

Union Law No (13) of 2004
Regarding Supervision of Import / Export and Transit of Rough Diamonds

We, Zayed Bin Sultan Al-Nahyan, President of the United Arab Emirates,

- having perused the interim constitution;
- And Union Law No (1) of 1972, concerning jurisdictions of the Ministries and powers of the Ministers and the amending laws thereof;
- And Union Law No (3) of 1987 by issuing the Penal code;
- And Union Law No (35) of 1992 by issuing Criminal Procedures Law;
- And Union Law No (9) of 1993, regarding Supervision of Dealing in Valuable Gems and Precious Metals and their Hallmarking;
- And Union Law No (1) of 2003, establishing the Federal Customs Authority;
- And in accordance with the proposal of the Minister of Trade and Commerce, approved by the Council of Ministers and the Federal National Council and ratified by the Supreme Council of the Union;

Promulgated the following law :

Chapter one

Definitions

Article (1)

In application of the provisions of this law, and unless otherwise requires, the following words and expressions shall have the meanings cited against them below:

Country	: The United Arab Emirates.
Ministry	: The Ministry of Economy and Commerce.
Concerned Authority	: The Customs Authority in the Concerned Emirate.
Kimberley	: The International Certification Scheme, Concerning International

Process	Trading of Rough Diamonds.
Concerned Party of Participant	: Ministry of Economy and Commerce.
Diamond	: The natural mineral consisting of crystallized carbon within the isometric system, characterized by relative resistance to scratch (10) and a specific gravity of about (3.52) and refractive index of (2.42).
Rough Diamonds	: Un-worked or simply sawn or split or trimmed diamonds, and fall under the Relevant Harmonized Commodity Description and Coding System Nos. (7102-10), (7102-21), (7102-31) mentioned in Kimberley process.
Conflict Diamonds	: Rough diamonds used by rebel movements or their allies to finance conflict aimed at destabilizing legitimate governments, per relevant applied International Security Council resolutions or any other resolutions the Council may adopt in the future, and in accordance with the United Nations General Assembly Resolution No (55/56) or any similar resolution the General Assembly may adopt in the future.
Country of Origin	: The country where a shipment of rough diamonds has been mined or extracted.
Country of Provenance	: The last participant country from where a shipment of rough diamonds was exported) as recorded on import documentation.
Export	: Taking out of any part of the geographic territory of the country.
Exporting Authority	: The authority designated by the participant from whose territory the rough diamond shipment shall leave and which is authorized to validate the Kimberley process certificate.
Import	: Bringing into any part of the geographic territory of the country.
Importing Authority	: The authority or authorities designated by the participant into whose territory the rough diamond shipment shall be imported,

	and who completes all import procedures, particularly the verification of the attached Kimberley certificate.
Country Certificate	: Kimberly process certificate issued by the concerned authority in the country.
Kimberley Process Certificate	: A document resistant to abuse and forgery, with a special form which indicates that the rough diamond shipment meets the Kimberley process requirements.
Parcel	: One or more parcel of diamonds which are packed together and not individually.
Participant	: Any country or an international organization, or an un-independent region linked to a country, or a customs region to which the Kimberley Process applies.
Shipment	: One or more parcels which are physically imported or exported.
Transit	: The physical passage across the territory of the participant or non-participant, with or without transshipment or storing or changing means of transportation or otherwise, whereby such passage is only part of a complete journey, starting and ending beyond the frontiers of the participant or non-participant.
Inspector	: The person assigned by the concerned party and relevant authority to act as a commissioner with regard to crimes committed by violating the provisions of this law, bylaws and decisions issued for the implementation of its provisions.

