



G7 Diamond Mandate



A Comprehensive Guide to
Grandfathering Diamonds in
Belgium



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G7 SANCTION FRAMEWORK AGAINST RUSSIAN DIAMONDS

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1. GENERAL INTRODUCTION

To punish Russia for its illegal war against Ukraine, and since Russia is an important supplier of natural diamonds, import restrictions on non-industrial diamonds mined, processed, or produced in this country are issued by the G7 (the group of seven of the world's advanced economies, including Canada, France, Germany, Italy, Japan, the United Kingdom, and the US. Also, the European Union participates in the G7 meetings but is not an official member).

As of September 1, all goods subject to import restrictions are as follows:

Customs code	Origin	Type	Sort
7102.10	Natural	Rough	Non-sorted
7102.31	Natural	Rough	sorted
7104.21	Synthetic /lab-grown	Rough	
7102.39	Natural	Polished	
7104.91	Synthetic /lab-grown	Polished	

These diamond-related sanctions against Russia are implemented in different stages.

The first stage started on January 1, 2024. This was when importing diamonds of Russian origin or diamonds coming directly from Russia became illegal. → Direct ban



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The second stage started on March 1, 2024. The indirect import of Russian diamonds (for example, when they were first polished in a third country like India) has also become illegal. During this stage, also known as the 'Sunrise Period,' documentary evidence is required to prove the origin of diamonds (and that they are non-Russian) when importing diamonds into Belgium via the Diamond Office. All diamonds in scope during this period (March 1 until September 1, 2024) are natural, non-industrial, rough, and polished diamonds equal to or larger than 1 carat.

The third stage will start on September 1, 2024. From this moment, diamonds in scope are expanded with synthetic diamonds, so diamonds in scope are natural and synthetic, non-industrial, rough, and polished diamonds equal to or larger than 0.5 carat. Also, from this moment, Belgian-registered Diamond Companies and foreign companies will be able to regularize their existing stock of goods, consisting of diamonds of Russian or unknown origin. This is the so-called 'Grandfathering Principle.'

The moment when a fully-fledged traceability system, on which the G7 verification and certification mechanism will be based, is implemented, and companies are required to work with validated traceability systems in their daily workflows, is postponed to March 2025. This is considered the fourth and final stage regarding implementing the sanctions measures. Additional information will be shared as soon as it is made available.

What changes on September 1, 2024?

- Diamonds equal to or larger than 0,5 carat are now in scope
- Synthetic diamonds equal to or larger than 0.5 carat are now also in scope
- The use/implementation of the digital registry within the Diamond Office

2. REGULARIZING EXISTING STOCK – GRANDFATHERING-PRINCIPLE

- Regularizing your existing stock of diamonds is possible in practice starting on September 1, 2024.
- Grandfathered Goods receive a GF-number (similar to a G7 number for goods imported from outside the EU or G7). This is a unique 35-digit number starting with 'GF.' This number must stay with the goods as ownership is transferred.
- Grandfathering is only possible on a transaction basis (buying, selling, or consignment) where the goods are physically passing through the Diamond Office.



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It is important to note that national sales will not receive a GF-number. However, if the new owner of the goods makes an international transaction at a later date, these goods can be grandfathered (and a GF-number will be issued).

This document provides all the information you need to Grandfather your goods and considers different possible scenarios.

2.1. Definition of 'Grandfathered Goods'

When we refer to "Grandfathered Goods" (GF-goods), we mean non-industrial, natural, or synthetic (laboratory-grown / lab-grown) diamonds (both rough and polished) of unknown or Russian origin that a company already possessed before January 1, 2024.

The existing stock may not be held in Russia but can be held in another G7 or non-G7 jurisdiction.

The 'Grandfathering principle' applies to either existing stock in the possession of a Belgian-registered diamond company or a foreign company.

What does this mean concretely?

Suppose you possess non-industrial (natural or synthetic, polished or rough) diamonds of Russian or unknown origin, and you can prove these goods were already in your possession before January 1, 2024. In that case, you can trade these goods as GF-goods.

