment) under the chairmanship of Australia of the Committee in 2018.

57. The plenary noted that at the request of the Chair of the Working Group on Statistics, the Committee on Participation and Chairmanship had agreed to enforce the 2005 administrative decision on guidelines for the Committee with respect to statistical non-compliance.

58. The plenary welcomed Australia as the incoming Chair of the Committee on Participation and Chairmanship in 2018.

Committee on Rules and Procedures

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 Committee on Rules and Procedures.

60. The plenary acknowledged the compendium of rules and procedures of the Kimberley Process Certification Scheme compiled by China as Vice-Chair of the Committee on Rules and Procedures and encouraged further steps to be taken accordingly.
 61. The plenary approved the practical Kimberley Process guidance on how to conduct surveys of Kimberley Process participants and observers, submitted by the Committee on Rules and Procedures.
 62. The plenary welcomed the progress of the Committee on Rules and Procedures in preparing the Kimberley Process guiding principles for Kimberley Process engagement with external organizations and noted its continued inclusion in the Committee's programme of work for 2018.
 63. The plenary welcomed the granting of the Chinese language the status of a working language in the Kimberley Process.
 64. Accordingly, the plenary noted the inclusion in the provisional programme of the work of the Committee on Rules and Procedures for 2018 of the preparation of an amendment to section VII of the 2003 administrative decision on rules of procedure for meetings of the plenary and its ad hoc working groups and subsidiary bodies on the basis of best practices from previous years, and the initiation of a broader review of the impacted sections of the 2003 administrative decision.
-