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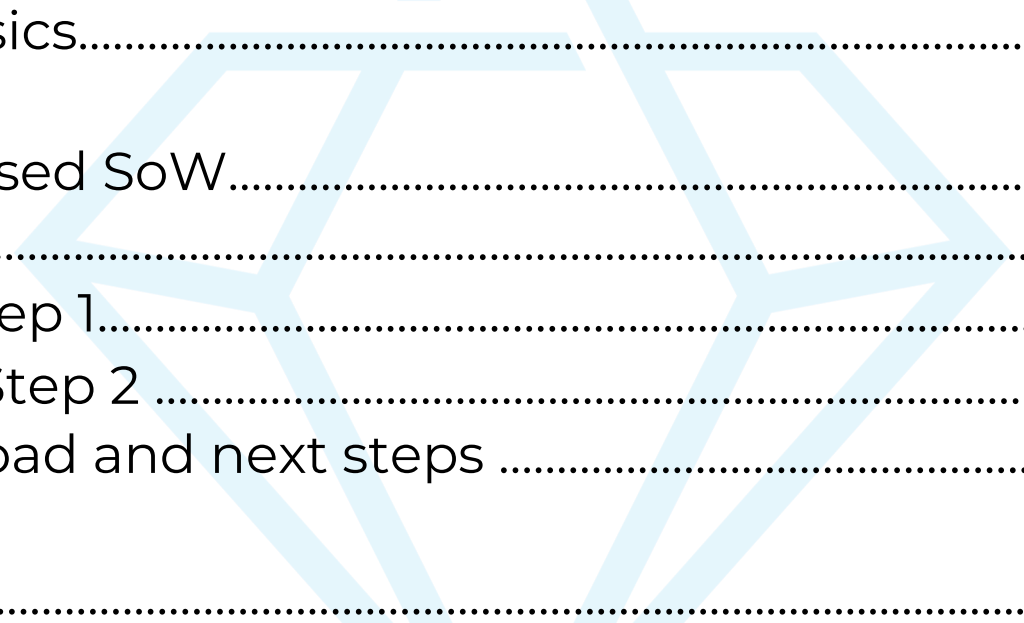
*How to implement the SoW*



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## **System of Warranties:**

*How to implement it?*



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# UNDERSTANDING THE BASICS



## 1. What is the System of Warranties (SoW) ?

The SoW is a **warranty statement** added to B2B invoices or memos that needs to be **applied every time** a rough or polished **diamond changes hands**, both loose and set in jewelry.

It assures the buyer that the diamond originates from a source, compliant with the Kimberley Process Certification Scheme (KPCS) and the **SoW Guidelines** which include universally accepted principles on Human and labor rights, anti-corruption and anti-money laundering issues.

In order to ensure compliance with the revised SoW and its Guidelines, an **online self assessment** needs to be completed on an annual basis.



## 2. Revised SoW: Concrete Improvements

	Old WDC SoW	Revised WDC SoW
Printed Warranty Statement	Yes	Yes
Usage of Guidelines	No	WDC SoW Guidelines 2018
Compliance Self Assessment	No Limitation to abstract support of the KP	Yes Self Assessment as a <b>key element</b> of SoW implementation
Scope	KPCS, Industry Self-Regulation	KPCS, Industry Self-Regulation + universal standards on human rights, labor rights, AML/CTF and anti-corruption practices
Alignment Exercise with Industry standards	No	Yes + OECD <u>awareness</u>

## 2. Revised SoW: 2nd Step → statement on Memos & Invoices

### Old text of Warranty

"The Diamonds herein invoiced have been purchased from legitimate sources not involved in the funding of conflict and in conformance 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."

### Revised text of Warranty to be used after taking the self assessment

"The diamonds herein invoiced have been **{sourced}**\* purchased from legitimate sources not involved in funding conflict, in compliance with United Nations Resolutions and corresponding national laws **{where the invoice is generated}**\*\*. The seller hereby guarantees that these diamonds are conflict free and confirms adherence to the WDC SoW Guidelines."

**\*{sourced}** - may be used by companies that do not purchase from open market, but source and aggregate diamonds from production facilities that are owned/partly owned by them

**\*\*{where the invoice is generated}** - may be used by companies if they specifically want to reference the country of invoice issuance

