

COMMUNIQUE FROM THE SIERRA LEONE COUNTRY MINING VISION ADVOCACY AND CAPACITY BUILDING WORKSHOP.

21ST-23RD NOVEMBER 2016

CONTRIBUTING TO SIERRA LEONE'S COUNTRY MINING VISION



The Republic of Sierra Leone



COMMUNIQUE

Delegates from across Sierra Leone numbering 40 attended the ***“Sierra Leone Country Mining Vision (CMV) Advocacy and Capacity Building Workshop”***, which was held at the Barmoi Hotel, Aberdeen, Freetown, from November 21-23, 2016.

The workshop was jointly hosted by the Network Movement for Justice and Development (NMJD), the Africa Centre for Energy Policy (ACEP), Tax Justice Network-Africa (TJN-A), Oxfam and the government of Sierra Leone, and with participation of different stakeholders (see list of participants and institutions).

The keynote address was delivered by Hon. Abdul Ignosi Koroma, Deputy Minister of Mines and Mineral Resources of the Republic of Sierra Leone.

In February 2009, the Heads of State and Government on the African continent adopted the Africa Mining Vision (AMV) to serve as Africa’s roadmap for maximising the development outcomes of mineral resource exploitation in African countries. The Vision, supported by its Action Plan for implementation, is motivated by a disconcerting observation that while African countries have huge endowments of mineral resources, they rank among the poorest in the world. Poor mineral governance has ripple effects and often can also be a clear reflection of the overall weakness in governance within a country. As a result and given the finite nature of these mineral resources, the overall goal of the AMV is to promote a sustainable and well-governed mining sector that effectively garners and deploys resource rents and that is safe, healthy, gender and ethnically inclusive, environmentally friendly, socially responsible and appreciated by mine-affected communities. To this end the AMV seeks to enhance transparency, equity and optimal development of mineral resources to underpin broad-based sustainable growth and socio-economic development in Africa.

To this end, it is crucial to ensure that the Sierra Leone Minerals Policy is rooted broadly in the population and with a strong emphasis on the implementation that will enhance benefits for all citizens and mitigate potential adverse impacts on local communities in mining districts.

**THE FOLLOWING RECOMMENDATIONS EMERGED FROM THE DELIBERATIONS OF THE CSOS,
GOVERNMENT REPRESENTATIVES AND PARLIAMENTARIANS:**

1. Gender sensitivity and community empowerment

Enhancing women participation and benefits.

The Sierra Leone Mineral Policy should be gender sensitive providing for equal and appropriate representation of women and men at all levels of mineral sector governance and management. Women should be represented at all levels of arrangements in the use and decision-making of mining revenues.

Resettlement and fair community compensation should be strengthened. We call for open consultations in the development of a framework to address issues of compensation, resettlement/relocation and surface rent. This should also be included in contract negotiations and agreements.

2. Contract Governance

Decouple reconnaissance licenses from production licenses to allow competitive bidding after discovery.

We propose that government should separate the licensing processes to avoid granting automatic upgrade from prospecting license to production licenses. Companies can apply for prospecting/reconnaissance license and when successful discoveries are made, the company can opt for payment for the cost of its investment and/or enter a bidding process to compete for the exploitation of the resource.

Clear definition and public disclosure of beneficial ownership information and sanction for falsification of information.

We propose that beneficial ownership is defined in a way that demands identities of individuals who own mining companies, both local and foreign, and made accessible to the public.

Mandatory disclosure of primary contracts with appendices, permits, and marketing contract.

Mineral contracts signed between the government of Sierra Leone and mining companies must be disclosed to enable citizens monitor what government has signed on their behalf.

Provide clear rules and penalty for conflict of interest and an integrity pact against bribery and corruption to guide contracting process.

To ensure that public officials are not caught up in conflict of interest situation, there must be clear provision in the mineral policy to detect conflict of interest and provide sanctions for nondisclosure or falsification or concealment of information.

3. Revenue transparency and accountability

Clear definition of revenue sources, including roles and responsibilities of institutions aligned to revenue governance.

The minerals policy should clearly define the sources of revenue and institutions mandated to collect the specific revenue on behalf of the State. This will prevent conflict of roles and ensure that State institutions act timely and are held accountable for their responsibilities.

Develop comprehensive guidance on the management of mineral account highlighting processes of depositing, withdrawal and spending.

Government should provide information on mineral accounts to the public on payments into the accounts, withdrawals and specific sectors and projects receiving the funds. This will ensure revenue transparency, tracking of mineral expenditures aligned with broad-based development.

Establishment of Independent oversight for mineral revenues at the national level.

The minerals policy must provide for an independent body with representation from civil society, academia, and other relevant stakeholders to enhance transparency and accountability. The independent body should have the power to request for information from agencies of state and mineral companies to provide independent assessment of government take and expenditure of revenues

Audit Right.

The minerals policy should set the broad framework for government to periodically audit mining companies. Government in exercising that right must have the option to appoint independent auditors to examine the tax paying position of the companies.

4. Tax and Revenue Management

Avoidance of granting tax incentives.

We recommend the new policy to embrace a robust mechanism for tracking, generation and utilisation/management of mineral wealth through elimination of unnecessary tax incentives. The policy must recommend the closure of all loopholes in the fiscal regime exploited by mining companies to avoid paying their fair share of taxes. The policy should address how to tackle both national and international tax avoidance.

