**SODIAM C.A.R.**

**COMPANY DUE DILIGENCE PRINCIPLES AND PROCEDURES**

**LAST UPDATED DECEMBER 2015**

**Recalling procedures set by Kimberley Process Certification Scheme,[[1]](#footnote-1)**

**Emphasizing criteria set by Organization for Economic Co-operation and Development,[[2]](#footnote-2)**

**Noting reports published by the United Nations Security Council,[[3]](#footnote-3)**

**SODIAM C.A.R. presents its General and Due Diligence Procedures:**

**General Company Principles and Procedures**

At all times, SODIAM C.A.R. will abide fully by the requirements expected of the Kimberley Process Certification Scheme, both broadly and specifically with regard to the Central African Republic. The focal point for KPCS compliance will be the CEO of SODIAM C.A.R., Viken Arslanian.

SODIAM C.A.R. will not purchase diamonds from mines under the control of rebel groups, specifically but not limited to Seleka, anti Balaka, Janjaweed and the Lord’s Resistance Army, nor from *collecteurs* known to associate with these groups. Information regarding the activities of these groups within the diamond sector will be continuously updated and will determine the areas and individuals in which, and from which respectively, that SODIAM C.A.R. will purchase diamond production.

In particular, SODIAM C.A.R. will maintain the highest vigilance regarding the involvement in the diamond sector of FRANÇOIS YANGOUVONDA BOZIZÉ, and NOURREDINE who are each currently the subject of United Nations sanctions regimes. Further information on these individuals can be found in the annex at the end of this document.

Information regarding the activities of proscribed groups and individuals within the diamond sector will be made available to the Kimberley Process and other legitimate companies operating in Central African Republic.

SODIAM C.A.R. will ensure that all cash purchases of rough diamonds are routed through official banking channels, supported by verifiable documentation required by the KPCS.

SODIAM C.A.R. will assist the Kimberley Process in the analysis of Central African Republic’s diamond production by providing samples and data to designated parties upon request. Similar practices were executed when samples of diamond and data were sent to MINTEK, located in South Africa.

SODIAM C.A.R. accepts upon request of Kimberley Process, at any required and possible occasion, to undergo third party audits, only if the audit is characterized by independence, competence, and accountability.

**Purchasing Procedures and data management**

SODIAM C.A.R. will only purchase diamonds from artisanal and informal diamond miners who are fully licensed by the Government of Central African Republic.

SODIAM C.A.R. employees will at all times check the licensing status of diamond vendors before purchasing goods.

All diamond purchases by SODIAM C.A.R. will be accompanied by the issuance of an official, serial numbered *bordereau d’achat* which will include:

* The name of the seller
* The name of the SODIAM C.A.R. buyer
* The date
* The license number of the seller
* The quantity and quality of the goods
* The amount paid
* The location of the transaction

Each *bordereau d’achat* will be filed and the data entered into the SODIAM C.A.R. database.

As goods are classified, sorted and added to the physical stock, the data will again be entered into the physical stock database by class of goods. This database will be updated continually.

SODIAM C.A.R. will fulfill and maintain its licensing obligations to the Government of C.A.R. at all times.

SODIAM C.A.R. will keep for a period of five years daily buying, selling and exporting records listing the names of buying or selling clients, their license number and the amount and value of diamonds sold, exported or purchased.

All information gathered in relation to diamond trading will be entered into a computerized database to facilitate the presentation of detailed information relating to the activities of SODIAM C.A.R. and its relationship with individual rough diamond buyers and sellers.

**Export Procedures**

In normal circumstances outside the current suspension of C.A.R. from the Kimberley Process, SODIAM C.A.R. will submit all rough diamond shipments for evaluation and royalty payments to the *Bureau d’evaluation et de controle de diamants et or (Becdor)*.

For each shipment, and prior to the issuance of a KP Certificate, SODIAM C.A.R. will provide Becdor with a declaration that the rough diamonds being exported are not conflict diamonds.