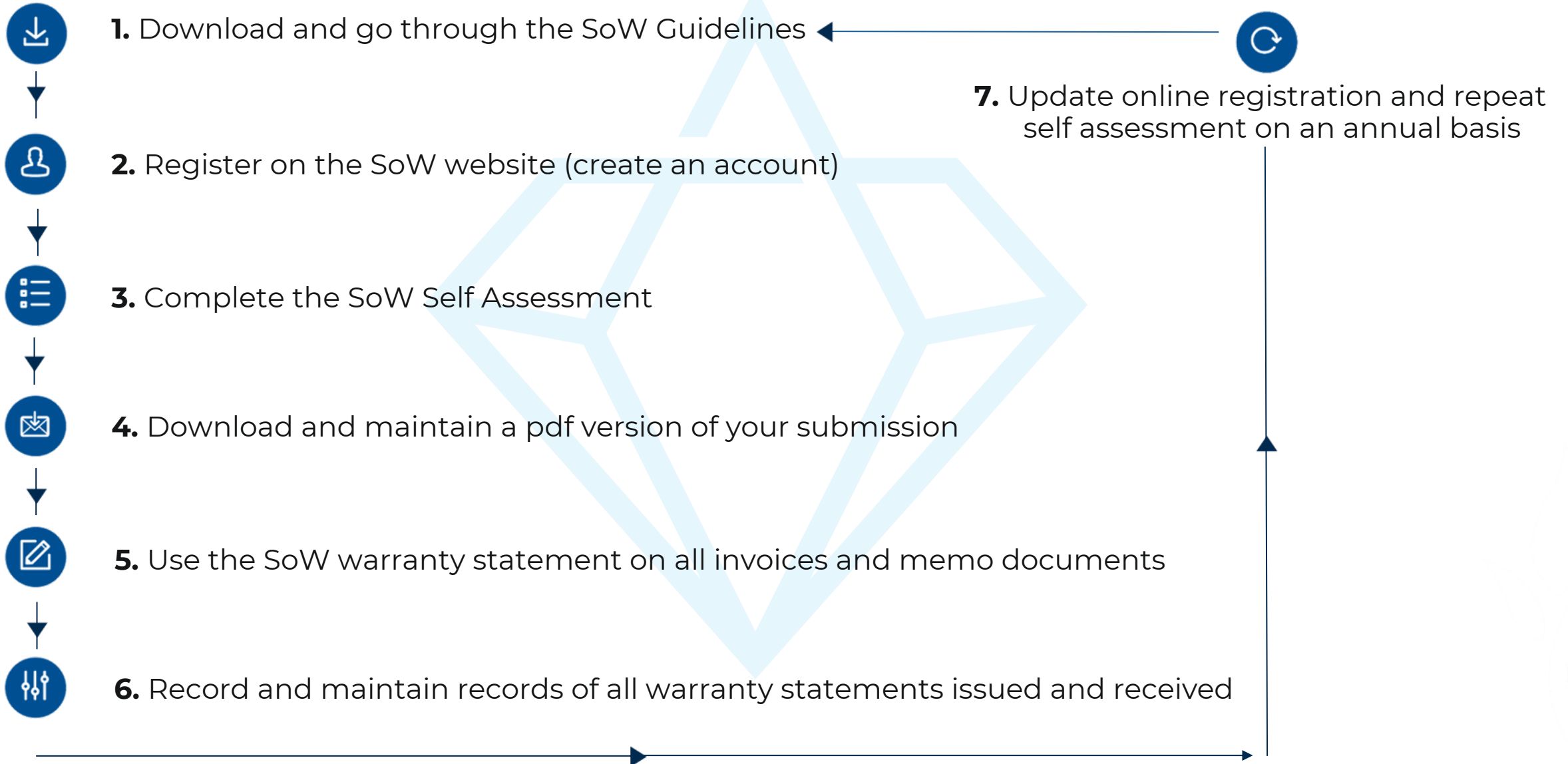
# IMPLEMENTATION

*Taking the self-assessment*





# The 7 Steps of Implementation



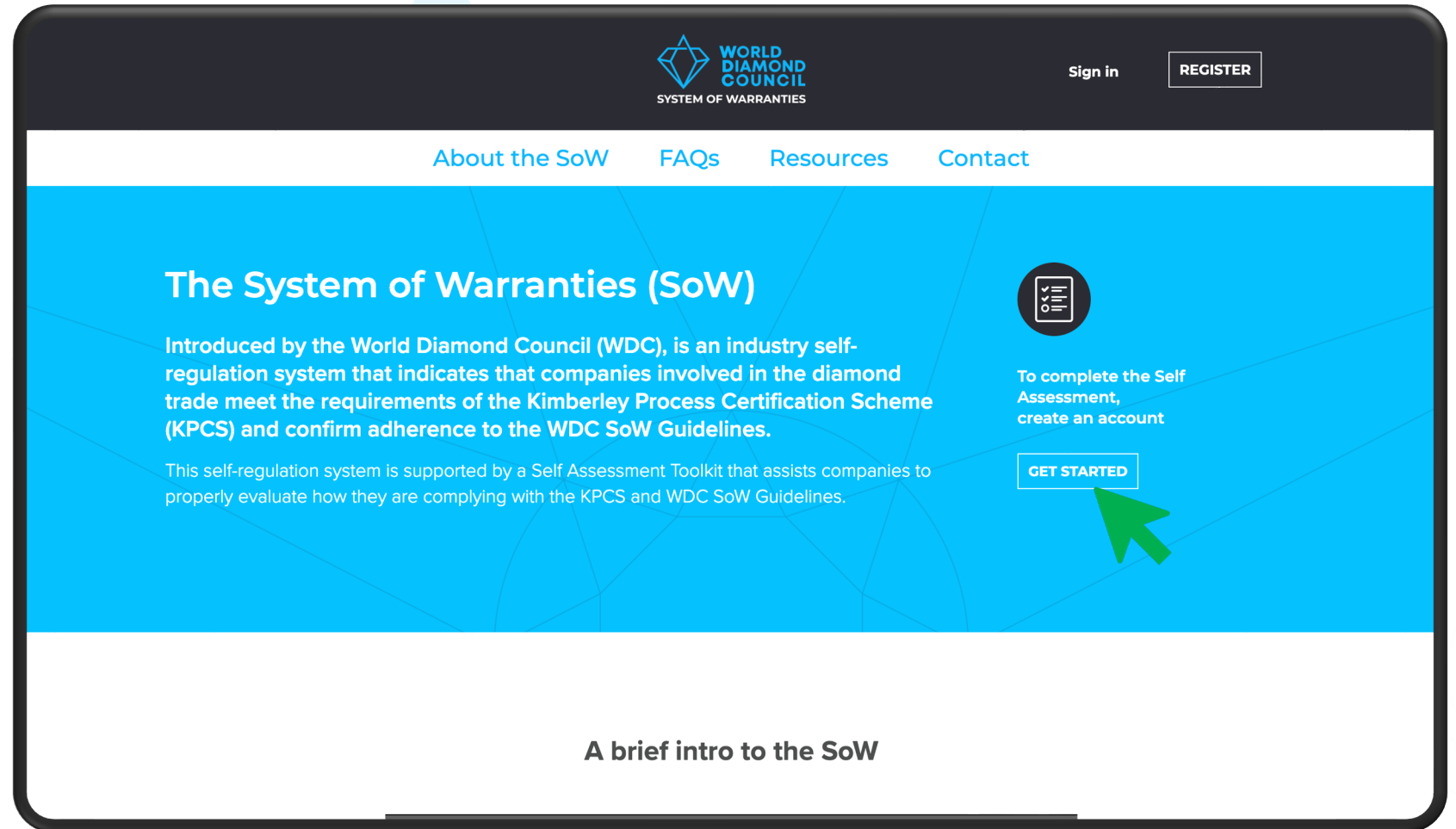
## Step 1:

### What?

Create an account.


### How to?

Click on **Get started.**

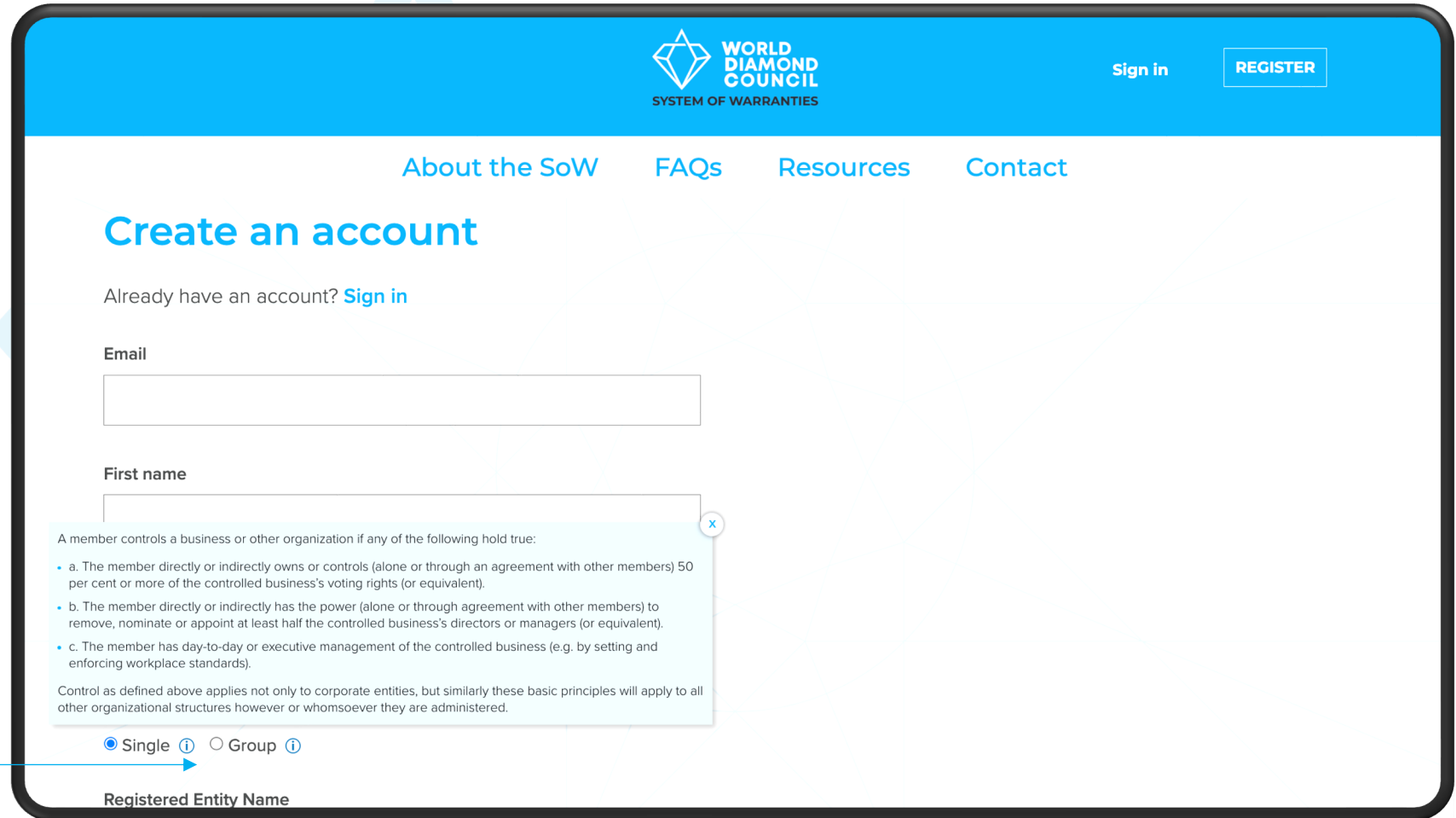


# Self Assessment – Step 1: Create an account

Please fill out **all requested fields** such as: email, first name, last name, company name, account type, etc....

You can **click on this icon**  to read more information regarding the question.

➔ Explanation will appear in a light blue frame next to the questions.



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[Sign in](#) [REGISTER](#)

[About the SoW](#) [FAQs](#) [Resources](#) [Contact](#)

## Create an account

Already have an account? [Sign in](#)



**Email**

**First name**

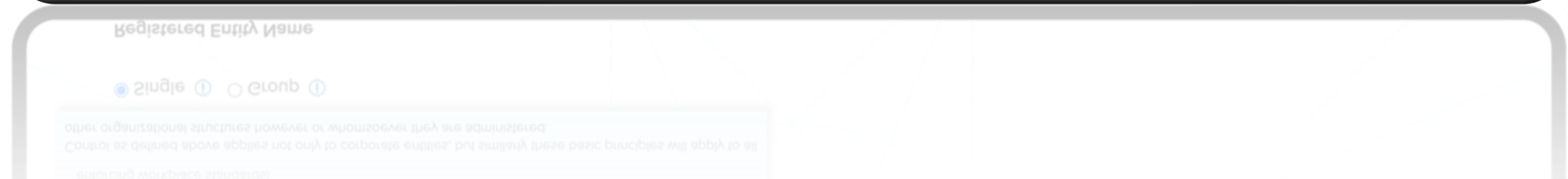
A member controls a business or other organization if any of the following hold true:

- a. The member directly or indirectly owns or controls (alone or through an agreement with other members) 50 per cent or more of the controlled business's voting rights (or equivalent).
- b. The member directly or indirectly has the power (alone or through agreement with other members) to remove, nominate or appoint at least half the controlled business's directors or managers (or equivalent).
- c. The member has day-to-day or executive management of the controlled business (e.g. by setting and enforcing workplace standards).

