

## **2011 U.S. Annual Report to the Kimberley Process**

This annual report is submitted to the Working Group on Monitoring on behalf of the United States. The report was prepared by the Department of State, in conjunction with representatives from other U.S. government agencies.

Pursuant to the Administrative Decision on Procedures for Respecting Confidentiality within the KP adopted in November 2010, the United States does not wish to identify any statement or element of this report as “KP ONLY.” Thus, the United States requests that this report be published on the public-facing portion of the KP website and will be made available on the U.S. Department of State website devoted to the Kimberley Process and U.S. implementation thereof: <http://www.state.gov/e/eeb/diamonds>.

### **A. Institutional Framework**

In 2003, the Clean Diamond Trade Act (Public Law 108-19) (CDTA) established a Kimberley Process Implementation Coordinating Committee to coordinate implementation of the Act. This U.S. government interagency committee includes officials from the Departments of State, Treasury, Commerce, Homeland Security, and the Office of the United States Trade Representative. Provisions of the CDTA are carried out by several U.S. government agencies and the private United States Kimberley Process Authority (USKPA). U.S. entities involved in implementation of the Clean Diamond Trade Act include:

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**B. Legal Framework**

The CDTA provides the legal framework pursuant to which the United States implements the Kimberley Process Certification Scheme (KPCS)([www.state.gov/e/eeb/diamonds](http://www.state.gov/e/eeb/diamonds)). The CDTA is further implemented by Executive Order 13312 (July 29, 2003). Pursuant to this Executive Order, the Department of the Treasury issued the Rough Diamonds Control Regulations, on September 23, 2004. The Regulations have subsequently been amended, most recently on May 21, 2008. The complete text of the Regulations can be accessed at: <http://www.gpo.gov/fdsys/pkg/CFR-2010-title31-vol3/pdf/CFR-2010-title31-vol3-part592.pdf>. The Census Bureau issued regulations on Automated Export System (AES) reporting requirements for rough diamond shipments in October 2003. The complete text of the Regulations can be accessed at <http://www.census.gov/foreign->

[trade/regulations/regs/regulations20080602-federalregister.pdf](http://www.federalregister.gov/articles/2008/06/02/trade/regulations/regs/regulations20080602-federalregister.pdf). Updated lists of Kimberley Process Participants are published periodically in the Federal Register. The most recent list was updated on October 31, 2011; it can be accessed at:

<http://www.state.gov/e/eb/rls/othr/diamonds/190161.htm>.<sup>1</sup>

For more information on the legal framework for U.S. implementation of the Kimberley Process, see <http://www.state.gov/e/eb/diamonds>.

### **C. Export and Import Regimes/Compliance Improvement Efforts**

The United States intends to convene in July 2012 a diamond “smuggling workshop” in the model those conducted by West African participants in May-June 2010 to respond to the *Diamond without Borders* report and identify further gaps in the import/export implementation and enforcement system. This workshop will be based on a report prepared by Partnership Africa Canada for the United States in February 2012, based on evaluation of the U.S. compliance system and interviews with a range of government, industry, and other officials. The report identifies a number of areas for further investigation and evaluation, which U.S. agencies have begun. The United States is undertaking this effort not only to improve its system of internal controls but also intends this effort to demonstrate leadership in both multi-stakeholder engagement at the national KP implementation level as well as the need for trading/manufacturing centers to review their internal controls systems in a manner as rigorous as that expected of KP producers.

#### **1. Outgoing Shipments**

The U.S. system provides that the Exporting Authority, i.e. the U.S. Census Bureau, issues export reporting requirements for the export of rough diamonds. All shipments must be reported in the Automated Export System and maintained by the Census Bureau. In addition, the U.S. Kimberley Process Authority (USKPA), issues Kimberley Process certificates for rough diamond exports. The USKPA currently has licensing agreements with 17 entities as of the end of 2011. USKPA licensees issued 1,569 certificates in 2011. The USKPA performs an annual, on-site performance review of selected licensees. The USKPA’s annual review of selected licensees is

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<sup>1</sup> Although the update was finalized on October 31, 2011, for various reasons, it was not published in the Federal Register until May 11, 2012.

included as an annex to the annual review of the practices and procedures of the USKPA, which is sent to the U.S. Congress in July of each year.

