



2013 GHANA ANNUAL REPORT TO KIMBERLEY PROCESS

A. INSTITUTIONAL FRAMEWORK

Authority with responsibility: THE
HONOURABLE MINISTER
MINISTRY OF LANDS AND NATURAL RESOURCES

OFFICIAL COORDINATORS:

1. Mr. Benjamin Aryee
Ministry of Lands and Natural Resources
Email: benglo59@gmail.com/pmmc@pmmcghana.com/hajarakazeem@gmail.com
2. Mrs. Gifty Mahama Biriya
Ministry of Lands and Natural Resources
E-mails: gambiyira@yahoo.com / pmmc@pmmcghana.com / hajarakazeem@gmail.com

Import and Export Authority:

PRECIOUS MINERALS MARKETING COMPANY LIMITED (PMMC)
P. O. BOX M.108
ACCRA GHANA
TEL: 00233 21 664931-34
FAX: 00233 21 662586
E-mail: pmmc@pmmcghana.com / hajarakazeem@gmail.com
Website: pmmcghana.com

CONTACT PERSONS:

1) Mr. George Abradu-Otoo
Managing Director
Precious Minerals Marketing Company Limited (PMMC)
P. O. BOX M.108
ACCRA, GHANA

2) Mr. Bernard S. Anang
Chief of Finance
Precious Minerals Marketing Company Limited (PMMC)
P. O. BOX M.108
ACCRA, GHANA

3) Mr. Kwaku Ofori-Amanfo
Metallurgist
Precious Minerals Marketing Company Limited (PMMC)
P. O. BOX M.108
ACCRA, GHANA

Any of the above named officers can sign the certificate as the Exporting Authority.



B. LEGAL FRAMEWORK

Kimberley Process Certificate Act, 2003.

Act 652 of Parliament of the Republic of Ghana entitled 'Kimberley Process Certificate, Act 2003' was enacted on 24th October 2003, copy already deposited with the Chair. Under this Act, an exporter of rough diamonds shall submit report in this form to PMMC.

Name and address of exporter, Name and address of consignee,

Date of export of rough diamonds, serial number of Kimberley certificate.

PMMC issues the certificate on behalf of the Honourable Minister of Lands and Natural Resources.

The export value and weight of the rough diamonds are hand written on the Kimberley Process Certificate which is in triplicate, signed by any of the officers mentioned above, countersigned by the custom officer who witnessed the sealing and the exporter/representative present during the sealing of rough diamond parcel.

We are abiding by the recent decision with respect to the implementation of the KPCS such as, the change of HS Codes, two (2) months validity of a certificate accompanying a particular parcel and the addition of the word "mining" to country of origin.

C. EXPORT AND IMPORT REGIME

There had not been any major change in the export regime since the previous report. Although the 2006 Gaborone Administrative Decision on Ghana that required that Digital photographs of diamond be taken and sent to the KP Chair before every shipment had been Eliminated but diamond pictures continued to be recorded and stored prior every shipment for reference. Inspection of parcels enforced by World Diamond Council Experts since December 2006 are been carried out by the KP Secretariat.

Export data:

Export data are compiled by the KP Secretariat indicating the certificate number, date of export, HS code, weight (carats), value US (\$), name of exporter and destination.

The data is sent in advance to destination of parcel electronically on the day of shipment. Information sent includes the carat weight, value, country of origin or provenance, importer and the serial number of the certificate.

KP Authorities at destination of parcel duly acknowledge receipt and send back the Import confirmation slips.

The export figures, production figures and the number of certificates issued are sent to the KP statistical website on quarterly basis.

Outgoing shipments:

Kimberley certificates in triplicates are issued by the issuing authority (PMMC) to only licensed companies recognized by the Government of Ghana.

The original Kimberley Process Scheme Certificate is placed in the sealed parcel

Duplicate is given to the exporter (licensed buyer) and triplicate is left in the booklet, which is kept by the official coordinator.

KP Secretariat inspects the parcel to ascertain the value and origin of diamonds before the Kimberley process certificate is issued. The value and weight of the parcel together with the harmonized system code of the parcel are quoted. It is then signed by officials from PMMC, Customs Excise and Preventive Service (CEPS) and the exporter.



A total of sixty-eight (68) Kimberley certificates were issued in 2013 to European Community, India, Israel, United Arab Emirates and England as shown below.

