# RWI Index Questionnaire: Sierra Leone 2012

## Category I  Access to Resources

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## Category II  Revenue Generation and Collection

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## Category III  State Owned Companies

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## Category IV  Natural Resource Funds

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## Category V  Subnational Transfers

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### Indicator 4.1.1 Context

#### 4.1.1.050: Has the government created a special fund or natural resource fund that concentrates revenue directly from oil, gas or mineral extraction?

**Score:** A  B  C

**Comments:**

There is no SWF as such in Sierra Leone.

1° The Diamond Area Community Development Fund (DACDF) was created in order to redistribute some of the profits generated by registered artisanal mining licensees on a local level, and thus encourage official registration in a sector characterized by illegal mining.

2° The Community Development Agreement system whereby each license holder (small scale and large scale mining licenses) "shall assist in the development of mining communities affected by its operations to promote sustainable development" > original in the sense that it operates on an individual basis.

These funds are assessed in the sub-national transfers section.

**References:**

1°) Constituency Development fund:
> 2009 Mines and Mineral Act, section 34.A states that 10% of Mining Land leases shall be paid to "a constituency development fund"
> NACE Report, "Sierra Leone at the cross roads p.15, states that "20 per cent (of the surface rent payments goes) to the Chiefdom Development Fund"

2°) Diamond Area Community Development Fund (DACDF)
> According to the document entitled "DACDF Background", published by the Ministry of Mineral Resources, (http://www.slmineralresources.org/docs/DACDF_Background.pdf) "Cabinet at its 36th Meeting on 20th December 2001 established the Diamond Area Community Development Fund (DACDF)"
> Not mentioned in 2009 Mines and Mineral Act/Regulations
> Established in 2001 (no legislative evidence was found), as said in the 2008 Diamond Area Community Development Fund Regulations
> Fund Revenues determined as such in the introduction of DACDF Regulations document: "The Diamond Area Community Development Fund (DACDF) was initiated in 2001 and represents one-quarter of the 3% tax levied on the value of artisanal diamonds exported from the country. The Government Gold and Diamond Office (GGDO) deposits 0.75% of this export value to a joint Ministry of Mineral Resources and Ministry of Local Government account registered with the Sierra Leone Commercial Bank."

3) Community Development Funds
> Community Agreement Development Fund's arrangements are detailed in Part XVI, sections 138,139,140 and 141 of the 2009 Mines and Minerals Act.
> Referred to in the Research Paper entitled "Mining Revenue Streams and their Development Impact on Communities Affected by Mining " published by Network Movement for Justice and Development (NMJD) in November 2010.
4) Agriculture Development Fund:
According to NACE Report p. 15 "Sierra Rutile’s agreement with the government is to contribute annually to the ADF the higher of 0.1 per cent of gross sales of rutile and ilmenite or US$75,000, to be used for the development of agriculture in areas affected by mining. The annual amounts are paid to a separate fund controlled by the government, chiefdom representatives and company representatives". But the same report states that Rutile has not given any money to such fund yet.
+ According to the same report "The 1996 Act (...) requires mining lease holders to pay 0.1 per cent of their sales (that is the ex-mine price) to an Agricultural Development Fund (ADF)." But no such requirement is stated in the new 2009 Act.

(+ African Minerals Development funds: Danwatch Report entitled "Not Sharing the Loot," p. 17, refers to "two development funds", "controlled and managed by the company", ie African Minerals. "African Minerals has agreed to pay 0.1% of gross sales to each of two development funds", but since they don’t appear to be producing yet, they do not pay any royalties. )

> no other Resource fund found. NACE Report "Sierra Leone at the cross roads", published in March 2009, recommends p. 3 that "The government should consider introducing a Rutile Area Community Development Fund."

4.1.1.051: What authority is responsible for the natural resource fund?

Score:  

References:
According to the "Diamond Area Community Development Fund Regulations", published in November 2008, Introduction, p. 3, the Fund is the responsibility of both the Ministry of the Mineral Resources and the "Ministry of Local Government".

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4.2.1 Comprehensive reports

4.2.1.052: Are the rules for the fund's deposits and withdrawals published, including the formula(s) for deposits and withdrawals?

Score: A B C

References:
The "DACDF regulations" include rules for deposits:
>> introduction: "The Government Gold and Diamond Office (GGDO) deposits 0.75% of this export value to a joint Ministry of Mineral Resources and Ministry of Local Government account registered with the Sierra Leone Commercial Bank."
>> section 2 "Calculating allocations" to each of the Counties where diamond licenses are registered specific fund distribution among the Counties, based upon "i. Number of diamond mining licenses issued ii. Quantity of legal exports. (There remains the argument that a chiefdom with 20 licenses but with high value diamonds might contribute more to export value than a chiefdom say, with 100 licenses). iii. Added reward for special stones" (DADF - Background Paper - MMR, p. 1). Formula is included.

Rules for withdrawal are also specified in the DACDF Regulations, p.4:
"Money allocated to Chiefdoms and District Councils are not automatically distributed. Funds will only be disbursed once specific development projects have been considered and approved." Details regarding project application and approval are specified in the Regulations, page 5 on.

4.2.1.053: Does the fund management or authority in charge of the fund publish comprehensive information on its assets, transactions and investments?

Score: A B C D E

Comments:
NB: According to the 2009 Mines and Mineral Act, Part XVI. Community Development, Community Development Agreements should be public:
"(6) The holder of the small-scale or large-scale mining licence shall provide a copy of the community development agreement approved by the Minister to the Director within thirty calendar days of the date on which such agreement was approved, and the agreement shall be considered non-confidential and available to the public at the Mining Cadastre Office."

> Mining Cadastre Office was contacted. No answer so far.

References:
1) Ministry of Mineral Resources:
Only information published by the Ministry of Mineral Resources regarding the fund's assets, size or transactions is contained in the Background Paper available on its website (and already attached), p. 1:
"Matching arrangements are unclear but to date 54 chiefdoms with a combined 2,313 licenses have and continue to benefit from the fund. At 0.75% Diamond Export Revenue returns per chiefdom, from 2001 to 2004 end, a total of nearly $1,923,000 was paid out to mining chiefdoms by the government, with almost $850,000 in 2004 alone."

> Such document summarizes the issues with which the Fund was faced up to 2004. According to NACE Report p. 19, lack of transparency and efficiency were such that "in 2004 the government temporarily suspended the disbursement of funds". No reports regarding the DACDF were found published since.

### 4.2.1.054: Are the reports containing information on the fund's assets and transactions understandable?

**Score:** A B C D E

**Comments:**

NB: Nace, pointing out the lack of transparency surrounding the DACDF, stating that "A major issue related with mining beneficiation schemes is limited community knowledge of the value of ceded revenues due to non-disclosure of payments", recommends that "In line with EITI principles, publication of payments at both national and community level will enhance transparent handling of beneficiation schemes and ultimately enhance community development."

("Mining Revenue Streams and their Development Impact on Communities Affected by Mining", November 2010, NACE), p. 6)

**References:**

Cf preceding question: no reports were found published.

NB/ The Background paper however, appears to be quite clear and willing to give an objective analysis of the situation.

### 4.2.1.055: How often are financial reports published by the fund management or authority in charge?

**Score:** A B C D E

**References:**

No evidence was found of any financial report available to the general public regarding the DACDF, except from the data mentioned before and contained in the "DACDF background paper". EITI SLReconciliation report p.33 states poor accounting and reporting practices.

No Community Development Fund Reports could be found neither.

4.2.2.056 Audited reports

### 4.2.2.056a: Are the fund's financial reports audited?

**Score:** A B C D E

**References:**

NO evidence was found from the previous sources (regulatory framework, NACE Danwatch and Network Movement for Justice and Development (NMJD) reports, as well as EITI Report) of such fund being audited. + the Audit Reports published by the Audit Service of iLerra Leone do not mention the DACDF nor the Community Development Fund.
4.2.2.056b: Are the audited financial reports published?

**Score:** A  B  C

**References:**
Cf preceding question: neither DACDF nor CDF seem to have ever been audited.

NB: The CDF appears once in the 2010 ASSL (Audit Service of Sierra Leone) Annual Report though, p.39:
"An instruction given by the Gold and Diamond Department Office (GDDO) dated 3rd December, 2008 to the Bank of Sierra Leone to pay Le 34,775,303 into the Area Mining Community Development Fund Account number 1400123, held at the Sierra Leone Commercial Bank, was not reflected in the Bank Statement. The Ministry failed to involve the Auditor General in the payment exercise for the Marampa Mines Caretaker Team, and, no report was submitted to the Auditor General."
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**4.3.1.057: Are the rules governing deposits into the fund defined by legislation?**

**Score:** A B C

**Comments:**

NB: Community Development Fund "Rules" for deposit into the fund remain rather vague, in particular regarding the authority in charge of collecting the CDF funds. All the more since to such Community Development contribution at a local level, must be added "land fees, agricultural development fund and other charges". This results in the situation described in SR EITI Report p. 33: "The companies' payment processes for land rent, agricultural development fund and other charges related to the Chiefdoms, local government entities and landowners differ widely across chiefdoms and mining companies." (…) sometimes pay their Community Development due to the local government, sometimes to the Chiefdom, sometimes to the Ministry of Mineral Resources sometimes to an account manged by the Company, the Ministry of mineral Resources and the Chiefdom. > see EITI Sierra Leone 1st Reconciliation Report, p. 33

**References:**

1°) Rules for deposit into the DACDF are defined by Regulations:
>> DACDF Regulations, Ministry of Mineral resources and Ministry of Local Government, November 2008:
> General rule for deposit into the fund are stated in the "Introduction", p. 2
> Rules regarding the calculation of allocations are defined in details - part 2 "Calculating Regulations".

BUT

2°) General rules for the Development Community Fund are set in the 2009 Mines and Mineral Act:
> Part XVI. Community Development
139. "(4) The holder of the small-scale or large-scale mining licence shall expend in every year that the community development agreement is in force no less than one percent of one percent of the gross revenue amount earned by the mining operations in the previous year to implement the agreement, and such amount and a breakdown of expenditures shall be reported to the Minister annually as may be prescribed."

**4.3.1.058: In practice, does the government follow the rules governing deposits to the natural resource fund?**

**Score:** A B C D E

**Comments:**

NB/ Rules do not change BUT they are problematic per se:
1°) Diamond Area Community Development Fund:
> NACE Recommendation seem to imply that the lack of precise rules to govern the fund made it
difficult for different stakeholders to make sure that funds were received and redistributed among the
Counties:
"The government should consider increasing the percentage of the royalty allocated to the Diamond
Area Community Development Fund (DACDF) from 0.75 per cent to 1.5 per cent, at the same time as
establishing proper regulations (mainly concerning transparency and accountability) to ensure good
allocation of these resources."

+ 2010 Audit Report points out that "An instruction given by the Gold and Diamond Department Office
(GDDO) dated 3rd December, 2008 to the Bank of Sierra Leone to pay Le 34,775,303 into the Area
Mining Community Development Fund Account number 1400123,[Researcher note: is it DACDF or
DCF?] held at the Sierra Leone Commercial Bank, was not reflected in the Bank Statement. The Ministry
failed to involve the Auditor General in the payment exercise for the Marampa Mines Caretaker Team,
and, no report was submitted to the Auditor General.

2°) Community Development Fund
> As seen in preceding question, difficult to "follow the rule" in practice when the rule is not extremely
precise.

NB: Overall, Network Movement for Justice and Development Report points out thanks to a field study:
"The study noted that legislation on current revenue streams were promulgated at various stages of
Sierra Leone’s mining history. Because of this, there is no common framework to generate and re-
distribute mineral sector related wealth to communities affected by mining. Their purpose as such, is
differently understood at community level and their impact varies from community to community."

References:
1° DACDF
"Sierra Leone at the Cross Roads", NACE p. 3
2° CDF
> EITI SR Reconciliation Report, p. 33

4.3.1.059: Are the rules governing withdrawal or disbursement from the fund defined by
legislation?

Score: A B C

References:
1°) Diamond Area Community Development Fund: rules for withdrawals are specified in the DACDF
Regulations, Ministry of Mineral Resources an Ministry of Local Government.
See p.3 part 3: "Project cycle" > "Money allocated to Chiefdoms and District Councils are not
automatically distributed.
Funds will only be disbursed once specific development projects have been considered and approved." >
Rules governing te project cyle are detailed further in the document.

2°) Community Development Fund: rulesgoverning withdrawals are set in legislation
> Mines and Mineral Act 2009, Part XVI, CCommunity Development
Section 140 specifies the content of a Community Development Agreement, and section 140 (2) and (3)
define the scope of projects covered by the Fund (and at the contrary lists all projects not eligible).
Section 141: Once a Community Development agreement has been established between the "the
authorized representatives of a small-scale or largescale mining licence and its primary host
community", it has to be approved by the Minister before implementation.

