

Suggestions for New Annual Report Template

Segregate the annual report into two parts A and B .

Part A should cover all the common information relating to institutional framework, legislative framework, statistics etc. which is unchanged since previous year.

Part B should cover all the information relating to changes that have taken in the previous year so as to facilitate better know how.

Rational- The AR template does segregate information based on the parameters listed in the AD. However different KP participants report the information in different formats. Some only refer to their previous report and indicate there are no changes, which makes the assessment difficult. We suggest that by segregating the reporting system under each parameter the reviewing participants get a gist of rules and regulations prevalent in that country.

By introducing part B under each parameter ensures that new regulations introduced are highlighted and brought to the notice of KP family

We also recommend that a document be prepared which can be similar to a manual of Best practices. This will facilitate new entrants as well as set a benchmark for existing participants.

- In accordance with Section VI, paragraph 11 of the KPCS document, Participants are to prepare, and make available to other Participants through the Chair of the Kimberley Process, information on an annual basis on the way in which they are implementing the requirements of the KPCS.
- The information submitted should make particular reference to Sections II, III, IV and V of the KPCS document, and may also include information on the extent to which Participants are making use of the Recommendations set out in Annex II of the KPCS document.
- The information submitted should follow the format set out in Annex I of the present Decision. The information should be prepared and submitted each year by 31 March, and should cover implementation of the KPCS during the preceding calendar year.
- The information related to infringements to be covered under Internal Control Section and information on RV and RM to be covered under Miscellaneous Section as it is not an annual exercise.

SUGGESTIONS

- **Part A - Constant** - It can cover all the common information relating to institutional frame work, legislative frame work etc. which remains unchanged since past few years.
- **Part B - Variable** - It can cover all the information relating to changes that have taken in the previous year so as to facilitate better know how.

Rationale- The AR template does segregate information based on the parameters listed in the AD on Peer Review. However different KP participants report the information in different formats. We suggest that by segregating the reporting system under each parameter the reviewing participants gets a gist of rules and regulations prevalent in that country and changes if any to the same. By introducing part B under each parameter ensures that new regulations introduced are highlighted and brought to the notice of KP family for easy reference.

Assessment Matrix for the Annual Reports into two parts A and B .

- Similar to Annual Reporting the Assessment Matrix can also be divided in two parts - Constant & Variable.
- We also recommend that a column can be added for Best Practices and after submission of all the ARs, a document can be prepared which will collate the Best Practices followed by different participants at one place.
- This will also serve as a guide to the new entrants as well as give ideas to the existing participants.

Section wise Recommendation

A. INSTITUTIONAL FRAMEWORK

Constant:

1. The Authority with responsibility for the implementation of the KPCS, including the full address and the names of contact persons (in accordance with Section V (a))
2. The Import and Export Authority, including the full address and the names of contact persons (in accordance with Section IV (b)).

Variable:

Changes to the above if any.

B. LEGAL FRAMEWORK

In this Section, a confirmation of the legislation in place for the implementation of the

KPCS should be provided, with particular reference to:

Constant:

1. The laws and regulations enacted or amended for the implementation of the Kimberley Process (Section IV (d)), in particular the specific legislative or administrative provisions for

- export and import of rough diamonds
- issuance of certificates
- internal controls
- penalties

Variable:

2. Information on changes of legislation that have occurred since the last annual report, including the text of any new legislation adopted (if any).

C. IMPORT AND EXPORT REGIME

Constant:

In this section, an overview should be given of how the undertakings in the KPCS on the international trade in rough diamonds (Sections II and III) are implemented. It should also refer to the issuance and receipt of Kimberley Process Certificates by a Participant.

Outgoing shipments

In this section information related to the procedure for issuing KP certificates, Evidence an exporter have to provide in order to prove that the rough diamonds being exported have been handled in accordance with the KP and are not conflict diamonds, No of certificates issued etc need to be covered.

Incoming shipments

Describe the sequence of events for an incoming shipment from the physical entering of the shipment in your territory to the validation of the Certificate, with particular emphasis on the procedure followed, dispatch of import confirmation slips etc.

Variable:

Changes to the above if any. If the changes are due to any amendments to legal framework the reference to be made in the concerned section also.

