

Annual Report of the Republic of Belarus for 2020



A. INSTITUTIONAL FRAMEWORK

<i>Part A: Constant</i>	<i>Part B: Variable</i>
<p><i>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</i></p> <p>Ministry of finance of the Republic of Belarus Precious Metals and Gemstones Department Mr. Stepanenko Ivan - Head of Precious Metals and Gemstones Department Sovetskaya str. 7, Minsk, 220010 The Republic of Belarus Tel.: +37517-309-40-05 Fax: +37517 309-40-09 E-mail: diamond@minfin.gov.by</p>	<p><i>Changes since the last Annual report</i></p> <p>The contact phone number has changed: +37517-309-40-05</p>

B. LEGAL FRAMEWORK

<i>Part A: Constant</i>	<i>Part B: Variable</i>
<p><i>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:</i></p> <ul style="list-style-type: none"> - <i>export and import of rough diamonds, issuance of certificates, collection and exchange of official production, import and export data;</i> <p>✓ The Presidential Decree № 146 of April 8, 2003 «On the Accession of the Republic of Belarus to the Kimberley Process Certification Scheme».</p> <p>✓ The resolution № 563 of the Council of Ministers of the Republic of Belarus of May 14, 2004 «On the Approval of the Procedure for Handling Import and Export Operations with Rough Diamonds and the System of Control over Such Operations in Pursuance of the Kimberley Process Certification Scheme». The above resolution establishes the functions of the Ministry of finance ensuring the implementation of the KPCS requirements as well as the procedure for handling import and export operations.</p> <p>✓ The Decision № 30 of the Collegiums of the Eurasian Economic Committee of April 21, 2015 «On Measures of Non-Tariff Control». Rough diamonds transported from or to the customs territory of the Eurasian Economic Union are liable to state control, including control over the observance of the KPCS requirements is to be exercised in conformity with the Statute on the Import and Export of Precious Stones to/from the Customs Territory of the Eurasian Economic Union approved by Decision № 30.</p>	<p><i>Changes since the last Annual report</i></p> <p>Due to changes in the Code of Administrative Offences of January 6, 2021, the article was changed from 11.4 to 12.6.</p>

<p>- <i>internal controls</i>;</p> <ul style="list-style-type: none"> ✓ The Presidential Decree № 450 of September 1, 2010 «On Licensing Certain Types of Activities». ✓ The resolution № 34 of the Ministry of finance of the Republic of Belarus of March 15, 2004 «On the Approval of the Instruction on the Procedure for Using, Keeping Records and Storing Precious Metals and Precious Stones». <p>- <i>penalties introduced for individuals and companies contravening diamond laws and regulations</i>;</p> <ul style="list-style-type: none"> ✓ The criminal Code of the Republic of Belarus: Article 223. ✓ The Administrative Offences Code of the Republic of Belarus: Chapter 14 and Article 12.6. 	
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C. IMPORT AND EXPORT REGIME

<i>Part A: Constant</i>		<i>Part B: Variable</i>
C/1 Outgoing shipments	<p><i>Procedure for issuing KP certificates, exporter declaration, number of certificates issued</i></p> <p>To obtain a certificate, the exporter sends an application to the Ministry of Finance of the Republic of Belarus and submits the following information and documents:</p> <ul style="list-style-type: none"> - A written statement that the diamonds were acquired from legitimate sources not involved in the financing of conflicts and comply with UN resolutions and that they are conflict-free; - export contract; - Import documents, including the details of the import certificate; - license of the Ministry of Finance for the right to conduct activities related to precious metals and precious stones; - justification of the price. <p>The certificate is drawn up for each batch of rough natural diamonds following the terms of one contract, by one shipper to one consignee regardless of the number of pieces (parcels) within the batch.</p> <p>The certificate is printed in the state publishing house, and meets the minimum requirements and includes the necessary security elements. As recommended, the certificate contains a tear-off part to confirm the import.</p>	<p><i>Changes since the last Annual report</i></p> <p>No changes</p>