4.3.1.060: In practice, does the government follow the rules governing withdrawal or spending
from natural resource fund?

Score: A B C D E
References:
> DACDF: rules defined by the Ministry of Mineral Resources and Local Government Regulations
> Community Development Fund: mentioned in 2009 the Mines and Mineral Act but no specific rules regarding withdrawals.

NB/ No public report was found, which could have allowed researcher to analyze both funds' activity. > Organizations' Reports were its primary source therefore.

=> general consensus in Reports opinions:
> see Network Movement for Justice and Development (NMJD) Report p. 5, statement for both CDF and DACDF:
"1. Weak policy coordination and limited transparency in the administration of community mining beneficiation schemes
2. Lack of a comprehensive monitoring and oversight mechanisms including enforceable sanctions for misuse of revenues
3. The absence of comprehensive guidelines and systematic frameworks for generating, management and disbursement of mining related revenues
4. Delays in the disbursement of funds"

+ On the Community Development Fund, p. 14:
"Although the Minister’s decision is final in an event where a community is dissatisfied with the level of development provided by a company, the Act is once more unclear on penalties in situations where companies categorically fail to support local development. The binding nature of agreements notwithstanding, the administration of the Community Development Fund appears largely an ad hoc arrangement between communities and companies."

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4.3.1.061: Are withdrawals or spending from the fund reserves approved by the legislature as part of the budget process?

Score: A B C

References:
1) Legal framework: > Diamond Area Community Development Fund (see Development Area Community Development Fund Regulations)

>Community Development Fund: (see 2009 Mines and Mineral Agreement, part XVI )
The Fund system is based on the establishment of Community Development Agreements between a mining company and its host community. Such agreement is to be signed by the Ministry of Mineral Resources and of Local Government to be implemented.

2°) Budget documents :
2010 and 2011 Budgets
2010 and 2011 Budgets and Statements for Finance and Economic policy
> Neither DACD nor CDF were mentioned.

4.3.1.062: Are officials of the natural resource fund required to disclose information about their financial interest in any oil, gas or mining projects?

Score: A B C

Comments:
> Neither of the Diamond Area Community Development Fund and the Community Development Fund regulatory framework mention such requirement.
(> See 2009 Mines and Mineral Act - Part XVI Community Development)
(> See 2008 DACDF Regulations)
==> All officials of the Natural Resource funds (DACDF and CDF) not explicitly required to disclose information regarding their financial interests in the extractive sector.

However, section 15 "Disclosure of interest" of the 2009 Mines and Minerals Act requires all members of the Advisory Board to the Ministry of Mineral resources to disclose such information. Presuming that such disclosure requirement also applies to the Minister himself, it then applies for its functions regarding the DACDF and the CDF (for both of which he is the authority in charge of reviewing, allowing and supervising fund related withdrawals and projects.

References:
> 2009 Mines and Mineral Act
Part XVI - Community Development section 15 Disclosure of interest

> 2008 DACDF Regulations
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5.1.1.063: Do central governments transfer resources to subnational authorities based on extraction of mineral resources?

**Score:** A

**Comments:**

1°) the Diamond Area Community Development Fund is funded by a certain percentage of diamond royalties:

> 0.75 percent of diamond royalties

"The Government Gold and Diamond Office (GGDO) deposits 0.75% of this export value to a joint Ministry of Mineral Resources and Ministry of Local Government account registered with the Sierra Leone Commercial Bank"

Such contribution is then distributed among the Counties where official diamond licensees operate, after an allocation process specified in the DACDF Regulations, and according to the number of license per county,

2°) Community Development Agreements are to be established for most small scale and all large mining licenses (as defined in section 139 of the 2009 MMA), based on a contribution of 0.01% of the licensee's gross revenue to its primary host community and not applicable, to the local council:

"The holder of the small-scale or large-scale mining licence shall expend in every year that the community development agreement is in force no less than one percent of the gross revenue amount earned by the mining operations in the previous year to implement the agreement" (section 139, (4)).

(((Indirect transfers: 3°) According to NACE Report (already attached) p.11, Table 3, a certain amount of revenues from the Diamond exports goes to the Consolidated Fund. (source: Gold and Diamond Office)

(NB: 2009 Finance Act, section 4.a.aa (i) states that Non tax revenues be paid to the Consolidated Fund, including "fees, fines and royalties")

> Therefore both Royalties and the amount mentioned in the Table 2.2. of the GDO as presented in NACE report, are annually paid to the Consolidated Fund.

> the said Consolidated Fund's expenditures are regulated through Appropriation Acts. 2008 appropriation Act for instance states that a certain amount of such fund goes to the to the three provinces of Bo, Kenema and Makeni.)))

NB: According to the DACDF Regulations, DACDF is distributed to Chiefdoms and District councils. According to the MMA, Community Development Agreements projects are meant for "primary host community", and if not applicable, local councils.

=> 2004 Local Government Law creates the Local Councils > two systems coexist: , chiefdoms and local councils(which are also called district councils? cf DACDF Regulations). The Local Government Act, 45.4.states that local council revenues comprise "mining revenue sharing". Without further specifications, one can suppose that those revenues come through DACDF and CDF.

**References:**

1°) Diamond Area Community Development Fund (DACDF) 2008 Regulations
5.1.1.064: Are conditions imposed on subnational government as part of revenue sharing regime?

Score: A  B  C

Comments:
For both Funds (ACDF and CDF), as seen before, revenue sharing is conditional:
1° DACDF: allocations to mining areas must fund a development project authorized by the Ministry of Mineral Resources
> DACDF Regulations section 3 p 3 "Money allocated to Chiefdoms and District Councils are not automatically distributed. Funds will only be disbursed once specific development projects have been considered and approved."
2° CDF: conditions regarding Development Projects to be funded by the CDF via Community Development Agreements are specified in the 2009 Mines and Mineral Act, Part XVI.

3°) Appropriation Act governs fund distribution across different instances, or projects. 2009 does not mention provinces, and 2008 Appropriation Act distributes a certain amount to three Sierra Leone Provinces, without specification of any use.
See Appropriation Act 2008

References:
1°) Rules governing the Diamond Area Community Development Fund: DACDF Regulations, November 2008
2°) Rules governing the Community Development Fund: 2009 Mines and Mineral Act
3°) Consolidated Fund disbursement > ruled by Appropriation Acts
#### 5.2.1 Disclosure

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**5.2.1.065: Are the rules for revenue transfers from central to sub national governments published, including the formula(s) for revenue sharing?**

**Score:** A B C

**References:**
- Rules and formulas for revenue sharing regarding DACDF and CDF have been detailed in questions regarding Natural Resources Development Fund.
- DACDF rules and formulas are published in the 2008 DACDF Regulations, available on the Ministry of Mineral Resources website;
- CDF rules for revenue transfers from the joint account managed by Ministries of Mineral Resources and Local Government are specified in the 2009 Mines and Mineral Act.

**5.2.1.066: Does the central government publish comprehensive information on transfers of resource related revenues to sub-national governments?**

**Score:** A B C D E

**Comments:**
MoF Budgets mention
- budget allocated to the three Provinces of Kenema, Makeni and Po, within the General Services expenses of the Ministry of Internal Affairs, Local Government and Rural Development. Eg Budget 2010 p.45
- transfers to Local Councils p. 51
- budget distribution across Sierra Leone Local Councils, Cf Annex V - FY2010 Distribution of grants to Local Councils p.62

But does not provide disaggregated information regarding transfers of resource to subnational levels. Idem for Budgets and Statements on Economic and Finance policies.

**References:**
- Ministry of Finance Budgets 2010 and 2011
- Ministry of Finance Budgets and Statements for Economic and Finance policies (already attached)

**5.2.1.067: Are the reports containing information on transfers of resource related revenues to sub-national governments understandable?**

**Score:** A B C D E

**References:**
See preceding question: no reports found regarding resource revenue transfers to subnational levels. (only document found that contains information on indirect transfers to Provinces is Appropriation Act 2008 already attached, regarding distribution of Consolidated fund (which includes resources related revenues such as royalties, as seen before)

5.2.1.068: How often does the central government publish information on transfers of resource related revenues to sub-national governments?

Score:  A   B   C   D   E

References: 
See preceding question

5.2.1.069: Do sub-national governments publish information on transfers received from central governments?

Score:  A   B   C

References:
Cf Preceding questions. no information was found as published by the Provinces or the Local Councils. 
NB: 2009 Mines and Minerals Act, section 141.6, states that Community Development Agreements shall be available to the general public at the Ministry of Mineral Resources Mineral CadastreOffice (http://www.slminerals.org/content/index.php?option=com_content&view=article&id=7&Itemid=29) > Mining Cadastre does not seem operational yet. 
> Mining Cadastre office contacted. No answer sofar.

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5.3.1 Legal Framework and Practice

5.3.1.070: Are arrangements (including formulas and responsible institutions) for resource revenue sharing between central and sub-national governments defined by legislation?

Score: A B C

Comments:
1°) DACDF: B applies
2°) CDF: A applies
3°) Consolidated Fund: B applies

References:
Three channels of resource revenue transfers to subnational levels have been identified:
1°) Diamond Area Community Development Fund.
> Arrangements are defined by the 2008 ACDF Regulations (already attached) established by the Ministry of Mineral Resources and the Ministry of Local Government http://www.slminerals.org/content/index.php?option=com_content&view=article&id=24&Itemid=25
2°) The Community Development Fund
> Arrangements are defined by the 2009 Mines and Mineral Act, Part XVI.
However they do not include precise formulas. The Community Development Agreements that rule withdrawals from the CDF are negotiated one by one between the mining license holder/host community and the Ministry.
3°) Subnational transfers from the Consolidated Fund
> Mentioned in the 2009 Finance Act.
No formulas or specific arrangements mentioned.

5.3.1.071: In practice, does the government follow the rules established by resource revenue sharing legislation?

Score: A B C D E

Comments:
As seen in preceding question, only the Community Development Fund is defined by actual legislation (2009 Mines and Mineral Act, Part XVI).
Little information is available regarding the Government’s actual following of such rules. EITI only mentions Diamond Area Community Development Fund.
> for both funds (CDF and DACDF) the problem does not seem to be so much government’s misuse of the funds dedicated to DACDF and CDF as issues of transparency, poor management
A) at the local level:
> Eg SLEITI Report p. 34
B) at the Government level
> poor accounting system
See SLEITI Report p. 34
+ "Not Sharing the loot" reports points out the methods used by companies to bypass fiscal requirements, among which negotiation with the government for tax incentives.
+ Agreement such as Koidu Holdings agreement, renewed in 2010, contains a clause saying that "the company will abide by the laws of Sierra Leone and all other national legislation, except where it comes into conflict with the provisions in the Koidu Holdings agreement." (see Report p. 14)

+ procedures for the DACDF project cycle are rather complex > difficult for local authorities to manage.

References:
1º) 2010 Audit Report, Audit Service of Sierra Leone, p. 39
"An instruction given by the Gold and Diamond Department Office (GDDO) dated 3rd December, 2008 to the Bank of Sierra Leone to pay Le 34,775,303 into the Area Mining Community Development Fund Account number 1400123, held at the Sierra Leone Commercial Bank, was not reflected in the Bank Statement. The Ministry failed to involve the Auditor General in the payment exercise for the Marampa Mines Caretaker Team, and, no report was submitted to the Auditor General."

2º) NGO reports:
- "Sierra Leone at the cross roads", NACE Report, March 2009, p. 34
- "Mining Revenue Streams and their Development Impact on Communities Affected by Mining", Network Movment for Justice and Development (NMJD), november 2010
- "Not sharing the loot", DanWatch, October 2011

3º) First EITI SL Reconciliation Report, March 2010, p.34
http://www.sleiti.org/reporting/data_reconciliation.html
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### 1.1.001: Does the country have a clear legal definition of ownership of mineral resources?

**Score:** A

**Comments:**

Background information:
According to the US Geological Survey, in 2010 Sierra Leone was the world's 10th largest diamond producer (by volume), producing 437,516 carats. According the the CIA World Factbook, diamonds make up nearly half of Sierra Leone's exports.

"Sierra Leone’s economy is likely to continue to depend greatly on revenues from the diamond sector. The passage of the new Mines and Minerals Act suggests that the country is on its way to establishing a transparent investment climate, which is likely to attract foreign direct investment (FDI) in the mineral sector."