Control as defined above applies not only to corporate entities, but similarly these basic principles will apply to all other organizational structures however or whomsoever they are administered.

Single   Group 

**Registered Entity Name**



# Self Assessment – Step 1: Create an account

Please choose a password for your account and click on the **Register** button.

### Mobile Phone

### Password

Show

- Use 8 or more characters
- Use upper and lower case letters (e.g. Aa)
- Use a number (e.g. 1234)
- Use a symbol (e.g. !@#%)

### Confirm password

### Verification

On the next screen you will be asked to verify your account by email address.

By clicking 'Register', you agree to the WDC [Terms & Privacy Policy](#).

**REGISTER**

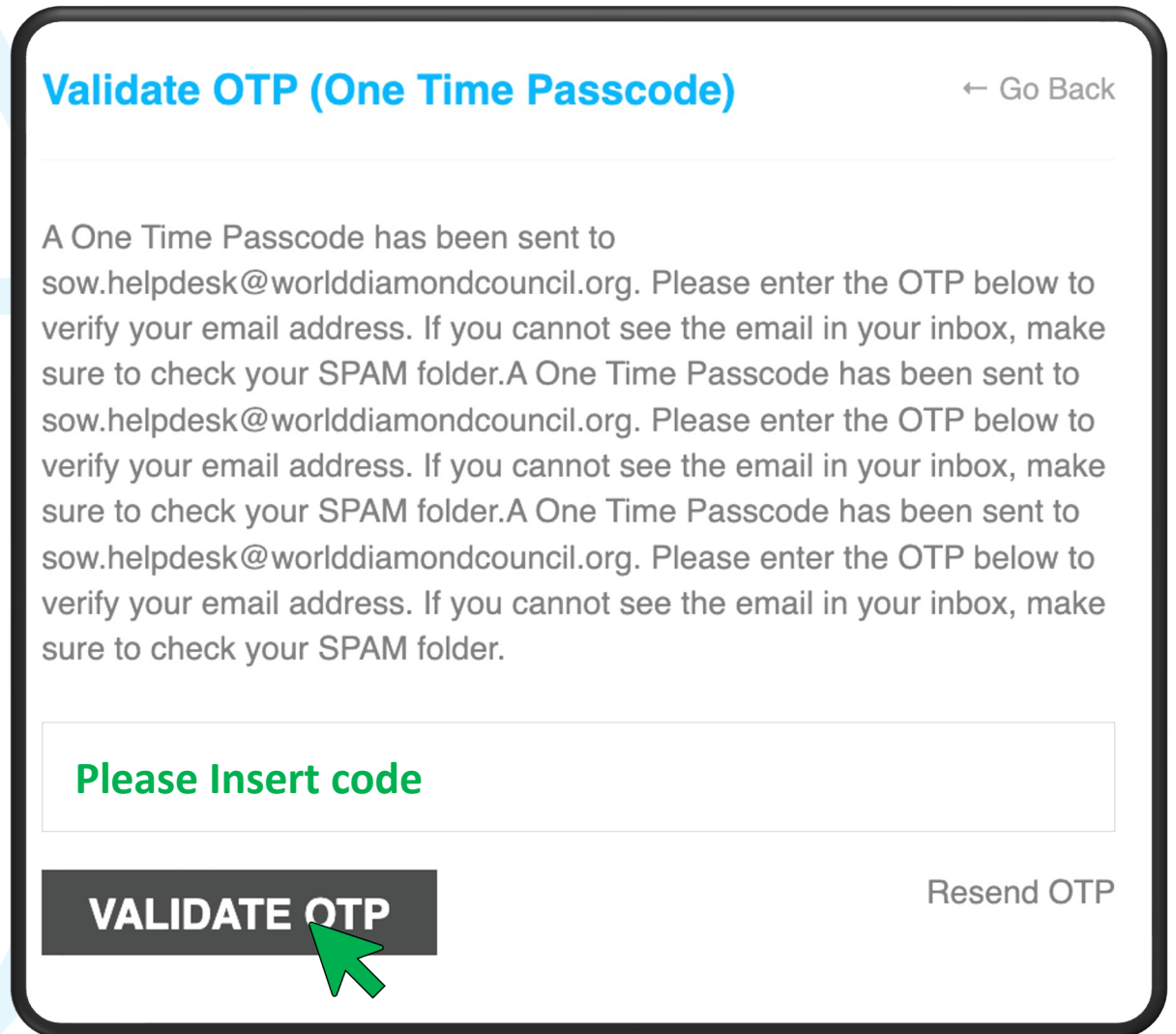
**REGISTER**

By clicking 'Register', you agree to the WDC [Terms & Privacy Policy](#).

Once you've clicked on **Register** you will be redirected to a screen where you must fill out a verification code.

This code will be sent to you by email. Please insert it and click on **Validate OTP**.

Your account has now been successfully created!

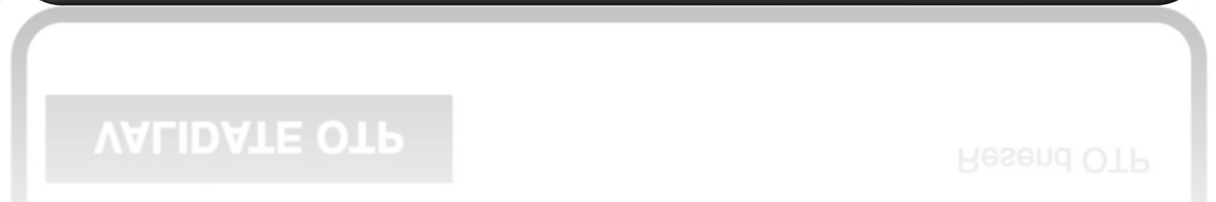


**Validate OTP (One Time Passcode)** [← Go Back](#)

A One Time Passcode has been sent to sow.helpdesk@worlddiamondcouncil.org. Please enter the OTP below to verify your email address. If you cannot see the email in your inbox, make sure to check your SPAM folder.

Please Insert code

**VALIDATE OTP** [Resend OTP](#)



**VALIDATE OTP** [Resend OTP](#)

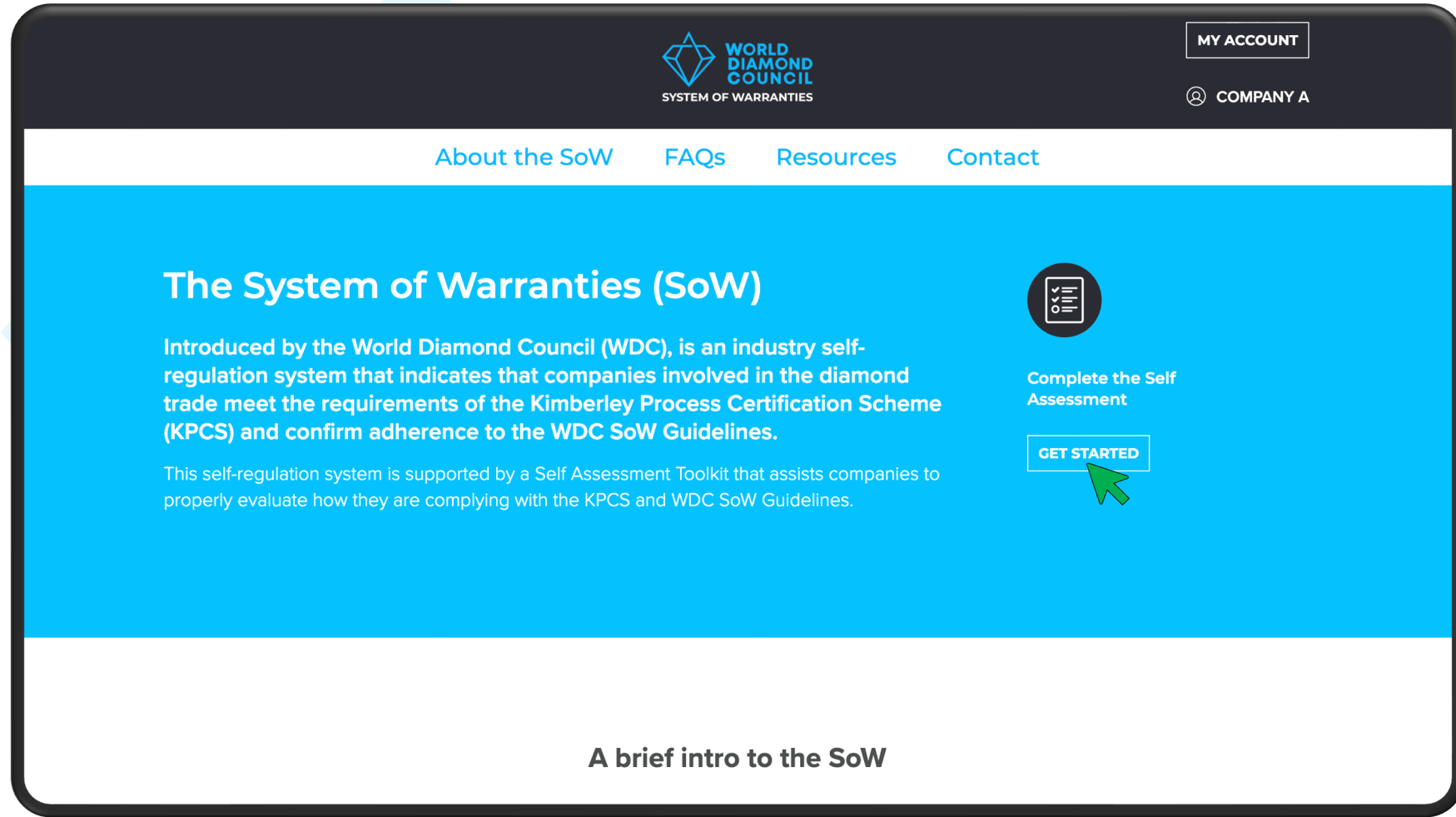
## Step 2:

