SLEITI Multi-stakeholder Group Technical Committee Meeting held at the SLEITI Secretariat, 17 Charles St. Freetown on 17th August 2018

Attendance:

1. Abu Tarawalie
2. Pascal Oleng
3. Konstantin Born
4. Patrick Fassay
5. Amadu Mansaray
6. Mohamed Sallieu Bah
7. Annie Lansana
8. Mina Horace

Apologies:

Agenda

1. Opening
2. Project level definition
   - Agree on definition of a 'Project'. (Consider Ines' suggested definition & EU definition)
   - Identify which revenue streams could be reported by project
   - Identify who should report
   - Review/adapt and agree on reporting templates
3. Implementation of the SLEITI recommendations (2008-2016)
4. Production of the SLEITI 2017-2018 report
   - Do we produce 2 separate reports to give time to companies to prepare their books?
   - Report on Community Development Fund (CDF)
5. AOB

1. Opening

The meeting was declared open after silent prayers. In the absence of the substantive chair Konstantine Born was nominated to chair the meeting.

2. Appointment of new technical committee chair

With Dr. Thomas' resignation from the SLEITI MSG , his position as chair of the Technical committee automatically became vacant. The meeting decided that appointment of a new chair should be done at the full MSG level rather than at committee level.

Action – Include appointment of a new technical committee chair on the agenda of the next MSG meeting.

3. Project level definition

According to the EITI, project level reporting is required for all reports covering fiscal years ending on or after 31 December 2018. The technical committee used the EITI guidance on project level definition in crafting the SLEITI project level definition. The guidance informs that project level definition should be devised by the MSG and should be consistent with relevant national law as and systems as well as international norms. The EIRA provisions on separate minerals operations were shared with the EITI Secretariat and their feedback was taken into consideration during the technical committee discussions.

a) Using the recently passed Extractive Industries Revenue Act, the committee agreed that the 'separate minerals operations' provisions under section 5 (for minerals) and section 23 (for oil/gas) of the EIR Act adequately define what project level reporting means and even go beyond

b) In crafting the definition of a 'project' the two sample international definitions based on the European Union Accounting directive and Canada's Extractive Sector Transparency Measures Act (ESTMA) were considered. The committee expressed that the Canadian project definition is good but includes wordings such as 'substantially interconnected' that should be avoided as they are not an ideal reflection of the Sierra Leone mining context. The EIRA emphasises ring fencing of projects which makes terms like 'substantially interconnected' redundant.

c) Members noted that the separate operations provisions in the EIRA would fully help in achieving the EITI's goals of maximising revenues and addressing the problems of tax avoidance, tax evasion and transfer mispricing.

d) The EU was used as basis for the Sierra Leone definition of a project. The definition therefore read as such:

"In line with the Extractive Industries Revenue Act 2018, in Sierra Leone a project is defined as the operational activities that are governed by a single contract, agreement, concession, license, lease, permit, title etc and form the basis for payment liabilities with the government.

The MSG is to review and adopt the above definition at its next meeting.

e) It was noted that Sierra Leone will not be able to report at project level for the 2018 fiscal year as the EIRA was not in place prior to the start of the year.

Identify which revenue streams could be reported by project and which MDA should report

f) See **attachment** for which revenue streams to report on and who should report.

g) The committee agreed to review and adapt the EITI recommended reporting templates (attached) at the next full MSG meeting.

4. Implementation of the SLEITI recommendations (2008-2016)

The committee agreed that the SLEITI recommendations are to be discussed at a separate meeting on the 17th August 2018 at the SLEITI Secretariat. The Secretariat should re-circulate the agenda recommendations and request its members to send feedbacks on the recommendations by 14th August 2018. It was noted that the NMA had

already responded to the recommendations and that it was necessary for all MDAs to comment on the feedbacks. The Secretariat reminded all that acting on the recommendations were crucial for Validation.

5. Production of the SLEITI 2017-2018 report

The committee agreed that the MSG should go ahead to produce the SLEITI 2017-2018 report in 2019 and that community development fund should be included in the reporting templates for companies and Chiefdoms.

6. AOB

Nothing was discussed under AOB

7. Closing. The minutes came to a close after the fact that there was nothing else to discuss

Secretary.....

Chairman.....