**References:**
" 2. (1) All rights of ownership in and control of minerals in, under or upon any land in Sierra Leone and its continental shelf are vested in the Republic not withstanding any right of ownership or otherwise that any person may possess in and to the soil on, in or under which minerals are found or situated."

2) Oil sector:
2001 Petroleum Exploration and Production Law, Part III Petroleum Rights, section 6 "Petroleum Ownership":
"6. (1) All rights or ownership in or of exploring, producing and disposing of petroleum existing in its natural state within Sierra Leone, including the sea-bed and the subsoil below the seabed, are vested in the State on behalf of the people. (2) Subsection (1) shall have effect notwithstanding any right of ownership or otherwise that any person may possess in and to the soil on or under which petroleum is found or situated."

**Peer Review Comments:**
No mention is made of Constitutional provisions. While there is nothing directly on point, Constitution Art. 7(1) states that the state shall “harness all the natural resources of the nation to promote national prosperity and an efficient, dynamic and self-reliant economy”
1.1.002: Who has authority to grant hydrocarbon and mineral rights or licenses?

**Score:** A B C D E

**References:**

1°) Mineral Sector: > A. Ministry of Extractive Sector
> see 2009 Mines and Minerals Act - section 42.1 "Registration of a licence granting a mineral act"+ - Reconnaissance licence: section 58 (An application for a Reconnaissance license shall be granted or rejected by the Minister)
- Exploration Licence: section 71.3 (an exploration license application(...) shall be granted or refused by the Minister)
- Small-scale mining license: section 97 - (3) Subject to sections 26 and 98, the Minister shall on the certified advice of the Minerals Advisory Board, grant or refuse to grant a small-scale mining licence.
- Large scale mining license section 107 - (3) Subject to this section and to subsection (1) of section 108, the Minister on the advice and certification of the Minerals Advisory Board may grant, on such conditions as he may determine, or refuse to grant, the large-scale mining licence applied for.

2°) Oil sector: > D. Office of the executive
2001 Petroleum Exploration and Production Law - Section 2 "Establishment of a Petroleum Unit" > in the office of the President, under the authority of the President”.
Functions: 3. (1) The object for which the Unit shall be established is to represent the State exclusively in negotiations with interested parties for the exploration, development or production of petroleum, to act on behalf of the State in petroleum agreements and to regulate the petroleum industry in Sierra Leone.

**Peer Review Comments:**

The Solid Minerals Sector is supervised by the Minister of Mines and Mineral Resources, while the Hydrocarbon Sector operates under the Office of the President.

1.1.003: What licensing practices does the government commonly follow?

**Score:** A B C D E

**Comments:**

1°) Mineral sector:
> 2009 MMA provides apparent requirements for open bidding but actually only for certain specific areas. Nothing was found regarding actual "open bidding rounds with sealed bid process" and a justified decision.
See section 25.2 of the 2009 MMA: 
"(2) Where an area is designated as an exploration or mining area under subsection (1), the Minister shall not award any mineral rights to any person except by way of public tender." [NB: sub section 1: the Minister MAY by notice in the Gazette and in a local newspaper designate any area in which minerals have been discovered by a Government survey, as an exploration area or mining area.]
> Message sent to the Ministry of Mineral Resources - Waiting for answer
+ NB: Section 27 "Priority of applications" tends to provide rule for a "first come first served" system: "where two or more applicants, not acting together, each make an application for the grant of any mineral right over the same area or over an overlapping area, the person whose application was first registered in the registry of mineral rights applications shall be considered for the grant of a mineral right in priority to the other applicants."

2°) Oil sector:
According to RWI page on Sierra Leone, a revised Petroleum Exploration and Production Bill was submitted by the Government to the Parliament after oil discoveries at Venus well by Anadarko Ltd. This Bill "included several clauses seeking to improve transparency, including a requirement that oil contracts be awarded only through competitive auctions, that contracts be published and that payments be
disclosed in accordance with the terms and procedures of EITI. The bill was approved by a process that lacked the opportunity for debate, which has resulted in disputes between civil society groups and the government over questions of due process and public consultation." + According to a newspaper article published in Afrique Avenir the Bill was sent again after modification to the Parliament.

> Bill not published on Sierra Leone official website, not on Lexadin. However a document stating the opening of a new bidding round from December 2011 to March 30th 2012, placed under "the Petroleum Exploration and Production Act 2011", which was supposed to provide rules for open and competitive bids, while also stating that "Government reserves the right to withdraw the bid round and is not bound to choose the highest bidder."

References:
Mineral Sector :
> 2009 Minerals and Mining Law, section 25.2 and 27

Oil sector :
> Revenue Watch page on Sierra Leone
> newspaper articles:

1.1.004: What is the fiscal system for mineral resources?

Score:  

Comments:
1°) Mineral sector:
Sierra Leone Mineral Legislation provides a legal framework for Mineral Licenses (Reconnaissance, Exploration, Small-scale and Large-scale mining licenses) granting in exchange for royalties and taxes.

2°) Oil sector:
> Petroleum exploration and production 2011 Bill not found, and no evidence found of a Sierra Leone National Oil Company. Sierra Leone EITI staff and Sierra Leone Petroleum Unit contacted.
> No contracts published.

References:
1) Mineral sector:
> Mines and minerals Act 2009, Section 148. "Royalty"
> Income Tax Act, Schedule 6, which provides special provisions for the taxation of the mining sector. Mining companies are generally subject to taxation under the Income Tax.

2) Oil sector:
2001 Petroleum Exploration and Production Law - Part V Petroleum Agreements; sections 38 Rental Payments, 39 Income Tax, 40 Royalty on Production, 41 Assets transfer to the State

Peer Review Comments:
The Petroleum (Exploration and Production) Act, 2011 is a supplement to the Sierra Leone Gazette vol. CXLII. No.60 dated 8th September, 2011. All legal documents, including the said Act are available at the Government Bookshop, although it must be said that stocks sometimes run out. A few of the fundamental changes include the establishment of a Petroleum Directorate, which replaces the Petroleum Resources Unit. Also, the new legislation provides for the setting up of a Ministry to supervise the petroleum resources sector, although that is yet to be accomplished. The establishment of a Sierra Leone National Petroleum Company and the conduct of its affairs is clearly spell out in the Act.

1.1.005: What agency has authority to regulate the hydrocarbon and mineral sector?
Comments:

> Mineral Sector: The Director of Mines is in charge of regulating the sector. He is not independent from the Ministry of Mines.

> Oil: the "Director-General" of the Petroleum Resources Unit in the office of President has authority to regulate the hydrocarbon sector, under the authority of the President of Sierra Leone as stated in 2001 Petroleum Exploration and Production Law Part II. 2.(1).

References:

1°) Mineral Sector:
> 2009 Mines and Mineral Act, Part XX, Regulations
Under Section 4, the Director of Mines is charged with “exercising regulatory administration over all reconnaissance, exploration, and mining operations.” And under Section 3 the Director of Mines is “responsible for the implementation of this Act.”

2°) Oil Sector:
> 2001 Petroleum Exploration and Production Law, Part VIII "Regulations".
Section 65: " (1) The Director-General may make regulations prescribing all matters that by this act are required or permitted to be prescribed or are necessary or convenient to be prescribed for carrying out or giving full effect to this act."

Peer Review Comments:
The Petroleum Exploration and Production Act (2011) gives the Director General of the now Petroleum Directorate the power to regulate the operations of the sector. The Petroleum Resources Unit does not exist anymore.
# Sierra_Leone - RWI Index Questionnaire

## Disclosure

### 1.2.006 Information on licensing process

**Score:** 84

### 1.2 Contract transparency

**Score:** 0

### 1.2.008 Environmental and social impact assessments

**Score:** 33

### 1.2 Access to information and legislation

**Score:** 67

### 1.2.006.a: What information does the government publish on the licensing process before negotiations?

**Score:** A

**Comments:**

1°) Oil sector:
   - 2011-2012 Bid Round provided information regarding geographic scope of the Blocks. General information regarding contract conditions is given without details: "We have a hybrid of royalty-tax and a carried interest for the National Oil Company with competitive rates". Same thing for License process: "Government reserves the right to withdraw the bid round and is not bound to choose the highest bidder."
   - But contact is provided in the document for more information.
   - NB 2001 Petroleum Law section 7 and 8 does not give much information/is rather not very specific on licensing process.

2°) Mineral Sector:
   - The government provides some very helpful guidebooks on the licensing process, FAQs, etc.
     http://www.slminerals.org/content/index.php?option=com_content&view=article&id=23&Itemid=6

**References:**

1°) Oil sector:
   - 2001 Petroleum Exploration and Production Law, Section 7 and 8.
   - Sierra Leone 2011 2012 Bid Round document (already attached)

2°) Mineral Sector:
   - Part IV of the Mines and Minerals Act on "Acquisition of Mineral Rights", including Sections 25 and 27.
   - Ministry Website: http://www.slminerals.org/content/index.php?option=com_content&view=article&id=25&Itemid=8

**Peer Review Comments:**

Reference must be made to the Petroleum Exploration and Production Act (2011), which is available at the Petroleum Directorate (described before).
1.2.006.b: What information does the government publish on the licensing process after negotiations?

**Score:** A B C D E

**Comments:**

1°) Mineral Sector:
> A Mining Cadastre is being set up, that will allow authorized participants to check information regarding mining licenses such as "their status, location, ownership, fees and dues paid, and other relevant information". According to the Minister of Mineral Resources, "the Ministry of Mineral Resources has introduced a computerized cadastre system for artisanal mining activity in Kono. It plans to expand this system to other parts of the country, for which training on the new system is currently being delivered in Bo and Kenema districts." Mining Licenses and agreements with limited access.

2°) Oil sector:
> Bid Round closed on March 30th. First major bid round for the exploration and exploitation of 9 oil blocks. > has to be followed up. No information found regarding past licensing processes.

**References:**

> Mineral sector:
Ministry of Mineral Resources website:
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=7&Itemid=29
http://sierraleone.revenuesystems.org/desktop/desktop?
workSpaceId=284048#

> Oil sector:
See comment

1.2 Contract transparency

1.2.007: Are all contracts, agreements or negotiated terms for exploration and production, regardless of the way they are granted, disclosed to the public?

**Score:** A B C D E

**Comments:**

1°) Mineral sector:
> One contract only could be found as published on Sierra Leone official website and in the Sierra Leone Gazette, but could not be read.
> EITI Report p. 3 states that: "While copies of Mineral rights agreements were requested from the MSG, these were not provided and no such comparison could be made." and further state that "As noted above, without making public mineral rights agreements and all changes to them public, it will not be possible in future EITI activity to verify accurate revenue collection. We also recommend making these agreements public"

2°) Oil sector:
Was not covered by EITI Report. Oil is not produced yet, but companies are already operating in the country for exploration purposes, such as Anadarko. No contract could be found.
> Message sent to the Petroleum Unit

**References:**

1) Mineral Sector:
> First Sierra Leone EITI Reconciliation Report, covering period Jan2006-Dec2007, March 8, 2010:
http://www.sleiti.org/reporting/data_reconciliation.html
> Sierra Rutile Agreement as Ratified by SL Legislation, 2002: published on Sierra Leone official website but doc could not be opened.

Peer Review Comments:
Several large scale contracts are available as they have been ratified, but it appears to be the case that other agreements are not made public. It is even rather difficult to locate all the large scale contracts. Many are available only at the government printing office and are shared informally. “D” is justified.

1.2.008  Environmental and social impact assessments

1.2.008.a: Does legislation require that mining, gas and oil development projects prepare an environmental impact assessment prior to the award of any mineral rights or project implementation?

Score: A B C

References:
1°) Mineral Sector:
> 2009 Mines and minerals law, PARTXV- Protection of the environment -section 131(2) "the Minister shall require an environmental impact assessment licence as prescribed under the Environment Protection Act as a condition for granting a small-scale mining licence or a large-scale mining licence."

2°) Petroleum Sector
> 2001 Petroleum Exploration and Production Law
--> no specific arrangement/requirement regarding ESIA
--> section 26.1 "26. (1) The contractor shall submit to the Director-General for approval a development plan in respect of any petroleum field to be developed in accordance with the terms of a petroleum agreement and such plan shall take account of any regulations relating to the environment and other petroleum matters as may be prescribed." (2) The Director-General shall have exclusive jurisdiction in all petroleum matters relating to the environment under this Act but shall consult the Director of Environment on all petroleum matters relating to the environment.