D. SYSTEM OF INTERNAL CONTROLS AND INDUSTRY SELF-REGULATION

Constant:

In this section, a description of the internal system of controls designed to eliminate the presence of conflict diamonds from shipments of rough diamonds, as stipulated by Section IV (a), may be given. In drawing up this information, reference could, among other things, be made to the options and recommendations for internal controls as elaborated in the KPCS document.

This part will cover measures taken by the Participant for strengthening Internal Controls such as regulations, awareness seminars, workshops for industry players, status of infringements done till previous year etc.

Variable:

Changes to the above if any. Activities undertaken during the review period. For example: The Infringements done during the Review Period, Programs conducted during the period etc.

E. STATISTICS

Constant:

In this section, information supplementing the data already submitted to the Chair of the Working Group on Statistics in accordance with the provisions specified by Annex III of the KPCS may be submitted. This information might also refer to procedural and methodological questions. The statistical data submitted in accordance with Annex III are considered to be part of the annual report.

The information on statistics should be consistent with the statistical information on the WGS website, and should, ideally, at least refer to certificate counts, total trade value or total volume. In the Statistics Section in the Annual Report it is recommended to replicate, as far as possible, the templates/tables available on the KP Statistical Website so that Participants could give the statistical data in a uniform format. (see Annex II of this document).**The previous years' historical data if desired can be included in this section.**

Variable:

Observations and Data pertaining to the Review Period will be included in this sections.

Along with quantitative data, the dynamic difference - increase or decrease (in percentage) - in production, import and export volumes, and KPC counts could be mentioned.

It would be highly advisable that for all data reported the reference date and source of the data would be mentioned.

F. IMPLEMENTATION OF RECOMMENDATIONS OF KIMBERLEY PROCESS REVIEW VISITS AND/OR REVIEW MISSIONS

This part will also cover information on Review Visit or Review Mission if any, undertaken in the Participant Country during the Review Period.

Next year's annual report will cover follow-up measures undertaken for recommendations of the RV / RM.

G. INFRINGEMENTS AND COOPERATION WITH RESPECT TO ENFORCEMENT

H. MISCELLANEOUS

In this section, experiences, observations, problems (and solutions) or additional information related to the implementation of the KPCS can be noted with a view to improving the overall functioning of the Scheme and to establish a "best practice" policy.

Information on irregularities encountered or non-compliance with the KPCS by other Participants may also be supplied in this section.

ANNEX I: Annual Report template

A. INSTITUTIONAL FRAMEWORK

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| <p><i>Part A: Constant</i></p> <p>The Authority with responsibility for the implementation of the KPCS (KP focal point), Import and Export Authorities, including full address, e-mail addresses and names</p> <p>A. INSTITUTIONAL FRAMEWORK</p> <p>Constant:</p> <ol style="list-style-type: none">1. The Authority with responsibility for the implementation of the KPCS, including the full address and the names of contact persons (in accordance with Section V (a))2. The Import and Export Authority, including the full address and the names of contact persons (in accordance with Section IV (b)). <p>The Ministry of Trade and Industry is the authority with responsibility for the implementation of the KPCS, while Singapore Customs is the Import and Export Authority which implements the KPCS. The full address and names of the contact persons are as follows:</p> <p>Ministry of Trade and Industry 100 High Street #09-01 The Treasury Singapore 179434</p> <p>Name of contact person: Mr Mark Ngan E-mail: Mark_Ngan@mti.gov.sg</p> <p>Singapore Customs 55 Newton Road #10-01 Revenue House Singapore 307987</p> <p>Name of Contact Person: Ms Belva Chia E-Mail: Belva_Chia@customs.gov.sg</p> <p>Name of Contact Person: Mr Roy Tan E-Mail: Roy_Tan@customs.gov.sg</p> | <p><i>Part B: Variable</i></p> <p>The contact points have been updated.</p> |
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B. LEGAL FRAMEWORK

| <i>Part A: Constant</i> | <i>Part B: Variable</i> |
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| <p>The laws and regulations enacted or amended for the implementation of the Kimberley Process, in particular for:</p> <ul style="list-style-type: none"> - export and import of rough diamonds - issuance of certificates - internal controls - penalties <p>There were no changes made to Singapore's legal framework in 2015. The legal requirements for the implementation of the Kimberley Process in Singapore are enacted in the 'Regulation of Imports and Exports (Kimberley Process) Regulations'.</p> | |