All rough diamonds will be sealed in a tamper proof container together with the KP Certificate or a duly authenticated copy. Becdor will then transmit a detailed e-mail message to the relevant Importing Authority containing information on the C.A.R.at weight, value, country of origin or provenance, importer and the serial number of the KP Certificate.

SODIAM C.A.R. expects Becdor to record all details of its rough diamond shipments on a computerized database.

**Obligations for importers**

The Importing Authority will receive an e-mail message either before or upon arrival of a SODIAM C.A.R. rough diamond shipment. The message should contain details such as the C.A.R.at weight, value, country of origin or provenance, exporter and the serial number of the KP Certificate.

The Importing Authority should inspect the shipment of SODIAM C.A.R. rough diamonds to verify that the seals and the container have not been tampered with and that the export was performed in accordance with the Certification Scheme.

The Importing Authority should open and inspect the contents of the shipment to verify the details declared on the Certificate.

Where applicable and when requested, the Importing Authority should send the return slip or import confirmation coupon to Becdor.

The Importing Authority should record all details of rough diamond shipments on a computerized database.

**Internal Due Diligence Procedures**

SODIAM C.A.R. will undergo the following internal procedures to ensure due diligence to the extent possible taking into consideration their practicality in Central African Republic:

SODIAM C.A.R. will under all circumstances abide to international and domestic laws and adhere to new measures applied by Kimberley Process.

SODIAM C.A.R. will perform risk assessment and mitigation through careful analysis of regions that are directly and indirectly influenced by rebel groups even prior to other party alert notifications. This assessment may result in:

* Continue trade in zones free from rebels influence with risk mitigation efforts.
* Temporary suspension of trade from the studied zone with constant follow up on the situation for future opportunities.
* Cease of trade from the zone to be analyzed under direct or indirect influence by rebel groups due to unacceptable risk.

SODIAM C.A.R. will implement due diligence in the supply chain by applying Know You Customer (KYC) system. SODIAM C.A.R. will refrain engagement of purchase from any client who is:

* Involved directly or indirectly in financing armed rebel groups.
* Listed in UN Sanction List.
* Not providing transparent information.
* Not disclosing source of mining or date of mining.
* Not abiding to local or international laws.

SODIAM C.A.R. will prefer and improve long-term relationships with clients rather than engage in short-term relationships with new clients.

SODIAM C.A.R. will support and engage with Kimberley Process and local authorities for implementation of new diligence measures improving level of transparency.

SODIAM C.A.R. will support Corporate Social Responsibility initiatives by reinforcing government plans to promote peace and security in CAR.

**ANNEX**

**FRANÇOIS YANGOUVONDA BOZIZÉ**

LAST NAME: BOZIZÉ

FIRST NAME: François Yangouvounda.

ALIAS: Bozize Yangouvonda

DATE OF BIRTH/PLACE OF BIRTH: 14 October 1946 / Mouila, Gabon

PASSPORT/IDENTIFYING INFORMATION: Son of Martine Kofio

DESIGNATION/JUSTIFICATION:

Engaging in or providing support for acts that undermine the peace, stability or security of C.A.R.: Since the coup d’état on 24 March 2013, Bozizé provided financial and material support to militiamen who are working to destabilize the ongoing transition and to bring him back to power. François Bozizé, in liaison with his supporters, encouraged the attack of 5 December 2013 on Bangui. The situation in C.A.R. deteriorated rapidly after the 5 December 2013 attack in Bangui by anti-Balaka forces that left over 700 people dead. Since then, he has continued trying to run destabilization operations and to federate the anti-balakas militias, in order to maintain tensions in the capital of C.A.R.. Bozizé tried to reorganize many elements from the Central African Armed Forces who dispersed into the countryside after the coup d’état. Forces loyal to Bozizé have become involved in reprisal attacks against C.A.R.’s Muslim population. Bozizé called on his militia to pursue the atrocities against the current regime and the Islamists.

