

ANNUAL REPORT 2021

Norway

On the implementation of the Kimberley Process Certification Scheme

A. INSTITUTIONAL FRAMEWORK

<p>Part A: Constant <i>Implementing Authority</i> The Norwegian Ministry of Foreign Affairs is the authority with responsibility for the implementation of the Kimberley Process Certification Scheme (KPCS).</p> <p>Name: Wasim Ul Haque Title: Senior adviser Address: Ministry of Foreign Affairs Department for Regional Affairs The budget and coordination unit Box 8114 Dep 0032 Oslo Tel/cell. + 47 23 95 1381 / +47 481 29 650 Email: focalpointnorway@mfa.no / wulh@mfa.no</p> <p><i>The Import and Export Authority</i> The Directorate of Norwegian Customs (Tolldirektoratet) is the import and export authority for the KPCS. Address: The Directorate of Norwegian Customs Postboks 2103 Vika N-0125 Oslo Tel: +47 22 86 03 00 / +47 22 86 07 30 Email: post@toll.no (time-critical info only): desken@toll.no</p> <p><i>Inspection Authority</i> The Norwegian Goldsmiths' Association (Norges Gullsmed forbund) is the inspection authority for the KPCS*. Contact person in the Norwegian Goldsmiths' Association is: Name: Remy Bugge Title: Managing Director Address: Norwegian Goldsmiths' Association Storgaten 14 N-0184 Oslo Tel: +47 92205524 Email: post@gullsmed.no</p>	<p>Part B: Variable <i>Changes since the last Annual report</i></p> <p>There have not been amendments to the institutional framework in 2021.</p> <p>* The Norwegian Goldsmiths Association has undertaken the role of inspection authority since 2004, this service has been performed costless. In 2017, 2018 and 2019 the association was compensated financially by the Ministry of Foreign Affairs for the tasks executed as inspection authority. In accordance with Norwegian public procurement rules and regulations, the future service of the inspection authority has to be subject to a public tender. This tender process will be executed with the intention to award a multiannual contract for the inspection authority service performed under the KPCS.</p>
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B. LEGAL FRAMEWORK

<i>Part A: Constant</i>	<i>Part B: Variable</i>
<p>The KPCS was implemented by Regulation of 24 February 2004 No. 470 ("the Regulation) by introducing a system for certification and control of the import and export of rough diamonds.</p> <p>The Regulation was laid down by the Ministry of Foreign Affairs on 24 February 2004 pursuant to sections 1 and 3 of Act of 6 June 1997 No. 32 relating to the regulations of imports and exports, cf. Royal Decree of 17 July 1998 No.618.</p> <p>(Published in Norwegian: https://lovdata.no/dokument/SF/forskrift/2004-02-24-470)</p>	<p>There have not been any legislative amendments in 2021, i.e. no changes since the last Annual report.</p>

C. IMPORT AND EXPORT REGIME

<i>Part A: Constant</i>		<i>Part B: Variable</i>
<p>The import and export regime for rough diamonds is set out in Regulation of 24 February 2004 No. 470.</p>		<p>There have not been any changes in the export and import regime for 2021.</p>
<p>C/1 Outgoing shipments</p>	<p>For Norway, being a non-producing participant to the KP, outgoing shipments relates to <u>re-exportation</u>.</p> <p>Referring to the Regulation of 24 February 2004</p> <p>§5. Export <i>The export of rough diamonds from Norway is only permitted in cases where:</i></p> <ul style="list-style-type: none"> <i>a) The shipment of rough diamonds is exported to another Participant,</i> <i>b) The shipment is accompanied by a Certificate issued by the Norwegian inspection authority</i> <i>c) The rough diamonds are placed in a tamper resistant container and properly sealed by the Norwegian inspection authority, and</i> <i>d) The Certificate accompanies the container and cannot be detached from it.</i> <p><i>When rough diamonds are re-exported, documentation must be submitted to the inspection authority</i></p>	<p>Changes since the last Annual report</p> <p>No changes.</p>

	<p><i>substantiating that the diamonds were sent to Norway by another Participant. This is done presenting the KP Certificate that accompanied the diamonds when they were imported to Norway.</i></p> <p>§6. The Norwegian KP certificate <i>The inspection authority will make decisions on the issuance of Norwegian KP Certificates. Decisions made by the inspection authority may be appealed to the Ministry of Foreign Affairs.</i></p> <p>§7. Registration <i>An importer or exporter of rough diamonds shall be registered with the inspection authority before a shipment is brought into or taken out of the country.</i></p> <p><i>Registration pursuant to the first paragraph shall be effected on a form prescribed by the inspection authority and shall include the name, address, telephone number and business organisation number or national identity number of the importer or exporter.</i></p> <p>§10. Export controls and customs clearance <i>The person responsible for the shipment must obtain the prescribed Certificate from the inspection authority, cf. section 5, before the shipment may be exported.</i></p> <p><i>The customs authorities shall ensure that any prescribed Certificates have been issued by the inspection authority before an export licence is granted and that exports are only destined for other Participants.</i></p>	
<p>C/2 Incoming shipments</p>	<p>Procedure on handling incoming shipments, import confirmation</p> <p>It is worth noting that the Norwegian Regulation holds an explicit paragraph on the need for “prior notification”.</p> <p>Referring to the Regulation §8 Prior Notification <i>The person responsible for a shipment shall provide the inspection authority with prior notification on the prescribed form. The prior notification shall be received by the inspection authority at the latest one working day before the shipment is to be controlled.</i></p> <p>§4. Import <i>The import of rough diamonds to Norway is only permitted in cases where:</i></p> <p style="padding-left: 40px;">a) <i>The shipment of rough diamonds is accompanied by a Certificate issued by a competent authority of a Participant</i></p>	<p>Changes since the last Annual report</p> <p>No changes.</p> <p>Comments/country specific regulation The Regulation’s prerequisite referring to §8. Prior notification has been raised several times from the Norwegian side. Latest in the 2017 <i>Report of the second review visit of the Kimberley Process to Norway (January 2017)</i>.</p> <p>The review report refers to this discussion in</p>

