

KIMBERLEY PROCESS

MONITORING TEAM - CENTRAL AFRICAN REPUBLIC

TERMS OF REFERENCE

Note: The revised text marked in blue, adopted at the 2019 Plenary, is only to be applied until the 2020 Plenary when it can be adopted indefinitely or modified; otherwise, the text would revert as it was originally adopted in 2015.

The Kimberley Process (KP) Monitoring Team for the Central African Republic (CAR) has been established in accordance with the *Administrative Decision (AD) on Resumption of Exports of Rough Diamonds from CAR* and its annexed *Operational Framework for Resumption of Exports of Rough Diamonds from CAR (Operational Framework)* as adopted by the KP through a written procedure on 17 July 2015.

I. Structure

The tripartite KP Monitoring Team (MT) consists of one representative each from the following KP Working Bodies, KP Participants and Observers with the relevant expertise to carry out the mandate described in Operational Framework:

1. Working Group on Monitoring (WGM) (one representative and a named alternate);
2. Working Group of Diamond Experts (WGDE) (one representative and an alternate - acting as liaison between the MT and WGDE's tasked diamond experts);
3. Working Group on Statistics (WGS) (one representative and a named alternate);
4. Republic of Angola (in its capacity as team leader of the CAR Review Mission team);
5. United States of America (USA) (per the functions described in Operational Framework Section II(D)(iv));
6. European Union (EU) (per the functions described in Operational Framework Section II(D)(iv));
7. The Russian Federation as an Observer;
8. World Diamond Council (WDC);
9. KP Civil Society Coalition (CSC);
10. African Diamond Producers Association (ADPA).

The MT functions under the auspices of the WGM Chair.

Working Group Chairs should identify their respective representatives and alternates.

Working Group Chairs may draw upon the expertise of members of their respective Working Groups and should inform the MT of any possible delegation of specific tasks beyond the MT representative and alternate.

The CAR KP Focal Point is the liaison between CAR's tripartite Follow-Up Committee (the Follow-Up Committee) and the MT and should participate in MT discussions, as appropriate.

II. Working Methods

Decisions made by the MT are communicated to the CAR KP Focal Point by the WGM Chair. Decisions should also be shared with the KP Chair and with KP Participants and Observers, as appropriate. The KP Chair and KP Participants and Observers may disseminate certain decisions outside of the KP, as appropriate and in consultation with the MT.

The MT intends to convene monthly, or more often as needed, through telephone conference calls facilitated by the Administrative Support Mechanism (ASM) in order to carry out the provisions of the above-mentioned AD and its annexed Operational Framework. A first conference call will be convened by the WGM Chair and should take place as early as possible in September 2015. The ASM should take notes in the call for the use of the MT.

The MT intends to report quarterly, or more frequently as needed, in writing, to the WGM on the activities and progress in fulfilling these responsibilities. The MT will report on decisions made concerning compliant zones within two calendar weeks.

The MT should maintain regular contact with the Follow-Up Committee through the CAR KP Focal Point.

III. Validation of Compliant Zones

The MT reviews and, if appropriate, confirms the Follow-Up Committee's determination that a zone is compliant using the KP Implementation and Peer Review Checklist as a guide and the following criteria, based, in part, on the Follow-up Committee's justification that:

- i. The zones are under appropriate and sufficient CAR Government control, in particular by the territorial administration, mining administration, Unité Spéciale Anti-Fraude (USAF), gendarmerie and police;
- ii. There is no evidence of systematic rebel-based or armed group activity impacting internal controls in the diamond production or trade;
- iii. The overall security situation enables free movement of goods and persons;
- iv. CAR's KP Authorities have established and implemented the enhanced monitoring and traceability mechanisms as referred to in Section II of the Operational Framework.

If upon review of the justification received the MT agrees with a proposal from the FollowUp Committee for the determination of a compliant zone, the proposed zone is considered to be

compliant. The WGM Chair will inform the Follow-up Committee of the MT's decision. If the MT does not agree with a proposed determination, it should provide reasons to the WGM Chair why it considers the zone to be non-compliant and notify the [KP Chair](#), WGM, WGDE, and WGS. The WGM Chair will provide these reasons to the Follow-up Committee. The WGM Chair or the MT may ask the Follow-Up Committee to provide additional information.

A zone is considered non-compliant until the MT agrees with its designation as a compliant zone. The MT may consult the UN Panel of Experts established pursuant to UNSC Resolution 2127 (2013), and other relevant sources and bodies, in making its determination.

The MT may, jointly with the Follow-up Committee or independently, determine that a zone is no longer compliant, based on the *KP Implementation and Peer Review Checklist* and the above criteria. Such determination will be reported to the WGM Chair, who would then communicate it to the Follow-up Committee and the KP Chair. The KP Chair will inform KP Participants and Observers.

Recognizing that the MT may not be able to reach consensus on the validation of proposed compliant zones, the MT intends to refer such matters to the WGM Chair for, and authorizes the WGM Chair to make, a final determination on behalf of the MT.

Decisions on compliant zones should be communicated to the UN Security Council and to the public by the KP Chair and disseminated within CAR by the CAR KP Focal Point and other relevant actors in order to ensure awareness by customs officials, the diamond trade, and other stakeholders.

