SLEITI Sierra Leone Extractive Industries Transparency Initiative

Draft Minutes of the SLEITI Technical Committee Meeting of 19th December 2017 at the SLEITI Secretariat, Buxton Compound, Charles Street, Freetown.

Attendance:

Government:	CSO:
Amadu Mansaray-PD Abu Tarawallie-NRA Donald Williams-NRA Konstantine Born-NMA	
Mining Company:	**Secretariat:**
Neima Macfoy,SD Steel - *Chair*	Mina Horace Mohamed F. Conteh

Apologies: Abu Brima, NMJD, Joseph Rahall- Green Scenery,

Agenda:

1. Opening
2. Discussion on the 2015/2016 Report
   a) Splitting the report -2015 vs 2016
   b) Review (increase) the materiality Threshold
   c) Agree on new reporting timelines/deadlines
   d) New Payment terms
   e) Communicate Changes with MMMR/EITAP
3. Update on SLEITI Scorecard after pre-validation
4. A.O.B
5. Closing

1. Opening

Neima Macfoy chaired the meeting and welcomed all. The agenda was adopted for discussion as presented.

2. **Discuss the 2015/2016 Report**:

The Technical Committee met on Tuesday 19th December to discuss the following suggestions made by the EITI Secretariat during the SLEITI Pre-Validation workshop on Tuesday, 12th December 2018.

a) Split the 2015 -2016 SLEITI Report into two. That is, produce the 2015 and 2016 reports separately.

b) Change the 2015 – 2016 Materiality thresholds to ensure that only the top 10 companies report for each year. This will give more time to the MSG to analyze the data rather than spend unnecessary time collecting the data.

c) Seek an extension of the 2015 Reporting deadline in line with the 2-year EITI rule on reporting.

d) Discuss the splitting of the report with the IA and agree on the new reporting timelines for the 2015 and 2016 Reports. The 2016 Report should be of high quality and submitted for Validation in 2018.

At the start of the meeting, Konstantine Born made an observation that the data in the 2015-2016 scoping Report seemed erroneous. The meeting observed that the total revenue recorded in the 2015-2016 Report in favour of Sierra Rutile appeared too high and unrealistic. According to Appendix 3 of the Scoping Report, total payment received from Sierra Rutile is USD $ 22,118,798.06 and, on that note, the meeting decided to engage the IA by phone to give an explanation on the above and to request the latter to provide the excel sheets to see the breakdown of payments made by Sierra Rutile. During the phone conversation, the IA informed members that all his calculations were based on the raw data obtained from the NRA and promised to send the excel sheets and data used.

The meeting also observed that one company was recorded under list of companies as two separate companies. For example, Tonkolili Iron Ore Ltd, Shandong Steel and African Railway and Port Services should be listed as one company and not 3 separate companies; Sierra Minerals Holdings Ltd and Vimetco should be recorded as one company and not two separate companies etc. The IA responded that it was based on the primary data obtained from NRA which he had no right to alter.

- **Splitting of the report i.e. 2015 vs 2016**

The Secretariat gave background of the Pre-Validation meeting of 12th December 2017 and explained the International Secretariat's rationale for suggesting why the Report should be split into two separate years and why the list of companies should be reduced. The meeting noted that the Secretariat had informed the IA of the potential splitting of the Report to obtain his approval and that the IA showed some understanding given the circumstances. After deliberating on splitting the report, the technical committee agreed on the following:

i) Split the Report. i.e. produce 2015 and 2016 reports separately
ii) The Secretariat to write to the International Secretariat, on behalf of the MSG seeking an extension of the 2015 reporting deadline with justification provided for the extension.
iii) The Materiality Threshold should be increased such that only 12 companies will report for each year.
iv) Inform EITAP of the above development and seek their approval to split report contrary to the contractual terms.
v) The new timelines are as below:

2015 Report:

Deadline for submission of data from companies and MDAs – 10th January 2018

Submission of draft Report – 25th January 2018

Submission of final Report – 10th February 2018

2016 Report

The MSG should ensure that the IA produces a high-quality report to submit for Validation in July 2018 taking into consideration the International Secretariat's feedback on the 2015-2016 Scoping Report.

Data collection deadline – 15 February 2018

Draft Report – 15th April 2018

Final Report – 30th April 2018

vi) New payment terms – the original payments terms for the 2015 – 2016 Report was – 40% for Inception Report, 30% - draft Report and 40% final Report.

After discussing the split, the MSG agreed that payment for the Inception Report should remain at 40% and payments for the draft 2015 and 2016 Reports should be split into two (2) and payments for the final reports also split into two (2) equal halves.

As per the original contract between the MMMR and the IA, EITAP is to go ahead with payment of 40% of the project cost to the IA upon submission of the Inception Report and 30%.

vii) Write EITAP to inform them of Report's splitting and extension requesting them to discuss this development with the IA and make adjustments to contract.

viii) The IA should liaise with MDAs to improve on the contextual data already provided in the Scoping Report.

3. Update on SLEITI Scorecard after pre-validation

The Secretariat informed that the International Secretariat was finalizing SLEITI's score card following the pre-validation exercise against the

EITI requirements. The final score card will be sent to members as soon as available.

4. A.O.B

The chair informed that the Technical Committee including the MSG should continue to work more closely with the Secretariat to plan and undertake corrective actions ahead of the validation.

5. Closing

There being no other business to discuss, the meeting was brought to an end.

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Secretary

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Chair