

# **Diamond Best Practice Principles**

## **Assurance Programme Overview**

**Document 1 of 4**



A DIAMOND IS FOREVER

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## 1. Glossary

### **Assurance:**

Independent view as to the completeness, accuracy and value of a report or programme.

### **Assessment:**

The management process of checking records against regulatory and other standards such as those of the Diamond Best Practice Principles Assurance Programme (BPP Assurance Programme). Assessments are undertaken by internal assessors or external Verifiers, in first or third party capacity respectively (as defined below):

### **First Party Assessment:**

A self-assessment conducted by a business's local management team in accordance with pre-defined standards, possibly with the assistance of an external consultant, specifically engaged by the company in question, who may also provide feedback and support in remedying any problems identified during the course of the audit. The First Party Assessment report is to take the form of the Workbook referred to in Section 2 of this Overview;

### **Third Party Verification:**

Independent Verification of the validity of the information provided in the First Party Assessments with reference to the same pre-defined standards used in the First Party Assessment and employing three assessment methods: (1) inquiry; (2) inspection; and (3) observation. From time to time, there may also be a requirement to carry out an assessment to provide assurance with regard to specific issues.

### **Assessable Entities:**

This means entities that are subject to the BPP Assurance Programme. Further details of Assessable Entities are set out in Section 4 of this Overview.

### **Verifier:**

A trained person who is capable of undertaking assessments in accordance with norms of best practice. In this Overview, Verifiers conducting a First Party Assessment are referred to as First Party Assessors and those conducting a Third Party Audit are referred to as Third Party Verifiers.

### **BPPs:**

The Diamond Best Practice Principles.

### **BPP Assurance Programme:**

The Diamond Best Practice Principles Assurance Programme.

### **Grace Period:**

The initial period from 7 July 2003 to 30 June 2005, during which all Assessable Entities will be subject to First Party Assessment but will not be subject to Third Party Review or Third Party Verification. Sightholders will be required to submit First Party Assessment reports to the Third Party Verifier during the period January 2005 – June 2005. However during the Grace Period, the Diamond Trading Company and Sightholders are still required to comply with the BPPs and may be required to provide reasonably necessary information and access to premises to verify such compliance in accordance with the terms of the Supplier of Choice Policy Statement, where the Diamond Trading Company has reasonable grounds to believe a major or material breach of the BPPs has occurred.

### **Review:**

Third Party Verifiers review and check of the information contained in First Party Assessment Reports. This does not involve the Third Party Verifier carrying out an independent Third Party Verification.

### **Sightholders:**

Clients to whom the Diamond Trading Company sells rough Diamonds under its supply and distribution arrangements known as "Supplier of Choice".

### **Supplier of Choice documents:**

This means the documents which comprise the contract between the Diamond Trading Company and its Sightholders in relation to the Supplier of Choice arrangements, including the Policy Statement, the Conditions of Sale, the Criteria and Considerations and the Diamond Best Practice Principles

### **Verification:**

The process of verifying, through Third Party Verification, the validity of information provided in First Party Assessments with reference to pre-defined standards used in the First Party Assessment.

### **Worker:**

This means any individual who undertakes to do or perform personally any work or services for the Sightholder/ company and whose status is not that of a client or customer of the Sightholder/company. For the avoidance of doubt this definition shall include contractors and permanent, temporary, seasonal, full and part-time employees of any status (directors, managers and subordinate levels).

## 2. Introduction: BPP Assurance Programme

The Diamond Trading Company believes it to be in the interest of those participating in the Diamond industry to encourage long-term consumer demand for Diamond jewellery. This goal can only be attained if the industry meets consumer expectations, which increasingly encompass business, social and environmental responsibilities embedded in international law and increasingly adopted in national laws and best practice voluntary codes, such as the OECD Guidelines for Multinational Enterprises (2000). The Diamond Trading Company has therefore made compliance with the *BPPs* a legally binding condition of its contracts with Sightholders [and, wherever practicable, with third parties with which the company enters into contracts for the supply of goods and services].

The BPP Assurance Programme is a systematic means of monitoring the compliance of the De Beers Group of Companies, Diamond Trading Company Sightholders and their business partners in the Diamond industry with the *BPPs*. It has been developed in this new business context to provide evidence to supply chain partners, consumers and other interested stakeholders that the exploration, extraction, sorting, cutting and polishing of Diamonds, and the manufacture and sale of Diamond jewellery by entities that are owned or controlled by the De Beers Group or by Diamond Trading Company Sightholders, are undertaken in a professional, ethical and environmentally friendly and accountable way.

