SLEITI Sierra Leone Extractive Industries Transparency Initiative
17 Charles Street, Buxton Compound, 2nd Floor,
Freetown, Sierra Leone
Website: www.sleiti.gov.sl

OFFICE OF THE VICE PRESIDENT

DRAFT

Minutes of the SLEITI Multi-stakeholder group Emergency Meeting held at the Office of the Vice President on 10th May 2019

Attendance

Government:	**Civil Society:**
Francess P. Alghali, OVP/Chair Alusine Timbo – NMA Massah H. Kroma – OVP Daniel Gbondo – MMMR Amadu Mansaray, PD Prince B. Williams –CAC Michala Mackay – CAC Ramatu B. Massaquoi-EPA Abu B. Tarawalie– NRA Peter Mangoh - ASSL	Cecilia Mattia-NACE
Mining Companies: Abdul Bangura – Sierra Mineral Holding 1 Ltd Aminata Kamara-SRL	**Secretariat:** Mina Horace Annie Lansana Mohamed F. Conteh

Apologies:

Abu Brima- NMJD, Joseph Rahall- CSO

Agenda

i. Opening
ii. Remarks by the MSG Chair
iii. Discussion on the status of the Sierra Leone 2018 Validation
iv. Closing

1. Prayers / Opening

After silent prayers was observed the Minister welcomed all members to the meeting.

The Minister of State recalled that Sierra Leone commenced Validation in July 2018 and informed members that SLEITI had received the EITI initial Validation assessment report along with the EITI Independent Validator's report. She said the reports revealed that Sierra Leone had received mostly meaningful progress and satisfactory progress on most of the EITI requirements but had achieved inadequate progress in some critical areas that could lead to an 18 months suspension.

The chair admonished the MSG to take proactive measures ahead of the June 2019 EITI Board meeting in Paris in order to report on progress and to avoid Sierra Leone's suspension for the next 18 months.

The chair requested the National Coordinator to briefly summarize the results of the Validation report. The National Coordinator took members through the content of the EITI requirements and the assessment made by the EITI on each of the requirements. The meeting noted that the Independent Validator had downgraded the EITI secretariat's assessment on company engagement from 'meaningful progress' to 'no progress'.

2. Discussion on the status of the Sierra Leone 2018 Validation

Based on the discussions the following points were made:

a) Company Engagement

i. The Chamber of Mines was launched in 2015 and all its members were fully functional until the Ebola crisis in the same year. Sierra Rutile Ltd later tried to re-engage the companies however, many were not in position to pay the huge membership fees.

ii. Aminata Kamara of Sierra Rutile informed the meeting that a few mining companies have formed a mining interest group which had met with the MMMR and NMA for guidance in many areas including applying the EITI requirements related to companies' participation in the EITI process. The group was working on expanding on its membership to all large-scale companies and others that had not yet come onboard. At the same time, the interest group was studying the components of the chamber of mines set up within the framework of mining interest.

iii. The NMA and MMMR were required to support companies in establishing stakeholder groups within a legal framework to guide their operations. However, it was not the role of these government entities to regulate the business interest of mining companies.

iv. Mining companies needed to gain a better understanding of their roles as members of the multi-stakeholder group and of the EITI process. The

MSG should consider organizing induction trainings quarterly to assist the companies and other members in gaining better understanding of their roles and understanding of the EITI process.

v. The mining interest group was presently working with solicitors in a bid to resuscitate the Chamber of Mines to give it a legal status as was the case when the chamber was first launched.

vi. Only three (3) large scale companies were fully functioning at present which was a challenge. In terms of extending the Chamber of Mines to include exporters, the NMA representative advised that the exporters operate under an established independent body that would prevent them from merging with companies on the Chamber of Mines. He said rather consideration should be given to small-scale operators in the extractive industry and with set standards that they would be able to meet.

vii. The MMMR had a policy requirement that required the establishment of a collective forum for engagement of all companies. This platform should be created within the MMMR and NMA and it could be a forum or interest group to serve as platform for continuous companies' engagement in the absence of a Chamber of Mines**. On this note, it was agreed that the MMMR should facilitate the re-launch of the Chamber of Mines and create an enabling environment for mining companies, on the EITI process.**

viii. It was also agreed that the MMMR should facilitate a meeting with companies, within a week's time, and subsequent meetings would be hosted by the SLEITI secretariat.