3) 2000 Environment Protection Act
> Part III Environmental Impact Assessment. 14 "Except as otherwise provided in this Act and notwithstanding the provisions of any enactment, no person shall undertake or cause to be undertaken any of the projects set out in the First schedule unless he holds a valid license in respect of such project. (2), 15. (1) Notwithstanding with the provisions of any enactment, any person who wishes to undertake or cause to be undertaken any of the projects set out in the schedule one shall apply to the Director for a license. Sections 16, 17, 18, 19, 20, 21 and 22 for further details regarding license granting procedure.> First Schedule: "Projects requiring an Environmental Impact Assessments. A license is required for the projects whose activities involve or include : (...) (f) Extractive industries (eg MINING, Quarrying, extraction of sand, gravel, salt, peat OIL and GAS)

Peer Review Comments:
For the records - The Environmental Protection Act was reviewed in 2008, and in the revised Act the Environmental Protection Agency was established. In 2010, the Act was reviewed to transfer the Agency to the Office of the President..

1.2.008.b: Are environmental impact assessments for oil, gas and mining projects published by the authority in charge of regulating the sector and is there a consultation process?
Comments:
> The Environment Protection Act requires publication of any Environmental Impact Assessment received by the Agency so as to allow civil society and non governmental organizations to give their opinion. Please note that no evidence was found as to actual practice followed.

NB: According to official sources, (http://www.statehouse.gov.sl/index.php?option=com_content&view=article&id=476:sea-environmental-protection-agency) a meeting, including President of Sierra Leone, Environment Protection Agency, Government Officials, professionals and CSOs, was held on March 13th 2012, to set up a "STRATEGIC ENVIRONMENT ASSESSMENT" (SEA) of the Potential Oil and Gas Development in Sierra Leone, "to ensure that oil and gas finds here in Sierra Leone are exploited to secure the national interest and future economic prosperity, while supporting the social welfare of directly affected communities and protecting our environment." Such project aims at providing "prospective developers, coastal communities and civil society with a clear picture of the potential positive and negative consequences of commercial oil and gas deposits on the national and local economy, livelihoods and well-being of coastal communities and marine environment of Sierra Leone. As such it will provide a blue-print to guide decision-makers, investors, community leaders and civil society in responding to the development choices that may need to be made if commercial quantities of oil and gas are found." (...) "a national steering committee comprised of all stakeholders in the oil and gas sector, the environment, natural resources management, fisheries and local communities has been constituted to move the entire process forward."

References:
1°) Mineral Sector:
> 2009 Mines and Mineral Act, section 134.4 "(4) Environmental Management Programme Reports shall be considered non-confidential and shall be made available to the public at the Mining Cadastre Office."
> Environmental Protection Agency Act of 2008, Section 27 requires public comment period before the EIA is submitted for approval.

2°) For all "Schedule 1" projects ie including Oil and Mining:
> 2000 Environment Protection Act:
19.1 "The Director shall, after receiving an environment impact assessment, circulate it to professional bodies and associations, Government Ministries and non-governmental organizations for their comments".
2. "Without prejudice to subsection(1), the Director shall make an environment impact assessment open for public inspection and comments and he shall give notice to that effect in two consecutive issues of the Gazette and two issues in a newspaper (...);
3. Comments made under this section shall be submitted within fourteen days of the last publication in the Gazette or newspaper as the case may be, to the Director".

Peer Review Comments:
EIAs are made available for stakeholders inspection and public disclosures are advertised in local newspapers. For instance, both London Mining and African Minerals Limited made public presentations of the ESIs in the operational areas and in Freetown. The reports are held by the local councils in Port Loko and Tonkolili Districts.

1.2.008.c: Does legislation require that mining, gas and oil development projects prepare a social impact assessment?

Score: A B C

Comments:
Two different situations > Oil // Mineral activities :
> Oil sector : no specific requirements regarding social impact assessments.
> Mineral sector: no requirement to prepare a social impact assessment as such BUT the elements to mention in the Environment Impact Assessment include negative social impact. Though only "Major"
ones...

>NB Environment Protection Act: does not mention any specific requirements as to social impact.

References:
1°) Mineral Sector:
> 2009 Mines and Minerals Act
Section 133."(1) In addition to any requirements set out in the Environment Protection Act, an environmental impact assessment prepared by a small-scale or large-scale mining licence applicant shall be based on environmental baseline assessment work, and shall contain the types of information and analysis reflecting international mining best practice which shall include-(...) (xi) identification of the likely major social impacts; (xii) mitigation measures for each major negative social impact”.

2°) Oil sector:
2001 Petroleum Law does not provide any rule regarding potential social impact.

Peer Review Comments:
Legislation requires companies to submit an Environmental and Social Impact Assessment (ESIA). An ESIA is a precondition for the issuance of an Environmental License - the latter being a requirement for the issuance of a Mining License, according to the Mines and Mineral Act (2009). Social Impact Assessments are not separate from EIA though.

1.2.008.d: Are social impact assessments for oil, gas and mining projects published and is there a consultation process?

Score: A B C D E

References:
> Official websites: Ministry of Mineral Resources, State House website,
> CHECK: operating companies websites

Peer Review Comments:
The ESIA report is made available for public (stakeholder) review. Both London Mining and African Minerals Limited, for instance, made public presentations of the ESIs in the operational areas and in Freetown. The reports are held by the local councils in Port Loko and Tonkolili Districts.

1.2 Access to information and legislation

1.2.009: Does the government publish detailed mineral/hydrocarbon resource legislation?

Score: A B C D E

Comments:
1°) Mineral sector:
Detailed information is publicly available on the Ministry of Mineral Resources website regarding fiscal provisions: fees, and penalties. See "Schedule1".
Royalties calculations are mentioned in Mines and Mineral Act and in Mines and Mineral Regulations section 77.

2°) Oil sector:
NB: Petroleum Law is published, but is rather not specific regarding fiscal terms. (Oil not produced yet)
Cf Royalties section 40. > only mentions that royalties will be paid in case oil is produced, details will be provided in Agreement.
Idem for fees, in section 8. (1) An application for a petroleum agreement may be made by any person or company and shall be addressed to the Director-General and shall be accompanied by such fees as may be prescribed." And for income tax in section 39.

**References:**

> 2009 Mines and Mineral Act
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=23&Itemid=6
> 2009 Mines and Mineral Regulations
> > Have all been published in Sierra Leone Gazette and are all published online on Sierra Leone's official Website:
http://www.sierra-leone.org/laws.html

**Peer Review Comments:**

Petroleum Exploration and Production Act (2011) is available at the Petroleum Directorate.

**1.2.010: This country has adopted a rule or legislation that provides for disclosure of information in the oil, gas and mineral sectors.**

**Score:** A B C D E

**Comments:**

>> Mineral sector has strong legal basis for disclosure of information regarding mineral activities and revenues as required by EITI principles and criteria.
>> Oil sector too.

**References:**

1) Mineral sector:
2009 Mines and Mineral Act - Section 159. "Transparency in the Extractive Sector: For the purpose of realising its objectives under this Act, the Minister shall- (a) develop a framework for transparency in the reporting and disclosure by persons engaged in the extractive industry, of revenue due to or paid to Government; (b) request, as may be deemed necessary, from any person engaged in the extractive industry, an accurate record of the cost of production and volume of sale of minerals extracted by such person at any period; (c) request from any person engaged in the extractive industry, an accurate account of money paid by and received from such person at any period, as revenue accruing to the Government for that period; (d) ensure that all payments due to the Government from a person engaged in the extractive industry, including taxes, royalties, dividend, bonuses, penalties, levies and such like, are duly made; and (e) disseminate by way of publication or otherwise, records, reports or any information concerning the revenue of the Government from the extractive industry, at least annually."

+ Section 160 states that 1) each person engaged in the extractive shall submit to the ministry a) a general report on his activities and revenues/ b) of payments made. 2) a person who fails to comply with such requirement will be "liable on conviction to a fine not less than ten thousand US dollars"

2°) Oil Sector: the new oil law is favorable with regard to transparency but no FOI yet.
Sierra Leone - RWI Index Questionnaire

Legal Framework and Practices

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1.3.011: The authority in charge of awarding licenses or contracts for mineral or hydrocarbon production is independent of the state owned company (SOC) or other operating companies.

**Score:** A

**Comments:**

1°) Mineral Sector: Answer A applies.
No state owned company regulating the sector. The authority to grant licenses or contracts is placed in the Ministry of Mineral Resources.

2°) Oil sector: N/A applies
> The authority to grant licenses and contracts is placed in the "Petroleum Unit" headed by a Director appointed by the President of Sierra Leone.
> But documents (cf Bid Round Document and link provided) mention a National Oil Company >
> uncertainty regarding its role and collusion or not with the Petroleum Unit, all the more since the Bid Round published states that "We [Sierra Leone] have a hybrid of royalty-tax and a carried interest for the National Oil Company with competitive rates".

**References:**

1°) Mineral Sector:
2009 Mines and Minerals Act, section 25 (2), 42. (1) The granting of a mineral right shall consist of its authentication under the hand and seal of the Minister, or in the case of an artisanal mining licence under the hand and seal of the Director or any person to whom the Director has delegated the power to authenticate such licence; 58. Subject to section 59, an application for a reconnaissance licence may be granted or rejected by the Minister, 97 (3) Subject to sections 26 and 98, the Minister shall on the certified advice of the Minerals Advisory Board, grant or refuse to grant a small-scale mining licence and 109. for large scale mining Licenses.

2°) Oil sector:
> 2001 Petroleum Exploration and Production Act, "7. (1) Except in accordance with a petroleum agreement with the Unit, no person, other than the State, shall engage in the exploration, development or production of petroleum."; 8. (1) An application for a petroleum agreement may be made by any person or company and shall be addressed to the Director-General".
> Bid Round document (attached before, see below for relevant excerpt)
> Sierra Leone National Petroleum Company (SLNPC): http://www.mbendi.com/orgs/cby1.htm
> Revenue Watch published an "opinion" online, dated november 16th, 2010, stating that "The policy goal for the creation of a national oil company to participate in licences was noted.However, given the few qualified national petroleum professionals currently in Sierra Leone, this is likely only realistic in the medium term."

see: http://www.revenuewatch.org/countries/africa/sierra-leone/extractive-industries
Peer Review Comments:
The newly established Petroleum Directorate has its own guidelines for its operations which are different from the Petroleum Resources Unit. See The Petroleum Exploration and Production Act (2011).

1.3.012: Is the licensing process intended to be open and competitive to all qualified companies?

Score: A B C D E

Comments:
1) Mineral Sector:
> Restrictions are mentioned for artisanal and small scale mining
> Large scale mining licensing process does not appear to be ruled by any particular restrictions.

2) Oil sector:
No explicit or apparent restrictive rule regarding applicants for oil contracts.

References:
1) Mineral sector:
2009 Mines and Minerals Act, sections 84, 95 and 105
> Section 84. Artisanal mining: (1) Any person who wishes to carry out artisanal mining operations shall apply for an artisanal mining licence. (2) An artisanal licence shall be granted to- (a) an individual person who is a citizen of Sierra Leone; (b) a co-operative society registered in Sierra Leone comprising citizens of Sierra Leone exclusively; (c) a joint-venture or partnership registered in Sierra Leone comprising citizens of Sierra Leone exclusively; or (d) a body corporate that is incorporated or registered in Sierra Leone having one hundred percent of its shares held by citizens of Sierra Leone.
> Section 95. Small Scale mining: (1) Any person who wishes to carry out small-scale mining operations shall apply for a small-scale mining licence. (2) A small-scale mining licence shall be granted to– (a) a body corporate that is incorporated or registered in Sierra Leone and having a minimum of twenty-five percent of its shares held by citizens of Sierra Leone; or (b) a co-operative society registered in Sierra Leone having a minimum of twenty-five percent of its member being citizens of Sierra Leone.
> Section 105. Large-scale mining: "Notwithstanding the provisions of section 26, a person shall not be eligible to apply for the grant of a large-scale mining licence under this Act unless that person is a company incorporated or registered under the Companies Act and whose name has not been struck off the register of companies at the time of the application." Other restriction that applies to national requirements is this one: "(b) contain the company profile and history of exploration operations in Sierra Leone and elsewhere."

2°) Oil Sector:
2001 Petroleum Exploration and Production Law:
8. (1) An application for a petroleum agreement may be made by any person or company and shall be addressed to the Director-General and shall be accompanied by such fees as may be prescribed.

1.3.013: Does the licensing process or legislation impose limits to discretionary powers of the authority in charge of awarding licenses or contracts?

Score: A B C D E

Comments:
1°) Mineral Sector:
> Sentences regarding license granting by the Minister such as "on conditions he may determine" may imply that the Minister is thus enabled to alter initial Bid Rounds or Standard Agreement conditions. The minister has fairly broad discretionary powers in practice. Negotiations have not been limited to only "reasonable" departures from key principles.