The BPP Assurance Programme comprises a management system and set of assessment tools, the most important of which is a Workbook. The information provided by completing the Assurance Programme Workbook (the "**BPP Workbook**") measures compliance with the *BPPs* systematically, in accordance with the BPP Requirements.

The BPP Requirements incorporate best practice, measuring and reporting standards, such as the standard of Social Accountability International (SA8000) and the Global Reporting Initiative (GRI). They set out the detailed requirements as to the application of the *BPPs*<sup>1</sup>. The reporting guidelines and performance indicators of the GRI are applied in producing BPP assessment reports, which provide assurance to a range of different stakeholder groups. One of the tangible outputs of the BPP Assurance Programme will be an annual report on business, social and environmental performance for inclusion in De Beers' Annual Reports.

The BPP Assurance Programme will also provide a further level of compliance checking with respect to anti-money laundering and terrorism financing activities, as well as monitoring to ensure that the obligations of the Kimberley Process are satisfied.

This Overview, the BPP Requirements, the BPP Workbook and the BPP Workbook Companion constitute the Assurance Programme documents and will be updated from time to time. The documents are the tools for implementing the legally binding obligations (i) in the Supplier of Choice Policy Statement requiring Sightholders to comply with the *BPPs* and (ii) where applicable, in contractual agreements that the De Beers Group has with third party Assessable Entities (see section 4 below). Failure to comply with the requirements set out in the Assurance Programme documents will constitute a breach of the obligation to comply with the *BPPs* and will result in appropriate action being taken.

## 3. The BPP Assurance Programme Framework

The BPP Assurance Programme has been designed to enhance consumer confidence in the integrity of the Diamond supply chain. This will be achieved as follows:

- enhance consumer confidence in the integrity of the De Beers Group (including the Diamond Trading Company), Sightholders and the Diamond industry more generally;

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<sup>1</sup> For example, the requirements of the *BPPs* to provide proper working conditions and to ensure the fair treatment of individuals means in practice that the *BPPs* require the freedom of association, adherence to standards relating to health, hygiene, overcrowding, working hours and safety hazards, and the elimination of child labour, discrimination, and forced or bonded labour. This guidance is rooted in the labour standards of many countries and the International Labour Organisation (ILO).

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- monitor, measure, verify and report the compliance of the De Beers Group (including the Diamond Trading Company) and Sightholders with the *BPPs*;
- provide assurance as to the independence and quality of the Third Party Verifiers;
- ensure appropriate and timely response in cases of reported material breaches of the *BPPs*;
- check that the BPP Assurance Programme is not inadvertently generating negative business, social and environmental impacts that might potentially damage the reputation of the De Beers Group, the Diamond Trading Company or any of their respective business partners, including Sightholders;
- build management capacity to optimise compliance with *BPPs* and address issues responsibly;
- assure compliance with the *BPPs* in accordance with legal obligations and commitments and norms of good governance and business ethics;
- Provide input to the ongoing De Beers Group risk management process.

The BPP Assurance Programme comprises a framework for the implementation of annual first party self-assessment and third party independent verification. During the Grace Period, First Party Assessment capacity will be built up through training but nonetheless all Tiers 1, 2 and 3 Assessable Entities (see section 4 below) will be subject to First Party Assessment. No Review or Third Party Verification will be conducted during the Grace Period, unless the Diamond Trading Company has reasonable grounds to believe that there is a major or material breach of the *BPPs*.

In addition, in each subsequent year following the Grace Period, up to 10% of all Sightholder Assessable Entities will be subject to Third Party Verification. At least one assessable entity of each Sightholder will be subject to such Third Party Verification every year.

As mentioned above, to ensure the integrity and completeness of First Party Assessment reports, Third Party Verifiers will, after the Grace Period, annually review all First Party Assessment reports. The Third Party Verifier will follow up reports where data is not submitted (either at all or in incomplete form), where data is not clear. Non-submission of the First Party Assessment will constitute a breach of the obligation to comply with the *BPPs* and could potentially result in sanctions against the defaulting Sightholder.

Levels of compliance by Sightholder Assessable Entities with the *BPPs* will be shown through annual summary reports submitted by the Third Party Verifier to the Diamond Trading Company's BPP Advisory Committee (BPPCo).

