

Treasury
Customs and Excise Division

Sanctions Notice 27

Kimberley Process Certification Scheme Imports and Exports of Rough Diamonds



July 2009
(updated to 27 October 2016)



Isle of Man
Government

Reilrys Ellan Vannin

This Notice is provided for information purposes only, and its contents should not be taken as a definitive statement of the law. You are advised to seek independent legal advice if you believe you are affected by anything contained in this Notice.

Introduction

1. The Kimberley Process Certification Scheme (KPCS) is a set of standards that regulates the trade in rough diamonds. It sets out the way in which each participating country should handle the imports and exports of rough diamonds, and internal controls for ensuring that domestic trading and processing are not contaminated by illicit sales.
2. Such illicit sales have been used to finance conflicts in producer countries and/or to support rebel groups or oppressive regimes. The Process provides for a system of certification, with exporting countries issuing certificates verifying the legitimacy of a particular consignment of diamonds.
3. The Kimberley Process began in May 2000 in Kimberley, South Africa when governments, non-government organisations and industry groups sought to come up with a practical way to prevent illicit diamonds from entering the legitimate diamond trade. The resulting Kimberley Process Certification Scheme was designed and entered into force in 2003, with the support of the United Nations and World Trade Organisation. The KPCS imposes extensive requirements on traders, such as trade controls and certificates of origin, a ban on trade with countries which are not members of the scheme, transparency and release of statistics on diamond production and trade. The KPCS now represents 75 countries, including all the major diamond-producing, trading and processing countries, and members account for approximately 99.8% of the global production of rough diamonds.
4. Rough diamonds are those which are unworked or simply sawn, cleaved or bruted and which fall under certain Tariff or Commodity Codes (under the Harmonised System).

Legislation

5. In the European Union customs territory Council Regulation (EC) No. 2368/2002 gives effect to the Kimberley Process, and came into force with effect from 1 January 2003.
6. Under the terms of Protocol 3 to the UK Act of Accession to the European Community certain EU legislation concerned with customs matters have effect in the Isle of Man. Council Regulation (EC) No. 2368/2002 is one such piece of legislation. Consequently the Regulation applies in the Island as part of Island law.



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Imports of rough diamonds

7. Imports of rough diamonds are prohibited unless accompanied by an appropriate certificate issued by the relevant authority in the country of origin. Every consignment of rough diamonds entering the Isle of Man/UK common customs area from outside the EU must be accompanied by a Kimberley Certificate. There are no exceptions and the certificates must be acquired in advance.
8. The import of rough diamonds without the necessary certificate, or the intended circumvention of the controls on such imports, such as the use of falsified certificates, would be an offence under customs law rendering the diamonds liable to seizure and the importer liable to prosecution.
9. Rough diamonds may only be imported from KPCS participating countries.

Exports

10. Every rough diamond being exported outside the EU must be accompanied by a Kimberley Certificate. There are no exceptions and the certificate must be acquired in advance.
11. The export of rough diamonds without the necessary certificate, or the intended circumvention of the controls on such exports, such as the use of falsified certificates, would be an offence under customs law rendering the diamonds liable to seizure and the exporter liable to prosecution.
12. Certificates for the export of diamonds from the UK and Isle of Man may be obtained from the Government Diamond Office, a department of the Foreign and Commonwealth Office. The Office charges a small fee for producing and issuing Kimberley Certificates. This is a flat fee based on the total value of diamonds being exported.
13. Rough diamonds may only be exported to a KPCS participating country.

Contacts

14. The Government Diamond Office—

If you would like to apply for a Kimberley Certificate to export rough diamonds to outside the EU contact the office.

Tel: 020-7008-6903/5797
Fax: 020-7008-3905
Email: Gdo@gtnet.gov.uk

Government Diamond Office
Foreign and Commonwealth Office
Room W3.135
King Charles Street
London
SW1A 2AH

15. A list of KPCS participating countries may be found at—

<http://www.fco.gov.uk/en/about-us/what-we-do/services-we-deliver/legal-services/050-diamond-office>

<http://www.kimberleyprocess.com/>

16. Further details of KPCS implementation in the EU can be found at—

http://ec.europa.eu/dgs/fpi/what-we-do/kimberley_process_en.htm

Isle of Man Customs and Excise Website

Amendments to these sanctions will be advised by means of news releases which will be published on the official Isle of Man Government website at <http://www.gov.im/>

The Isle of Man Customs and Excise website will contain details of all current sanctions, news releases and links to relevant lists <http://www.gov.im/treasury/customs/>

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