2°) Oil sector: Given that the Director of the Petroleum Unit has the authority to make regulations as
deemed necessary "or convinient" for carrying out or giving full effect of the Petroleum act, the "Review of terms" section may allow for a revision of the contract and conditions after it has been negociated. However no evidence has been found of such practice.

**References:**

1) Mineral sector:
   > 2009 Mines and Mineral Law,
   section 107. (3) Subject to this section and to subsection (1) of section 108, the Minister on the advice and certification of the Minerals Advisory Board may grant, on such conditions as he may determine, or refuse to grant, the large-scale mining licence applied for.
   
   section 113. (6) If the Minister is satisfied with a proposed programme of mining operations submitted under subsection (5), he may, on the advice of the Minerals Advisory Board, approve such application on such terms and conditions as he may determine and shall amend the large-scale mining licence accordingly. (7) The holder of a large-scale mining licence may apply to the Minister for enlargement of his large-scale mining licence area and the Minister may, subject to subsection (8), approve such application if he is satisfied that such approval will ensure the most efficient and beneficial use of the mineral resources of Sierra Leone.

2°) Oil Sector:
   > 2009 Petroleum Exploration and Production,
   31. (1) A petroleum agreement shall provide for a review of its terms at any time any significant change occurs in the circumstances prevailing at the time of the entry into the agreement or at the last review of the agreement, if any.
   
   Taking that into account, as mentioned in section 65. (1) The Director-General may make regulations prescribing all matters that by this act are required or permitted to be prescribed or are necessary or convenient to be prescribed for carrying out or giving full effect to this act."

**Peer Review Comments:**

Reference to the new Petroleum legislation should be made for the oil sector: The granting of a petroleum right by the Minister is made on the advice of the Directorate as contained in Section 16 (2) of the Act.

1.3.014: Does the legislative branch have any oversight role regarding contracts and licenses in the oil, gas and mining sector?

**Score**: A B C D E

**Comments:**

The Parliament has been asked to ratify several agreements, but this is irregular and there is little evidence of real oversight

**References:**

1°) Mineral Sector
   > 2009 Mines and Mineral Agreement : no mention of a duty to report license granting processes to the Parliament. only requirement is stated in section 16 (3) and regards annual activity reports;
   > One contract seems to have been published and ratified on the Laws section of the Sierra Leone Official website, but no other evidence to support the idea that oversight of licenses by the Parliament is common practice
   (Sierra Rutile Agreement document, cited before but impossible to open)

2°) Oil sector:
   Idem for annual activity report (section 4.2)

1.3.015: Is there a due process to appeal licensing decisions?
NB: No examples were found of such appeal procedures.

References:
1) Mineral Sector:
   > 2009 Mines and Mineral Act
   Section 60.3 - Reconnaissance licence; "(3) An applicant who is aggrieved by a refusal of the Minister to grant a reconnaissance licence may appeal to the court against the decision."
   Section 72.4 - Exploration licence; "(4) An applicant who is aggrieved by a refusal of the Minister to grant an exploration licence may appeal to the High Court against the decision.
   Section 86.2 - Artisanal licence; (2) Any person aggrieved by the refusal of the Director to grant that person an artisanal mining licence may appeal to the Minister, whose decision shall be final.
   Section 97.5 - Small scale license: (5) Any person aggrieved by the refusal of the Minister to grant that person a small-scale mining licence may appeal to the Court, whose decision shall be final.
   Section 107-5 Large-scale mining licence. (5) Any person aggrieved by the refusal of the Minister to grant that person a large-scale mining licence may appeal to the Court, whose decision shall be final.

2) Oil sector:
   2001 Petroleum Explorations and Production Law
   > no evidence found of a due process of appeal to licensing decisions.

1.3.016: Is there a legal or regulatory requirement to disclose all beneficial ownership in oil, gas and mining companies or projects?

Score: A B C

Comments:
The Mineral law provides (sec. 70, and elsewhere) that applicants:

"shall contain the registered name and place of incorporation of the company, its certificate of incorporation and certified copy of its memorandum and articles of association, the names and nationalities of its directors and the name of every shareholder who is the beneficial owner of five percent or more of the issued share capital;"

But this language is weak in that it does not require tracing back to any natural person.

References:
> Cf:
> 2009 Mines and Mineral Act (section 70)
## Sierra_Leone - RWI Index Questionnaire

### Context

#### Indicator

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<tr>
<th>Score</th>
<th>2.1 Context</th>
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#### 2.1.017: Does the government receive in-kind payments instead of financial payments from resource companies?

**Score:** A [ ] B [x] C [ ]

**Comments:**
At least such in-kind payments are not institutionalized/officially and legally mentioned as possibly replacing financial payments.

- > Mineral sector:
  - contrary to other countries' legislation (cf Liberia) legal arrangements regarding Royalties section 148 do not explicitly refer to possible in-kind payment. (Moreover section 76 of the MMRegulations state that Royalties shall be payable to the Commissioner of Non-tax revenue within the National Revenue Authority)
  - Equity ownership is provided for, but only for large scale mining and not as a replacement of financial payments.
  
  See section 162. (1) The Government of Sierra Leone shall have the option to acquire on such terms as shall be agreed upon between the holder of a large-scale mining licence and the Government, shareholding interest in any large-scale mining operations.

- > oil sector:
  - Section 40 "royalty payments" does not provide for in-kind payments instead of financial payments. However it is not specific at all, which may allow for such deviation.

  + > No evidence that the Government actually receives in-kind payments or not. (impossible for Oil: not produced yet).

**References:**

1\(^o\) Mineral sector:
- > 2009 Mines and Mineral Act, section 148 and 162
- > 2009 Mines and Mineral Regulations, section 76

2\(^o\) Petroleum sector:
- 2001 Petroleum Exploration and Production Law, section 40

#### 2.1.018: If the government or state owned companies sell physical commodities (oil, gas or minerals) from in-kind payments or own production, is there information about how these commodities are marketed?

**Score:** A [ ] B [ ] C [ ] D [ ] E [ ]
Comments:
1) Mineral sector: no State Owned Company
2) Oil sector: Revenue watch "opinion" (see above) as well as Sierra Leone government Bid Round Announcement for dec 2011- march 2012 seem to imply that there is a national oil company for sierra Leone currently operating. But last information regarding oil production (Dated 2010...) indicated that no oil was being produced yet.

References:
> See Bid-Round Document attached before
> See Revenue Watch - Sierra Leone status:
http://www.revenuewatch.org/countries/africa/sierra-leone/extractive-industries
and recent oil discoveries (November 2010)
> Anadarko more recent discoveries (November 2010)

2.1.019: What authority actually collects payments from resource companies?

Score:  A  B  C  D  E

Comments:
1°) Mineral sector:
==> National Revenue Authority is the main authority in charge of collecting payments from Resource Companies. Details:
- Surface Rent: Chiefdom councils;
- Agricultural Dvpt Fund: MMR/Chiefdom councils
- Exploration License, Mining Lease, exclusive prospective license: MMR/NRA
- Alluvial Exporter’s Agent/Dealer’s License: MMR
- Import/Custom Duties, Income Tax, Diamond Exporter Agent Witholding tax, Taxes from employees: NRA
- Royalties: 2009 Mines and Mineral Act, section 76 specifies that Royalty payments shall be made to the Commissioner of Non-tax Revenue within the National Revenue Authority (NRA) but EITI Report indicates MMR - GDDO
(SL - EITI Report, p. 7)
NB / According to EITI Report, "MMR/NRA": "* NRA maintains a presence at MMR and officially collects payments for MMR transactions"

2°) Oil sector;
> 2001 Petroleum Exploration and Production Law> only mentions the State has receiving due payments
> on information published (or contact info) regarding Petroleum Unit on State House website. Further more on the Ministry of Industry and Trade (http://trade.gov.sl/index.php?option=com_content&view=article&id=102&Itemid=80) Petroleum Unit is mentioned as the Authority in charge of DOWNSTREAM petroleum management...Nothing found published regarding oil licenses revenues, no reports published on Central Bank, Ministry of Finance contacted.

References:
1°) Mineral Sector:
> 2009 Mines and Mineral Regulations, section 76.
> First SL EITI Reconciliation Report p.4 :
While MMR is the primary regulator of the sector, the following governmental entities are involved in the assessment and collection or receipt of revenue from the sector:
1) National Revenue Authority (NRA)
+ "District/Chiefdom councils : "that were not included in the original scope, (but who) voluntarily submitted reports on revenues received from the mining Companies selected for this reconciliation". > see p. 14
http://www.sleiti.org/reporting/data_reconciliation.html

2) Ministry of Finance and Economic Development (MFED)
3) Gold and Diamond Department Office (GDDO)
4) Sierra Leone Ports Authority (SLPA)
5) Bank of Sierra Leone (BSL)
6) District Councils (DC), at the sub-national level
7) Chiefdom Councils (CC), at the sub-national level

2°) Oil sector;
> 2001 Petroleum Exploration and Production Law
> Bank of Sierra Leone website
> Anadarko website
> State-House website
# Sierra_Leone - RWI Index Questionnaire

## Disclosure

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<tr>
<td>Does the Ministry of Finance publish periodical information on revenue generation?</td>
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<td>2.2A.020.j</td>
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<tr>
<td>Does the Ministry of Finance publish information on disaggregated revenue streams?</td>
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<td>Does the Ministry of the extractive sector publish information on revenue generation?</td>
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<td>2.2C.020</td>
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<td>2.2C</td>
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<td>2.2D.020</td>
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<td>Does any other government agency or entity publish information on revenue generation?</td>
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<td>Does any other government agency or entity publish information on disaggregated revenue streams?</td>
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### 2.2A.020 Does the Ministry of Finance publish periodical information on revenue generation?

#### 2.2A.020.a: Reserves

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<th>D</th>
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<tr>
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</table>

https://www.indabaplatfom.com/ids/widgets/vcardDisplayIndicators4RWI.html?horseId=1707&subcatId=625&showscore=true
1) Oil sector: > 2011 Budget speech: p. 23 section 81 mentions "oil discoveries" without stating quantity estimated.

2) Mineral Sector: The MOF publishes also publishes Public Expenditure Tracking Surveys, PEFA reports, and some others; though the site is very disorganized and reports are sporadic. No information regarding estimated mineral reserves.

References:
1) Ministry of Finance Report and annual statement on public accounts - 2007
2) Ministry of Finance Budgets
   > 2009-2013 (and not "2011" as indicated)
   > 2011 Budget Speech (including Statement on Economic and Finance policies),
   > 2010 Budget
   > 2010 Budget Speech (including Statement on Economic and Finance policies)
3) MoF 2010 Economic Bulletin

2.2A.020.b: Production volumes

Score: A B C D E

Comments:
1°) Oil Sector: N/A: no evidence found that oil is being produced yet.
2°) Mineral sector: no information regarding production volumes for minerals produced in SL (Gold, Diamond, Bauxite, Rutile, etc.)
But Production trends/evolution found published once:
see 2010 Economic Bulletin p. 9: "Relative to 2008, the production of gold, rutile, bauxite and ilmenite fell by 12.6 percent, 12 percent, 31.2 percent and 11.9 percent respectively. Diamond production, however, increased slightly by around 8 percent in 2009 following the resumption of mining activities by Koidu holdings late in the year."

References:
MoF 2007 Report and Annual statement on of Public Account
Mof Budgets:
   > 2010 SL Budget
   > 2011 SL Budget and Statement on Economic and Finance policies
   > 2010 SL Budget
   > 2011 SL Budget and Statement on Economic and Finance policies
MoF 2010 Economic Bulletin

2.2A.020.c: Information on prices

Score: A B C D E

Comments:
1°) Oil sector: N/A
No evidence of oil production yet

2°) Mineral sector:
   > 2010 MoF Economic Bulletin mention prices evolution (mineral sector in general: no disaggregated data for each mineral produced) from 2008 to 2009
   > no mention of prices as such or specific to Sierra Leone.
See Economic Bulletin p.6 and 9: "The production of minerals dropped in 2009 largely reflecting the decline in global demand for minerals and the corresponding fall in prices."
and p. 15: "In the near term, the prospects for the mining sector are positive as world prices for minerals are expected to recover from their lows in 2008 coupled with the export of iron ore."

References:
2.2A.020.d: Value of resource exports

Score: A  B  C  D  E

Comments:
> 2009 and 2010 MoF Budget and Statement for Economic and Finance policies mention aggregate export value for minerals.