Chapter Two

Powers of the Council of Ministers and the Minister

Article (2)

Within the framework of the provisions of this law, the Minister is empowered to carry out the following :-

1. Amending the list containing the participants in Kimberley process.

2. Publishing the information contained in the applications submitted to obtain the country certificate or the information gathered during inspection, per the provisions of this law.
3. Gathering, classifying and utilizing statistics, relating to country certificates and Kimberley certificates which are attached to diamond import into the country, for the purpose of analysis and study, or to exchange with other participants and to publish the number of those certificates.
4. Identifying the prepared method or form to submit applications to obtain the certificate, authenticate it and identify its contents and its validity.
5. Identifying the method, form and data which must be contained in the application submitted to the concerned authority, per the provisions of this law.
6. Establishing the conditions to be met by containers used in import/export of rough diamonds.
7. Identifying the records which must be maintained by individuals who import/export rough, diamonds.

Article (3)

Entry and exit points for importing and exporting rough diamonds to and from the country shall be determined by a resolution from the Council of Ministers, per a proposal by the Minister.

Article (4)

Due charges, regarding issuing, replacing or authenticating country certificates shall be determined by a resolution from the Council of Ministers, per a proposal by the minister.

Chapter Three

Regulation for Rough Diamond Import

Article (5)

Import of rough diamonds into the country is prohibited unless the two following conditions are met:

1. Import must be accompanied by Kimberley certificate, certified by the participant's concerned party and containing correct information.
2. Rough diamonds must be imported in tamper resistant containers and duly sealed by the concerned party of the participant.

Article (6)

The concerned authority must ensure not to tamper with the certificate before its authentication and to return it to the importer to maintain it, as it is considered a licence to acquire imported rough diamonds.

Article (7)

The concerned authority must send the import receipt to the export party when necessary or when requested to do so.

Article (8)

The concerned authority, per the provisions of this law, may order the individual who imported rough diamonds to return the diamonds to the participant, if it arrived into the country, accompanied by Kimberley certificate, but. in an opened cargo.

Article (9)

The concerned authority must open the containers to ensure conformity with the data contained in Kimberley process certificate.

Article (10)

1. If the concerned authority discovered the inaccuracy or unconformity of the cargo contents with Kimberley certificate, attached to the rough diamonds, the said authority must carry out the following:
 - a- To confiscate the cargo immediately.
 - b- To send the relevant information to the concerned party of the participant, which issued

or authenticated the confiscated cargo certificate.

2. If the matter is the result, of un-intended mistake, the concerned authority, in consultation with the concerned party of the participant which issued or authenticated the certificate, may correct the mistake and continue with the checking procedures.

3. The concerned authority) which attached the cargo in other cases) must return the cargo to the concerned party in the country of origin) if it can be identified) otherwise the said authority must confiscate the cargo) auction it and transfer the proceeds) after deducting the sale cost) to the concerned party of the participant) to be used in enhancing the authentication system) contained in Kimberley process.

Article (11)

No person -natural or juridical -is allowed to import or export rough diamonds to and from the country except through the entry or exit points identified thereby.

Chapter Four

Regulation for Rough Diamond Export

Article (12)

Export of rough diamonds from the country is prohibited unless the two following conditions are met:

1. Export must be accompanied by the country certificate, per the. requirements of Kimberley process.
2. Export must be in tamper resistant containers and duly sealed by the concerned authority.

Article (13)

1. The concerned authority, while authenticating the country certificate, must take the following into consideration:

a- The exporter must submit concrete evidence that the rough diamonds, he intends to export, have been imported per the terms and conditions laid in this law, or that the diamonds were in the country prior to the issuance of this law.

- b- The data contained in the certificate are accurate and that the rough diamonds shall be exported to the participant in Kimberley process.
- c- The assigned charges for issuing the certificate must be collected.
- 2. The concerned authority must not authenticate the certificate except after sealing the container which contains the rough diamonds.
- 3. The concerned authority shall hand over the authenticated certificate to the exporter.