Double Tax Agreements and Bilateral Investment Treaties

We recommend Double Tax Agreements (DTAs) and Bilateral Investment Treaties (BITs) already signed should be revisited to prevent further revenue leakages from Sierra Leone's mining sector. In addition, any new DTAs and BITS should be designed to ensure that tax liability in Sierra Leone are not unnecessarily eliminated as the country's mining resources are being extracted. We therefore urge government to ensure that the new Sierra Leone Minerals Policy should enshrine robust provisions to curb Illicit Financial Flows from the mining sector as per the AMV recommendations.

Development and implementation of transparent and accountable monitoring framework for revenue management that ensures a broad-based development.

The Sierra Leone Mineral Policy should call for the government and civil society, including communities, to design a joint monitoring framework to monitor all mining revenues going back to communities to ensure optimal utilisation of these funds to promote alternative livelihoods and post-mining economy.

We also call for a consolidation and simplification of the various funds for communities from mining into a single mining fund, i.e. a simple, transparent, efficient revenue management structure.

We recommend the role of key stakeholders, including traditional leaders and communities affect by mining to be clearly defined in the policy.

Inter-generational equity.

The policy should reinforce the need for a stabilization, sovereign wealth fund and an infrastructure fund as required by the AMV. In establishing these funds, government should carefully review the potential risks. Some of these risks can be mitigated by establishing clear objectives of the fund, detailed regulation of the spending and investment (this should be legally binding on successive governments), ensure independent audit and control mechanism.

5. Other core areas of the AMV

Strengthening capacity building and training of the population:

The new policy must articulate a clear road map for the training of the requisite manpower including geologists to lead the country out of the old fashion “first come, first serve” negotiation system to the more progressive bidding system. Moreover, clear training skills in the mining sector and inter-related areas should be developed.

National ownership geological surveys:

We welcome government’s decision to undertake geological survey of Sierra Leone’s natural resources to identify the quality and quantum of minerals in the country. It will be an important instrument to strengthen national ownership and make clarity of ownership. It will be important that this data and information will be made publicly available for Sierra Leoneans citizens.

The policy must provide for detailed regulatory framework to cover environmental issues.

This must include critical elements such as public consultation and access to Environmental and Social Impact Assessment (ESIA) and regular environmental monitoring reports. The framework should also provide for guidelines on pollution, health and safety, and sanctions for violating the framework during mining and closing of the mine.

Strengthening links and synergies to a broader and inclusive economic diversification.

The Sierra Leone Mineral Policy should strengthen and prioritise backward, forward and spatial linkages, including formalisation of artisanal small-scale mining, community businesses and agriculture.

It is also recommended to strengthen education and training for Sierra Leonean to take up most jobs in the mining sector. This will require clear policy priorities, strong engagement of citizens and a multi-sector approach.

6. Conclusion

We recommend the draft Sierra Leone Minerals Policy is validated and the final product made public.

The Action Plan should develop clear timelines and monitoring of the implementation of the Sierra Leone Minerals Policy. In all stages of implementation, civil society and other stakeholders should be engaged

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Annex 1: List of participants

SIERRA LEONE'S COUNTRY'S MINING VISION ADVOCACY AND CAPACITY BUILDING WORKSHOP

FREETOWN, SIERRA LEONE

21ST – 23RD NOVEMBER, 2016

ANNEX: LIST OF PARTICIPANTS

No.	Name	Organization/Instittion
1	Hajie Bah	Campaign for Just Mining
2	Michael Senesie	Knowledge for Community Empowerment Organization
3	John A Dugba	Campaign for just mining
4	Esther Finda Kandeh	Women in Mining and Extractive
5	Hassan G Koroma	Concord Times
6	Rebecca Yei Kamara	OXFAM IBIS
7	John Dad Hardy Momo	Network Movement for Justice and Development
8	Emmanuel M.T. Gbondo	Network Movement for Justice and Development
9	Salieu Kamara	Network Movement for Justice and Development
10	Augusta Nuwomah	WIFE
11	Abdulai Lamin Dumbuya	MASEU
12	Abdul Samad Kamara	Center for Democracy and Human Rights
13	Abass J Kamara	SILNORF
14	Umu Ndanema	Women in Mining and Extractive
15	Denis B. Ngegba	Campaign for just Mining
16	Mohamed Konneh	Association of Journalist on Mining and Extractives
17	Abu Bakarr Kamara	Budget Advocacy Network
18	Milton W. Kainyande	Green Scenery
19	Hon. Edward Stile Jengo	Sierra Leone Parliament
20	Senesie D. Amara	KOD-SL
21	Cecilia C. Mattia	National Advocacy Coalition on Extractives
22	Abu Bakarr Munu	Association of Journalist on Mining and Extractives
23	Adenike Temple	Transparency International
24	Salieu Kamara	Network Movement for Justice and Development
25	Osman Kokofele	Sierra Leone Parliament
26	Hon. Brima Conteh	Sierra Leone Parliament
27	Phebeans O Weya	Oxfam GB
28	Charles J. Silver	University of Sierra Leone
29	Mohamed F Conteh	SLEITI

30	Aminata K Lamin	Action Aid Sierra Leone
31	Dr. Mohamed Amin Adam	Africa Center for Energy Policy
32	Benjamin Boakye	Africa Center for Energy Policy
33	Kwesi Obeng	Tax Justice Network - Africa
34	Morten Blomqvist	Oxfam IBIS
35	Mohamed Haibe	Oxfam IBIS
36	Nuru Deen	Oxfam IBIS
37	Alpha Umaro Sesay	Oxfam IBIS
38	Daniel Gbondo	MMR
39	Ibrahim Satti Kamara	NMA
40	Kathrin Russner	GIZ