C. IMPORT AND EXPORT REGIME

| <i>Part A: Constant</i> | <i>Part B: Variable</i> |
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| <p>C/1 Outgoi ng shipme nts</p> <p>Procedures for issuing KP certificates, exporter declaration, number of certificates issued</p> <p><u>Overview</u></p> <p>In 2015, Singapore issued a total of 639 KP certificates.</p> <p>All exporters intending to export rough diamonds from Singapore are required to register for a KP licence and to apply for an export permit for every shipment with Singapore Customs.</p> <p>Each export shipment of rough diamond from Singapore must also be accompanied with a valid Singapore KP certificate issued by Singapore Customs.</p> <p><u>KP Licence</u></p> <p>To apply for a KP licence, the exporter is required to provide details in the application form for Singapore Custom's assessment. These include the company's business profile, purpose of conducting rough diamonds trade, rough diamonds business activities and process flow, stock inventory and security control management, source of import and country of destination, etc.</p> <p>Before Singapore Customs issues the KP licence, the following details will be verified:</p> <ul style="list-style-type: none"> a) company's profile and reputation; b) company's compliance records with Singapore Customs; c) source country where the rough diamonds will be imported from; d) destination country where the rough diamonds will be exported to; | Nil |

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| | <p>e) type of rough diamond activities that is performed in Singapore;</p> <p>f) company's internal control measures relating to handling of rough diamonds; and</p> <p>g) volume and frequency of rough diamond shipments.</p> | |
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KP Certificate

To apply for the KP certificate, the exporter is required to submit the [application form](#) together with supporting documents, e.g. commercial invoice; packing list and Airway Bill to Singapore Customs for processing.

Before Singapore Customs issues the KP certificate, the following details will be verified:

- the validity of KP licence status;
- any discrepancy recorded when the rough diamonds were first imported into Singapore under a KP certificate;
- final destination is that of a KP Participant;
- the invoice bears a declaration that the rough diamonds which are being exported are not 'conflict diamonds'; and
- the details in the application of the KP certificate tally against the commercial invoice, packing list details e.g. carat weight and value.

Inspection

Prior to the issuance of the KP certificate, Singapore Customs may conduct inspections on the shipment. These may include a mass weight verification to ensure that the carat weight declared tallies with the documents submitted e.g. commercial invoice.

Export Permit

With the Singapore Customs issued KP certificate, the exporter or his appointed forwarding agent will be required to obtain an export permit electronically via TradeNet prior to the export of the shipment. In the permit application, the exporter has to submit supporting documents such as commercial invoice, packing list and Airway bill etc., to Singapore Customs for verification. Singapore Customs will check the commercial invoice to ensure that it includes a declaration that rough diamonds to be exported do not contain conflict diamonds. The exporter also has to declare details such as full description of the rough diamonds, carat, weight/mass, HS code(s), KP Licence number, previous Import Permit number, export KP certificate number in the export declaration. If all of the above are in order, Singapore Customs will approve the export declaration and issue an Export Permit.

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| | <p><u>Export Clearance</u></p> <p>For physical clearance at the checkpoint, the exporter will be required to present the following to the Immigration & Checkpoints Authority (ICA) officers for verification:</p> <ul style="list-style-type: none"> • original KP certificate; • export permit; • sealed parcel of the rough diamonds; • supporting documents such as invoice, packing list (if any), airway bill, etc. <p>ICA officers will check to ensure the following:</p> <ul style="list-style-type: none"> • the parcel is sealed and the seal is intact; and • goods are covered with KP certificate (KPC number needs to match the KPC number indicated in the Export Permit). <p>If everything is in order, ICA officers will endorse and stamp on the export permit before the goods are released for export from Singapore. ICA will also notify Singapore Customs that the goods had been cleared for export. In case of any discrepancy, the ICA will alert Singapore Customs for further investigation.</p> <p><u>Export Confirmation</u></p> <p>On the same day of the export clearance of the shipment, Singapore Customs will notify the receiving KP authority via email about the shipment.</p> <p><u>Website Links</u></p> <p>The general procedures to import and export rough diamonds into and from Singapore under the KPCS can be found on our website.</p> | |
| C/2 Incomming shipments | <p>Procedure on handling incoming shipments, import confirmation</p> <p><u>Overview</u></p> <p>For 2015, a total of 95 KP certificates were issued to Singapore.</p> <p>If an importer intends to import rough diamonds into Singapore, he is required to be registered for a KP licence and to apply for an Import Permit for every shipment with Singapore Customs.</p> <p>Each import shipment of rough diamond into Singapore must be accompanied with a valid KP certificate issued by an overseas KP Participant.</p> | Nil |

