



LICENCE TO EXPORT ROUGH DIAMONDS

Application for Frequent Exporters

Exports of rough diamonds from Australia are subject to the provisions of the *Customs (Prohibited Exports) Regulations 1958*. The need to control these exports reflects Australia's commitment, as a participant in the Kimberley Process, to establish an international scheme of certification for rough diamonds, thereby helping to break the link between armed conflict and the trade in rough diamonds.

Subject to an application being approved, the Minister for Industry or an authorised person will issue an export licence to a frequent exporter (producer or merchant) of rough diamonds. Rough diamonds subject to the Kimberley Process are diamonds that are unworked or simply sawn, cleaved or bruted and fall under the Australian Harmonised Export Commodity Classification (AHECC) codes (maintained by the Australian Bureau of Statistics, catalogue no. 1233.0): 7102.10; 7102.21; and 7102.31. If a licence is approved, the Department of Industry, Innovation and Science (the Department) will issue the company with a series of numbered Kimberley Process Certificates (KPCs). In order to allow the system to operate in the least onerous manner, the licensed exporter will be authorised to complete KPCs on a shipment by shipment basis, informing the Department accordingly. The process will be subject to audit.

Any company wishing to frequently export rough diamonds from Australia must apply to the Department of Industry, Innovation and Science formally requesting approval for the proposed exports. The following information should be included in the application:

- brief company background and nature of export business;
- extent of proposed business and commercial benefits likely to result, e.g. approximate export value; and
- evidence of a pattern of regular exports covering a minimum of 12 months prior to the application
- predicted annual activities regarding:
 - source of rough diamonds for export;
 - quality of rough diamonds for export and relevant Commodity Classification Code;
 - annual export quantity (metric carat weight, approximated value in USD and total free on board value in AUD); and
 - export arrangements and number of shipments that are projected for the coming 12 month period.
- A statement which identifies the company's main end-users.
- A listing of stock holdings of rough diamonds shown by metric carat weight by country of origin.
- An affirmative statement declaring that all rough diamonds exported will be produced from legitimate sources, not involved in funding conflict.

The Department will take into account the applicant's compliance with the basic requirements of the Kimberley Process as implemented in Australia. This consideration may include the applicant's record of compliance with the Occasional Exporters process.

Applicants should be aware that the Department will approach the appropriate State Governments to verify that companies' procedures for handling rough diamonds conform to Kimberley Process guidelines. The Department will also work closely with the State Government in the collection of production and sales information required by the Kimberley Process Certification Scheme.

All correspondence should be addressed to:

Manager
Kimberley Process Certification Scheme
Resources Division
Department of Industry, Innovation and Science
GPO Box 2013
Canberra City ACT 2601

In assessing applications, the Department of Industry works closely with Commonwealth and State law enforcement agencies, including the Australian Customs Service. All information received from applicants is treated as For Official Use Only.

For additional information on rough diamond export procedures please phone the Australian Kimberley Process hotline on: (02) 6102 8025.