2.2. Why are Grandfathered Goods allowed?

These goods are exempt from the ban on Russian diamonds and are not affected by G7 sanctions because they were owned before the sanctions came into effect. Sanctioning these goods and prohibiting their trade would impose an unfair and severe financial burden on diamond companies without significantly impacting Russia's revenues.



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3. PRACTICAL IMPLEMENTATION

3.1. How can I get my existing stock regularized so they become GF-goods?

The G7 has defined two different mechanisms for Grandfathering your existing stock:

- **Mechanism A** is exclusively for stock-declared stock (31 December 2023) held in Belgium by a Belgian-registered diamond company.
- **Mechanism B** is for;
 1. Stock in the possession of a Belgian-registered diamond company that is held outside Belgium,
 2. For stock-declared stock (dates other than 31 December 2023) that is in the possession of a Belgian-registered diamond company held in Belgium OR
 3. For stock in the possession of a foreign company that is held outside Belgium.

First, you should define your situation and choose a matching mechanism (A or B) that applies to your situation.

3.1.1. MECHANISM A

- Mechanism A applies for stock in the possession of a Belgian-registered diamond company that is held in Belgium.
- Mechanism A is solely export-based.
- Mechanism A is stock declaration-based grandfathering. This means that regularizing your existing stock under Mechanism A is only possible when you, as a Belgian-registered diamond company, submitted your stock declaration as requested and required by FPS Economy (through which you can prove that the stock you want to regularize was already in your possession before January 1, 2024).

The goods you want to be 'grandfathered' must be part of your stock declaration submitted with the FPS Economy for the year ending December 31, 2023. Your stock of 2023 will be the basis for the grandfathering of goods.



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Diamonds that are in scope as of September 1, 2024:

- Diamonds that were already in your possession before January 1, 2024
- Non-industrial quality
- Natural and synthetic
- Rough and polished
- Unknown or Russian origin

The goods moving from your existing stock are tracked on a 'Grandfathering Log' as part of a digital register (the 'Registry'). In this Grandfathering Log, the balance of the goods at the time of the stock declaration with the FPS Economy is made, and future movements of the goods are recorded. This way, there is a precise balance of goods that are already Grandfathered (and thus left the existing stock) and goods that still can be grandfathered (and are therefore still part of the existing stock).

▶ If your existing stock is not declared at the FPS Economy, you cannot regularize these goods using mechanism A, as if the goods were not declared, we cannot prove that they were in someone's possession before January 1, 2024, or not). You will, therefore, not be able to use mechanism A and, instead, will need to follow mechanism B – by submitting documentary evidence (date-stamped) proving that these goods were part of your existing stock before January 1, 2024

Exemption for companies whose stock declaration is recorded at a different time frame, such as March 31, 2024, or June 30, 2024, you must submit documentary evidence (date-stamped) proving that these goods were part of your existing stock before January 1, 2024.

3.1.1.1. Practical implementation of Mechanism A

Mechanism A applies for stock in the possession of a Belgian-registered diamond company that is held in Belgium.

When using Mechanism A for regularizing Grandfathered Goods, 3 different scenarios can appear.



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Scenario 1: National Trading

Trading of Grandfathered Goods between a Belgian-registered diamond company and another Belgium-registered diamond company

Principle: No physical verification is required for goods traded between 2 Belgian-registered diamond companies (internal market), as it is in the buyer's interest to update the registry.

- These goods do not pass through the Diamond Office; they do not receive a GF-number.
- Both the supplier and the buyer of the Grandfathered Goods inform Diamond Office using the standardized template "Diamond Office Template – G7/GF Declaration", which logs the movement of these goods and balances the stock of the supplier and the buyer.
- Diamond Office records this transaction into the Grandfathering Log as part of the Registry.

Steps to undertake:

1. Complete the template (Diamond Office Template – G7/GF Declaration).
2. Submit the filled template to Diamond Office at dogf@awdc.be.
3. You will receive a confirmation once the information has been successfully received.