During 2011, the Department of State continued to convene periodic teleconferences with the USKPA and its licensees to provide an opportunity for U.S. government agencies to communicate concerns or guidance directly to exporters, as well as to respond to questions and requests for information posed by the exporting community. These calls continue to produce important compliance discussions and have enabled closer coordination with and oversight of the private sector.

To complement existing activities, the Department of Homeland Security, through the U.S. Customs and Border Protection (CBP), continues to conduct examinations of targeted rough diamond export shipments. In 2011, CBP conducted 9 inspections of outbound shipments.

## **2. Incoming Shipments**

CBP is the Importing Authority responsible for implementing, enforcing, and monitoring provisions of the CDTA.

Recognizing the need to develop more uniform enforcement practices, CBP issued a policy memorandum to its field personnel in February 2008 emphasizing the requirement for presentation of the KP certificate upon importation and the requirement that rough diamond shipments be secured in tamper-resistant packaging. CBP defines tamper-resistant packaging as “packaging having an indicator or barrier to entry that could reasonably be expected to provide visible evidence that tampering had occurred. Standard mailing and express consignment packaging alone is not considered tamper resistant.” A version of this definition was also included in a General Warning to the public issued by the Department of State in December 2009.

Finally, in 2011, CBP conducted review of documentation for all inbound shipments and 70 physical inspections of inbound shipments.

## **D. System of Internal Controls and Industry Self-regulation.**

In order to strengthen implementation of the Kimberley Process, the U.S. diamond industry has implemented a system of warranties for rough and polished diamonds and jewelry containing diamonds. Under this system, all

buyers and sellers of rough and polished diamonds make the following statement on their invoices:

“The diamonds herein invoiced have been purchased from legitimate sources not involved in funding conflict and in compliance with United Nations resolutions. The seller hereby guarantees that these diamonds are conflict free, based on personal knowledge and/or written guarantees provided by the supplier of these diamonds.”

Several major U.S.-based jewelry retailers, including Tiffany, Helzberg, and Kay Jewelers, publish policies on conflict diamonds on their websites. Jewelry trade associations have developed codes of conduct that list member obligations regarding compliance with the Kimberley Process. The U.S. government does not conduct specific oversight or enforcement related to the system of warranties.

Finally, in addition to the formal visits conducted in conjunction with the USKPA, officials from the State Department, CBP, and Census informally contacted and visited numerous diamond companies throughout 2011 to discuss the KP, the companies’ internal compliance efforts, and other related issues. To promote KP compliance and awareness, State participated in a broad panel discussion on the KP at the June 2011 JCK show in Las Vegas and the Rapaport Diamond Conference in September 2011.

## **E. Statistics**

On January 1, 2009, the United States assumed the Chair of the Kimberley Process’s Statistics Working Group. In this capacity, the United States provides direct leadership to the Working Group’s efforts to improve the submission and analysis of statistical data. Census continues to maintain the website it constructed to host KP statistical data and has also worked to develop other functionalities necessary to the Working Group’s activities, including the adoption of a new Administrative Decision concerning KP data and development of a new “statistical anomalies” process.

In addition to its role as Working Group Chair, the Census Bureau also collects and provides U.S. rough diamond trade statistics to the Kimberley Process website. U.S. Geological Survey (USGS) experts have also conducted reviews of other Kimberley Process Participants’ statistical submissions.

The Census Bureau has issued a “Notice of Request for Faxed Submission of Kimberley Process Certificates” requiring copies of all Kimberley Process Certificates to be faxed to a toll-free number (1-800-457-7328). The Census Bureau has continued to reach out to U.S. importers and exporters not providing faxed copies of KPCs to remind them of this requirement as a means to verify import and export KP statistics provided to Census and the USKPA (exports). The Census Bureau will continue to update prior years’ statistics as more information is received.

