MEMORANDUM OF UNDERSTANDING

Memorandum of Understanding between:

- the Ministry of Commerce and Industry of the Republic of India and
- the Federal Public Service Economy of Belgium,

on a pilot-project for the sharing of Kimberley Process Certificates based data

The Department of Commerce, Ministry of Commerce and Industry, Government of the Republic of India & the Federal Public Service Economy of the Government of Belgium, herein after referred to as "Parties".

The bilateral diamond trade between Belgium and India is important for these countries. Both Parties emphasized that their long standing partnership and cooperation in diamond business should be enhanced in an atmosphere of trust and long term support.

In the framework of the Kimberley Process Certification Scheme for the international trade in rough diamonds, reliable and comparable data are an essential tool for the effective implementation of this scheme. The sharing and reconciliation of data are important for identifying any irregularities or anomalies which could indicate that conflict diamonds are entering the legitimate trade.

The KP Plenary meeting of 2008 in New Delhi noted that the quality of KPCS data can be improved by increased IT linkage between Participants. Therefore, the KP Plenary decided that a feasibility study of KP data sharing between India and EC-Belgium could be initiated.

Lega

Have reached the following understanding:

Purpose

Both Parties have entered into this Memorandum of Understanding in order to achieve an increased IT linkage between Belgium and India for the purpose of exchanging KP data. Currently, this data-exchange is done through e-mails as per the requirement of norms laid down by the Kimberley Process Certification Scheme under import confirmation and statistical compliance.

Both Parties noted that the Gem & Jewellery Export Promotion Council (GJEPC), the KP Export Import authority from Indian side, and the License Service, the EU KP authority from Belgian side, shall implement this project through a secured system of data-transfer. The data-transfer will rely on existing databases and software.

The pilot-project of increased IT collaboration will aim to link up predetermined data with regard to the import and export of rough diamonds in order to automatically reconcile the "Kimberley Process Certification" trade. If the project is successful, such results will be shared with the Kimberley Process so that the same may be analysed and, if accepted, other countries can be approached to implement the system

Details of the secured IT link and data transfer

Both Parties will separately decide upon the technical details in implementing this pilot-project.

Settlement of Disputes

The Parties shall settle any dispute arising from the interpretation and application of the present MoU through consultation and negotiations.

Duration of the MoU

This MOU is effective on the date of the final signature by both Parties and will remain in effect as long as the secured system of data-transfer is implemented. Once the secured system of data-sharing is operational, both Parties will continue to maintain and update the system whenever necessary.

This MOU may be modified at any time by written agreement of both parties.

Signed at New Delhi on this 25th day of November, 2013 in two originals each in English and Hindi languages, both texts being equally authentic. In case of any divergence in interpretation, the English text shall prevail

For Ministry of Commerce and Industry of India SECRETARY, DEPARTMENT OF COMMERCE

S.R. RAO

For the Federal Public Service Economy of Belgium,
CHAIR OF THE BOARD OF GENERAL DIRECTORS OF THE FPS
ECONOMY

JEAN-MARC DELPORTE