Scenario 2: Intra-EU Trading

Trading of Grandfathered Goods between a Belgian-registered diamond company and an EU entity

Principle: Belgian-registered diamond companies with stock held in Belgium and selling their goods to an entity within the EU (intra-EU Trading) can choose whether to receive a Grandfathering number (GF-number) for these goods moving out of their existing stock or not. In the case of intra-EU trading, trading with a GF-number is not mandatory.

In case you DON'T want these goods to receive a GF-number:

- These goods do not pass through the Diamond Office, they do not receive a GF-number.
- The supplier of the Grandfathered Goods informs the Diamond Office using the standardized template, which logs the movement of these goods and balances the stock of the supplier and the buyer.
- The Diamond Office records this transaction into the Grandfathering Log as part of the Registry.

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Steps to follow:

1. Complete the template (Diamond Office Template – G7/GF Declaration).
2. Submit the filled template to Diamond Office at dogf@awdc.be.
3. You will receive a confirmation once the information has been successfully received.

In case you DO want these goods to receive a GF-number:

- These goods must pass through the Diamond Office, where they receive a GF-number.
- All necessary documents for export must accompany these goods
- The shipping documents (necessary for export) must also indicate that these goods are part of your stock-declared stock.
- The supplier of the goods that need to be grandfathered must inform the Diamond Office that these are goods that are part of your stock-declared stock.
- The FPS Economy will issue the GF-number upon reviewing the goods and documents.
- Diamond Office records this transaction into the Grandfathering Log as part of the Registry, which will note that the Belgian supplier now has fewer carats of diamonds that can be 'grandfathered' in their account.
- The GF-number must remain with the goods as their ownership is transferred.
- Even for intra-EU trading, the usual Diamond Office (D.O.) fee of 0,035% will be applied.

Steps to follow:

1. Submit your goods to the Diamond Office.
2. Complete the template (Diamond Office Template – G7/GF Declaration) - indicate the goods are "Goods from stock pre-31 December 2023, Russian or Unknown origin".
3. Ensure all required export documents accompany the goods
4. You will receive a GF-number for this shipment.
5. Ensure the GF-number remains with the goods when they are further traded.



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Scenario 3: International Trading

Trading of Grandfathered Goods between a Belgian-registered diamond company and a foreign entity

Principle: Belgian-registered diamond companies with stock held in Belgium and selling their goods to a foreign entity (International Trading) must receive a GF-number for these goods moving out of their existing stock.

These goods must pass through the Diamond Office, where they receive a GF-number.

- All necessary documents for export must accompany these goods.
- The supplier of the goods that need to be grandfathered must inform the Diamond Office that these are part of your stock-declared stock.
- Diamond Office records this transaction into the Grandfathering Log as part of the Registry, which will note that the Belgian supplier now has fewer carats of 'grandfathered goods' in their account.
- The shipping documents must also indicate that these goods are part of your stock-declared stock.
- The FPS Economy will issue the GF-number upon reviewing the goods and documents.
- The GF-number must remain with the goods as their ownership is transferred.
- The usual Diamond Office (D.O.) fee of 0,035% will be applied.

Steps to follow:

1. Submit your goods to the Diamond Office.
2. Complete the template (Diamond Office Template – G7/GF Declaration) - indicate the goods are "Goods from stock pre-31 December 2023, Russian or Unknown origin".
3. Ensure all required export documents accompany the goods
4. You will receive a GF-number for this shipment.
5. Ensure the GF-number remains with the goods when they are further traded.



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3.1.1.1. Practical examples of Mechanism A

Example 1

Moving stock from a Belgian-registered Diamond Company, with the stock physically being in Belgium, to an entity outside of Belgium, G7 or non-G7 destination

Decision Tree Path: GF : Mechanism A - International Trading: BE to outside EU

Here is a fictional example:

Imagine diamond company X, a Belgian-registered diamond Company that submitted a stock declaration with the FPS Economy, has a stock of 100 carats of non-industrial rough diamonds consisting of goods of Russian or unknown origin that the company already owned before January 1, 2024. The diamond company wants to sell 50 carats of these rough diamonds to third parties abroad, outside the G7. Diamond Company X brings the 50 carats rough to the Diamond Office, accompanied by all necessary documents for export, including the "Diamond Office Template – G7/GF Declaration", where **the goods are given a Grandfathered number, which the FPS Economy will issue**. This officially enables the goods to be traded, which can be transferred to the new owner. A Grandfathering log is kept, noting that diamond company X now has 50 carats less of the rough 'grandfathered goods' in their account. The buyer receives the GF-number attesting that the 50 carats of rough that they bought are grandfathered goods. – Mechanism A.