	<p>After verification of the documents submitted to obtain the certificate, a physical inspection of the rough diamonds is carried out. If the inspection confirms the data declared by the exporter, the parcel is packed in the presence of representatives of Customs, the Ministry of Finance and the export company and exported in tamper-proof containers, together with the KP certificate.</p> <p>Within three days, the Ministry of Finance sends an e-mail notification containing the serial number and date of issue of the certificate to the responsible authority in the destination country. The Ministry of Finance keeps copies of the issued certificates and the certificate data is entered into the electronic database of export certificates.</p> <p>In 2021, 19 Kimberley Process certificates were issued for rough diamond exports to:</p> <p>Belgium – of 15.04.2021 BY 000742, of 20.05.2021 BY 000744, of 15.06.2021 BY 000745, of 23.08.2021 BY 000748, of 18.10.2021 BY 000751, of 12.11.2021 BY 000754, of 21.12.2021 BY 000755, of 21.12.2021 BY 000756.</p> <p>Israel – of 26.02.2021 BY 000739, of 03.05.2021 BY 000743, of 26.08.2021 BY 000749, of 31.08.2021 BY 000750, of 29.10.2021 BY 000752, of 12.11.2021 BY 000753, of 27.12.2021 BY 000757.</p> <p>Russia – of 10.02.2021 BY 000737, of 16.03.2021 BY 000740, of 15.04.2021 BY 000741.</p> <p>UAE – of 10.02.2021 BY 000738.</p>	
<i>C/2 Incoming shipments</i>	<p><i>Procedure on handling incoming shipments, import confirmation</i></p> <p>Each shipment of rough diamonds undergoes an import control procedure. Rough diamonds may only be imported if the parcel arrived from a Kimberley Process member country, accompanied by an appropriate and valid Kimberley Process certificate and packed in a sealed container. Sealed parcels may not be opened without the presence of a representative of the Ministry of Finance.</p> <p>The parcel will be inspected by representatives of the company, Customs, and an authorized representative of the Ministry of Finance.</p>	<p><i>Changes since the last Annual report</i></p> <p>No changes</p>

	<p>The inspection includes checking the package for tightness, opening it and comparing the data with the Kimberley Process certificate and the corresponding invoice. The value and weight of the stones must correspond to the data on the certificate and the invoice. The value of the rough diamonds is determined, based on the relevant normative and technical documentation of the Eurasian Economic Union, taking into account world market prices.</p> <p>Ministry of Finance representatives have specimen signatures and stamps (if any) to verify the authenticity of the Kimberley Process certificate.</p> <p>Each shipment is accounted for. The original Kimberley Process certificate, a copy of the confirmation ticket, and the acceptance report are included in the documentation package. The documents are stored centrally in a safe at the Ministry of Finance.</p> <p>In 2021, 30 Kimberley Process certificates were received and accounted for with imported raw materials from the Russian Federation –</p> <p>of 02.02.2021 RU 0037067, of 02.02.2021 RU 0037068, of 02.02.2021 RU 0037069, of 02.02.2021 RU 0037070, of 09.03.2021 RU 0037271, of 09.03.2021 RU 0037272, of 07.04.2021 RU 0037496, of 07.04.2021 RU 0037497, of 09.04.2021 RU 0037513, of 13.05.2021 RU 0037675, of 13.05.2021 RU 0037676, of 13.05.2021 RU 0037678, of 08.06.2021 RU 0037837, of 08.06.2021 RU 0037838, of 29.07.2021 RU 0038166, of 29.07.2021 RU 0038167, of 29.07.2021 RU 0038168, of 03.08.2021 RU 0038171, of 24.08.2021 RU 0038295, of 24.08.2021 RU 0038296, of 16.09.2021 RU 0038422, of 16.09.2021 RU 0038423, of 07.10.2021 RU 0038632, of 07.10.2021 RU 0038633, of 02.11.2021 RU 0038824, of 02.11.2021 RU 0038825, of 02.11.2021 RU 0038826, of 14.02.2021 RU 0039118, of 14.02.2021 RU 0039119, and of 14.02.2021 RU 0039120.</p> <p>In all cases, import confirmation coupons were sent to exporters.</p>	
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D. SYSTEM OF INTERNAL CONTROLS AND INDUSTRY SELF-REGULATION