The Census Bureau continues to reconcile U.S. statistics with our trading partners for 2009-- 2011 but this process has not been completed. As a result, any necessary changes will be incorporated at a later date. As in previous years, during the reconciliation process conducted based on U.S. Customs data and provided by bilateral partners, the Census Bureau uncovered several data discrepancies and contacted U.S. importers to verify information and to obtain KP certificates. When discrepancies are identified, firms are contacted and efforts made to educate them on the legal obligations applicable to imports and exports of rough diamonds.

In 2011, the majority of identified instances in which KP certificates were not faxed to the Census Bureau involved low carat weight and/or low value shipments likely purchased through websites by one-time importers not generally accustomed to trading in rough diamonds. These one-time importers are generally not aware of their legal obligations; in such cases, the importers receive direct communication informing them of the applicable requirements, including by telephone call and/or letters.

The Census Bureau conducted bilateral reconciliation of 2009 trade statistics with Angola, Armenia, Australia , Botswana, Brazil, Canada, People’s Republic of China, Democratic Republic of the Congo, European Union, Ghana, Guinea, Guyana, India, Indonesia, Israel, Japan, Republic of Korea, Liberia, Mauritius, Mexico, Namibia, New Zealand, Norway, Sierra Leone, Singapore, South Africa, Switzerland , Tanzania, Thailand, Ukraine, United Arab Emirates, Vietnam, and the Rough Diamond Trading Entity of Chinese Taipei.

The Census Bureau also conducted bilateral reconciliation of trade statistics for 2010 with Armenia , Australia, Botswana, Brazil, Canada, People’s Republic of China, Democratic Republic of the Congo, European Union,

Ghana , Guinea, Guyana, India, Israel, Japan, Republic of Korea, Liberia, Mexico, Namibia, New Zealand, Norway, Russian Federation, Sierra Leone, Singapore, South Africa, Switzerland, Thailand, United Arab Emirates, Vietnam, and the Rough Diamond Trading Entity of Chinese Taipei.

Finally, the Census Bureau conducted bilateral reconciliation of trade statistics for 2011 with Armenia, Australia, Botswana, Brazil, Canada, People's Republic of China, Democratic Republic of the Congo, European Community, Guinea, Guyana, India, Israel, Japan, Republic of Korea, Liberia, Mexico, Namibia, Russian Federation, Sierra Leone, South Africa, Switzerland, Tanzania, United Arab Emirates, Vietnam, and the Rough Diamond Trading Entity of Chinese Taipei.

### **U.S. Exports of Rough Diamond in 2011**

The United States is not a rough diamond producer. In 2010, however, the United States did work closely with the Crater of Diamonds State Park in the state of Arkansas to develop a process to ensure that visitors to the park who dig for rough diamonds are aware of the requirements of the CDTA and the Kimberley Process. The Department of State continues to work with the Crater of Diamonds to improve its efforts to enforce the KP.

U.S. exports are re-exports of rough diamonds imported from other Kimberley Process Participants. The United States has submitted trade data for 2011 and KP export certificate counts by Participant for 2011. The United States also provided certificate counts for imports by Participant, and quarterly import certificate counts.

According to published Census Bureau statistics, rough diamond re-exports from the United States in 2011 totaled \$452.5 million – a 25 percent increase from the revised 2010 level of \$361.8 million. U.S. re-exports are primarily to three KP Participants: Israel (\$202.5 million), European Union (\$137.0 million), and South Africa (\$36.4 million), which were the destination of 83 percent of U.S. re-exports of rough diamonds in 2011.

Statistics provided by the USKPA indicate that 1,569 Kimberley Process Certificates were issued during 2011. These certificates covered exports to 21 participants and approved entities, detailed in the table below.

<b>USKPA Certificates Issued in 2011</b>	
<b>Country Name</b>	<b>Number of KP Certificates</b>
Armenia	10
Australia	24
Brazil	16
Canada	146
China, People's Republic of	82
Congo (DRC)	1
Croatia	2
European Union	564
India	78
Indonesia	2
Israel	211
Japan	193
Korea, Republic of	97
Malaysia	1
Mauritius	1
Mexico	84
Namibia	9
New Zealand	1
Norway	1
Russian Federation	3
Singapore	1
South Africa	20
Switzerland	4
Thailand	11
United Arab Emirates	4
R.D.T.E. Chinese Taipei	3
<b>Total KP Certificates</b>	<b>1,569</b>

### **U.S. Imports of Rough Diamonds in 2011**

The United States imported \$646.0 million in rough diamonds in 2011, an increase of 10.54 percent from revised 2010 level of \$584.4 million. The United States imports most of its rough diamonds from only a few Participants. The top three Participants in 2011 were the EU (\$277.5 million), Switzerland (\$161.3 million), and Israel (\$151.0 million). The top

three providers of rough diamonds (EU, Switzerland and Israel) furnished 91 percent of U.S. rough diamond imports in 2011.