The GF-number must remain with the goods as their ownership is transferred.



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Example 2

Selling stock from a Belgian-registered diamond Company to a Belgian-registered diamond Company (National trading)

Decision Tree Path: GF : Mechanism A - National Trading: BE to BE

Here is a fictional example:

Imagine diamond company Y, a Belgian-registered Diamond Company that submitted a stock declaration with the FPS Economy, has a stock of 60 carats of non-industrial polished goods, consisting of goods of Russian or unknown origin that the company already owned before January 1, 2024. The diamond company wants to sell 30 carats of polished goods to another Belgian-registered Diamond Company Z. To even out the balance of stock, both parties inform the Grandfathering log by sending an email to dogf@awdc.be, that they have traded 30 carats of polished goods, proving the transaction with an invoice and the completed "Diamond Office Template – G7/GF Declaration". The log deducts 30 carats of the balance of polished stock from Company Y and adds 30 carats to the balance of polished stock from Company Z. **No GF-number is given at this point** as this is just a matter of updating stock in the function of the internal market transaction).



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3.1.2 MECHANISM B

- Mechanism B applies for stock in the possession of a Belgian-registered diamond company that is held outside Belgium.
- Mechanism B also applies to stock in the possession of a foreign entity that is held outside Belgium.
- Mechanism B is import-based.

Mechanism B is documentary evidence-based Grandfathering. When you want to regularize your existing stock under Mechanism B, you must submit documentary evidence proving that these goods were part of your stock before January 1, 2024.

The documentary evidence has to be time-stamped.

When we refer to "Grandfathered Goods" (GF-goods), we mean non-industrial, natural, or synthetic (laboratory-grown/lab-grown) diamonds (both rough and polished) of unknown or Russian origin that a company already possessed before January 1, 2024.

The goods moving from your existing stock are tracked on a 'Grandfathering Log' as part of a digital register (the 'Registry').

Principle: Upon import into the EU/G7, the importer must present all required time-stamped documentary evidence to ensure compliance with the guidelines and allow for legitimate trade. When non-industrial rough and/or polished, natural and/or synthetic/lab-grown, grandfathered diamonds are imported via the Diamond Office, they will receive a unique Grandfathered number (GF-number), which must remain with the goods as their ownership is transferred.

The required time-stamped documentary evidence to ensure compliance with the guidelines and allow for legitimate trade is defined below in the "Documentary Evidence-Based Checklist".



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DOCUMENTARY EVIDENCE-BASED CHECKLIST:

Documents that prove ownership of the goods prior to January 1, 2024, are considered documentary evidence. The following documents are mandatory, except for evidence from a traceability system, which is optional.

For grandfathering NATURAL ROUGH DIAMONDS:

- "Diamond Office Template – G7/GF Declaration"- Document
- Date-stamped KP certificate
- Date-stamped customs declaration forms
- Invoice
- Packing List
- Date-stamped Transport documentation
- Optional: Evidence from traceability systems

For grandfathering NATURAL POLISHED DIAMONDS:

- "Diamond Office Template – G7/GF Declaration" - Document
- Date-stamped customs declaration form
- Invoice
- Date-stamped Transport documentation
- Packing list
- Laboratory Grading report
- Optional: Evidence from traceability systems

For grandfathering SYNTHETIC/LAB-GROWN ROUGH DIAMONDS:

- "Diamond Office Template – G7/GF Declaration" - Document
- Date-stamped customs declaration form
- Invoice
- Packing List
- Date-stamped Transport documentation
- Optional: Evidence from traceability systems

For grandfathering SYNTHETIC/LAB-GROWN POLISHED DIAMONDS:

- "Diamond Office Template – G7/GF Declaration" - Document
- Date-stamped customs declaration form
- Invoice
- Date-stamped Transport documentation
- Packing list
- Laboratory Grading report
- Optional: Evidence from traceability systems



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3.1.2.1. Practical implementation of Mechanism B

Mechanism B applies for stock in the possession of a Belgian-registered diamond company that is held outside Belgium OR for stock in the possession of a foreign entity that is held outside Belgium.