### What do I have to do?

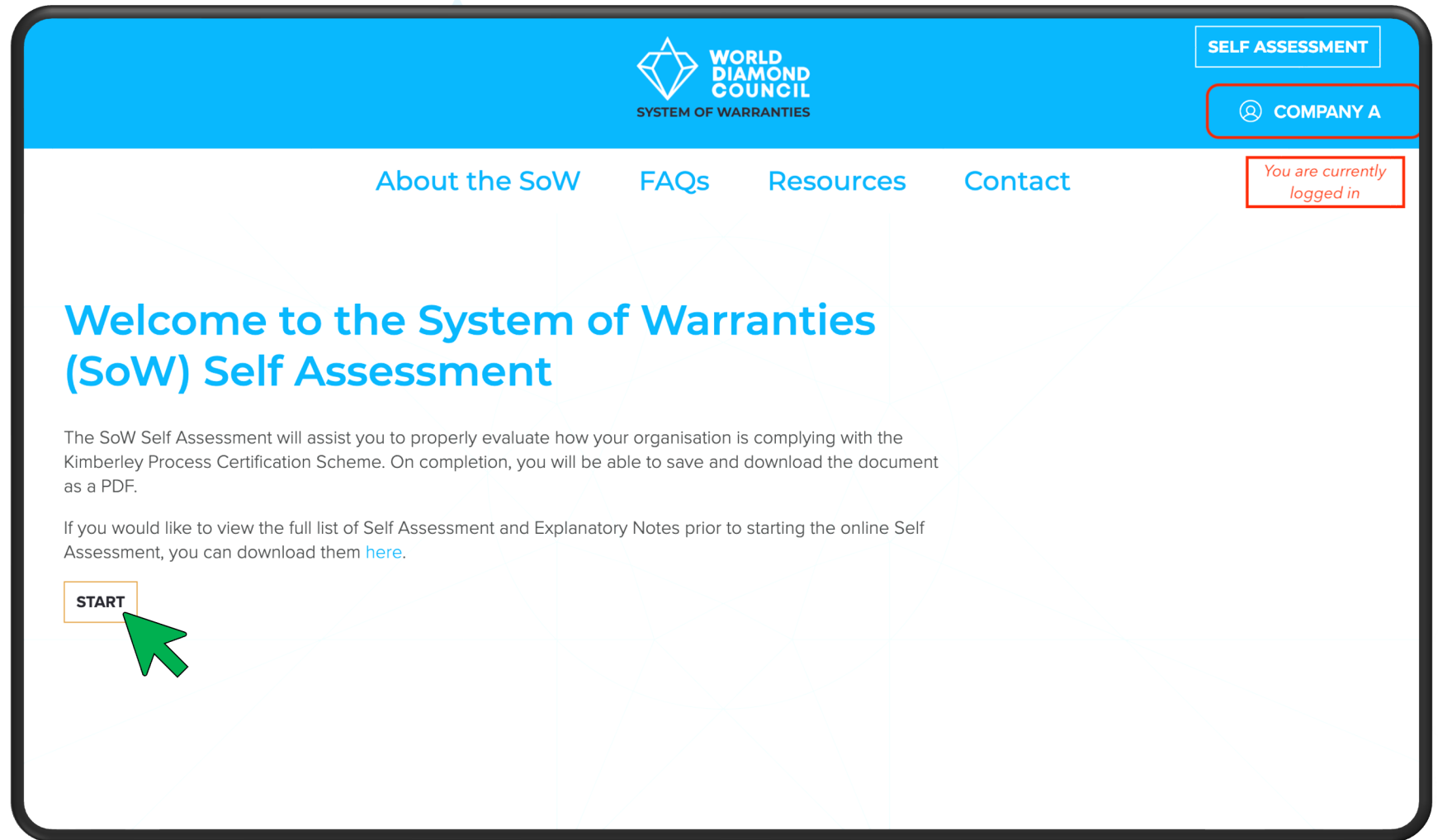
Complete the Self Assessment.

### How to complete it?

After creating the account, you will be redirected to this home page where you should click on the **Get Started** button in order to proceed to the Self Assessment form.



Please press the **start** button.



WORLD  
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SELF ASSESSMENT

COMPANY A

About the SoW    FAQs    Resources    Contact

You are currently logged in

## Welcome to the System of Warranties (SoW) Self Assessment

The SoW Self Assessment will assist you to properly evaluate how your organisation is complying with the Kimberley Process Certification Scheme. On completion, you will be able to save and download the document as a PDF.

If you would like to view the full list of Self Assessment and Explanatory Notes prior to starting the online Self Assessment, you can download them [here](#).

**START**

### Please note !

On every page of the self assessment, you will find a “save” button, you can click on that button to save all your data and resume filling out the form at your convenience.

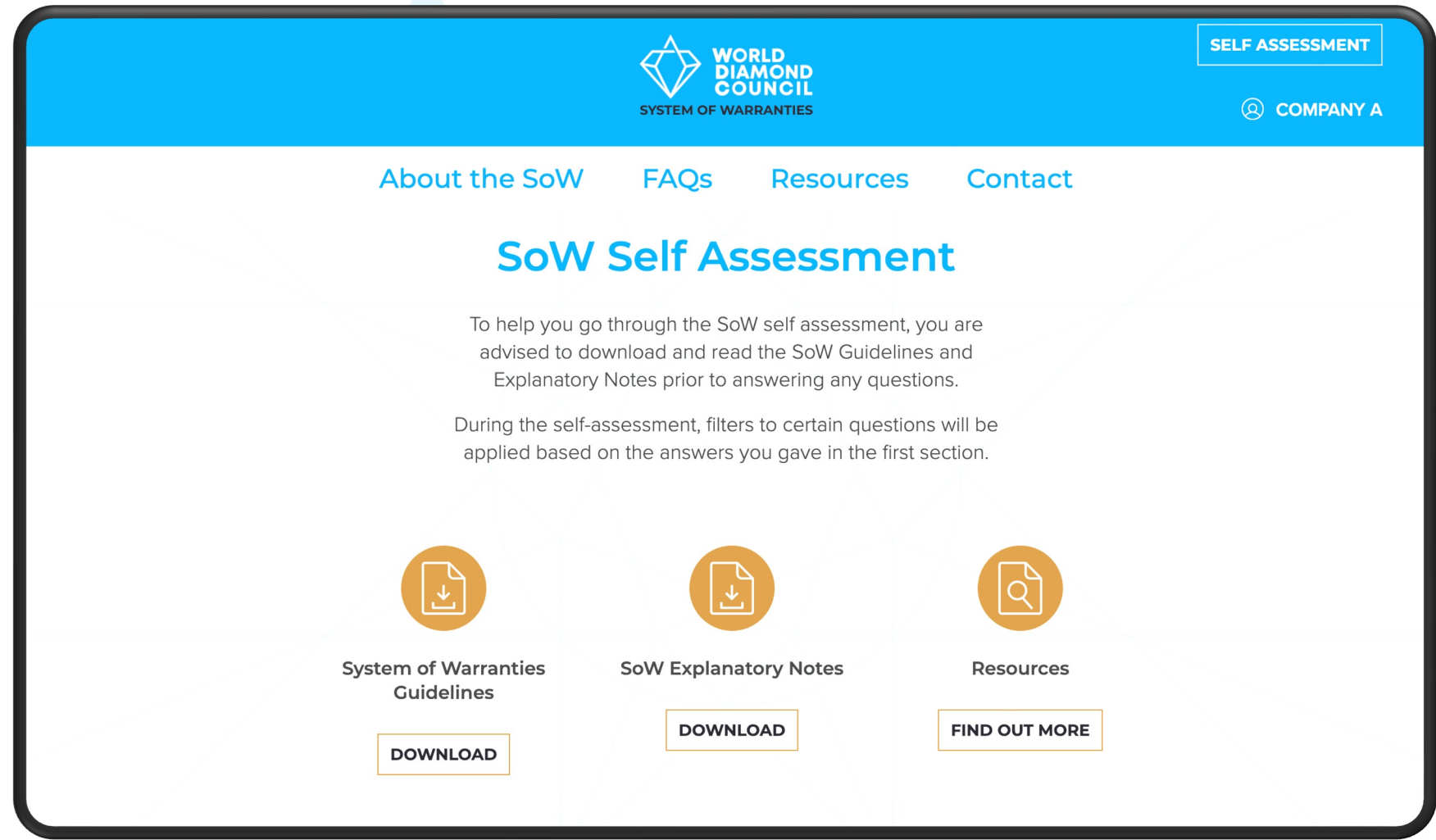
## Self Assessment – Step 2: Complete the online form