<i>Part A: Constant</i>	<i>Part B: Variable</i>
<p data-bbox="217 216 1268 407"><i>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</i></p> <p data-bbox="217 472 1268 543">In the Republic of Belarus there has been established a reliable system of internal control regulated by its state bodies.</p> <p data-bbox="217 550 1268 779">Under the Presidential Decree № 450 of 1 September 2010 «On Licensing Certain Types of Activities» any activity related to precious stones is to be licensed. Legal entities and individual entrepreneurs are entitled to get a license provided they are registered in the Republic of Belarus. Non-registered legal entities and individuals are prohibited to carry out any activity involving precious stones. Issuing licenses lies within the competence of the Ministry of finance.</p> <p data-bbox="217 785 1268 856">There exists a computerized database of issued licenses which includes all necessary information about applicants.</p> <p data-bbox="217 863 1268 1176">All the companies dealing with precious stones, provided they are registered and licensed by the relevant authority, must keep their buying, selling and exporting records in conformity with the Resolution № 34 of the Ministry of finance of 15 March 2004 «On the Approval of the Instruction on the Procedure for Using, Keeping Records and Storing Precious Metals and Precious Stones». They are obliged to keep the records for a period of five years and more in such a way as to ensure their use for the designated purpose, to dispose of them within the limits of the disposal norms and to safeguard them at all stages of the production process.</p> <p data-bbox="217 1182 1268 1293">The Ministry of finance keeps records of import/export of KP certificates, as well as entering all import/export of rough diamonds on a computerized database, including:</p> <ul data-bbox="217 1299 1268 1528" style="list-style-type: none"> - KP certificate Number; - Name of Importer/Exporter; - Contract Number; - Volume and value; - HS Code; - Country which shipment is exported to/ country which shipment arrived from. 	<p data-bbox="1294 216 1568 445"><i>Measures taken to strengthen internal controls (regulations, infringements procedures, etc)</i></p> <p data-bbox="1294 472 1568 653">In 2021 additional measures to strengthen internal controls were not taken.</p>

E. STATISTICS

<i>Part A: Constant</i>	<i>Part B: Variable</i>
<p data-bbox="217 1728 1187 1799"><i>Information supplementing the data already submitted to the Chair of WGS The previous years' historical data (optional)</i></p> <p data-bbox="217 1848 1268 1919">The Republic of Belarus does not mine natural diamonds. That is why relevant statistical reports were not submitted.</p>	<p data-bbox="1294 1728 1568 1839"><i>Reporting period data with reference dates</i></p>

<p>The Republic of Belarus has filled out all the necessary reports for the four quarters of 2020 and posted them on the KP website, and the data are published and available for viewing by all participants of the Kimberley Process. Analysis of import and export operations is presented in Appendix 1 and Appendix 2.</p>	
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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*

No Review Mission or Review Visit was conducted during the reporting period

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

There were no infringements in 2021.

H. MISCELLANEOUS – only for reporting period

There were no supplies which did not comply with the KPCS.

There were no irregularities encountered or non-compliance with the KPCS by other Participants.

In the Republic of Belarus rough diamonds are not extracted as their deposits are not available in its territory

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

Period	Import			Export		
	Value, US\$	US\$/cts	Value, US\$	US\$/cts	Value, US\$	US\$/cts
2017	49 913,75	15 791 050,91	316,37	24 033,56	9 926 452,47	413,02
2018	72 904,40	28 062 802,54	384,93	43 921,89	23 385 214,18	532,43
2019	42 949,25	12 141 330,34	282,69	29 161,79	9 465 079,04	324,57
2020	21 830,30	4 421 523,69	202,54	4 310,33	1 087 070,72	252,20
2021	28 324,61	8 143 894,39	287,52	8 622,54	5 111 965,46	592,86

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

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

PERIOD	KPC Counts		
	IMPORT	EXPORT	TOTAL
2017	44	21	65
2018	24	31	55
2019	24	23	47
2020	22	8	30
2021	30	19	49

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

ANNEX II

Rough Diamonds - Imports excluding Imports to Free Trade Zones

Country of Provenance	Country of Origin	7102,10		7102,21		7102,31	
		Total Carats (ct)	U.S\$ Value	Total Carats (ct)	U.S\$ Value	Total Carats (ct)	U.S\$ Value
Russian Federation	Russian Federation					27 924,42	8 029 864,92
Russian Federation	*****					400,19	114 029,47
Total:						28 324,61	8 143 894,39

Rough Diamonds - Exports excluding Exports to Free Trade Zones

Country of Destination	Country of Origin	7102,10		7102,21		7102,31	
		Total Carats (ct)	U.S\$ Value	Total Carats (ct)	U.S\$ Value	Total Carats (ct)	U.S\$ Value
Belgium	Russian Federation					3 751,25	3 260 084,23
Israel	Russian Federation					3 240,93	1 071 318,64
Israel	*****					789,75	186 038,39
Russian Federation	Russian Federation					292,81	391 053,15
UAE	Russian Federation					547,80	203 471,05
Total:						8 622,54	5 111 965,46

Rough Diamonds - KP Certificate Count

Country	Imports	Exports
Belgium	-	8
Israel	-	6
Israel	-	1
Russian Federation	30	3
UAE	-	1