When using mechanism B for regularizing existing stock, 2 different scenarios can appear.

Scenario 1: International Trading

Trading of Grandfathered Goods between a foreign entity, with stock held outside of Belgium, and a Belgian-registered Diamond Company

Principle: a foreign entity (International Trading) with stock held outside of Belgium, and selling their goods to a Belgian-registered diamond company must receive a GF-number for goods that were in their possession before January 1, 2024.

- Ensure that all the required date-stamped import documents (Documentary Evidence-Based Checklist) accompany your shipment that proves ownership before 31 December 2023.
- The FPS Economy will review and issue a GF-number upon receiving the goods and documents.
- The GF-number must remain with the goods as their ownership is transferred.
- The usual Diamond Office (D.O.) fee of 0,035% will be applied.

Steps to follow:

1. Submit your goods to the Diamond Office.
2. Complete the template (Diamond Office Template – G7/GF Declaration)
 - ▶ a) If no GF number has been issued yet Indicate the goods are “Goods from stock pre-31 December 2023, Russian or Unknown origin”
 - ▶ b) If a GF number has been issued, mention it by filling in the 33 digits on next to “GF-number issued”
3. Ensure all required documents accompany the goods (Ref: Documentary Evidence-Based Checklist)
4. You will receive a GF-number for this shipment.
5. Ensure the GF-number remains with the goods when they are further traded.



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Scenario 2: Consignment goods

Consignment goods: Belgian stock being returned by a foreign entity. The owner of this stock is a Belgian-registered diamond company with stock currently held outside of Belgium and returning to Belgium.

Principle: A foreign entity is returning Belgian stock held outside of Belgium. Upon return, if the Belgian-registered Diamond Company can prove the goods were in their possession before 1 January 2024, the goods will receive a GF-number.

- Ensure that all the required date-stamped import documents, especially the shipping documents from when the goods first left Belgium (Documentary Evidence-Based Checklist), accompany your shipment.
- The Belgian-registered Diamond Company must inform the Diamond Office that these are consignment goods from their declared stock.
- Upon receiving the goods and documents, the FPS Economy will review and issue a GF-number.
- The goods have now been regularized; the GF-number must remain with the goods as their ownership is transferred.
- The usual Diamond Office (D.O.) fee of 0,035% will be applied.

Steps to follow:

1. Submit your goods to the Diamond Office.
2. Complete the template (Diamond Office Template – G7/GF Declaration) indicating these are consignment goods.
3. Ensure all required documents accompany the goods (Ref: Documentary Evidence-Based Checklist)
4. You will receive a GF-number for this shipment.
5. Ensure the GF-number remains with the goods when they are further traded.



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3.1.2.2. Practical examples of Mechanism B - Foreign Entity Stock

Example: Foreign stock held outside of Belgium

A foreign entity with their stock held outside of Belgium trading with a Belgian-registered diamond company

Decision Tree Path: GF : Mechanism B

Here is a fictional example:

Imagine diamond company Y, a US-based Diamond Company, sells 60 carats of non-industrial polished goods to company X, a Belgian-registered Diamond Company. The goods are physically located in the US and have been in their stock since the 20th of December, 2023. Company Y prepares the goods for shipment and includes the documents as per the Documentary Evidence-based Checklist, including the “Diamond Office Template – G7/GF Declaration” form. Upon arrival in the Diamond Office (Belgium), the documents are reviewed and are given a GF-number.

This is an example of Mechanism B.

As these goods now have a GF status, and a GF-number, they will not be logged in the registry as the goods have now been regularized.