After clicking the **Start** button, this screen will appear.

You **may download additional informational** materials and other useful resources,

OR

you can **scroll down the page to start** with the Self Assessment if you have the info already.



The screenshot shows the 'SoW Self Assessment' page. At the top, there is a blue header with the World Diamond Council logo and 'SYSTEM OF WARRANTIES' on the left, and 'SELF ASSESSMENT' and 'COMPANY A' on the right. Below the header is a navigation menu with 'About the SoW', 'FAQs', 'Resources', and 'Contact'. The main heading is 'SoW Self Assessment'. Below this, there is a paragraph: 'To help you go through the SoW self assessment, you are advised to download and read the SoW Guidelines and Explanatory Notes prior to answering any questions.' Another paragraph follows: 'During the self-assessment, filters to certain questions will be applied based on the answers you gave in the first section.' At the bottom, there are three cards: 'System of Warranties Guidelines' with a 'DOWNLOAD' button, 'SoW Explanatory Notes' with a 'DOWNLOAD' button, and 'Resources' with a 'FIND OUT MORE' button.



## Self Assessment – Step 2: Complete the online form

The downloadable Explanatory Notes include **guidance** on each question in the SoW Self Assessment, and **explanation** about specific areas of compliance, including:

- KPCS
- WDC Self-Regulation
- Human Rights
- Labor Rights
- Anti-corruption
- AML/CTF



### Question 25

Does the company have a mechanism to evaluate the risk of corruption when workers, agents, intermediaries or consultants deal with public officials (including workers of state-owned companies), officers and employees of other companies or any other persons capable of unduly assisting the company in any way?

#### *About this Question to answer "Yes"*

You should identify the third parties you deal with, whether those are public officials, officers, employees of other companies or other persons capable of unduly assisting your company. You should assess the risk of corruption of each third party and if applicable, take risk mitigating measures should there be an increased risk of corruption. The key indicators to look at:

- evaluate the potential areas of corruption including factors such as type of transaction, countries of operation, industries, and customers or business partners involved.
- evaluate the risk of corruption when workers, agents, intermediaries or consultants deal with public officials (including workers of state owned companies).
- evaluate the risk of internal and external conflicts of interest in relation to business partners.
- develop an action plan to address the risk of corruption, and have defined responsibilities for each task, as a minimum for high-risk areas.
- identify internal functions with the highest risk of corruption within the company and seeks to address these weaknesses.

#### **Further Comments:**

Risk assessment is the foundation of implementing anti-corruption tools in businesses. This assessment will have a different focus depending on the specific situation and context and should relate to internal structures of the company. It is important to include this analysis in the overall evaluation of business relationships and opportunities and look for ways to minimize the risks by providing appropriate counter measures. Operating in countries with a high level of corruption the risk assessment should be implemented in all procedures.

Depending on the risk level, the company takes appropriate additional mitigating measures to do further due diligence on the third party and to reduce the risk of corruption if possible.

For example, generally public officials are considered to be more vulnerable to corruption. When dealing with a public official, the company can therefore take measures such as obtaining permission of the higher management in the company to enter into or continue the business relationship with these persons; taking appropriate measures to determine the origin of the funds which are used in the business relationship or transactions with these persons; exercising a stricter supervision on the business relationship and the execution of the transaction.

## Registered Entity Information

You will now be required to **provide information** about the entity you represent.

### Important !

Your responses in this section will activate a set of filters which will decide the questions of the Self Assessment in the upcoming sections.

Registered number 

Number of Employees

- Zero, self-employed
- < 100
- 100 or more

Do you buy/sell rough diamonds?

- Yes
- No

Do you purchase diamonds from artisanal small scale mining sources?

- Yes
- No

## Self Assessment – Step 2: Complete the online form

According to your responses in the **Registered Entity Information section** of the Self Assessment, a set of filters will be applied.

→ you will only be asked **relevant questions** in function of your activities in certain or all of the following four sections.

- Kimberly Process Certification Scheme
- Industry Self –Regulation
- Compliance
- Sourcing for artisanal sector

01. Do all rough diamond imports and exports made have a KP Certificate? ⓘ

- Yes  
 No

02. Does the company make sure that it does not buy/receive on memo rough diamonds from suspect sources or unknown suppliers, or rough diamonds which originate in countries that are not member of the KP and/or have not duly implemented and/or enforced the KPCS regulations prohibiting the trade in conflict diamonds and officially communicated as such, with possible additional restrictions upon an advisory by a governmental authority of the company's country of registration? ⓘ

- Yes  
 No

03. Does the company ensure that all company employees who buy or sell diamonds within the diamond trade are well informed regarding trade resolutions and government regulations prohibiting the trade in conflict diamonds and respect these procedures at any time? ⓘ

- Yes  
 No

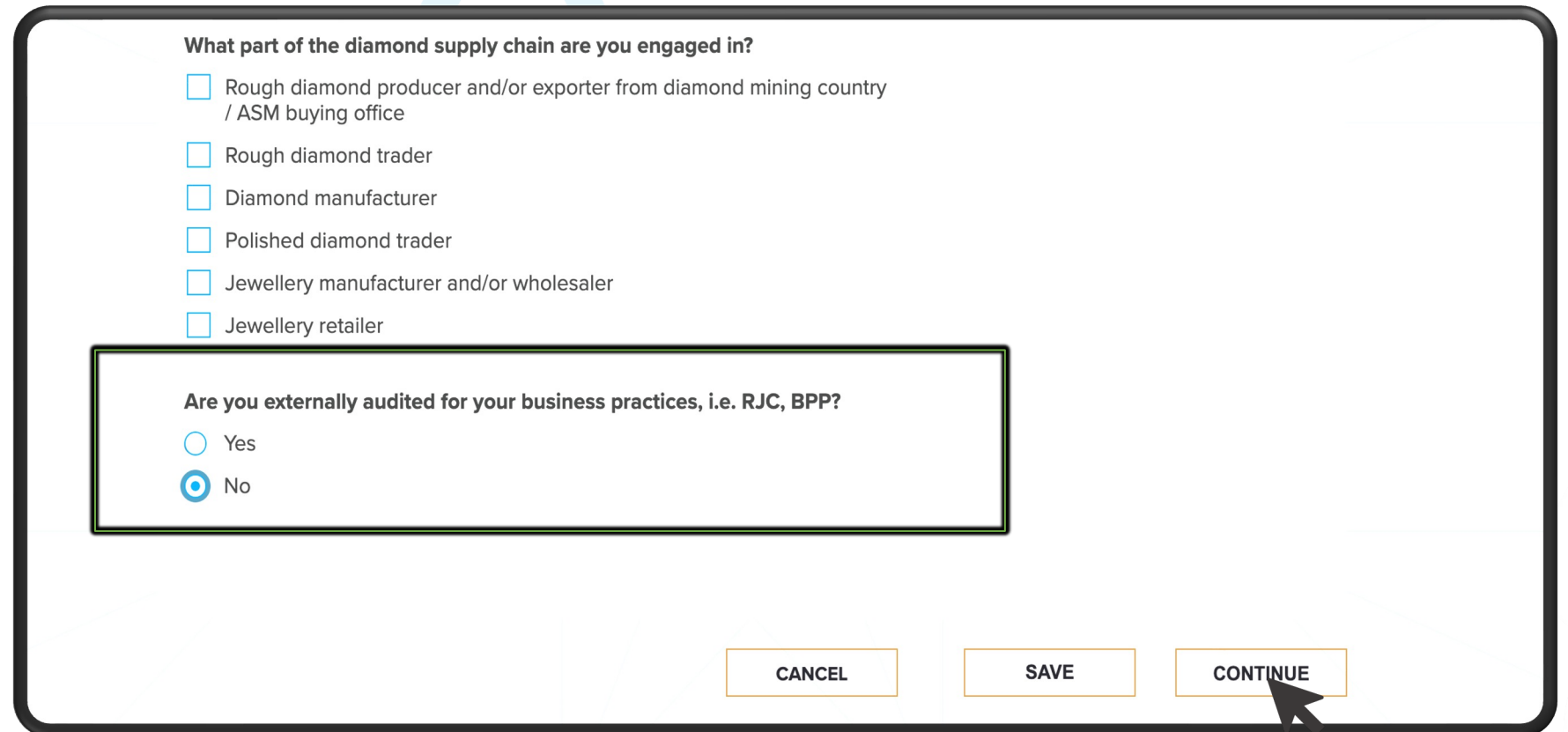
04. Does the company keep as per national relevant legal requirements or (if not set) at least for a period of three years the daily buying, selling or exporting records listing the names of suppliers and/or buyers, their license number and the amount and value of diamonds sold, exported or purchased? ⓘ