References:
1°) Oil sector: N/A - no oil produced
2°) Mineral Sector:
> MoF Budget and Statement for Economic and Finance policies 2010 provides information regarding diamond exports value.
(See p.7 This is mainly an account of the sharp drop in mineral exports, which declined by 34.6 percent to US$80.3 million as at July 2009 from US$122.8 million for the same period in 2008. In particular, diamond exports dropped by 42.3 percent to US$45.5 million, compared to US$78.8 million for the same period in 2008.)
> MoF Budget and Statement for Economic and Finance Policies 2011, p.8:
"This performance was largely due to the recovery of mineral exports, which grew by 36 percent to US$90 million in the first half of 2010."
> MoF 2010 Economic Bulletin provides information regarding evolution in production value p.25 and exports value for diamonds, bauxite, rutile, gold and Ilmenite in Table 7.1.1 p. 25 : " Exports on selected Commodity Products"
> May 2012: detailed figures are given for 2011 revenues on a disaggregated basis.

2.2A.020.e: Estimates of investment in exploration and development

Score: A  B  C  D  E

Comments:
No information regarding resource related capital expenditure.

References:
MoF Budgets for 2010 and 2011
MoF Budget and Statement for Economic and Finance policies for 2010 and 2011
MoF Economic Bulletin
MoF 2007 Public Accounts Report

2.2A.020.f: Production costs

Score: A  B  C  D  E

References:
MoF Budgets for 2010 and 2011
MoF Budget and Statement for Economic and Finance policies for 2010 and 2011
MoF Economic Bulletin
MoF 2007 Report and statements on Public Accounts
2.2A.020.g: Names of companies operating in country

**Score:** A B C D E

**Comments:**
1°) Mineral sector:
Top 20 companies are listed in a document called mines revenue data, though this only relates to 2011. That is not "all" companies, but all the major one.

2°) Oil sector:
no company mentioned.

**References:**

---

2.2A.020.h: Production data by company and/or block

**Score:** A B C D E

**References:**
MoF Budgets for 2010 and 2011
MoF Budget and Statement for Economic and Finance policies for 2010 and 2011
MoF Economic Bulletin, p.15
MoF 2007 Report and statements on Public Accounts

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2.2A.020.i: Cost of subsidies or social investments paid by mineral revenue

**Score:** A B C D E

**References:**
MoF Budgets for 2010 and 2011
MoF Budget and Statement for Economic and Finance policies for 2010 and 2011
MoF Economic Bulletin, p.15
MoF 2007 Report and statements on Public Accounts

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2.2A.020.j Does the Ministry of Finance publish information on disaggregated revenue streams?

**2.2A.020.j1: Production streams value**

**Score:** A B C D E

**Comments:**
1°) Oil Sector: N/A: no evidence of oil production as of march 2012
2°) Mineral Sector:
Information not published

**References:**
MoF Budgets for 2010 and 2011
2.2A.020.j2: Government’s share in PSC

Score: A B C D E

Comments:
1) Mineral sector: N/A applies, no state owned company
2) Oil:
No evidence was found of any National Oil Company or Sierra Leone Petroleum State Company operating. (see preceding questions (question 11 for instance)

References:
MoF Budgets for 2010 and 2011
MoF Budget and Statement for Economic and Finance policies for 2010 and 2011
MoF Economic Bulletin, p.15
MoF 2007 Report and statements on Public Accounts

Peer Review Comments:
The Petroleum Exploration and Production Act (2011) provides for the establishment of a National Oil Company, which is yet to come into fruition.

2.2A.020.j3: Royalties

Score: A B C D E

Comments:
1°) Oil sector: N/A applies: no evidence of oil production as of march 2012
2°) Mineral Sector:
> detailed information regarding minerals royalties (Gold and Diamond, Bauxite, Rutile, Iron Ore) are published in MoF 2010 and 2011 Budgets for 2009 and 2008 + updated list of mines revenues for 2011.

References:
2) MoF Budgets:
2) 2010 Economic Bulletin only mentions agregated revenue data (ie licenses and royalties) for the mineral sector: p.15:
3) MoF Budget - statements for Economic and Finance policies:
> 2010 Budget and Statement for Economic and Finance policies only mentions agregated revenue data projections for the mineral sector (ie licenses and royalties) see p. 25
> 2011 Budget and Statement for Economic and Finance policies only section 78 p. 22

2.2A.020.j4: Special taxes (e.g. withholding taxes, excise taxes, excess earning taxes, charged on extractive companies)

Score: A B C D E

Comments:

1°) Oil sector:
> NB: excise taxes are not border taxes > ie not actually on imports, but since no oil produced in Sierra Leone as of march 2012, may not be relevant here.

References:
1) MoF budgets:
> Budget 2011, p. 1 and Budget 2010 p. 1: Excise taxes on petroleum products revenue mentioned for years 2009 and 2008 respectively

2.2A.020.j5: Dividends

Score: A B C D E

Comments: No dividends.

References:
1) MoF Budgets:
> Budget 2011
> Budget 2010
2) 2010 Economic Bulletin
3) > 2010 Budget and Statement for Economic and Finance policies
> 2011 Budget and Statement for Economic and Finance policies
4) 2007 Report and statement on public accounts

Peer Review Comments:
This indicator does not apply as there are no SOCs.

2.2A.020.j6: Bonuses

Score: A B C D E

Comments: No bonuses paid in recent years.

References:
1) MoF Budgets:
> Budget 2011
> Budget 2010
2) 2010 Economic Bulletin
3) Budget and statements for Economic and Finance policies
> 2010 Budget and Statement for Economic and Finance policies
> 2011 Budget and Statement for Economic and Finance policies
4) 2007 Report and statement on public accounts

2.2A.020.j7: License fees

Score: A B C D E

Comments:
1°) Oil sector:
2°) Mineral sector:
> 2010 and 2011 Budgets: NB / license revenues are stated in "license etc" > may imply that related figures are aggregated and do not correspond to the exact amount of license fees collected.

References:
1) MoF Budgets:
> Budget 2011, p.1 : mentions mineral department revenue from licenses for year 2009
> Budget 2010 p.1 : mentions mineral department revenue from licenses for year 2008
2) 2010 Economic Bulletin, p. 15 : mentions aggregated revenue from both royalties and licenses
3) Budget Statements for economic and finance policies:
> 2010 Budget and Statement for Economic and Finance policies: p.25 section 97, mentions aggregated revenues from both royalties and licenses
> 2011 Budget and Statement for Economic and Finance policies: p.22 section 78 mentions aggregated revenues from both royalties and licenses
4) 2007 Report and statement on public accounts > no mention

2.2A.020.j8: Acreage fees

Score: A B C D E

References:

2.2A.020.j9: Other (Explain in 'comments' box.)

Score: A B C D E

References:
Same as preceding question

2.2A Quality of reports

2.2A.021: Are periodical reports containing information on revenue generation published by the Ministry of Finance understandable?

Score: A B C D E

Comments:
NB/ Economic Bulletin is a quite useful and comprehensive document. Would be good to have it published on a more regular basis.

References:
1) 2010 and 2011 budgets contain only technical data on revenues and expenditures - no definition of concepts and no narrative sections (but not expected to be found in such documents)
2) 2010 and 2011 Budgets and Statements on Economic and Finance policies provide information on general trends and aggregated data for the mineral sector.
3) Economic Bulletin: is the document containing most information on mineral sector.
4) 2007 Report and statement on Public Accounts: provide mostly technical data. Includes narrative sections. no definitions of concepts used.
2.2A.022: How often are the periodical reports containing information on revenue generation published by the Ministry of Finance?

**Score:** A B C D E

**Comments:**
> Budgets seem to be published on a regular basis (even though only two last issues are available online)
> Economic Bulletin was found only for year 2010. Would be useful to have it published online for other periods.

**References:**
1) MoF 2010 and 2011 Budgets
2) MoF 2010 and 2011 Budgets and Statements for Economic and finance policies
3) MoF 2010 Economic Bulletin
4) 2007 Report and Statement on public account

2.2B.020 Does the Ministry of the extractive sector publish information on revenue generation?

2.2B.020.a: Reserves

**Score:** A B C D E

**Comments:**
NB / A mineral Cadastre system is being set up: http://www.slminerals.org/content/index.php?option=com_content&view=article&id=7&Itemid=29
"As a first step", seems to be operating now only for artisanal mining in the county of Kono. Could not have access to such cadastre. Message sent to the minister to ask for access.

**References:**
Only source available as published by the Ministry of Mineral Resources is data and summary of mineral sector activity as of years 2006 and 2007 published on the Ministry website:
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=10&Itemid=14
And general information on the Ministry's website.
No other document could be found.

NB/ Reserve estimates for some of the minerals produced in Sierra Leone are published on this page:
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=5&Itemid=9
- Diamond: "Reserves are estimated at 6.3 million carats down to a depth of 600m at Koidu and 3.2 million carats to a depth of 600m at Tongo"
- Iron Ore: "The primary ore has an estimated tonnage of 92 million tons at 37.8% Fe."

And on this page: http://www.slminerals.org/content/index.php?option=com_content&view=article&id=4&Itemid=7
- Gold: new deposits estimates:
"Recent results have already identified a mineral resource of over 1.1 million ounces of gold, and a scoping study confirmed that an open-pit mine could produce between 140,000 to 200,000 ounces annually"
- Bauxite resources: only qualified as "vast"

2.2B.020.b: Production volumes
**References:**
Ministry of Mineral Resources website:

- Production volume for Bauxite is mentioned for 2007 on this page:
  http://www.slminerals.org/content/index.php?option=com_content&view=article&id=5&Itemid=9
  "The global market continues to grow with global production rising from 137 million tons in 2001 to 177 million tons in 2006. Sierra Leone production "makes up just under 1% of this volume."
  Production volumes of other minerals are not mentioned.

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### 2.2B.020.c: Information on prices

**Score:** A B C D E

**References:**
Ministry of Mineral Resources webpage:
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=10&Itemid=14

### 2.2B.020.d: Value of resource exports

**Score:** A B C D E

**Comments:**
Date published on the Ministry's website only refer to diamond industry.

**References:**
Ministry of Mineral Resources webpages:
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=10&Itemid=14

Indicates that "Total annual exports of diamonds reached $125 million in 2006 and over $140 million in 2007." > value of diamonds exports only.

NB/ Contradictory with other Ministry webpage :
"The value of minerals exports reached more than $140 million in 2007"

### 2.2B.020.e: Estimates of investment in exploration and development

**Score:** A B C D E

**References:**
Ministry of Mineral Resources webpage:
Total annual exports of diamonds reached $125 million in 2006 and over $140 million in 2007.

### 2.2B.020.f: Production costs

**Score:** A B C D E

**References:**
Ministry of Mineral Resources website:
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=4&Itemid=7
2.2B.020.g: Names of companies operating in country

Score:  

References:
Ministry of Mineral Resources website: "An overview of the Sierra Leone Mineral sector"
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=4&Itemid=7
and here: "key players"; http://www.slminerals.org/content/index.php?option=com_content&view=article&id=8&Itemid=12
1° Diamond:
> page 1 mentions "The only Kimberlite mine operator, Koidu Holding"
> page 2 idem + African Minerals
2° Rutile and Ilmenite:
> No operating company mentioned
3° Bauxite:
> page 1 No operating company
> page 2: Sierra Minerals
4° Gold:
> Mano River Resources and Cluff Gold mentioned

2.2B.020.h: Production data by company and/or block

Score:  

References:
Ministry of Mineral Resources page entitled "Key players":
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=8&Itemid=12
> only annual production volume mentioned for a company is Sierra Mineral Holdings for Bauxite:
"About 1.2M tonnes of bauxite is produced annually."
> Other minerals: for each of the "key players" cited in question 20.g, is a statement regarding area covered by their licenses and reserves estimated.

2.2B.020.i: Cost of subsidies or social investments paid by mineral revenue

Score:  

References:
Ministry page (as published in pdf document attached) on "Government Revenue from Diamond industry"
> Refers to "rather vague 2006 estimates" - which include a contribution of USD135,000 in "Rehabilitation" (which may mean public infrastructure rehabilitation?) and USD930,000 for the Diamond Area Community Development Fund.

NB / no context provided for such figures

2.2B.020.j Does the Ministry of the extractive sector publish information on disaggregated revenue streams?

2.2B.020.j1: Production streams value
2.2B.020.j2: Government’s share in PSC

Score: A B C D E

Comments:
No SOC in the mineral sector.

References:
Ministry of Mineral Resources website:
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=4&Itemid=7

2.2B.020.j3: Royalties

Score: A B C D E

Comments:
NB: no royalties mentioned even on the "Government revenue from the Diamond industry" page, but they may be included in the "GDO" line, which is likely to correspond to the GDDO > Gold and Diamond Department Office, which is in charge of collecting royalties.