KP Licence

To apply for KP licence, the importer is required to provide details such as company's business profile, purpose of conducting rough diamonds trade, rough diamonds business activities and process flow, stock inventory and security control management, source of import and country of destination, etc. in the [application form](#) for Singapore Customs' assessment.

Before Singapore Custom issues the KP licence, the following details will be verified:

- a) company's profile and reputation;
- b) company's compliance records with Singapore Customs;
- c) source country where the rough diamonds will be imported from;
- d) destination country where the rough diamonds will be exported from Singapore;
- e) type of rough diamond activities to be performed in Singapore;
- f) company's internal control measures relating to handling of rough diamonds; and volume and frequency of rough diamond shipments

Import Permit

Singapore Customs will usually be notified about an incoming import of rough diamonds into Singapore either by the overseas issuing KP authority or by the local importer. If it is the latter, Singapore Customs will email the said issuing KP authority to verify the authenticity of the importer's copy of the KP certificate. To assist the exporting authority in authenticating the certificate, we will also attach the scanned copy of the KP certificate received (if any) in our e-mail to them.

If the overseas KP certificate is valid, the importer himself or his appointed forwarding agent will be required to obtain an Import Permit electronically via TradeNet prior to the import of the shipment. In the permit application, the importer has to submit a copy of the overseas KP certificate, commercial invoice, packing list (if any) and Airway bill to Singapore Customs for verification. If in order, Singapore Customs will approve the import declaration and issue an Import Permit. Singapore Customs will also check the importer's commercial invoice to ensure that it includes a declaration that rough diamonds imported do not contain conflict diamonds.

Import Clearance

For physical clearance at the checkpoint, the importer will be required to present the following to the Immigration & Checkpoints Authority (ICA) for verification:

- original KP certificate;
- Import Permit;
- sealed package of rough diamonds; and

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| | <ul style="list-style-type: none"> supporting documents such as invoice, packing list (if any), Airway bill, etc. <p>ICA will check to ensure the following:</p> <ul style="list-style-type: none"> the parcel is sealed and the seal is intact; and shipment is covered with KP certificate (KPC number needs to match the KPC number indicated in the Import Permit). <p>If everything is in order, ICA will endorse and stamp on the Import Permit and notify Customs via email that the goods had been cleared.</p> <p>In case of discrepancy, the ICA will alert Singapore Customs for further inspection or investigation.</p> <p><u>Inspection</u></p> <p>Singapore Customs may also conduct further inspection at Customs HQ such as mass weight verification, to ensure that the declared carat weight in the KP certificate and import permit tallies with the commercial invoice.</p> <p>If there are still discrepancies that cannot be resolved, Singapore Customs will conduct further investigation.</p> <p><u>Import Confirmation</u></p> <p>If the import shipment is in order, Singapore Customs will send an email confirmation to the overseas KP authority that the rough diamonds have been received in Singapore.</p> <p><u>Website Link</u></p> <p>The general procedures to import and export rough diamonds into and from Singapore under the KPCS can be found on our website.</p> | |
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D. SYSTEM OF INTERNAL CONTROLS AND INDUSTRY SELF-REGULATION