- Yes  
 No

## Self Assessment – Step 2: Complete the online form

Please be aware that if you select **yes** in the last question, a drop down set of questions will appear on your screen.

Once you have filled out this segment of the assessment, you can choose to **save** the information and resume filling out the form another time or you can click the **continue** button to proceed to the next segment..



The screenshot shows a form titled "What part of the diamond supply chain are you engaged in?" with six radio button options. Below this is a section titled "Are you externally audited for your business practices, i.e. RJC, BPP?" with two radio button options: "Yes" and "No". At the bottom of the form are three buttons: "CANCEL", "SAVE", and "CONTINUE". A mouse cursor is pointing at the "CONTINUE" button. The form is displayed on a screen with a reflection below it.

**What part of the diamond supply chain are you engaged in?**

- Rough diamond producer and/or exporter from diamond mining country / ASM buying office
- Rough diamond trader
- Diamond manufacturer
- Polished diamond trader
- Jewellery manufacturer and/or wholesaler
- Jewellery retailer

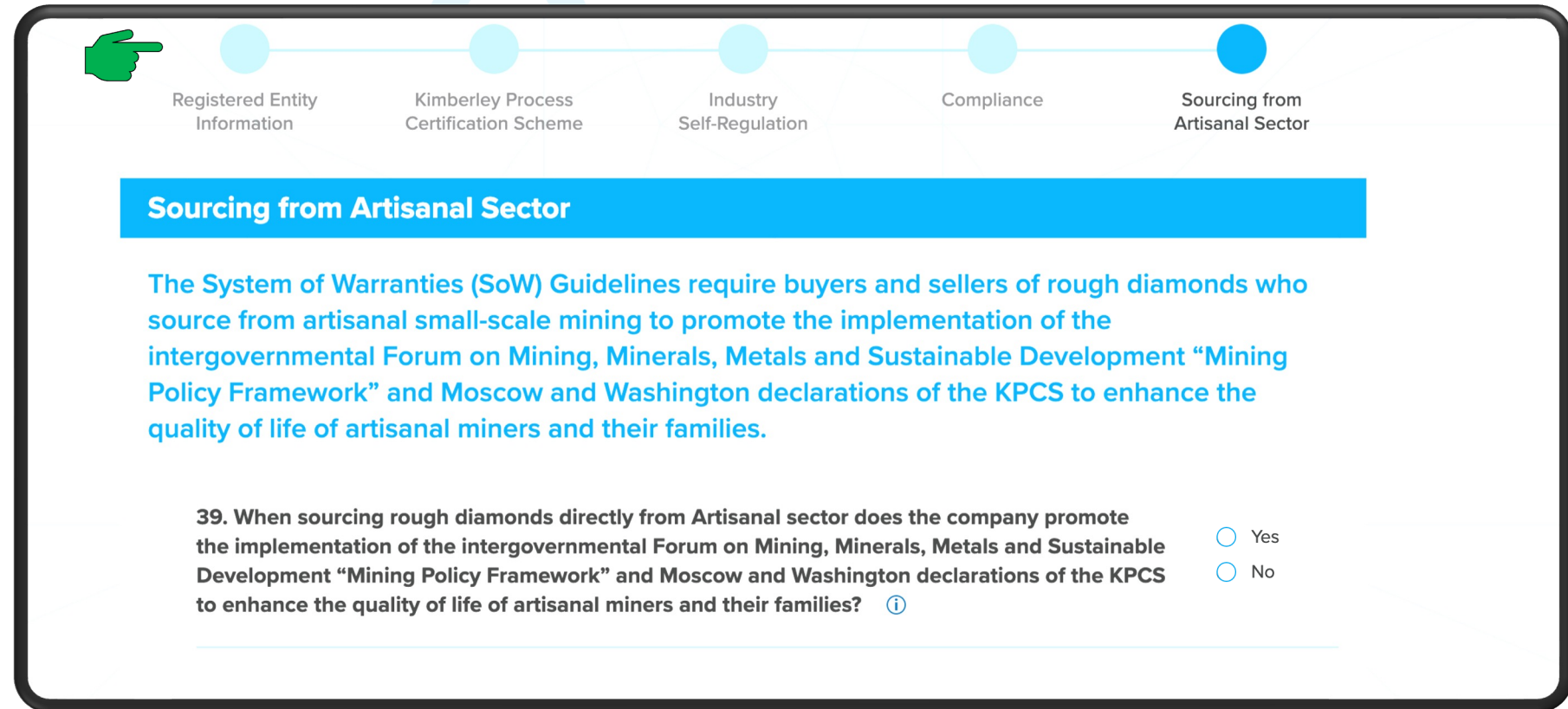
**Are you externally audited for your business practices, i.e. RJC, BPP?**

- Yes
- No

CANCEL SAVE CONTINUE

As you move along the Self Assessment you will be able to follow your progress by scrolling up to the top of the page.

→ You will see how many sections you have completed, and the sections you still must go through.



The screenshot shows a progress bar at the top with five steps: Registered Entity Information, Kimberley Process Certification Scheme, Industry Self-Regulation, Compliance, and Sourcing from Artisanal Sector. A green hand icon points to the first step. The 'Sourcing from Artisanal Sector' step is highlighted in blue. Below the progress bar, a blue header reads 'Sourcing from Artisanal Sector'. The text below explains the System of Warranties (SoW) Guidelines and the Mining Policy Framework. A question (39) asks if the company promotes the implementation of these guidelines when sourcing from the artisanal sector. The question has two radio button options: 'Yes' and 'No'. A help icon is visible next to the question.

Registered Entity Information   Kimberley Process Certification Scheme   Industry Self-Regulation   Compliance   Sourcing from Artisanal Sector

### Sourcing from Artisanal Sector

The System of Warranties (SoW) Guidelines require buyers and sellers of rough diamonds who source from artisanal small-scale mining to promote the implementation of the intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development “Mining Policy Framework” and Moscow and Washington declarations of the KPCS to enhance the quality of life of artisanal miners and their families.

39. When sourcing rough diamonds directly from Artisanal sector does the company promote the implementation of the intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development “Mining Policy Framework” and Moscow and Washington declarations of the KPCS to enhance the quality of life of artisanal miners and their families? ⓘ

Yes  
 No

to enhance the quality of life of artisanal miners and their families ⓘ  
Development “Mining Policy Framework”, and Moscow and Washington declarations of the KPCS  
the implementation of the intergovernmental Forum on Mining, Minerals, Metals and Sustainable

## One last step, and **you're done!**

After filling out the self assessment form, please click on **Submit**.

Once you've clicked on the Submit button your assessment has now been successfully completed.

You have now completed the SoW Self Assessment. Please press "Submit" to confirm your answers and complete the process.

