



**KPCS**  
**ANNUAL REPORT**  
**2011**

**NAMIBIA**



## **A. INSTITUTIONAL FRAMEWORK:**

**The Legitimate Authority:** The Government of Republic of Namibia  
Ministry of Mines and Energy  
Directorate of Diamond Affairs  
Private Bag 13297  
1<sup>ST</sup> Aviation Road (Eros Airport)  
Windhoek, Namibia

**The Contact Authority:** Mr. Kennedy Hamutenya  
Diamond Commissioner  
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### **Legitimate Import/Export Authorities as per KPCS Section IV (b):**

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Diamond Commissioner  
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Directorate of Mines  
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## **Reply based on Recommendation – optional**

An official coordinator to deal with the implementation of the KPCS has already been appointed (Recommendation 1), and is working accordingly.

### **B. LEGAL FRAMEWORK**

Legislative or Administrative provisions amended w.r.t KPCS (section IV (d) :

Diamond Regulations have been amended to empower the Diamond Act (Act 13 of 1999) specifically w.r.t;

- export /import of rough diamonds
- issuance of KP Certificates
- internal control system
- penalties for contravening KPCS policy ( Diamond Act and Regulations)
- collection /exchange of official production data (import/export)

The Namibian Legislation, Diamond Act (Act No.13 of 1999) make provisions for the regulation and monitoring of the handling transportation, storage import and export of rough diamonds. Amendments to Diamond Regulations were made to meet the legal implications of the Kimberley Process Certification Scheme for rough diamonds.

### **C. IMPORT AND EXPORT REGIME**

#### **Outgoing shipments (Exporting)**

**All imports and exports of diamonds are done through the Office of the Diamond Commissioner.**

- Issuing process of KPC meet minimum standards (section ii (b), exchange export data accordance with the provisions of section V, adhere to the Diamond Regulations as amended, exported in a tamper resistant container and by designated Exporting Authority (ies).
- Namibian Kimberley Process Certificate features minimum requirements : bears the title “Kimberley Process Certificate “, country of origin parcels unmixed , certificate issued in English, tamper and forgery resistant, dates of issue and expiry, issuing authority ,identification of exporter and importer , carat weight /mass, value in US\$ ,number of parcels in shipment and Relevant Harmonized Commodity Description and Coding System.
- Diamond Regulations require the exporter to declare in the prescribed form 20 for rough diamonds under Regulation 6A (1) as per ( Section IV (a) and Recommendation 18 of KPCS Preamble)



## Namibian KPC accompanying consignments:

### Exports

Participants	Q1	Q2	Q3	Q4	Totals
Canada	0	0	1	0	1
Israel	5	4	3	3	15
European Community	11	13	10	10	44
South Africa	0	1	1	1	3
Switzerland	2	1	1	0	4
United States of America	2	0	1	3	6
<b>Total</b>	<b>20</b>	<b>19</b>	<b>17</b>	<b>17</b>	<b>73</b>

### Imports

Participants	Q1	Q2	Q3	Q4	Totals
European Community	17	10	15	6	48
Israel	5	2	2	2	11
India	1	2	3	1	7
South Africa	3	1	0	1	5
United State of America	5	1	0	3	9
<b>Totals</b>	<b>31</b>	<b>16</b>	<b>20</b>	<b>13</b>	<b>80</b>

### Reply based on recommendations – optional

Rough diamonds sealed in a tamper proof container together with duly authenticated copy. (Recommendation 19)

The legitimate Exporting Authority send in advance notice of shipments via provided e-mail address of the Legitimate Importing Authority contains information recommended (Recommendation 19)

We established the computerized database on KPCS control system for import and export details of rough diamond.

### Incoming Shipment (Importing)

- The Importing Authority upon receiving the shipment of rough diamond with original certificate that is readily accessible for a period of no less than three years, duly validated certificate, ensures that confirmation is sent expeditiously to the origin of exporting authority with required information of Certificate number, number of parcels, carat weight, and importer and exporter details.
- Our Legislation requires every importer to apply in advance to the office of Importing Authority and verification will be done compared to confirmation sent via e-mail from Exporting Authority (Recommendation 21, 22, 23).
- KP Certificate of origin are kept in the safe at the KPCS statistical office in a systematic filing sequence.



## **Reply based on Recommendations – optional**

Confirmations are received on time.(Recommendation 21).

The Diamond Act requires every shipment to be inspected and opened by Diamond Inspectors. Protected Resource Unit (PRU) Import / Export Authorities (Recommendation 22)

Diamond Inspectors (Import/Export Authorities) and Government Diamond Valuator inspect the parcel's contents to verify the details declared on the KP Certificate (Recommendation 23).

## **D. SYSTEM OF INTERNAL CONTROLS AND INDUSTRY SELF – REGULATION:**

### **Reply based on Recommendation – optional:**

- Namibian Legislation, Diamond Act and Diamond Regulations made a provision for industry Self–Regulation through approved Security Plan that warranties full traceability of rough diamond transactions.
- Since the KPCS was implemented, we didn't receive or made known any non complied activities to any participant through the chair( Recommendation 6)
- Namibian Legislation: Diamond Act, Diamond Regulations and Minerals Act govern the process of applications before granting a license of any type (Recommendation 9, 11, 12, 13, 14).
- A well equipped computerized database has been set up for diamond producers (sellers, mines, miners) and manual database for diamond dealers ( buyers)
- Statistical records are kept for all transactions done by all approved diamond companies in Namibia (Recommendation 15).

## **E. STATISTICS**

Statistical data submitted at intervals to the chair of the Working Group in accordance with the provision specified by Annex iii of the KPCS are part of the annual report. This information is proved by an Official Coordinator to deal with the implementation of the KPCS. Statistics for all the quarters in 2011 have been submitted to WGS.

## **F. MISCELLANEOUS**



**BEST PRACTICE POLICY:** There is much improvement from the participants as they are always sending confirmations via e-mail/by mail to the relevant Exporting and Importing Authorities.