

20 February 2003

M. Guy Legras  
Director-General  
External Relations Directorate General  
European Commission

Dear M. Legras,

We, a group of development, humanitarian and human rights organisations, are writing about the process for implementing Article 17 on industry self-regulation under the EC council regulation for implementing the Kimberley Process certification scheme (EC No. 2368-2002).

We understand that several trade organisations representing rough diamond traders have applied to the European Commission for listing to receive fast-track approval for complying with the Kimberley Process. We also understand that the EC is currently reviewing and evaluating these applications to determine whether they meet the criteria outlined in Article 17 of the Council Regulation.

We remain strongly concerned that the industry self-regulation be effectively implemented and monitored. Experiences with other industry voluntary programs show that monitoring must be an important element of any self-regulation system. We believe that independent auditing (i.e. third-party verification) of the industry's system of warranties must be included in the industry self-regulation in order to create a credible and effective system. Effective oversight by the European Commission and Community authorities of the industry self-regulation will also be critical to making sure that the system is compliant with the Kimberley Process and to ensure public confidence that conflict diamonds are not entering the legitimate diamond trade.

Given these concerns, we hope that the European Commission is carrying out a rigorous review process to evaluate whether applicants have provided "conclusive evidence" of meeting the criteria listed under Article 17(2). We believe it is particularly important for the EC to ensure that members of trade associations are effectively implementing independent auditing (Article 17(2) ix), and that this is understood to mean third-party verification.

We would be very interested in having more information on how the EC is carrying out the review process for listing and what measures will be taken once listing has been given to make sure organisations are complying with all measures outlined in Article 17.

We commend the European Commission's continued leadership on this issue and we look forward to receiving this information.

Sincerely,

Corinna Gilfillan, on behalf of:

Action Aid UK

Amnesty International

11.11.11 (Coalition of the Flemish North-South movement)

Fatal Transactions, Amsterdam (Oxfam Netherlands, Medico International, Intermón, Netherlands Institute for Southern Africa)

Global Witness, London

Intermon Oxfam

cc: Mr Anthonius W. de Vries, Directorate General for External Relations  
Directorate A  
Mr. Clive Wright, Head of UK Government Diamond Office  
Mr. Frank de Meyere, Deputy Chief of Cabinet, Belgium Ministry of  
Economic Affairs  
Ms. Frieda Coosemans, Deputy Advisor Diamond Controls, Belgium Ministry  
of Economic Affairs