Save

SUBMIT

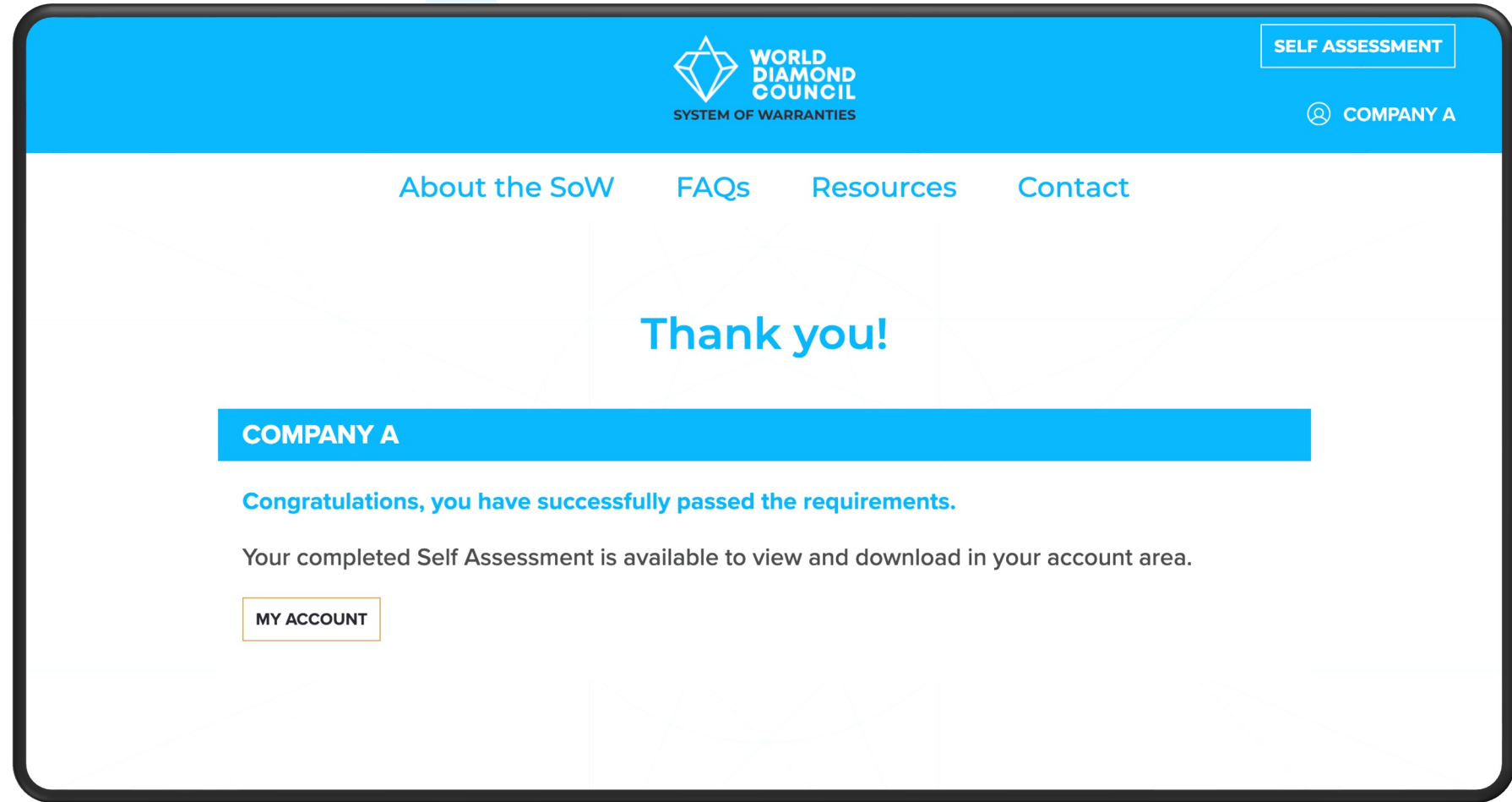


# Self Assessment – Step 2: Complete the online form

**DONE!**

Thank you for submitting your Self Assessment form!

You will now be redirected to a confirmation page.



The screenshot shows a web page with a blue header. On the left of the header is the World Diamond Council logo and 'SYSTEM OF WARRANTIES'. On the right is a 'SELF ASSESSMENT' button and a user profile icon labeled 'COMPANY A'. Below the header is a navigation menu with 'About the SoW', 'FAQs', 'Resources', and 'Contact'. The main content area features a large 'Thank you!' message in blue. Below this is a blue bar with 'COMPANY A' in white. Underneath, a blue link reads 'Congratulations, you have successfully passed the requirements.' followed by the text 'Your completed Self Assessment is available to view and download in your account area.' and a 'MY ACCOUNT' button.



SELF ASSESSMENT

COMPANY A

About the SoW

FAQs

Resources

Contact

**Thank you!**

**COMPANY A**

**Congratulations, you have successfully passed the requirements.**

Your completed Self Assessment is available to view and download in your account area.

MY ACCOUNT

# Download your latest submission

## STEP 3:

### What do I have to download?

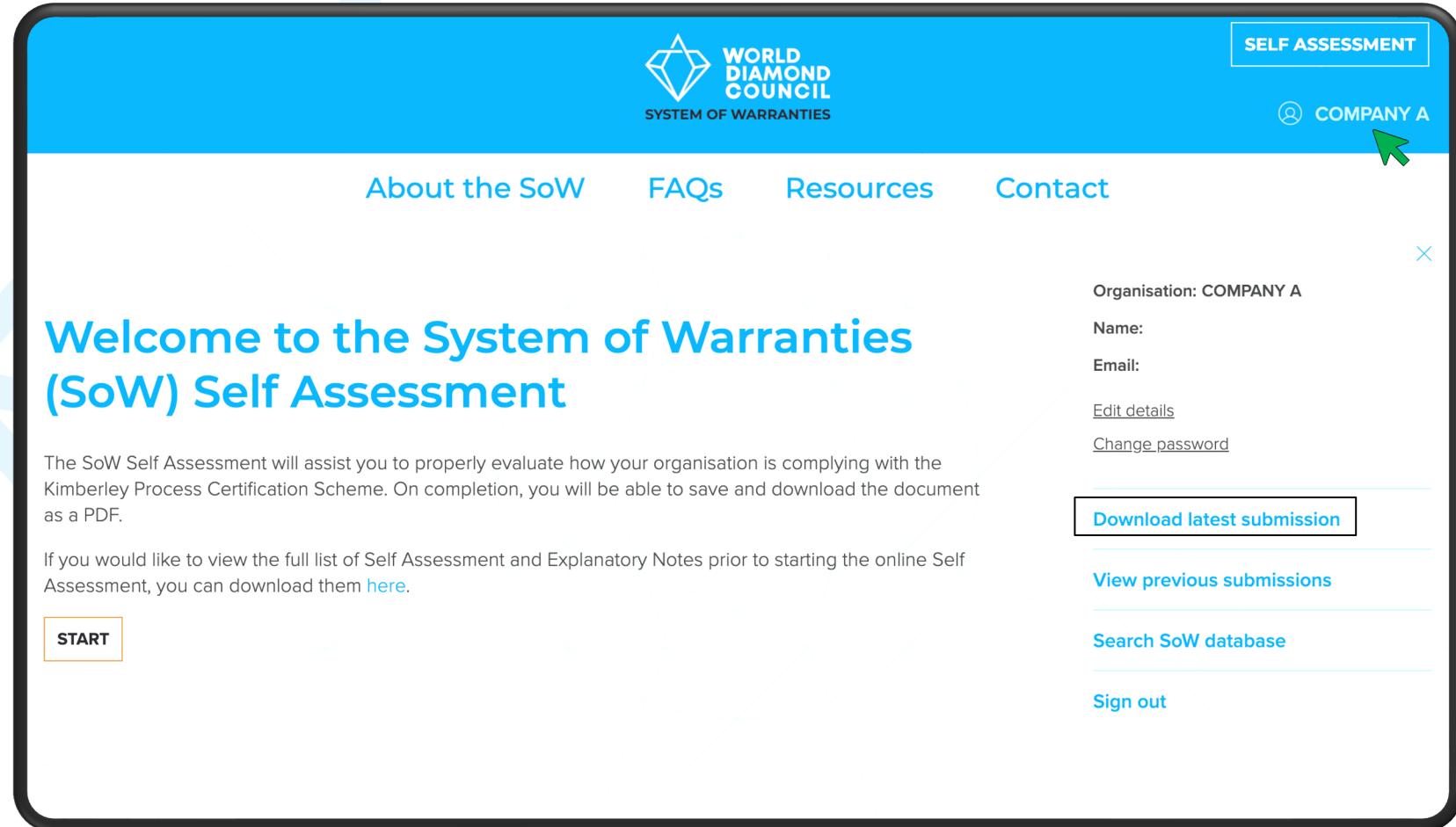
Download your latest SoW Submission in pdf format.

### How do I download this file?

1. Click on your profile in the right corner of your screen
2. A drop-down menu will appear.
3. Click on Download latest submission and save the file.

### Important information!

Please make sure to save your last submission, as this document can and should be shared with your current and new business partners. Its **unique identification number** serves as proof of your company's compliance with the SoW.