The independence and quality of the Third Party Verifier and the Third Party Verification will also be subject to regular review by a further independent entity, as more particularly referred to in Section 6 of this Overview.

As part of the Supplier of Choice arrangements, compliance with the *BPPs* is a pre-requisite of obtaining and retaining Sightholder Status. Reported breaches of the *BPPs* will be followed up and, where there are reasonable grounds to believe that a major or material breach has occurred, a Third Party Verification may be conducted. Sightholders may also request for specific Third Party Verification to take place.

The question of whether or not a Sightholder (or other Assessable Entity) is in breach of the *BPPs* will be determined on the basis of compliance or otherwise with the BPP Requirements as evidenced by information provided in the BPP Workbook. Sanctions for defaults will be dependent on the seriousness and frequency of the breach, and may result in the withholding of supplies or termination of the Sightholder's appointment.

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#### 4. Assessable Entities

The Diamond supply chain through which the Diamond Trading Company Diamonds flow is estimated to consist of approximately 1800 operating facilities (this number excludes De Beers Group facilities) involved in transforming a Diamond from rough Diamonds to Diamond jewellery. Each entity with facilities that fall within Tiers 1, 2 or 3 will be required to commit to and comply with the *BPPs* and is thereby eligible for Assessment and Verification under the BPP Assurance Programme. It is, however, impractical to seek to assure *BPPs* compliance in each facility of all of these entities immediately and therefore, in accordance with best practice, a prioritisation programme has been established.

The Diamond Trading Company is responsible for deciding which entities and facilities are eligible for Assessment and Verification under the BPP Assurance Programme. These will be identified through supply chain mapping of the De Beers Group and Sightholders, which will be carried out by the respective entities.

For practical reasons, only entities that fall within Tiers 1 to 3 (see below) will be required to undertake or be subject to First Party Assessments or Third Party Verifications.

Tier 4 entities will not be required to undertake First Party Assessments or Third Party Verifications but **all Tier 1, 2 and 3 entities must use their best endeavours to ensure the commitment of Tier 4 entities with which they have a business relationship to comply with the *BPPs* and must take appropriate action where the requisite level of commitment is not achieved. This may involve encouraging Tier 4 entities to undertake First Party Assessments or Third Party Verifications depending on the nature of the relationship between the Tier 1, 2 or 3 entities, on the one hand, and the Tier 4 entity on the other.**

#### Definitions Applicable to Assessable Entities

A facility is either an independently functioning or geographically independent part of an entity - for example, corporate head office, mine, factory, manufacturing facility, retail outlet.

Where the description of assessable entities refers to an entity being in control of another entity (the "controlled entity"), "**control**" for these purposes means;

- (i) direct or indirect ownership, or control (alone or pursuant to an agreement with other members), of fifty (50) percent or more of the voting equities/rights (or equivalent) of the controlled entity; and/or
- (ii) direct or indirect (including pursuant to an agreement with other members) power to remove, nominate or appoint at least half of the members of the board of the directors or management (or equivalent) of the controlled entity; and/or
- (iii) day-to-day or executive management of the controlled entity; or
- (iv) any legally recognised concept of "control" analogous to those described in (i) to (iii) above in a relevant jurisdiction.

Although the above defines "control" in a corporate context, the same principles will apply by analogy to other organisational arrangements, including control by an individual or a family, where applicable.

#### Tiers of Assessable Entities

The tiers of entities with facilities that are subject to the Assurance Programme comprise:

### Tier 1

- Facilities of De Beers Group exploration and mining entities and of other De Beers Group wholly owned or controlled entities, including Diamond Trading Company corporate offices and other entities owned or controlled by the Diamond Trading Company.
  - Facilities of joint venture entities jointly owned or controlled by a De Beers Group company and a third party (“**De Beers Joint Venture**”) that are involved in Diamond mining and/or exploration or the manufacture or sales of Diamonds or Diamond Jewellery. Only:
    - jointly owned De Beers Joint Ventures in which a De Beers Group company holds an equal number or the majority of the voting rights; and
    - facilities of the De Beers Joint Venture itself, and NOT the third party joint venture partner nor its separately owned facilities
- will fall within this tier. All other jointly owned joint venture entities between a De Beers Group company and a third party and the third party joint venture partner and its facilities will fall within Tier 4.
- Facilities of entities with which De Beers Group companies have contracts (whether directly or indirectly through a sub-contract) for:
    - the exploration and mining of Diamond deposits owned or controlled by a De Beers Group company or a De Beers Joint Venture; or
    - for the manufacture, distribution or sale of Diamonds or Diamond jewellery owned by a De Beers Group Company.