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| <p><i>Part A: Constant</i></p> <p>Description of the internal system of controls designed to eliminate the presence of conflict diamonds from shipments of rough diamonds, as stipulated by Section IV (a). In drawing up this information, reference could, among other things, be made to the options and recommendations for internal controls as elaborated in the KPCS document</p> <p>To date, we have not encountered any instances of infringement in Singapore. In case of any such incidents, the KP Chair as well as the Chair of the relevant Working Group would be notified.</p> | <p><i>Part B: Variable</i></p> <p>Nil</p> |
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E. STATISTICS

| Part A: Constant | Part B: Variable |
|--|------------------|
| <p>Information supplementing the data already submitted to the Chair of WGS The previous years' historical data (optional)</p> <p>Singapore had submitted statistics for CY2015 (covering 1st, 2nd, 3rd and 4th quarters) on a timely manner via the KP statistical website in accordance with Annex III of the KPCS document, after verifying the bilateral trade statistics verification with the respective KP participants.</p> <p>For imports, Singapore received import shipments from Botswana, China, European Union, India, Israel, South Africa, UAE and USA while for exports, shipments were sent to Botswana, China, European Union, India, Israel, South Africa, Switzerland, Thailand, UAE and USA.</p> | <p>Nil</p> |

F. IMPLEMENTATION OF RECOMMENDATIONS OF KIMBERLEY PROCESS REVIEW VISITS AND/OR REVIEW MISSIONS - only for reporting period

- Information on Review Visit or Review Mission if any, undertaken in the Participant Country during the Review Period
- Follow-up measures undertaken for recommendations of the RV / RM

Not applicable, as there was no KP review visit conducted for Singapore during the reporting period.

G. INFRINGEMENTS AND COOPERATION WITH RESPECT TO ENFORCEMENT - only for reporting period

Nil comments.

H. MISCELLANEOUS – only for reporting period

- Experience, observations, problems (and solutions) or additional information related to the implementation of the KPCS to establish best practices
- Information on irregularities encountered or non-compliance with the KPCS by other Participants
- Follow-up to previous annual report assessment

Singapore would like to suggest that issuing KP participants send export notifications of rough diamonds (even to purchase by individuals via internet sales) to all receiving KP participants prior to the departure of the goods so that the receiving KP participants have sufficient time to contact and follow up with the consignee concerned on the requirement to import rough diamonds into the country.

ANNEX II

TEMPLATES TO PROVIDE STATISTICS

Based on the templates/tables available on the KP Statistical Website

TABLE -1 : OVERVIEW OF PRODUCTION – IMPORT – EXPORT DURING THE LAST 5 YEARS

[Status as at 07 Mar 2016]

| Period | Production | | | Import | | | Export | | |
|--------|------------|------------|----------|--------------|------------------|-----------|--------------|------------------|-----------|
| | Vol, cts | Value US\$ | US\$/cts | Volume, cts | Value, US\$ | US\$/cts | Volume, cts | Value, US\$ | US\$/cts |
| 2015 | Nil | Nil | Nil | 2,131,217.88 | 723,104,700.67 | 339.29 | 2,046,535.32 | 715,456,891.28 | 349.59 |
| 2014 | Nil | Nil | Nil | 3,941,551.79 | 1,003,594,190.87 | 254.62 | 4,463,527.56 | 1,049,479,962.47 | 235.12 |
| 2013 | Nil | Nil | Nil | 1,564,456.66 | 228,961,865.95 | 146.35 | 1,002,298.12 | 188,110,864.83 | 187.68 |
| 2012 | Nil | Nil | Nil | 167,434.01 | 20,839,211.57 | 124.46 | 167,128.71 | 22,458,481.25 | 134.38 |
| 2011 | Nil | Nil | Nil | 633.61 | 6,968,310.77 | 10,997.79 | 617.38 | 7,063,445.35 | 11,441.00 |

Source: Data from Participant's Statistical Tables
from WGS Website

TABLE - 2 : OVERVIEW OF KPC COUNT FOR IMPORT - EXPORT DURING THE LAST 5 YEARS.

[Status as at 07 Mar 16]

| PERIOD | KPC Counts | | |
|--------|------------|--------|-------|
| | IMPORT | EXPORT | TOTAL |
| 2015 | 95 | 639 | 734 |
| 2014 | 147 | 1,327 | 1,474 |
| 2013 | 65 | 205 | 270 |
| 2012 | 23 | 19 | 42 |
| 2011 | 6 | 3 | 9 |

Source: Data from Participant's Statistical Tables from WGS Website