According to the Census Bureau, the United States imported rough diamonds from 24 KP Participants and approved entities in 2011, including: Armenia, Australia, Botswana, Brazil, Canada, People's Republic of China, Democratic Republic of the Congo, European Union, Guinea, Guyana, India, Israel, Japan, Republic of Korea, Mexico, Namibia, Russian Federation, Sierra Leone, South Africa, Switzerland, Tanzania United Arab Emirates, Vietnam, and the Rough Diamond Trading Entity of Chinese Taipei.

The United States has provided reports on these 2011 imports, including the value and carat weight and the country of provenance and country of origin, to the Kimberley Process website, in accordance with Annex III of the KPCS.

#### **F. Implementation of Specific Recommendations**

The United States will welcome a review visit in December 2012. Previous reports have documented the processes undertaken to implement the recommendations provided by the 2005 Review Visit.

#### **G. Infringements**

CBP seized 4 shipments in violation of the CDTA in 2011. The seized shipments are valued at \$17,511. While some of the seizures were related to technical violations of the CDTA, such as inadequate packaging or failure to include a valid KPC, in two cases, the rough diamonds were seized for lack of declaration and misclassification. None of these cases have been determined to involve imports of possible conflict diamonds. Of these seizures, two cases were administratively forfeited. Of the 2011 cases, two cases remain open at various stages of the petition process.

The Department of State began a process of issuing public enforcement/infringement "Warnings" via its website. In 2010, State issued or published warnings related to shipments of goods from Cote d'Ivoire, the Marange area of Zimbabwe, and the Central African Republic.

The United States identified counterfeit certificates from Ghana, Guinea, Sierra Leone, and DR Congo, all in the pre-clearance phase. Pursuant to the

Administrative Decision on Cooperation and Enforcement, the United States reported on these counterfeit certificates to the WGM and shared information directly with enforcement officials in these countries. The United States is not aware of further enforcement action taken.

In April 2009, CBP issued guidelines for the remission of forfeitures and the mitigation of penalties for violation of the CDTA. These mitigation guidelines provide a general framework and guidance regarding CBP's disposition of forfeitures and penalties under the CDTA and implementing regulations. Issuance of the guidelines has greatly assisted CBP personnel in the uniform and consistent processing, review, and disposition of CDTA violations, and has provided further clarity to the trade community as to how forfeitures and penalties will generally be handled. The Guidelines are available on-line at:

[http://www.cbp.gov/linkhandler/cgov/trade/legal/bulletins\\_decisions/bulletins\\_2009/vol43\\_04102009\\_no15/43genno15.ctt/43genno15.pdf](http://www.cbp.gov/linkhandler/cgov/trade/legal/bulletins_decisions/bulletins_2009/vol43_04102009_no15/43genno15.ctt/43genno15.pdf).

In 2009, the Department of State coordinated a process with CBP and the Smithsonian Institution to transport all forfeited diamonds to the Smithsonian for storage and, consistent with applicable law, possible research determined to be in U.S. government interests.

Finally, in advance of the Administrative Decision on Cooperation and Enforcement, the United States developed a template for the sharing of information concerning seizures/forfeitures requested by other KP Participants. The template was circulated through the WGDE and is available on-line at:

[http://www.cbp.gov/linkhandler/cgov/trade/trade\\_programs/diamonds/not\\_kim.ctt/not\\_kim.pdf](http://www.cbp.gov/linkhandler/cgov/trade/trade_programs/diamonds/not_kim.ctt/not_kim.pdf)

The United States encourages the use of this template by other Participants.