IV. Monitoring of export shipments

For the duration of the implementation of the AD and the Operational Framework, the CAR KP authorities should prepare all documents, sales slips (bordereaux d'achat), and photographs of all export shipments from all buying houses and cooperatives operating in compliant zones, as required per the CAR MT Export Procedures Flowchart and Document Checklist (October 11, 2018), and provide them to the CAR MT on a monthly basis for notification, review, and oversight. On a quarterly basis, the CAR MT shall conduct inspections on the ground in CAR or remotely to ensure all required data, per the AD and the Operational Framework, are available.

The MT's [quarterly review of CAR government-notified exports](#) allows the CAR MT to:

- i. Compare the historic production from the compliant zones and the geological production capacity assessment with the proposed export;
- ii. Examine and verify the documentary evidence (including the special "bordereau d'achat") that links the export shipment to diamonds produced in the compliant zones;
- iii. Verify that the gemmological characteristics - the "footprint"- of the export shipments are compatible with the footprint of the compliant zones. To this effect, details of the

size distribution (SFD) and the quality sorting (QFD) of each export shipment together with standardised (to WGDE specifications) digital images of the rough diamonds in the shipment should be made available for remote analysis or to assist in preparing the physical inspection of the shipments on-site.

The MT should look for any anomalies pertaining to the origin of the rough diamonds and the manner in which internal controls were implemented. [The CAR MT should document and report said anomalies to the Working Group on Monitoring and provide appropriate recommendations to the WGM Chair and the Chairs of the WGS and WGDE.](#)

In the case that [the CAR MT determines](#) export shipments contain rough diamonds of an origin other than from a compliant zone, the MT documents the information gathered and immediately communicates this to CAR's KP Authorities, the WGM Chair and the WGS and WGDE Chairs. [The CAR MT should provide to the KP Chair, WGM, WGDE, and WGS Chairs with appropriate recommendations pertaining to their findings.](#)

The MT submits the inspection results (i.e. the report) to CAR's KP Authorities, the WGM Chair and the WGDE Chair.

V. Other monitoring tasks

The MT analyses the following information and data provided by the CAR KP Focal Point every six months and reports on its analysis, in writing, to the WGM Chair:

- i. Geographical coordinates of mining areas within compliant zones. These reports are handled in accordance with the AD on Confidentiality.
- ii. Statistics compiled in digital files and including the number of authorized supply chain actors, production levels in mining sites in compliant zones, sales in compliant zones, transfers of diamonds from compliant zones, purchase of diamonds by buying houses from all zones and buying house stockpiles.
- iii. Reports on inspections by CAR's KP Authorities of stockpiles from buying houses, which are to ensure that rough diamonds purchased from non-compliant zones have been separated from diamonds from compliant zones.

Based on the above information, the MT and CAR's KP Authorities investigate statistical and other possible anomalies that could reveal mixing of production from compliant and noncompliant zones. The MT monitors and analyses statistical information for evidence of mixing of production from compliant and non-compliant zones on an on-going basis.

CAR's KP Authorities are expected to facilitate access to key mining areas for periodic monitoring visits and ensure the security of MT members while on assignment in the country.

VI. Supporting activities

The United States intends to use remote sensing and geological assessment techniques to assist CAR's KP Authorities with estimating production levels from compliant zones. The goal of the assessment work is to develop a quantitative information base describing rough diamond production that could reasonably be estimated from authorized zones based on remote sensing, previous field work, and geological data. Production estimates would then be available to the MT, KP Participants and Observers, and Working Groups to compare recorded production data from authorized zones, data provided by CAR's KP Authorities, and official KP statistics.

The European Union's Joint Research Centre (JRC) will make available its expertise in remote sensing and statistical data collection to assist CAR, the MT and the WGM in improving the data collection and monitoring thereof. To this end it intends to apply novel techniques to map selected areas with an unmanned aerial mapping system to provide 3D and 2D maps. The collected information can be shared with the MT and CAR's KP Authorities to refine existing models and methods for the estimation of rough diamond production and could serve as digital cadastre of mining pits. A combination of volumetric calculations and the registration of the production at mining site level could contribute to more accurate grade estimates and thus production estimation. Furthermore, the JRC could assist in improving the geo-referenced registration of production statistics. A detailed registration of the production would allow for the detection of anomalies in production levels by means of JRC's proven statistical methodologies.

The WGS supports the MT by working to validate official production statistics, with production estimates and with detailed statistics and footprint data from both compliant and (adjacent) non-compliant zones to be provided by CAR's KP Authorities on a monthly basis. For both the historical and new production the collected data should be transactional data as to be able to analyse and look for anomalies. The WGS also supports Participants' enhanced vigilance measures through the analysis of statistical information and through prompt entry into the WGS database by KP Participants on diamonds with CAR origin. This function is particularly important for Participants located in geographic proximity to CAR's diamond producing regions.

The MT may request additional information from KP Participants to facilitate this function.

VII. Current Stockpiles

The MT intends to facilitate a forensic audit of stockpiles before any part of the current stockpiles is exported. The audit report should be provided, in writing, to the MT for further discussion as per the AD and the Operational Framework.

VIII. Final Provisions

These Terms of Reference become operational following a one week comment period by the WGM, WGDE and WGS, and once consented to by the members of the MT as set forth herein.

- Annex I: AD on Resumption of Exports of Rough Diamonds from the Central African Republic (CAR)
Annex II: Operational Framework for Resumption of Exports of Rough Diamonds from CAR
Annex III: Revised AD on Peer Review System (November 2012)
Annex IV: KP Implementation and Peer Review Checklist