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3. 1.3. CONSIGNMENT GOODS

The Grandfathering principle for consignment goods is based on the goods being sent on consignment (physically not in Belgium) but declared on the Belgian stock declaration forms. This means that the Belgian-registered Diamond Company still owns the goods but that the goods are not physically in Belgium.

3.1.3.1. Practical implementation of Consignment goods

Scenario 1: If the diamonds were exported before December 31st, 2023, and were re-imported after January 1st, 2024, the date-stamped export documents can be used to prove they were exported, either through sale or consignment, before December 31st, 2023. – mechanism B applies

Scenario 2: If they were exported after January 1st, 2024, and reimported later, mechanism B applies.

Scenario 3: If they are exported after September 1st, 2024, and you can prove they were part of your stock, mechanism A applies. These goods will receive a 'GF' number.

The 'GF' number must remain with the goods as their ownership is transferred.



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3.1.3.2. Practical examples of Mechanism B - Belgian Entity Stock - Consignment

Example 1: Belgian consignment stock held outside of Belgium by a Belgian-registered diamond company (pre-January 1st, 2024)

Here is a fictional example: Imagine diamond company X, a Belgian-registered Diamond Company that submitted a stock declaration with the FPS Economy, has a stock of 60 carats of non-industrial polished goods. These consist of goods of Russian or unknown origin that the company already owned before January 1, 2024. Company X sent 20 carats of the non-industrial polished goods on consignment to company Y, which is based in the US. These goods were sent in December on consignment, and the client now says they no longer need them, so they are sent back to Belgium. As these goods are from company X, and they can prove they were theirs and shipped from Belgium before the 31st of December 2023 through date-stamped export documents, these goods can be grandfathered with the necessary documentary evidence.

This is an example of Mechanism B.

Example 2: Belgian consignment stock held outside of Belgium by a Belgian-registered diamond company (January 1st, 2024 – September 1st, 2024)

Here is a fictional example: Imagine diamond company A, a Belgian-registered Diamond Company that submitted a stock declaration with the FPS Economy, has a stock of 60 carats of non-industrial polished goods. These consist of goods of Russian or unknown origin that the company already owned before January 1, 2024. Company A sent 10 carats of the non-industrial polished goods on consignment to company B, which is based in a non-G7 country. These goods were sent in April 2024 on consignment, and the client now says they no longer need these goods, so the goods are sent back to Belgium. These goods are from company A, and they can prove they were theirs and shipped from Belgium (after the 31st of December 2023 but before the 1st of September 2024); these goods can be grandfathered with the necessary documentary evidence.

This is an example of Mechanism B.



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Example 3: Consignment stock owned by a Belgian-registered diamond company sent to a foreign entity (International trading)

Here is a fictional example: Imagine diamond company G, a Belgian-registered Diamond Company that submitted a stock declaration with the FPS Economy for stock in its possession on 31/12/2023, has a stock of 60 carats of non-industrial polished goods. These consist of goods of Russian or unknown origin that the company already owned before January 1, 2024. Diamond Company G sends 10 carats of the non-industrial polished goods on consignment to Company H, which is based in the US. These goods will be sent on consignment in October 2024, after the Grandfathering principle has been approved and implemented (September 1, 2024). Diamond Company G brings the 10 carats of non-industrial polished goods to the Diamond Office, accompanied by all necessary documents for export, where the goods are given a 'GF' number, which the FPS Economy will issue. The grandfathering log will note that diamond company G now has 10 carats less of the polished 'grandfathered goods' in their account.

► It is important to note that two scenarios could occur:

Scenario 1: RETURN OF CONSIGNMENT GOODS: If company H later says he no longer needs these goods, they can be sent back to Belgium with their existing GF-number.

In this scenario (1) Mechanism A can be implemented. As the GF-number was already issued, it must remain with the goods as their ownership is transferred. The goods do not need to go through this process again.

Scenario 2: PURCHASE OF GOODS: If Company H likes the goods and decides to purchase them, company G issues an invoice, and ownership is transferred to Company H. As the goods already have a GF-number, Company H can now freely trade these goods, and if they sell them (transfer of ownership), they must share the GF-number with the next owner.