## **H. Technical Assistance**

In 2011, the U.S. State Department, the U.S. Agency for International Development (USAID), and the USGS cooperated to provide technical assistance related to the Central African Republic, Cote d'Ivoire, Guinea, and Liberia.

USAID continues to support the Property Rights and Artisanal Diamond Development (PRADD) project in the Central African Republic and Liberia.

PRADD is a joint Department of State/USAID initiative to assist the governments of the Central African Republic (CAR) and of Liberia to fulfill their commitment to the Kimberley Process Certification Scheme. Launched in CAR in 2007 as a pilot initiative and in Liberia in late 2010, the project aims to increase the amount of alluvial diamonds entering the formal chain of custody while improving the benefits accruing to mining communities through an approach of strengthening property rights. Since 2007 PRADD/CAR has assisted 2900 artisanal diamond miners to clarify and secure their customary property claims through a process of GPS mapping and community validation of sites. The project's database of geo-referenced diamond-mining sites has been transferred to the Ministry of Mines, Energy and Hydrology (MMEH) where a staff has been trained and equipped to input related data. The database will enable the GIS unit to improve the Ministry's ability to track where artisanal diamond mining is occurring and to record related production and sales information.

The project's property rights methodology was carefully coordinated with a concerted public awareness campaign that increased understanding of the law among miners, and created incentives for PRADD miners to comply with the law. In the province of Lobaye, the proportion of miners bearing an official license increased from 5.1% in 2009 to 10.9% in 2011. Nationwide the number of artisanal miners who purchased an annual mining license increased from 1,821 in 2010 to 2,564 in 2011. This is a 41% increase from the prior year and was believed to have resulted from the 36% reduction in the price of the artisanal mining license that PRADD successfully advocated for in 2011. More strikingly, from 2010 to 2011 the volume of diamonds that entered the legal chain of custody from PRADD's longstanding intervention areas increased 4.6 times, from 16,304 carats to 74,824. PRADD's three provinces of intervention now account for 58.3% of legal exports. These visible successes have prompted the government of CAR to formally adopt the PRADD methodology as well as include its activities within their 5-year Poverty Reduction Strategy Paper (PRSP).

At the community level, successes are evidenced by an increase in incomes and the number of exhausted mining claims that have been rehabilitated and converted to other economic uses. Encouraging miners to diversify their income beyond that of artisanal mining, PRADD initiated and trained 194 local associations in various income-generating activities. Some of them—such as soap-making, cassava grinding, and petty trade—target women. As the first beneficiaries pioneering the new income-generating activities reap

profits, a growing number of community members are beginning to emulate their example. Since the third quarter of 2010, PRADD has helped artisanal miners earn a total additional income of \$30,717 from alternative livelihoods. Other PRADD activities mitigate the environmental impact of artisanal mining by transforming exhausted diamond pits into fish ponds, fruit tree plots, and vegetable gardens. By the end of 2011, over 580 exhausted mining sites had been reclaimed covering a surface area of 522 acres, and the number is growing.

As a result of the advances above, the PRADD project has attracted the attention of donors, bi-lateral organizations and private industry looking to contribute their resources toward the project. The Taipei Economic and Cultural Representative Office awarded a small grant of \$15,000 to the project to allow the purchase of GPS devices to further support claims mapping and certification. The Gemological Institute of America (GIA) awarded a grant for 20 miners to attend a one-week diamond sorting and valuation training course in the fall of 2012. Through the grant, GIA will provide specialized training materials, including rough diamonds, as well as an instructor, assistant instructor and translator. Finally, the European Union approved in March 2012 a 1 million Euro grant to the World Bank to allow them to further PRADD objectives in CAR and possibly one other country.

Similarly, NGOs and representatives from the global diamond industry, including buyers, sellers, polishers and cutters, joined with USAID, the Department of State and US Geological Survey to explore partnership opportunities. The group completed an exploratory trade mission in March 2012 to assess the feasibility of establishing a supply chain between the artisanal miners in CAR and the US diamond industry. This potential partnership not only offers the opportunity for increased incomes for miners but also technical training and investment.