List of certificates issued

COUNTRY/DESTINATION	NUMBER OF CERTIFICATE ISSUED
European Community	16
India	13
Israel	16
United Arab Emirates	22
England	1
Total	68

Incoming shipments:

No shipments were made into Ghana from other countries in 2013.

D. SYSTEM OF INTERNAL CONTROLS AND INDUSTRY SELF- REGULATION

As part of Ghana's resolve to streamline its internal control, registered galamsey operators renew their license and new registration process is still on-going.

Number of Traders and Industry

- A total of nine (9) Licensed Buying Companies (LBC)/ exporters were registered to transact business at Diamond House(PMMC)
- 28 traders registered with Green I.D cards to transact business at Diamonds House, PMMC where Licensed Buying Companies (exporters) operate.
- Every registered local trader was issued with PMMC diamond receipt book
- Record of transaction at local traders' market is compiled by PMMC staff located at the centre.
- Every licensed buying company (exporter) is issued with PMMC purchase voucher
- Every transfer of funds by licensed buying company is monitored by PMMC. All funds transferred to Ghana for rough diamonds purchases are routed through PMMC account with the Central Bank of Ghana. PMMC credits Buying Company's account and debits same if a company purchases diamonds.
- At the point of shipment the total export value and weight/carats quoted by the licensed buyer is reconciled with records as captured in the computerized data. Payments for rough diamonds purchases are effected prior to shipment of diamonds to buyers' destinations

Internal controls

Before every export, the KP Coordinator for Ghana KP Secretariat in PMMC personally inspects the parcel to ascertain the fairness of value put on the parcel and origin of the diamonds since diamonds from each country bear certain characteristics. Discrepancies in average prices observed and corrected thereon are quite few.

After inspection, the parcel is sealed in a tamper proof container in the presence of a Custom Officer and the exporter.

In line with the Administrative Decision on Ghana during the 2006 K.P Plenary in Botswana, Ghana registered its miners and local traders as a way of checking non-Ghanaians from selling illegal diamonds in its territory and strengthening internal controls.

In addition, miners face sanctions of arrest and prosecution for mining without valid license and trading without valid ID Card.



Penalty

The Minister suspends or cancels the license issued to an exporter if holder

- a) Fails to submit a report required under sections 4 and 5 of the Act
- b) Breaches provision of the Act relating to export and import of rough diamonds
- c) Submits statements which turn out to be false

The following penalties are stated in the Law.

A person who breaches any provision of the Act shall be liable to summary convictions to a fine not exceeding 500 penalty units or a term of imprisonment not exceeding 2 years or both

Measures adopted to fight against fraud, fraudulent certificates and suspicious shipments

Licensed Buyers and Local Diamond Sellers meet quite often with PMMC to devise means of preventing conflict diamonds entry into Ghana, by strengthening of internal controls and removal of weaknesses in the system.

Both local miners/buyers and registered licensed buyers mainly foreign companies have collaborated and assisted to ensure problem free and smooth execution of the process. No trader or company has being convicted yet.

E. STATISTICS

Ghana has improved considerably on its collection and correlation of production statistics. Information on exports with details such as HS code, Weight/carat, Value US\$ and Destination is sent to the Chair of the Working Group on Statistics every quarter. In addition trade, production, certificate counts and semi-annual statistics are also posted on the scheme's website in line with Administrative Decision of the KPCS.

Rough diamond trade declined from 225,866.99 carats in 2012 to 160,534.99 carats in 2013 whilst production stood at 169,043.00 carats. Sixty-eight (68) Kimberley Certificates were issued in 2013 to Belgium, India, Israel, United Arab Emirates and England. Figures of exports and production had already been posted on the KP website.

F. REVIEW VISIT

Ghana's last review visit was conducted on 27th October 2009 by delegation from European Commission on behalf of Kimberley Process Working Group on Monitoring to evaluate the extent to which recommendations made by the 2008 update review team have been implemented.

G. MISCELLANEOUS

In 2013, Ghana became a member of the following Working Groups: Monitoring (WGM), Alluvial and Artisanal Production (WGAAP) and Diamond Experts (WGDE). Ghana contributed actively to the Kimberley Process Review through these bodies and was also an observer on the Committee for KP Review.

Hajara Kazeem

Precious Minerals Marketing Company Limited

Kimberley Process Ghana