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GLOSSARY

DIAMOND OFFICE REGISTRY

The Diamond Office holds a registry, and the grandfathering log is included.

DIRECT BAN

A prohibition imposed explicitly and expressly on specific actions, activities, or items without intermediaries or conditions. It is a straightforward and immediate restriction that applies directly to the subject it addresses. In this case, importing diamonds of Russian origin or diamonds coming directly from Russia.

EU ENTITY

A foreign Entity within the EU.

EXISTING STOCK

This refers to the goods or inventory a company holds on hand before any new additions or changes are made.

EXTERNAL TRADING

Trade with a country outside the EU, in this case, between a Belgian-registered diamond company and a non-EU country (not Russia).

FOREIGN COMPANY

A company abroad that is not a Belgian-registered Diamond Company.

FOREIGN ENTITY

A company abroad that is not a Belgian-registered Diamond Company.

FPS ECONOMY

A Belgian government department that manages economic policies, market regulations, and trade practices.

GF-number

Goods are assigned a unique 35-digit identifier beginning with 'GF. ' A GF-number can be issued for imports and exports. The number must remain with the goods throughout their ownership transfer.



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GRANDFATHERED GOODS (GF-GOODS)

Non-industrial, natural, or laboratory-grown (lab-grown) diamonds (both rough and polished) of unknown or Russian origin that a company already possessed before January 1, 2024.

GRANDFATHERING LOG

A component of the digital registry used to track the movement of goods from existing stock. It records the balance of goods at the time of stock declaration with the FPS Economy and monitors future movements. This log maintains a clear record of goods that have been grandfathered (and thus removed from existing stock) and those that remain eligible for grandfathering (and are still part of the existing stock).

GRANDFATHERING-PRINCIPLE

Companies are now permitted to regularize their existing stock of diamonds originating from Russia or of unknown origin. The diamond scope includes natural and synthetic, rough and polished, non-industrial diamonds of all sizes.

INDIRECT BAN

A restriction is implemented through means other than a direct prohibition, often involving regulatory measures or conditions that effectively discourage or limit specific actions, activities, or items. It achieves its objective by influencing behavior through alternative methods, such as imposing penalties, setting restrictive conditions, or creating barriers.

INTRA-EU TRADING

Trade between EU countries, in this case between a Belgian-registered diamond company and an EU company.

NATIONAL TRADING

Trade within one country, in this case Belgium.

NATURAL DIAMONDS

Formed over millions of years under high-pressure, high-temperature conditions deep within the Earth's mantle. They are composed of carbon atoms arranged in a crystalline structure, giving them their characteristic hardness and brilliance. Natural diamonds are formed through geological processes involving volcanic activity and are extracted through mining or alluvial deposits.



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STOCK DECLARATION

Each year, Belgian-registered Diamond companies must submit a stock declaration (on the request of and required by the FPS Economy), providing the total number of carats of rough and polished diamonds existing in each company's stocks on December 31st of the previous year. Example: If you submit your stock declaration for the year ending on December 31st, 2023, you provide the total number of carats of natural and synthetic, rough, and polished diamonds present in your stock on December 31, 2023.

SUNRISE PERIOD

There is a set time at the start of a new rule or policy when certain actions can be taken before the full enforcement begins. This allows people to comply with or register under the new rules early.

SYNTHETIC / LAB-GROWN / LABORATORY-GROWN DIAMONDS

Diamonds are created through artificial processes in a laboratory, replicating the conditions under which natural diamonds form. These diamonds possess the same physical and chemical properties as natural diamonds but are manufactured using advanced technologies such as High-Pressure, High-Temperature (HPHT) or Chemical Vapor Deposition (CVD).

TRANSACTION

An exchange or transfer of goods, services, or money between two or more parties involving an agreement and fulfillment of contractual obligations.

ADDITIONAL INFORMATION

The following documents can be found on the AWDC website: awdc.be/G7

- Grandfathering Decision Tree
- Grandfathering Decision Tree (Cheat Sheet)
- Diamond Office Template – G7/GF Declaration
- Diamond Office Template – G7/GF Declaration (Cheat Sheet)
- FAQ's