Rules and procedures to enable the participation of Greenland in the Kimberley Process certification scheme

2013/0201(CNS) - 18/06/2013 - Legislative proposal

PURPOSE to lay down the rules and procedures to enable the participation of Greenland in the Kimberley Process certification scheme.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: the Council adopts the act after consulting the European Parliament but without being obliged to follow its opinion.

BACKGROUND: the European Union is a participant in the **Kimberley Process Certification Scheme for the international trade in rough diamonds**. As a participant it has to ensure that a Kimberley Process Certificate accompanies each shipment of rough diamonds imported in or exported from the territory of the Union, in accordance with the rules laid down in Regulation (EC) No 2368/2002.

Greenland is not part of the Union territory but it is included in the list of overseas countries and territories set out in Annex II to the Treaty. The participation of Greenland in the Kimberley Process Certification Scheme would strengthen economic relations between the European Union and Greenland in the diamond industry and, in particular, it would enable Greenland to export rough diamonds accompanied by the European Union Certificate issued for the purposes of the certification scheme, with a view to promoting the economic development of Greenland.

Trade in rough diamonds in Greenland should, therefore, be conducted in compliance with Union rules implementing the Kimberley Process Certification Scheme for the international trade in rough diamonds. Accordingly, the scope of application of Regulation (EC) No 2368/2002 will be extended to the territory of Greenland for the purpose of the certification scheme, as provided for in the parallel proposal to amend the Regulation in question.

IMPACT ASSESSMENT: Greenland and Denmark undertake to transpose and implement in the legislation applicable to Greenland the relevant provisions of Regulation (EC) No 2368/2002 as regards the conditions and formalities for importing and exporting rough diamonds, their transit to a participant other than the Union, the participation of the Union, including Greenland, in the Kimberley Process certification scheme and associated obligations.

LEGAL BASIS: Article 203 of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: the proposal is closely related to the proposal to amed Regulation (EC) No 2368/2002 which extends the territory of the Union to also cover the territory of Greenland for the purposes of the Kimberley Process certification scheme. Accordingly, **Greenland will be prohibited to accept imports or exports of rough diamonds** to or from outside of the territory of the Union **without a valid Kimberley Process (KP) certificate**.

Imports/exports of rough diamonds:

- the export of rough diamonds from Greenland to third countries will be allowed as long as they are accompanied by a European Union Kimberley Process certificate.
- for imports into Greenland from third countries, the rough diamonds and the accompanying certificate will first have to be submitted for verification to one of the six authorities of the Union who deal with issuing EU Kimberley Process Certificates.

Applicable rules: the proposal sets out specific rules for circulation of rough diamonds between the Union and Greenland, either with the Union or Greenland as destination, or with the view that rough diamonds would be then exported to a third country from the Union. In either case, the main requirements for rough diamonds to enter or leave the territory of Greenland or the Union is to:

- be accompanied by:

- either a document (or a copy thereof validated by a Union authority) attesting that they were mined in Greenland, or
- a copy of a Kimberley Process certificate as validated by a Union authority, and

- be in sealed tamper-resistant containers.

Rough diamonds mined or extracted in Greenland, provided that **they have not been exported previously to a third country**, may enter the Union's customs territory by the use of an attesting document issued by authorities in Greenland. These shipments upon entry to the Union's customs territory will be have to be verified by a Union authority, and the copy issued by this authority will have to accompany shipments between the Union customs territory and Greenland for any subsequent circulation.

As for **export of rough diamonds to and from third countries**, Greenland will only be able to import or export if the diamonds are first shipped to one of the authorities of the Union to issue an EU Kimberley Process certificate or to verify the Kimberley Process certificate of another Kimberley Process participant.

Once rough diamonds mined or extracted in Greenland had been exported to a third country, upon their return they may circulate between the Union and Greenland according to the same rules that apply to all other rough diamonds imported into the Union.

This proposal is closely connected to a proposal for an amendment to the Regulation of the European Parliament and of the Council on the inclusion of Greenland in implementing the Kimberley Process certification scheme.

The application of that Regulation should be aligned with the entry into force of this proposal for a Decision.

BUDGETARY IMPLICATION: the proposal has no implications for the EU's budget.