In Liberia, PRADD is in the process of georeferencing and publicly validating over 500 mining claims across Grand Cape Mount and Gbarpolu counties that will be entered into a GIS database managed by the Ministry of Lands, Mines and Energy (MLME). This database will serve as a source of information for the government on where artisanal mining is occurring. On the legal side, PRADD completed a legal analysis that resulted in 20 recommendations for changes to policy, law, regulations and administrative procedures that were submitted to the MLME. At a retreat held in January

the GOL accepted all 20 recommendations and began the process of forming task teams to carry out the recommendations.

Additional assistance to the MLME in 2011 resulted in rehabilitation of all the Regional Diamond Offices and installation of high frequency radios within the Government Diamond Offices. These improvements will permit regional staff to better communicate to the central office critical information pertaining to diamond production statistics.

Finally, at the community level significant public awareness and training has occurred. PRADD/Liberia has trained over 170 miners in improved production and sales record keeping and delivered two training sessions in alternative dispute resolution (ADR) approaches. Additional public awareness and training activities concentrated on the importance of cooperative formation and compliance with the Kimberley Process Certification Scheme. Finally, assistance was provided to the communities to form 4 land reclamation committees, which then developed by-laws for the organization and implementation of land reclamation activities.

## **USGS**

With financial support from the Department of State, the USGS has been conducting technical assistance tasks for the Kimberley Process Certification Scheme during the fiscal year 2011. This support can be divided into several parts, as follows:

### **1. Guinea**

In April 2010 the USGS conducted a preliminary field assessment of Guinea in cooperation with partners from the Working Group of Diamond Experts (WGDE). Artisanal diamond mining sites in western Guinea's Kindia, Forécariah, Coyah, and Téli-mélé's Prefectures as well as south-eastern Guinea's Kissidougou Prefecture were visited, in response to the KP's 2009 Swakopmund Administrative Decision on Guinea. Geologic and geomorphic information on the diamond deposits was collected at each site, as were data on artisanal miners and their work methods. A draft summary report titled "Alluvial diamond resource potential and production capacity assessment of Guinea" was produced and submitted in November 2010. This report is currently in the internal publication process at USGS and will be published as a Scientific Investigations Report in 2012.

As a follow-up, the USGS conducted a series of technical assistance workshops and trainings in Conakry, Guinea from May 31-June 4, 2011. The purpose of this trip was threefold. First, the results of the report drafted after the 2010 USGS/WGDE visit were presented to members of Guinea's Ministère des Mines et de la Géologie (MMG) and representatives of several civil society organizations including the International Trade Centre for Development (CECIDE) and the Confédération Nationale des Diamantaires et Orpailleurs de Guinée (CONADOG), with support from Partnership Africa Canada (PAC), the U.S. Embassy (Conakry), and the U.S. Agency for International Development (USAID). A French translation of the draft report was provided to those in attendance. Second, the methodology used by the USGS to conduct the diamond resource potential and production capacity assessment of Guinea was explained in detail to the MMG and the civil society representatives. This included training on using handheld GPS units in the field. Third, the USGS demonstrated to members of the MMG and civil society organizations methods for conducting field work and data gathering techniques during a trip to diamond mining sites in the Forécariah Prefecture.

During the 2011 workshop, the USGS provided handheld 12 handheld GPS units and basic field mapping training to the MMG and CECIDE to enable better data collection on artisanal diamond mining activities and more accurate geographical positioning of these activities.

The workshop and training provided by USGS were well-received by the MMG and participating civil society groups. Discussions were held between USGS and CECIDE on June 4, 2011, in which preliminary plans were made for members of CECIDE and the MMG to carry out joint field work missions in Guinea, following the methodology presented by the USGS, to enhance the USGS's database on artisanal diamond mining activities in Guinea. The USGS has since worked with USAID in developing this cooperative field work program to facilitate MMG and civil society staff members in mapping and monitoring artisanal diamond mining in eight prefectures over the course of four separate field missions.

## **2. Côte d'Ivoire**

The USGS continues satellite imagery monitoring of the diamond resources of Séguéla and Tortiya in northern Côte d'Ivoire. The assessment involves the acquisition of high resolution satellite imagery and radar data covering

the years 2005-2011. Data compilation, archival research, and database construction is currently underway.