ix. If the need arose, SLEITI Secretariat could reach out to mining companies on the EITI process through the CAC.

x. SLEITI should reach out to the Kimberly multi-stakeholder group for synergy. The NMA should provide the latter's contact.

b) Civil Society Engagement

i. The decisions taken by NACE representatives at meetings should reflect the consensus of the wider civil society body on extractives. Beyond the MSG, other CSOs were not involved in the EITI process and NACE should provide evidence to show that action on this requirement had been addressed.

ii. CSOs should provide timeline to formalize their engagement on the MSG. Formalizing CSO engagement should involve consultations beyond the MSG CSOs.

iii. In view of the discussion that CSOs participation has been limited to NACE with no change in their membership, it was pointed that Cecilia Mattia had been participating since SLEITI inception.

iv. In relation to extending membership to CSOs based upcountry, concern was raised that CSOs resident up-country may not have the capacity to facilitate their travel to Freetown for meetings.

v. CSOs with websites should publish EITI related information on their sites.

vi. Civil Society should show they were transparent by publishing their internal rules online. **It was agreed that the Secretariat should request civil society representative, Cecilia Mattia to inform the MSG on how the CSO constituency intend to address the 2018 Validation corrective action related to CSO engagement.**

c) MSG Governance

i. The current SLEITI MSG MoU had expired as confirmed in the EITI Validation report. It was signed by the government, companies and civil society constituency in 2011. The list of NACE partners should be reviewed and updated however, lists of this nature are subject to change and should to be placed as an annex and not contained within the body of the MoU itself.

ii. The MoU is critical to the SLEITI process and should be updated along with the MSG Internal Rules within the next 10 days. These documents should be circulated to all members. **It was agreed that a sub-committee made up of representatives from CAC, EPA, mining companies and CSO be formed to review and update the above-mentioned documents. The CAC would head the committee. NACE and mining companies should nominate their representatives to join the committee. SLEITI Secretariat would provide secretarial service for the committee. Deadline for completion of the updated documents is 30th May 2019.**

iii. Updating these documents would send a positive signal that Sierra Leone was committed to addressing its implementation gaps and avoid the possibility of a suspension of the country from the EITI.

iv. The MSG should hold two more meetings before the June Global EITI Conference.

v. The MSG agreed to publish the minutes of meetings and attendance records on the SLEITI website.

vi. The Secretariat should draft a new SLEITI work plan with some new objectives and submit it to the MSG for approval.

vii. In response to Cecilia Mattia's CSO Rep comments that the chair had still not addressed concerns raised by the CSO body, the chair informed that she would address concerns raised in a systematic manner and that time was required for her to gain more understanding of the process to prevent her from making uninformed decisions.

d) Materiality of Capital Gains Tax

i. The chair called the attention of members to the Validation Assessment Report which revealed that a) Capital Gains Taxes (CGT) were not included in the Materiality calculations in the 2016 report and b) as reported by Iluka, the sum of US$ 8 million was paid to the government in connection with the acquisition of Sierra Rutile Ltd however, the said amount was not reported by the GoSL.

ii. The US$ 8 million payment was not corroborated by the NRA. The Authority neither reported nor reconciled the CGT amount during the 2016 reporting period as the Authority lacked evidence of this transaction. The Minister said that the Government was aware of the anomaly and presently working with Iluka to gain clarity on the payment.

e) Transmission of the minutes of 10th May 2019 to the EITI Secretariat

- **The minutes of this emergency meeting capturing the discussions on the corrective actions should be sent to the EITI Secretariat to update and inform the latter of the country's commitment towards Validation and the EITI process as a whole.**

3. ~~Any~~ (delete). Other Business

The chair reminded the meeting of the final leg of the SLEITI dissemination exercise, to be held in Freetown on 16 May 2019. The meeting requested that the following entities make statements during the meeting: NMA, EPA, MMMR, Civil Society, World Bank, MoF, mining companies' representative and the Minister of State and MSG Chair.

Closing

There being no other matter to discuss the meeting was brought to a close.

.....
Signature of Chair

28/5/2019

.....
Signature of Secretary