References:
Ministry of Mineral Resources website:
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=4&Itemid=7

New website includes data going back to 2010 on royalties and license fees:
http://sierraleone.revenuesystems.org/login/auth

2.2B.020.j4: Special taxes (e.g. withholding taxes, excise taxes, excess earning taxes, charged on extractive companies)

Score: A B C D E

References:
Ministry of Mineral Resources website:
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=4&Itemid=7

2.2B.020.j5: Dividends

Score: A B C D E

References:
Ministry of Mineral Resources website:
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=4&Itemid=7

Peer Review Comments:
No SOCs exist in the country.
2.2B.020.j6: Bonuses

Score: A B C D E

References:
Ministry of Mineral Resources website:
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=4&Itemid=7

2.2B.020.j7: License fees

Score: A B C D E

References:
Ministry of Mineral Resources website:
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=4&Itemid=7
Government Revenue from Diamond Industry page mentions a "total revenue" for Licenses of USD135,600 for artisanal mining, as well as USD440,000 ("Year License") and USD100,000 (Half year license) for exporters.

New website includes data going back to 2010 on royalties and license fees:
http://sierraleone.revenuesystems.org/login/auth

2.2B.020.j8: Acreage fees

Score: A B C D E

References:
Ministry of Mineral Resources website:
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=4&Itemid=7
Page on "Government Revenue from Diamond Industry" (as published in the pdf doc already attached) mentions surface rentals (estimates for 2006 still) as follows: USD67,800 for artisanal mining.

2.2B.020.j9: Other (Explain in 'comments' box.)

Score: A B C D E

References:
Ministry of Mineral Resources website:
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=4&Itemid=7

2.2B Quality of reports

2.2B.021: Are periodical reports containing information on revenue generation published by the Ministry of the extractive sector understandable?

Score: A B C D E

Comments:
The new online repository is fairly comprehensive, but without narrative reports.

General information published on the Ministry of Mineral Resources website IS understandable. Mineral sector overview, key minerals and key players pages, as well as mining cadastre ARE understandable... But such content can't be referred to as "report". The only page providing data regards diamonds industry (only), is made of estimates for year 2006 and can't be properly understood due to lack of context, comparisons, definitions.

References:
Ministry of Mineral Resources website:
http://www.slminerals.org/content/index.php?option=com_content&view=article&id=4&Itemid=7

2.2B.022: How often are the periodical reports containing information on revenue generation published by the Ministry of the extractive sector?

Score: A B C D E

Comments:
Most recent data published on the Ministry website are from year 2007. No formal report could be found. However, the online repository is updated live.

References:
> Ministry of Mineral Resources website : http://www.slminerals.org/content/index.php?option=com_content&view=article&id=4&Itemid=7

2.2C.020 Does a Regulatory Agency publish information on revenue generation?

2.2C.020.a: Reserves

Score: A B C D E

Comments:
> No dedicated website was found for the Gold and Diamond Office within the National Revenue Authority. > No data found published by the GDO (nor by the Sierra Leone National Petroleum Company).

References:
1°) Gold and Diamond Department Office (within the National Revenue Authority, NRA) referred to
- as the government authority in charge of determining market prices for "precious and special stones" in the 2009 Mines and Minerals Regulations, section 77.1(a) p. 65 (though not in the Law)
- on Ministry of Mineral Resources website: http://www.slminerals.org/content/index.php?option=com_content&view=article&id=10&Itemid=14

2°) Sierra Leone National Petroleum Company: (LTD)
Dedicated website came to be published online during this research : http://www.nationalpetroleum-sl.com/dotnetnuke5/About.aspx
Still under construction > does not provide information it is to be the authority in charge of managing contracts (as the 2012 Bid Round Document attached earlier: We have a hybrid of royalty-tax and a carried interest for the National Oil Company") seemed to imply, or not.
NB/Sierra Leone National Petroleum Company LTD is defined on its website as "100% PRIVATELY OWNED by Sierra Leonans", and as for now dedicated to "dealing with Petroleum Liquid Gas" (LPG).

**Peer Review Comments:**
A National Minerals Agency having regulatory functions is to commence operations soon.

### 2.2C.020.b: Production volumes

**Score:** E  
**References:**  
Same as preceding question

### 2.2C.020.c: Information on prices

**Score:** E  
**References:**  
Same as question 2.2C.020.a

### 2.2C.020.d: Value of resource exports

**Score:** E  
**References:**  
Same as question 2.2C.020.a

### 2.2C.020.e: Estimates of investment in exploration and development

**Score:** E  
**References:**  
Same as question 2.2C.020.a

### 2.2C.020.f: Production costs

**Score:** E  
**References:**  
Same as question 2.2C.020.a

### 2.2C.020.g: Names of companies operating in country

**Score:** E  
**References:**  
Same as question 2.2C.020.a
2.2C.020.h: Production data by company and/or block

Score: A B C D E

References:
Same as question 2.2C.020.a

2.2C.020.i: Cost of subsidies or social investments paid by mineral revenue

Score: A B C D E

References:
Same as question 2.2C.020.a

2.2C.020.j Does a Regulatory Agency publish information on disaggregated revenue streams?

2.2C.020.j1: Production streams value

Score: A B C D E

References:
Same as question 2.2C.020.a

2.2C.020.j2: Government s share in PSC

Score: A B C D E

References:
Same as question 2.2C.020.a

2.2C.020.j3: Royalties

Score: A B C D E

References:
Same as question 2.2C.020.a

2.2C.020.j4: Special taxes (e.g. withholding taxes, excise taxes, excess earning taxes, charged on extractive companies)

Score: A B C D E

References:
Same as question 2.2C.020.a

2.2C.020.j5: Dividends
2.2C.020.j6: Bonuses

Score: A B C D E

References:
Same as question 2.2C.020.a

2.2C.020.j7: License fees

Score: A B C D E

References:
Same as question 2.2C.020.a

2.2C.020.j8: Acreage fees

Score: A B C D E

References:
Same as question 2.2C.020.a

2.2C.020.j9: Other (Explain in 'comments' box.)

Score: A B C D E

References:
Same as question 2.2C.020.a

2.2C    Quality of reports

2.2C.021: Are periodical reports containing information on revenue generation published by the Regulatory Agency understandable?

Score: A B C D E

References:
Same as question 2.2C.020.a

2.2C.022: How often are the periodical reports containing information on revenue generation published by the Regulatory Agency?

Score: A B C D E
References:
Same as question 2.2C.020.a

2.2D.020 Does the Central Bank publish information on revenue generation?

2.2D.020.a: Reserves

Score: [D] 

References:

2.2D.020.b: Production volumes

Score: [A] 

References:

2.2D.020.c: Information on prices

Score: [A] 

References:
> Prices are not published as such, but
1- Monthly production volumes for most minerals are published from 2006 to 2011 (Gold and Diamond Department Office data)
2- Diamond monthly shipments in thousand carats are published from 2009 to 2011 (Government Diamond Department data)
3 - Exports
   > value of major domestic exports ("Imports exports" - table 20 in thousand dollars, table 18 in million leones) are published from at least 2006 to 2011 for Gold, Diamond, Rutile, Ilmenite and Bauxite
   > volume of major domestic exports ("Imports exports - table 21) are published from at least 2006 to 2009 for Diamond, Gold, Bauxite, Rutile and Ilmenite. (data: Customs and Excise Department, Government Gold and Diamond Office and Oil Importing Companies)
   > Gives an idea of prices evolution, and provides information for diamond prices from 2009 to 2011 and major minerals from 2006 to 2009.

2.2D.020.d: Value of resource exports

Score: [A] 

References:
- table 20: > "Value of Major Domestic Exports" in thousand dollars, including Gold, Diamond, Bauxite, Ilmenite and Rutile.
- table 18: >"Value of Major Domestic Exports" in million leones, including Gold, Diamond, Bauxite,
Ilmenite and Rutile.

2.2D.020.e: Estimates of investment in exploration and development

**Score:** A B C D E

**References:**
- > no information found in the documents published.
- > see http://www.bsl.gov.sl/index.html

2.2D.020.f: Production costs

**Score:** A B C D E

**References:**
- > no information found regarding production costs
- > see http://www.bsl.gov.sl/index.html

2.2D.020.g: Names of companies operating in country

**Score:** A B C D E

**References:**
- BSL Annual Report 2010: > Two operating companies are mentioned: London Mining Company (iron ore) and African Minerals Company (iron ore) but no other companies.

2.2D.020.h: Production data by company and/or block

**Score:** A B C D E

**References:**
- > Cf Production volumes document: only aggregated data per mineral.
- > Annual Report mentions companies which have signed mineral agreement during reporting year, but does not provide information regarding production volumes by company of block

2.2D.020.i: Cost of subsidies or social investments paid by mineral revenue

**Score:** A B C D E

**References:**
- No information was found regarding social investments among the documents published by the Bank of Sierra Leone.

2.2D.020.j Does the Central Bank publish information on disaggregated revenue streams?

2.2D.020.j1: Production streams value

**Score:** A B C D E
References:
No information was found regarding production streams value. (even if Production volumes are stated for years 2006-2011 on a monthly basis and prices are partly indicated in 2010 Annual Report and can be deduced from the documents available.

2.2D.020.j2: Government s share in PSC

Score: 

References:
No information was found regarding government's share in PSC and no evidence was found of the government having signed PSCs.
http://www.bsl.gov.sl/realsector_data.html

2.2D.020.j3: Royalties

Score: 

References:
Royalties rates are mentioned in the Bank of Sierra Leone Annual Report for 2010, but no data were provided regarding royalties revenues.

2.2D.020.j4: Special taxes (e.g. withholding taxes, excise taxes, excess earning taxes, charged on extractive companies)

Score: 

References:

2.2D.020.j5: Dividends

Score: 

References:
No SOCs so no dividends paid to the government.

Peer Review Comments:
Government receives no Dividends from any transactions in the extractive sector.

2.2D.020.j6: Bonuses

Score: 

Comments:
No bonuses.

References:
NO information was found regarding bonuses in the documents published by the Bank Of Sierra Leone

2.2D.020.j7: License fees

Score: A B C D E

References:
2010 Annual report mentions aggregated revenues from Diamond License fees and from Rutile and
Bauxite license fees, p. 44.

2.2D.020.j8: Acreage fees

Score: A B C D E

References:
No information was found regarding surface rentals/acreage fees in the documents published by the
Bank of Sierra Leone

2.2D.020.j9: Other (Explain in 'comments' box.)

Score: A B C D E

References:
No other type of resource related revenue was found in the documents published by the Bank of Sierra
Leone

2.2D Quality of reports

2.2D.021: Are periodical reports containing information on revenue generation published by the
Central Bank understandable?

Score: A B C D E

Comments:
Bank of Sierra Leone Annual Report, though not providing definitions nor information regarding
methodology, gives a useful insight on economic and financial situation of the general economy and the
mineral sector in particular, with clear narrative descriptions and data tables.

References:
Bank of Sierra Leone Bulletins, Bank of Sierra Leone 2010 Annual report
http://www.bsl.gov.sl/articles_publications.html

2.2D.022: How often are the periodical reports containing information on revenue generation
published by the Central Bank?

Score: A B C D E

Comments:
Bank of Sierra Leone Bulletins are published semi annually while Bank of Sierra Leone Annual Reports are published every year.

References:
Bank of Sierra Leone Bulletins and Reports:
http://www.bsl.gov.sl/articles_publications.html

2.2E.020 Does any other government agency or entity publish information on revenue generation?

2.2E.020.a: Reserves

Score: A B C \(\square\) D E

Comments:
The first Sierra Leone EITI reconciliation report is assessed in that section. It was published in March 2010 and assesses data for 2007 (scored here as historical information).

No information on reserves published.

References:

2.2E.020.b: Production volumes

Score: A B C D E

References:

2.2E.020.c: Information on prices

Score: A B C D E

References:

2.2E.020.d: Value of resource exports

Score: A B C D E

References:

2.2E.020.e: Estimates of investment in exploration and development

Score: A B C D E

References:
2.2E.020.f: Production costs

Score: A B C D E

References:

2.2E.020.g: Names of companies operating in country

Score: A B C D E

References:
p.7

2.2E.020.h: Production data by company and/or block

Score: A B C D E

Comments:
Only some company data was disaggregated.

References:

2.2E.020.i: Cost of subsidies or social investments paid by mineral revenue

Score: A B C D E

References:

2.2E.020.j Does any other government agency or entity publish information on disaggregated revenue streams?

2.2E.020.j1: Production streams value

Score: A B C D E

Comments:
Revenues are disaggregated by type.