To assist with mapping of the region, a comprehensive digital database of base layers has been developed for the Séguéla and Tortiya regions using satellite imagery. A 1:25,000 scale database has been completed for a 5,000 km<sup>2</sup> area in the Séguéla region, as well as a 1:10,000 scale database for the intensively mined areas mainly south and east of the town of Diarabana, an area of approximately 225 km<sup>2</sup>. A 1:25,000 scale database has been completed for a 400 km<sup>2</sup> in the Tortiya region. These databases include detailed hydrology, transportation networks, and populated places and will be used to create detailed high resolution topographic maps. Further, a detailed database cataloguing previous mining activities in the Seguela region was compiled using maps produced by the Ivorian State Mining Development Company (SODEMI).

An assessment of the alluvial diamond resource and production capacity assessment of Séguéla and Tortiya is currently in development and will be submitted to the State Department's Special Advisor for Conflict Diamonds and the Kimberley Process in draft form in the spring of 2012.

### **3. Liberia**

In 2011, the USGS began the acquisition of archival research, satellite imagery, and base map layers for Liberia in support of USAID's Property Rights and Artisanal Diamond Development (PRADD)-Liberia project study areas in western Liberia. Base map layers (including hydrography, transportation infrastructure, and populated areas) have been compiled at several different scales using a combination of 11 satellite image scenes and two separate previously published topographic maps. A 1:1,000 scale dataset was compiled for the specific PRADD project study sites using 1 meter panchromatic high resolution satellite imagery. Areas surrounding the PRADD sites were digitized at 1:10,000 scale using 10 m resolution multispectral imagery. A 1:200,000 scale dataset was compiled for areas in which high resolution imagery was not available, using topographic maps. The compilation of these datasets was completed and provided to the PRADD-Liberia project.

### **4. West African Diamond Database**

Since 2007, the USGS has been working to develop and compile a comprehensive diamond database of West Africa. At present, the database

includes the countries of Mali, Ghana, Guinea, Côte d'Ivoire, Sierra Leone, Liberia, and Burkina Faso. A Geographical Information Systems (GIS) database containing known primary and secondary diamond occurrences in West Africa is being developed and includes information on the geographic location, deposit type, and characteristics of the diamonds. The database is frequently updated and research continues on the compilation of information on additional countries in the region. In particular, locations of known diamond occurrences in West Africa have been added to the database for Côte d'Ivoire (578 occurrences), Guinea (642 occurrences), and Liberia (ongoing). As archival research continues in these three countries, the number of diamond occurrences in the database is expected to rise. In addition to information on diamond deposits, geologic and base map features have also been compiled as part of the West African Diamond Database at a scale of 1:1,000,000.

## **5. Zimbabwe**

Since 2010 the USGS has been working in support of the Kimberley Process to assess the alluvial diamond mining activities in the Marange district of eastern Zimbabwe, through the analysis and interpretation of satellite imagery. Imagery was acquired for the years 2006-2010 from a variety of sensors. Artisanal and industrial mining sites were identified in the imagery and digitized for each year, so that changes in the location, extent, and type of mining activity could be distinguished. A series of individual maps were produced showing the progression of mining activities from 2006 to 2010, as well as a comprehensive three dimensional diagram displaying the alluvial diamond mining activities during all five years in Marange's topographical and fluvial contexts.

## **I. Miscellaneous**

### **Enhanced Vigilance**

As explained in previous reports, the United States takes seriously the calls for enhanced vigilance. In addition to ensuring that Customs ports have the Marange footprint and related notices available, we have issued several warnings to the public on illicit trade in Marange diamonds, as well as the use of counterfeit certificates from other countries, including both KP participants and non-KP countries, such as Cameroon. In addition to the warnings issued by the US Department of State, notices from several diamond and jewelry trade associations pertaining to diamonds from Marange have been issued to the industry at large, urging increased

vigilance regarding diamonds from that region entering the stream of commerce, and advising that trading in these diamonds in violation of KPCS standards could lead to government action. The United States continues to provide leadership within the KP on this, both by leading the Friends of Cote d'Ivoire and working with others to promote the Enforcement Seminar and subsequent efforts.