This tier only includes entities specifically and directly involved in the primary business of exploration and/or mining of the Diamonds and not companies that supply ancillary services and goods to facilitate the mining and exploration activities – for example, constructions or engineering activities or the supply of materials. Depending on the services or goods supplied, such entities may fall within Tier 4 or not be subject to the Assurance Programme.

### Tier 2

- Facilities of Sightholders and of other Sightholder wholly owned or controlled entities involved in exploration, mining, cutting and polishing Diamonds and in the manufacture and sales of Diamonds and Diamond jewellery.

Each individual retail outlet of a Sightholder or of a Sightholder wholly owned or controlled entity that falls within Tier 2 is required to undertake First Party Assessments and be subject to Third Party Verification. However, the Sightholder (or Sightholder owned or controlled entity) will only need to submit, through its corporate head office, one consolidated First Party Assessment Report for all the branded retail outlets that it owns or controls per country, for Review and Verification by the Third Party Verifier.
- Facilities of joint venture entities jointly owned or controlled by a Sightholder and a third party (“**Sightholder Joint Venture**”) that are involved in Diamond mining and/or exploration or the manufacture or sales of Diamonds or Diamond Jewellery. Only:
  - a jointly owned Sightholder Joint Venture in which the Sightholder holds an equal number or the majority of the voting rights; and
  - facilities of the Sightholder Joint Venture itself, and NOT the third party joint venture partner nor its separately owned facilities

will fall within this tier. All other facilities of jointly owned joint venture entities between a Sightholder and a third party or of the third party joint venture partner will fall within Tier 4.

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### Tier 3

- Facilities of entities with which De Beers Joint Ventures have contracts (whether directly or indirectly through a sub-contract) for the manufacture, distribution or sale of Diamonds or Diamond jewellery owned by the relevant Joint Venture.
- Facilities of entities with which Sightholders have:
  - contracts (whether directly or indirectly through a sub-contract) for the exploration and mining of Diamond deposits owned or controlled by the Sightholder or a Sightholder Joint Venture; or
  - contracts (whether directly or indirectly through a sub-contract) for the manufacture, distribution or sale of Diamonds or Diamond jewellery owned by a Sightholder or by a Sightholder Joint Venture
  - agency contracts for the distribution, buying or selling of Diamonds or Diamond Jewellery owned by a Sightholder or a Sightholder Joint Venture.

This Tier does not include retail companies to whom Sightholders consign polished Diamonds or Diamond jewellery on 'Memo' terms.<sup>2</sup>

Sightholder ownership of Diamonds will determine which entities are to be included in Tier 3.

### Tier 4

- Facilities of entities with which a De Beers Group company has contracts (whether directly or indirectly through a subcontract) for ancillary services relating to the exploration, commissioning or running of Diamond deposits, such as construction or engineering activities or the supply potentially hazardous materials or liquids to exploration or mining operations. For the avoidance of doubt, this does **not** include any entities providing support services such as IT, Finance or Legal or supply non-hazardous materials and liquids, such as stationery or drinking water, which are not intended to be included in the BPP Assurance Programme.
- Suppliers of Diamonds to Sightholders and to the De Beers Group, where ownership of Diamonds is transferred to the Sightholder or to the De Beers Group, either by sale or by 'memo'.
- Clients of Sightholders and of the De Beers Group (which are not Sightholders), where ownership of Diamonds is transferred, either by sale or by 'memo'.
- Tier 4 does not include consumers who purchase goods on a retail basis, with the sole exception that there remains a requirement for full disclosure to consumers.

## 5. Roles and Responsibilities

Tier 2 Assessable Entities are responsible for ensuring that their relevant Tier 3 Assessable Entities comply with the *BPPs*. Sightholders will therefore be responsible for providing assurance that their contractors and sub-contractors are compliant with the *BPPs*.

The Sightholder, De Beers Group company or other Tier 1, 2 and 3 Assessable Entities must therefore annually submit a completed BPP Workbook for each Assessable Entity and/or facility for which it has responsibility to the Third Party Verifier, for Review.

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<sup>2</sup> 'Memo' is the accepted industry practice of consigning polished Diamonds or Diamond jewellery to clients for pre-arranged periods for potential sale to retailers or consumers.