Article (14)

When receiving the application to obtain the country certificate to export rough diamonds, the concerned authority may carry out the following :-

1. Handing the certificate if the application meets the conditions laid in Article (13) of this law.
2. Notifying the applicant, in writing, about the reasons for an incomplete application. The executive bylaws of this law shall specify the period for completion of the application, during which it must be completed, otherwise it will be rejected.
3. Rejecting the application which does not meet the conditions laid in Article (13) of this law and notifying the applicant) identifying the reasons for rejection.

Article (15)

The concerned authority may consider the statement signed by the exporter as concrete evidence that the import of rough diamonds into the country is legal, if the exporter is a member in an organization which represents rough diamond traders, and which has contributed to establishing the system of warrantees and the self-regulation of the industry, for the purpose of executing Kimberley process, and it (the organization) is listed in the list prepared by the concerned party of the participant for this purpose. This statement must also contain the information contained in the invoice, per the terms and provisions mentioned in the bylaws and decisions issued in executing the provisions of this law.

Article (16)

The concerned authority must attach the shipment of diamonds, intended for export, in case there is no concrete evidence that the conditions laid in articles (13) and (15) of this law are met.

Article (17)

The concerned authority, before authenticating the certificate, must inspect the rough diamonds, intended for export, to ensure that they conform with the data contained in the certificate, particularly with regard to weight and value.

Chapter Five

Regulation for Rough Diamond Transit Outside the Country

Article (18)

1. The concerned authority may attach rough diamonds in transit in the country if not accompanied by Kimberley certificate or are in an opened container.
2. The concerned authority may order to return rough diamonds, crossing through the country and accompanied by Kimberley certificate, to the participant who issued the certificate if the diamonds arrive in an opened container.

Chapter Six

Self-Regulation of the Industry

Article (19)

The organizations, which represent rough diamond traders and which contributed to the establishment of the system of warrantees and self-regulation of the industry for the purposes of executing Kimberley process, may submit an application to the Minister to be listed in the list prepared for this purpose, per the terms and provisions contained in the bylaws and decisions issued for the execution of the provisions of this law.

Chapter Seven

Disposing of Attached Items

Article (20)

The commissioner -while attaching or seizing rough diamonds or any other related items- must identify the reasons which led him to attach or seize the diamonds.

Article (21)

The attached rough diamonds or other related items may be kept at the place where they were attached or to be moved to a safer location..

Article (22)

1. Taking into account the provision of item (3) of this article, it is not allowed to continue attaching the rough diamonds and other related items, after the concerned authority decides that the diamonds and these items do not violate the provisions of this law.
2. It is not allowed to sue the owner or beneficiary (of rough diamonds), per the provisions of this law after the passage of (3) months from the date of attachment of the rough diamonds or other related items. The concerned authority, in this case, must return the diamonds or those items to the owner or the beneficiary at the time of attachment.
3. If a lawsuit is submitted against the owner or the beneficiary, per the provisions of this law, it is then allowed to extend the attachment period of the rough diamonds or other related items until the completion of the court case. The owner or beneficiary may then approach the general prosecution or the court, requesting lifting of attachment.
4. If the court finds the accused innocent, it may order that the attached rough diamonds or other related items be returned to the owner or beneficiary at the time of attachment.
5. If the court finds the accused guilty, it may, in addition to any penalty it enforces per the provisions of this law, order the attachment of rough diamonds or other related items.

Chapter Eight

Penalties

Article (23)

1. Without breaching any other stricter penalty, per any other law, a punishment by imprisonment for a period not exceeding (6) months, and a fine not exceeding One Hundred Thousand UAE Dirhams (AED 100,000), or either of the two punishments, shall apply to whoever brings or attempts to bring into the country or take outside the country, or attempts to take out of the country, by violating the provisions of this law, for the purpose of smuggling it, in addition to confiscating the rough diamonds and instrumentalities thereby and other items used in smuggling or are intended to be used thereof,
2. It is not allowed to confiscate ships, whose load exceeds two hundred tons, or public transportation means and airplanes.
3. The owner of the rough diamonds and attached items, or the person with whom the items are found, or the owner of transportation means shall be notified of the confiscation order. Whoever is concerned may appeal the order in front of the concerned court within thirty (30) days from the date of his formal notification thereof.