	<p>b) <i>The rough diamonds are placed in a tamper resistant container and properly sealed by the said competent authority, and</i></p> <p>c) <i>The Certificate accompanies the container and it is clearly indicated that the Certificate has been issued for the shipment in question.</i></p> <p>§9. Imports controls and customs clearance <i>Goods that come within the scope of these regulations shall be imported through Oslo Airport Gardermoen. Shipments shall be stored at the bonded warehouse at Oslo Airport Gardermoen until import controls and customs clearance have been completed. The customs authorities shall ensure that any prescribed control has been completed by the inspection authority before customs clearance takes place.</i></p> <p>§11. Controls <i>All shipments of rough diamonds to and from Norway shall be controlled by the inspection authority.</i></p> <p><i>The documents of each shipment that is imported shall be controlled to verify that the information in the accompanying Certificate corresponds with the information provided in advance, that the shipment comes from another Participant, and that it has been handled in accordance with the provisions of the KP Certification Scheme.</i></p> <p><i>The identity of each shipment shall be controlled to verify that the Certificate accompanying the shipment belongs to that shipment. It must be possible to establish that the prescribed seals are unbroken, that the container used has not been tampered with, and that the information on the container and the seals corresponds with the information in the accompanying Certificate.</i></p> <p><i>If the inspection authority sees reasons to do so, the said authority may physically inspect the diamonds in a shipment in order to establish whether they have been handled in accordance with the provisions of the KP Certification Scheme.</i></p> <p><i>The inspection authority may also inspect all freight documents.</i></p> <p>§12. Procedures after controls are completed <i>When a shipment has been found to be in compliance with the provisions of the KP Certification Scheme, the inspection authority shall indicate on the Certificate that</i></p>	<p>section 17. “Import and export control regime...Because of the very limited trade, the actors involved lack a certain routine with regard to the procedures in place. The review team concluded: “in the case of Norway or of any other Participant with almost no trade, such a pre-notification procedure could make sense in order to alert the responsible authorities and ensure that the rough diamond import procedure is correctly triggered”.</p> <p>Norway would argue the issue of pre-notification to be considered for participant countries with a very limited trade in rough diamonds.</p>
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	<p><i>the shipment has been controlled. The inspection authority shall retain a copy of the Certificate.</i></p> <p><i>The inspection authority shall inform the customs authorities that the shipment being imported or exported complies with the requirements of the KP Certification Scheme.</i></p> <p><i>If there is any suspicion that an offence has been committed, the inspection authority has a duty to notify the customs authorities.</i></p> <p><i>Decisions made by the inspection authority may be appealed to the Ministry of Foreign Affairs.</i></p>	
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D. SYSTEM OF INTERNAL CONTROLS AND INDUSTRY SELF-REGULATION

<p>Part A: Constant</p> <p>A system of internal control is established as required under section IV. i.e. an implementing, import/export and an inspection authority.</p>	<p>Part B: Variable</p> <p>- None-</p>
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E. STATISTICS

<p>Part A: Constant</p> <p>For the year 2021, Norway had no rough diamond production.</p> <p>For the year 2021 Norway has reported – 4 trade.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Trade with</th> <th>Trade type</th> <th>Date</th> <th>Carats (ct)</th> <th>Value (US\$)</th> </tr> </thead> <tbody> <tr> <td>European Union</td> <td>Import</td> <td>Q1</td> <td>11,98</td> <td>248,24</td> </tr> <tr> <td>-</td> <td>No trade</td> <td>Q2</td> <td>0,00</td> <td>0,00</td> </tr> <tr> <td>Democratic Republic of Congo</td> <td>Import</td> <td>Q3</td> <td>44,41</td> <td>25,417</td> </tr> <tr> <td>European Union</td> <td>Import</td> <td>Q4</td> <td>6,05</td> <td>177,41</td> </tr> </tbody> </table>	Trade with	Trade type	Date	Carats (ct)	Value (US\$)	European Union	Import	Q1	11,98	248,24	-	No trade	Q2	0,00	0,00	Democratic Republic of Congo	Import	Q3	44,41	25,417	European Union	Import	Q4	6,05	177,41	<p>Part B: Variable</p>
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F. IMPLEMENTATION OF RECOMMENDATIONS OF KIMBERLEY PROCESS REVIEW VISITS AND/OR REVIEW MISSIONS - only for reporting period

- Norway has not participated in any review missions in 2021.

- Follow-up measures undertaken for recommendations of the RV / RM: the report from the second review visit of the Kimberley Process to Norway, of January 2017, undertaken by the team from Switzerland, EU, Israel and World Diamond Council, has been taken note of.
- The ministry is taking steps towards several of the report recommendations; mainly to develop KP-information for the Ministry's website, as well as having already installed a dedicated mailbox for communication on the KP.

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

- None -

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

- None -

(Signed.)

Wasim Ul Haque

Oslo, 27 March 2022