It is therefore the responsibility of each Sightholder to ensure all its relevant Assessable Entities in Tiers 2 and 3 abide by this annual schedule.

During each year following the Grace Period, the Third Party Verifier will select a random sample of up to 10% of Tier 1 Assessable Entities and up to 10% of Tier 2 and their relevant Tier 3 Assessable Entities combined. These samples will be subject to Third Party Verification to verify the First Party Assessments. At least one entity of each Sightholder will be included in the annual sample and verified.

Each Sightholder may determine whether its First Party Assessment is undertaken as a self-assessment or whether it engages consultants to assist in carrying out the First Party Assessment. However, it is the Sightholder's responsibility to ensure that its nominated First Party Assessor has the necessary expertise or receives appropriate training prior to carrying out the assessment. It is also the Sightholder's responsibility to ensure that any consultants engaged to assist in this process have expressly declared that they have no relationship with the Third Party Verifier that might compromise the integrity of the process.

### 5.1 Costs

The Diamond Trading Company will initially bear the costs of:

- The primary BPP Assurance Programme development;
- The initial training of Sightholders;
- The investigation of any reported material breach of the *BPPs*;
- The annual review of First Party Workbooks;
- The annual verification of up to 10% of eligible entities.

The assessed facility or its associated Sightholder or De Beers Group company (and not the Diamond Trading Company) will bear the costs of:

- The annual First Party Assessment;
- Any related consultancy linked to the annual First Party Assessment;
- The costs of any Verification that they request to be carried out on their own or their contractors facilities by the Third Party Verifier, outside the normal scope of the Assessment and Verification Process
- Any corrective actions that are necessary following non-compliance with the *BPPs*;
- Any repeat Third Party Verifications required as a result of non-compliance with the *BPPs*;
- Further downstream training at facility level, including, where appropriate, any training given to Tier 3 or 4 entities.

## 6. The BPP Schedule and Protocol

To ensure a robust and reliable process is put in place, and bearing in mind practical time and resource constraints, it is realistic to expect the roll-out of the Programme to be phased, with structured Third Party Verification supply chain coverage fully achieved by the end of June 2008.

The first Supplier of Choice contract period, from July 2003 to June 2005 (the Grace Period) will include professional development, training and pilot Assessments and Verifications. After the Grace Period, ongoing Assessment and Verification protocol will be as follows:

- From the date of the implementation of the Assurance Programme, 100% of all Tiers 1 and 2 Assessable Entities will undergo First Party Assessment each year;

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- 100% of the First Party Assessments completed by each Tier 1 and 2 Assessable Entity will be submitted to the Third Party Verifier for review by the end of June 2005;
- The Reviews of First Party Assessment reports of Tier 1 and 2 Assessable Entities submitted by the end of June 2005 will commence in July 2005;
- From July 2005, there will be an annual Third Party Verification of up to 10% of all Tier 1 and 2 Assessable Entities. At least one Facility of each Sightholder and of each De Beers operating Company will be subject to such Third Party Verification;
- Tier 3 Assessable Entities will become subject to Review and Third Party Verification processes in July 2007, with all Tier 3 assessable entities completing First Party Assessments by the end of June 2007;
- Four Third Party Verifications of the Third Party Verifier will be independently verified per year as quality control by a further independent entity.

Figure 1 shows the BPP Assurance Programme implementation schedule as a percentage of supply chain partners.

**Figure 1: The BPP Assurance Programme Implementation Schedule**

Timeline	Tiers 1 & 2			
	Assessment Training	1 <sup>st</sup> Party Assessment	3 <sup>rd</sup> Party Review	3 <sup>rd</sup> Party Verification
July 2003 to June 2005	100% of Assessable Entities (Train the Trainer)	100% of Tier 1 & 2 Assessable Entities submit First Party Assessments by June 2005	Grace Period	Grace Period
July 2005 to June 2007		100% of Assessable Entities	100% of Assessable Entities	Up to 10% of Assessable Entities

  

Timeline	Tier 3			
	Audit Training	1 <sup>st</sup> Party Audit	3 <sup>rd</sup> Party Review	3 <sup>rd</sup> Party Audit
July 2003 to June 2005	Grace Period	Grace Period	Grace Period	Grace Period
July 2005 to June 2007	100% of Assessable Entities (carried out by Tier 2 Entities)	100% of Assessable Entities submit First Party Assessments by June 2007	Grace Period	Grace Period
July 2007 onwards		100% of Assessable Entities	100% of Assessable Entities	Up to 10% of Assessable Entities

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## 7. Assurance and the Integrity of the Process

### 7.1 Grace Period and Pre-Audit Risks Review

During the Grace Period it is recommended that Sightholders should undertake a risk-review process at their respective Assessable Entities prior to the submission of their initial First Party Assessment. Sightholders may (if they wish) be supported by consultants, who can help to identify problems and provide constructive solutions and suggest training needs.