Article (24)

Without breaching any other stricter penalty, per any other law, a punishment by imprisonment for a period not exceeding six (6) months and a fine not exceeding one hundred thousand UAE dirhams (AED 100.000), or either of the two punishments, shall apply to whoever :-

1. Gave verbal or written or electronic incorrect information, regarding any data or other document for the purpose of obtaining a country certificate to export rough diamonds, while knowing that the information is incorrect.
2. Submitted to the concerned authority, or used, while applying to obtain the country certificate, any statement or other document, which contains incorrect information, while aware of its incorrectness.
3. Concealed any basic/important information with regard to any of the procedures, related

to the country certificate.

Article (25)

Except for the crimes stated in articles (23) and (24) of this law, a punishment by imprisonment for a period not exceeding one month and a fine not exceeding Ten Thousand Dirhams (AED 10,000), or any of the two penalties, shall apply to whoever violates any other provision of the provisions of this law.

Article (26)

It is not allowed to file a lawsuit or carry out any investigatory processes in crimes, which are committed by violating the provisions of this law, except through a written request from the concerned authority.

Article (27)

The concerned authority has the right to waive the criminal law suit at any time before a final judgment is issued in its regard, and in case of numerous suspects, the waiver with regard to one suspect entails the rest of suspects.

Chapter Nine

Powers of the Commissioners of the Concerned Authority

Article (28)

The Minister of Justice shall, in agreement with the Minister and in coordination with the Proper Authorities, issue a decree enumerating the employees possessing the capacity of Judicial Officers in the field of inspection, provided that among such employees shall be persons having experience in diamond with a view to verifying compliance with the application of the provisions of this Law, and such employees shall have the right to prove whatever occurs in violation of the provisions, regulations and decrees implementing this Law.

Article (29)

The commissioner is particularly empowered to carry out the following :-

1. To review the papers, scripts, records, correspondence, contracts and accounts of whichever nature, if they or related directly or indirectly to import and export of rough diamonds to and from the country, including commercial books, banking documents and computer systems. The commissioner may seize them when they are related to a crime committed by violating the provisions of this law.
2. To enter and inspect any place or means of transportation -except homes - when the commissioner has reasons to believe that the rough diamonds, record, accounting book or document to which this law applies, is available at that place or instrumentality.
3. To open any parcel or container when he has reasons to believe that they contain anything stated in the previous item (2 above).
4. To examine rough diamonds, or other related items.
5. To process and carry out analysis of rough diamonds, without affecting its value.
6. To seize items related to rough diamond crimes, as well as means of transportation used in committing such crimes, except for public transportation means, airplanes and ships, whose registered loads exceed two hundred tons.
7. To seek help from the general authority.

Chapter Ten

General Provisions

Article (30)

The concerned party of the participants seeks to ensure the best execution of the international Kimberley process for authentication, regarding international trading in rough diamonds, particularly through cooperation with participants in this process. In order to achieve this goal, and without breaching communication channels followed in the country, the concerned party may exchange information with other participants, with regard to trading in rough diamonds and conflict diamonds, and cooperate with them in supervising the activities related to this trade.

Article (31)

The concerned party of the participant maintains a database, regarding the judgments, issued by courts, with regard to crimes committed in violation of the provisions of this law.

Article (32)

The implementation of the provisions of this law does not breach any of the customs procedures applied in the country .

Article (33)

The Minister issues the bylaws and decisions, which are necessary for the execution of the provisions of this law.

Article (34)

This law shall be published in the Official Gazette and shall come into force from the date of its publication.

Zayed Bin Sultan Al Nahyan
President of the United Arab Emirates

Promulgated by us at the Presidential Palace /Abu Dhabi

On: 20/ 07 /2004

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