



**KIMBERLEY PROCESS CERTIFICATION SCHEME
India Chair 2008**



**Speech of Dr. Rahul Khullar, KP Chair and Additional Secretary,
Department of Commerce, Government of India
Intersessional meeting of KPCS
New Delhi, 17.6.2008**

Excellencies,

I join the Commerce Secretary, whom you have just heard, in welcoming you all to India for the 5th Intersessional meeting of the Kimberley Process Certification Scheme (KPCS).

2. It is indeed a pleasure and a privilege today to address all of you in the Intersessional meeting of the Kimberley Process Certification Scheme (KPCS). KPCS is now in its sixth year of existence – time which has been constructively spent in evolving systems and institutionalizing cooperation to combat illegitimate trade in rough diamonds. Our goal is the elimination of conflicts which are being fuelled by this illegitimate trade in several parts of the world. Since inception in 2003, the KPCS has been actively engaging all the stakeholders including participant countries, the diamond industry, and civil society. Today, reliable estimates suggest that perhaps less than 1% of the trade in roughs is illegitimate. This is no mean achievement as the KPCS is still in its infancy. Let us recognize that this is the result of our collective effort and the consistent support extended to us by the United Nations and Civil Society. On behalf of KPCS, I would like to place on record our gratitude to one and all who have extended us support - it has been invaluable in attaining our goals. I would also like to acknowledge the valuable contribution made by my predecessor KP Chairs and all participants.

3. Excellencies, India assumed the Chair on 1.1.2008. It has been our endeavour to first follow-up on the decisions taken during the tenure of previous Chairs and take these forward. We have also sought to address lingering un-resolved issues. Challenges remain and our task is not yet done but I am confident that we shall overcome.

4. In 2007, a study was conducted by the Technical Experts Team (TET) for the Review and Assessment of the implementation of KPCS in the trading, cutting and polishing centers. This led to the adoption of guidelines for better implementation of Internal Controls and Government Oversight in the form of the Brussels' Declaration on Internal Controls for Participants with rough diamond trading and manufacturing in the Plenary 2007. This year, we have written to all the Participants to include a special section on the implementation of the Brussels' Declaration in their Annual Reports. The response has been encouraging. I am sure the assessment of these Reports will throw up interesting best practices for all of us to emulate.

5. Let me inform you that, with the support of all, in the second round of Review Visits in 2008, visits to UAE, Central African Republic and Israel have already been completed. A Review visit to Liberia has also been undertaken. I am confident that with your cooperation we will be able to take up more Review Visits during the year, as scheduled.

6. To follow up on the Administrative Decision on Venezuela, a Review Team to Venezuela was organized very early this year. However, the visit has not materialized in the

first quarter of 2008 as stipulated. Fresh dates have now been given to Venezuela. We are awaiting Venezuela's response.

7. Excellencies, commendable work that has been done so far is the implementation of the Recommendations of the Third Year Review of KPCS. We should now be looking forward to another Review. You will all appreciate the importance of prompt follow-up on Annual Reports, recommendations of Review Visits and Statistical submissions. I seek your support to take this forward.

8. Increasing the quality- transparency and reliability- of statistics is an important challenge before KP. Canada, the current Chair of the Working Group on Statistics (WGS), has contributed significantly in this area. It is disheartening to note that, Canada wants to demit the Chair by the end of this year. An eligible successor has to be found.

9. The WGS Chair with our support, organized a workshop on technical assistance on statistics, diamond valuation and internal controls in March 2008 in Mumbai. During the Workshop, a visit to the cutting and polishing units was also organized. The Workshop has been well received by the participants.

10. In Brussels, we had agreed to focus on the broader West African picture and the need to develop a coordinated regional approach to address the issue of rough diamonds from Cote`d'Ivoire. In pursuance of this regional initiative on Cote`d'Ivoire, a Joint UN-KP Mission visited Cote`d'Ivoire and neighbouring countries in April 2008. WGS has prepared a detailed regional statistical analysis for West Africa in this connection. We now have to concretize a detailed action plan for West Africa. In this regard, I look forward to the Report from Ghana on the progress made in registration of Galamsey.

11. There are issues of particular concern such as the circulation of fake certificates and leakages. On fake certificates we need to come up with a considered approach on how to deal with them. A consistent approach would not only be desirable but also necessary. We also need to discuss the issue of leakages from KPCS and analyze the lessons learned from the Turkey experience. Above all, there is a need for participants to continue to dialogue with each other, share information and constructively cooperate to find solutions.

12. I would also like to acknowledge the initiatives on Technical Assistance and the work done by the Working Group on Artisanal and Alluvial Producers (WGAAP).

13. Excellencies, the KP Secretariat of India has been working with various Working Groups over the past 6 months to address the various issues through mutual consultations. I would like to thank you all and, in particular, the Chairs of the Working Groups, for the cooperation they have extended to us. We hope to continue to work with enthusiasm and a deep sense of social responsibility, during the next three days of the Intersessional and thereafter, as the countdown to the Plenary commences and the subsequent transition period when India hands over the mantle to Namibia in 2009. Our KP secretariat will be available throughout this Intersessional for any kind of assistance.

14. I would once again like to thank all of you for coming to New Delhi. I hope that you will also take out some time to enjoy yourself and get a feel of the richly diverse Indian culture and our famed hospitality. May you all have pleasant deliberations and a great stay.

Thank you.