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SYSTEM OF WARRANTIES

SELF ASSESSMENT

COMPANY A

About the SoW   FAQs   Resources   Contact

## Welcome to the System of Warranties (SoW) Self Assessment

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**START**

Organisation: COMPANY A

Name:

Email:

[Edit details](#)

[Change password](#)

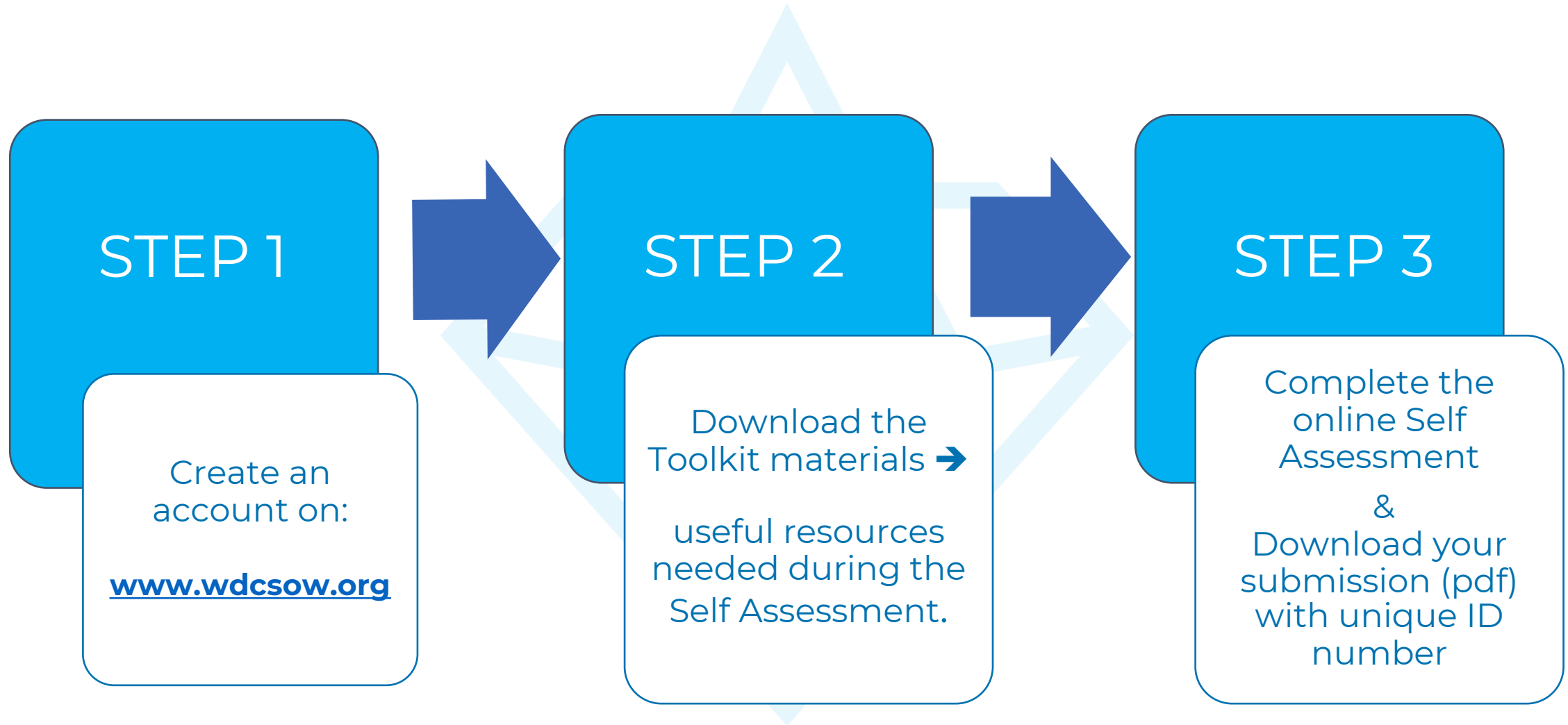
**Download latest submission**

[View previous submissions](#)

[Search SoW database](#)

[Sign out](#)





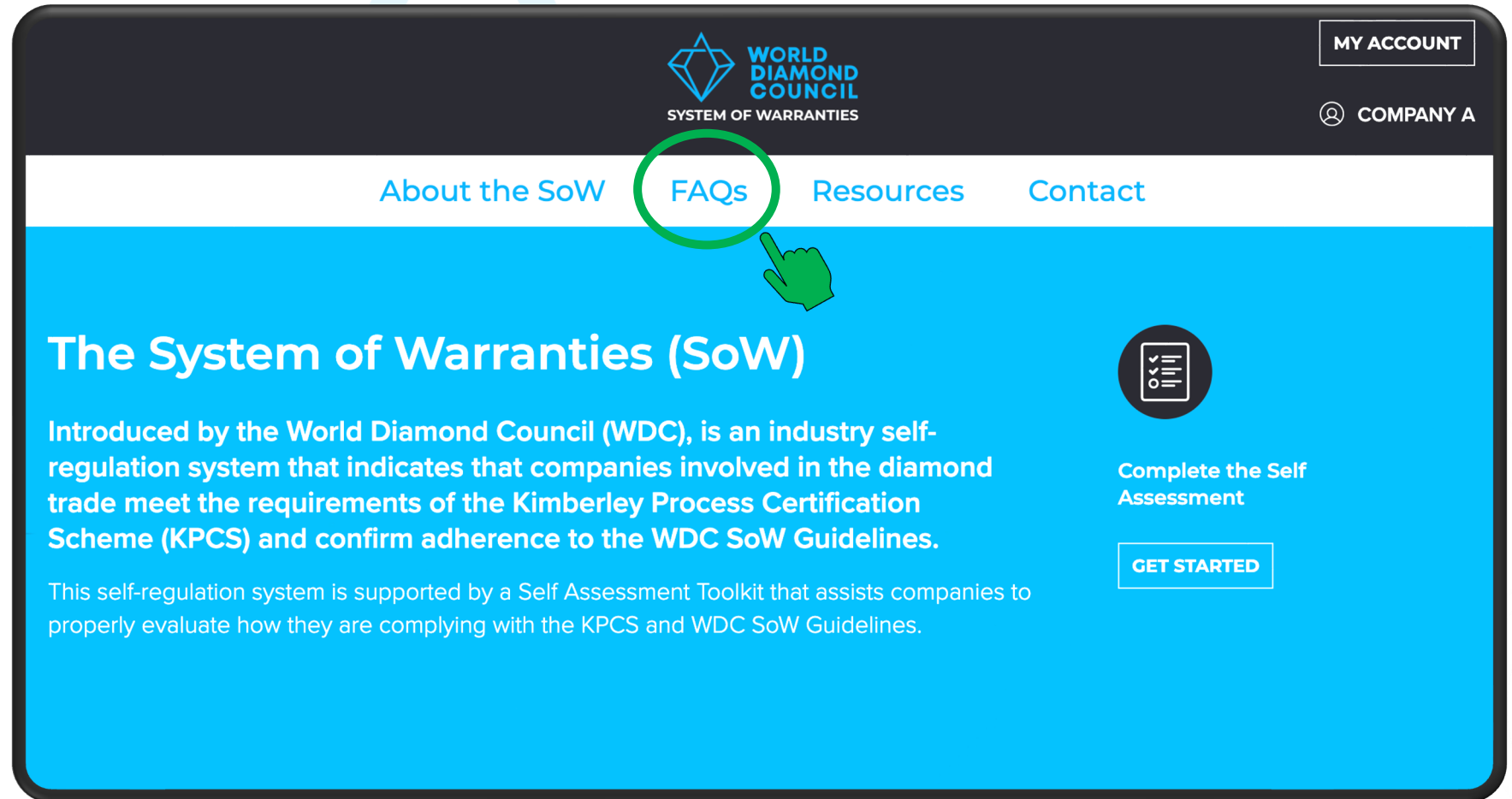
Repeat self assessment **every year**  
Record all warranty statements issued and received on an **annual basis**

## Need more info ?

Go to the FAQs section on the SoW website

or

Contact us in case you have additional questions.





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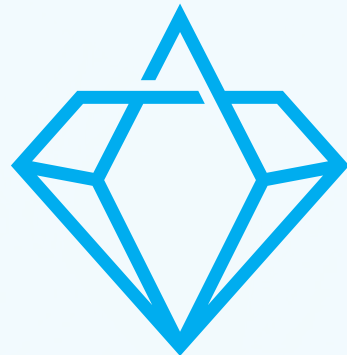
QUESTIONS?

**Elodie Daguzan**

Executive Director, World Diamond Council

[ed@worlddiamondcouncil.org](mailto:ed@worlddiamondcouncil.org)

# Thank You!



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