The risk-review process is designed to gauge readiness and/or identify significant potential areas of non-compliance with the *BPPs* prior to the submission of the initial First Party Assessment in June 2005, in the case of Tier 1 and 2 Assessable Entities, or in June 2007, for Tier 3 Assessable Entities.

A well-conducted pre-assessment, together with corrective action, will greatly enhance, to mutual benefit, the chances of a successful First Party Assessment and full compliance over time. The BPP Assurance Programme will provide initial training to Sightholders to assist in this capacity-building process to help achieve compliance.

### 7.2 Ongoing Risks Review

In line with best practice, the BPP Assurance Programme includes an Impact Assessment (IA) tool to ensure that positive development outcomes are generated as a result of this Assurance Programme, and to ensure that identified negative outcomes are mitigated by the assessed entity. Compliance with the BPP Assurance Programme addresses both business integrity and the management of reputational risk, which are central to corporate governance and the enhancement of consumer confidence in Diamonds.

### 7.3 Third Party Verifier Independence

In keeping with best practice, the Third Party Verifier must demonstrably prove itself to be independent of the Diamond Trading Company and other entities subject to the Assurance Programme. In addition, a Third Party Verifier cannot be involved in designing the BPP Assurance Programme, or in undertaking any specific *BPPs* related training or consultancy. This will assure integrity of process from the outset.

### 7.4 Governance Rules

Only summary data required to report compliance will be disseminated any wider than the Third Party Verification team and the assessed/verified entity (or their consultant). Such wider dissemination by means of report will only be Sightholder-specific where necessary to enable the Diamond Trading Company to determine what (if any) enforcement procedures or sanctions should be applied against a *BPP* non-compliant Sightholder.

### 7.5 Assurance of Best Practice and the BPP Advisory Committee

A BPP Advisory Committee (**BPPCo**) made up of representatives of the Diamond Trading Company will be responsible for the review of the Third Party Verifier's performance and for implementing the procedures for addressing allegations of failure and proven failure to comply with the *BPPs*. BPPCo will advise the Diamond Trading Company board of directors of all major and material proven incidences of non-compliance with the *BPPs* and on the recommended course of action to be taken in those circumstances. Appropriate members of the Diamond Trading Company's Legal Team will assist BPPCo in an advisory capacity.

The integrity of the BPP Assurance Programme is further assured through seven self-reinforcing assurance mechanisms:

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- Investigation through Third Party Verification procedures of any reported material breach of the *BPPs*;
- Third Party Review of First Party Assessments on 100% per annum basis;
- Verified requirement that Sightholders use Best Endeavours to ensure that their relevant Tier 4 Assessable Entities adhere to the *BPPs*;
- BPP annual reporting to the Diamond Trading Company board of directors;
- Impact Assessment (IA) tool;
- Selective independent review of Third Party Review and Verification (est. four per annum) and Verifier quality assurance;
- Updating of the Workbook and other *BPPs* documentation to reflect evolving best practice, new regulation and to promote continuous improvement.

#### **7.6 Rigorous Application**

The selection of Assessable Entities for Third Party Verification will be made on a broadly random basis, with the provisos of including at least one Assessable Entity per Sightholder per year and to allow the most efficient use of the resources of the Third Party Verifier. As part of the Third Party Verification, the Third Party Verifier will review previous records of First Party Assessments as well as verify the current First Party Assessment.

#### **7.7 Awareness Building, Professional Development and Training Programmes**

To optimise compliance with the *BPPs*, the Diamond Trading Company will 'roll out' a programme to promote awareness, professional development and technical training, throughout the Diamond Trading Company, Sightholders and their brokers in the first instance. This will ensure a smooth introduction of the BPP Assurance Programme and gain commitment to develop the capacity to undertake the annual First Party Assessments and to correct responsibly and rapidly resolve any problems that are found. This approach explains why the Programme is about 'assurance' rather than simply 'assessment' – it helps deliver the management capacity to achieve compliance with the *BPPs*.