**NOURREDINE ADAM**

LAST NAME: ADAM

FIRST NAME: Nourredine

ALIAS: Nourredine Adam; Nureldine Adam; Nourreldine Adam; Nourreddine Adam

DATE OF BIRTH/PLACE OF BIRTH: 1970 / Ndele, C.A.R.

Alternate dates of birth: 1969, 1971

PASSPORT/IDENTIFYING INFORMATION:

DESIGNATION/JUSTIFICATION:

Engaging in or providing support for acts that undermine the peace, stability or security of the Central African Republic (C.A.R.): Noureddine is one of the original leaders of the Séléka. He has been identified as both a General and the President of one of the armed rebel groups of the Séléka, the Central PJCC, a group formally known as the Convention of Patriots for Justice and Peace and whose acronym is also acknowledged as CPJP. As former head of the “Fundamental” splinter group of the Convention of Patriots for Justice and Peace (CPJP/F), he was the military coordinator of the ex-Séléka during offensives in the former rebellion in the Central African Republic between early December 2012 and March 2013. Without Noureddine’s involvement, the Séléka would likely have been unable to wrest power from former C.A.R. President François Bozizé. Since the appointment as interim president of Catherine Samba-Panza on 20 January 2014, he was one of the main architects of the ex-Séléka’s tactical withdrawal in Sibut with the aim of implementing his plan to create a Muslim stronghold in the north of the country. He had clearly urged his forces to resist the injunctions of the transitional government and of the military leaders of the African-led International Support Mission in the Central African Republic (MISCA). Noureddine actively directs ex-Séléka, the former Séléka forces that were dissolved by Djotodia in September 2013, and directs operations against Christian neighborhoods and continues to provide significant support and direction to the ex-Séléka operating in C.A.R..

Involved in planning, directing, or committing acts that violate international human rights law or international humanitarian law, as applicable: After the Séléka took control of Bangui on 24 March 2013, Nourredine Adam was appointed Minister for Security, then Director General of the “Extraordinary Committee for the Defence of Democratic Achievements” (Comité extraordinaire de défense des acquis démocratiques — CEDAD, a now-defunct C.A.R. intelligence service). Nourredine Adam used the CEDAD as his personal political police, C.A.R.rying out many arbitrary arrests, acts of torture and summary executions. In addition, Noureddine was one of the key figures behind the bloody operation in Boy Rabe. In August 2013, Séléka forces stormed Boy Rabe, a C.A.R. neighbourhood regarded as a bastion of François Bozizé supporters and his ethnic group. Under the pretext of looking for arms caches, Séléka troops reportedly killed scores of civilians and went on a rampage of looting. When these raids spread to other quarters, thousands of residents invaded the international airport, which was perceived as a safe place because of the presence of French troops, and occupied its runway.

In early 2013, Nourredine Adam played an important role in the ex-Séléka’s financing networks. He travelled to Saudi Arabia, Qatar and the United Arab Emirates to collect funds for the former rebellion. He also operated as a facilitator for a Chadian diamond-trafficking ring operating between the Central African Republic and Chad.

1. Kimberley Process, “Kimberley Process Certification Scheme” (Available at: <https://www.kimberleyprocess.com/en/kpcs-core-document>; last accessed on 10/12/2015) [↑](#footnote-ref-1)
2. Organization for Economic Co-operation and Development, “OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas” (Available at: <https://www.oecd.org/corporate/mne/GuidanceEdition2.pdf>; last accessed on 10/12/2015) [↑](#footnote-ref-2)
3. United Nations Security Council, “Letter dated 28 October 2014 from the Panel of Experts on the Central African Republic established pursuant of Security Council resolution 2127 (2013) addressed to the President of the Security Council” (Available at: <https://documents-dds-ny.un.org/doc/UNDOC/GEN/N14/538/97/pdf/N1453897.pdf?OpenElement>; last accessed on 10/12/2015) [↑](#footnote-ref-3)