References:

2.2E.020.j2: Government's share in PSC

https://www.indabaplatform.com/ids/widgets/vcardDisplayIndicators4RWI.html?horseId=1707&subcatId=625&showscore=true
Score: A B C D E

Comments:
No PSC.

References:

2.2E.020.j3: Royalties

Score: A B C D E

References:

2.2E.020.j4: Special taxes (e.g. withholding taxes, excise taxes, excess earning taxes, charged on extractive companies)

Score: A B C D E

References:

2.2E.020.j5: Dividends

Score: A B C D E

Comments:
No SOC.

References:

2.2E.020.j6: Bonuses

Score: A B C D E

References:

2.2E.020.j7: License fees

Score: A B C D E

References:

2.2E.020.j8: Acreage fees
2.2E.020.j9: Other (Explain in 'comments' box.)

Score: A B C D E

References:

2.2E Quality of reports

2.2E.021: Are periodical reports containing information on revenue generation published by any other governmental agency or entity understandable?

Score: A B C D E

References:

2.2E.022: How often are the periodical reports containing information on revenue generation published by the any other governmental agency or entity?

Score: A B C D E

Comments:
EITI report was published only once so far.

References:

2.2 Public sector balance

2.2.023: Does the government include the SOC financial balance (its assets and liabilities) within the public sector balance or overall balance of general government in reports to the legislature?

Score: A B C D E

References:
No SOC - N/A

2.2.024: Does the government include projections of transactions, accounts of actual spending by the natural resource funds, and their assets and liabilities, within the public sector balance or overall balance of general government in reports to the legislature?
**Score:** A B C D E

**Comments:**
No natural resource fund.

**References:**
1° Ministry of Finance:
> 2010 and 2009 Budgets
> 2010 and 2009 Budgets and Statements for Economic and Finance Policies (already attached)

2° Minister of Mineral Resouces:
> no formal reports found

3° Audit Services of Sierra Leone: http://www.auditservice.gov.sl/reports.html#perf
> 2010, 2009 and 2008 Reports

---

2.2.025: Does the government provide information on the non resource fiscal balance in its budget proposal?

**Score:** A B C

**References:**
See 2010 and 2011 Budgets already attached:
Sierra_Leone - RWI Index Questionnaire

Legal Framework and Practices

2.3 Legal Framework and Practices

2.3.026: In the legal framework, what government agencies have authority to collect taxes and payments from resource companies?

Score: A B C D E

References:

1°) Mineral Sector:
First EITI SL Reconciliation Report Years 2006-2007, EITI, April 2010, Table 2-2: "Types of revenue streams and relevant receiving agencies"
- National Revenue Authority: taxes from employees, withholding taxes, Imports/Customs duties, Corporate tax, Diamond Exporters Agent - Standard Assess Tax.
- Minister of Mineral Resources / NRA (according to EITI Report: "NRA maintains a presence at MMR and officially collects payments for MMR transactions"): Exclusive prospecting license, Mining Lease and Exploration License
  - MMR: Alluvial Diamond Exporter's agent, Alluvial Diamond Dealer's license
  - MMR and Gold and Diamond Office: Royalties
  - Chiefdoms Councils / Local Stakeholders in community: surface rents
(NB: according to EITI: "There is no standardized process for collecting surface rents across the chiefdoms) + Agricultural Development Fund w MMR

2°) Oil sector:
> 2001 Petroleum Exploration and Production Law
- Section 40. Royalty. "There shall be payable to the State a royalty of any petroleum produced in Sierra Leone unless otherwise provided in the petroleum agreement" > not mentioned to whom.
- Section 39. Income tax. "39. A contractor shall pay income tax in accordance with the laws of Sierra Leone unless otherwise provided in the petroleum agreement." > not mentioned to whom > supposedly NRA
- Section 8. Application for petroleum agreement > fee made to the Director General of the Petroleum Unit (within the Presidential Office).
+ According to the 2011 Bid Round Document already attached, there is "a hybrid of royalty-tax and a carried interest for the National Oil Company with competitive rates".

NB: confirmed by Legal documents
> eg 2009 Mines and Mineral Act for payments to NRA,
> Diamond Area Community Development Fund Regulations: GDDO in charge of collecting export taxes p. 3

2.3.027: Are all resource related revenues, including those collected by state owned companies,
regulatory agencies, ministries, special funds or by the tax authority placed in the national treasury?

**Score:** A B C D E

**References:**
1°) Audit Services of Sierra Leone - Audit Reports
- no evidence was found neither in the Audit Report nor in the Ministry of Finance Budget of the Diamond Area Community Development Fund
- General Auditor stating unreconciled discrepancies between reporting companies and NRA see 2010 Report p. 38

+ NB/ There are approximately 2,000 artisanal mining licenses issued in Sierra Leone. Many sources converge to say that the majority of Artisanal Mining does not go through official channels.

2°) Ex: RWI "snapshot" on Sierra Leone:
http://www.revenuewatch.org/countries/africa/sierra-leone/transparency-snapshot
"Although the government has stepped up its fight against corruption since 2007, and has established new safeguards with the 2009 legal reforms, the overall mining sector continues to suffer from corruption, lack of transparency, weak oversight and low mining revenues."

eg p.1
"There is an extreme lack of transparency, with a lack of information at all levels, creating mistrust and ignorance about the financial position and intentions of government and companies. Some companies provide no public financial information on their activities while the government does not publish a figure showing how much it earns from mining overall."
"there are concerns that some companies claiming to be exploring are actually already exporting, for example. Diamond exports are believed to be at least double the volume of what is officially declared."

4°) EITI Report, April 2010, p.50:
"The Report notes that —the requirement that governments report what they receive implies a consistency between government reporting to EITI and the official public finance informationl. This discussion parallels the good practice noted in the Guide on Resource Revenue Transparency, discussed above, that —the government accounting system or special fund arrangements should clearly identify all government resource revenue receipts and enable issuance of timely, comprehensive, and regular reports to the public, ideally as part of a comprehensive budget execution report."
Official government-wide resource revenue is not uniformly published or available at either the national or sub-national level. Our recommendation in the Section above is reinforced by the guidance provided in the Report."

---

2.3.028: Are government officials with a role in the oversight of the oil, gas or mining sector required to disclose information about their financial interest in any extractive activity or projects?

**Score:** A B C

**Comments:**
=> Mineral sector legal framework requires disclosure of "direct or indirect" interest for any government official regarding mineral matters.
=> Oil sector: does not require such disclosure..

**References:**
1°) Oil sector
> 2001 Petroleum Exploration and Production Law

2°) Mineral Sector:
> 2009 Mines and Mineral Act:
Section 15. (1) A member of the Minerals Advisory Board who has any interest, direct or indirect, in any
matter to be considered by the Board, shall disclose the nature of his interest to the Board and such
disclosure shall be recorded in the minutes of the Board and that member shall not take part in any
deliberation or decision of the Board relating to that matter. (2) A member who contravenes subsection
(1) shall be guilty of misconduct and liable to be removed from the Minerals Advisory Board."

See: http://www.sierra-leone.org/laws.html
> both Laws have already been attached

---

2.3.029: Is there independent external validation of internal controls of agencies in charge of
receiving payments from resource companies with the objective of providing assurances of
integrity of public funds and sound financial management?

**Score:** A B C D E

**References:**
The Audit Service of Sierra Leone, headed by an Auditor General, appointed by the President of Sierra
Leone (section 70) has been established by the 1991 Constitution of Sierra Leone. The Auditor General's
function are stated in section 119:

"(2) The public accounts of Sierra Leone and all public offices, including the Courts, the accounts of the
central and local government administrations, of the Universities and public institutions of like nature,
any statutory corporation, company or other body or organisation established by an Act of Parliament or
statutory instrument or otherwise set up partly or wholly out of Public Funds, shall be audited and
reported on by or on behalf of the Auditor-General, and for that purpose the Auditor-General shall have
access to all books, records, returns and other documents relating or relevant to those accounts."

http://www.auditservice.gov.sl/reports-1st.html
> Annual reports on public accounts of Sierra Leone are available on the ASSL website for years 2003,
Please note that no report dedicated to theAudit of the Ministry of Mineral Resources was found.
+2010 Report contains (little) information regarding the Ministry of Mineral Resources (section 26 for
2007 and more, section 54 p. 37, for 2010 ) but 2009 and 2008

2.3.030: Does the national audit office (or similar independent organization) report regularly to
the legislature on its findings, including an objective analysis of agencies in charge of managing
resource revenues, and are these reports published?

**Score:** A B C D E

**Comments:**
2008 and 2009 General Auditor Reports on the Accounts of Sierra Leone do not mention Mineral
Resources Ministry. 2007 Report provides little information, no response from the audited ministry and
no overall position/recommendation of the Auditor. 2010 Report does provide more information.

**References:**
As seen in preceding question, the Auditor-General publishes Annual Reports every year and all reports
since 2003 are still available on the Audit Service website: http://www.auditservice.gov.sl/reports-2-
annual-reports.html

2.3.031: Does a Parliamentary committee scrutinize reports on resource related revenues and, if
so, when does this occur?

**Score:** A B C D E

**References:**
> No evidence of such scrutiny could be found on any of the official related websites:
2.3.032: Is this country an EITI candidate or compliant country?

Score:  A  B  C  D  E

References:
> EITI Website: http://eiti.org/SierraLeone
States that "A workplan was agreed by the steering committee in February 2008. Sierra Leone was accepted as an EITI candidate country on 22 February 2008. In March 2011 the International Board renewed Sierra Leone's candidate status and set a validation deadline for 9 December 2012."

> 2009 Mines and Minerals Regulations explicitly refer to EITI principles and criteria. CF Section 80.1 "Financial Transparency and Reporting"

Peer Review Comments:
Sierra Leone published its first EITI Reconciliation Report in March 2010.

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3.1.1.033: Is there a state-owned company? If so, what is its role in the extractive sector?

**Score:** A B C D E

**References:**
> 2009 Mines and Mineral Act
Reconnaissance, Exploration, artisanal, small scale and large scale mining licenses are managed by the Ministry of Mineral Resources.

> 2001 Petroleum Exploration and Production Act
Contracts are managed by the Petroleum Unit within the Presidential office.
The Unit is headed by a Director appointed by the President: cf Part II, 3. Functions of the unit:
"(1) The object for which the Unit shall be established is to represent the State exclusively in negotiations with interested parties for the exploration, development or production of petroleum, to act on behalf of the State in petroleum agreements and to regulate the petroleum industry in Sierra Leone."

3.1.1.034: How is government ownership of resource companies structured in this country?

**Score:** A B C D E

**References:**
No state owned company was found in the extractive sector.

**Peer Review Comments:**
The SOC provided for in the Petroleum Exploration and Production Act (2011) is yet to be established.

3.1.1.035: Is there more than one state-owned company (SOC) operating in the extractive sector?

**Score:** A B C

**References:**
No state owned company was found in the extractive sector.

3.1.1.036: Do the roles and responsibilities of the SOC include provision of subsidies or social expenditures (quasi-fiscal activities)?

**Score:** A B C

**References:**
No state owned company was found in the extractive sector.
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3.2.1 Comprehensive reports

**3.2.1.037: Does the SOC publish comprehensive reports with information about its operations and subsidiaries?**

**Score:** E

**References:**
No state owned company was found in the extractive sector.

3.2.2.038 Does the SOC publish information on revenue generation?

**3.2.2.038.a: Reserves**

**Score:** E

**References:**
No state owned company was found in the extractive sector.

**3.2.2.038.b: Production volumes**

**Score:** E

**Comments:**
No state owned company was found in the extractive sector.

**References:**
No state owned company was found in the extractive sector.

**3.2.2.038.c: Information on prices**

**Score:** E
References:
No state owned company was found in the extractive sector.

3.2.2.038.d: Value of resource exports

Score:  A  B  C  D  E

References:
No state owned company was found in the extractive sector.

3.2.2.038.e: Estimates of investment in exploration and development

Score:  A  B  C  D  E

References:
No state owned company was found in the extractive sector.

3.2.2.038.f: Production costs

Score:  A  B  C  D  E

References:
No state owned company was found in the extractive sector.

3.2.2.038.g: Names of companies operating in country

Score:  A  B  C  D  E

References:
No state owned company was found in the extractive sector.

3.2.2.038.h: Production data by company and/or block

Score:  A  B  C  D  E

References:
No state owned company was found in the extractive sector.

3.2.2.038.i: Quasi fiscal activities

Score:  A  B  C  D  E

References:
No state owned company was found in the extractive sector.

3.2.3.038.j Disaggregated Revenue Streams
3.2.3.038.j1: Production streams value

**Score:** A B C D E

**References:**
No state owned company was found in the extractive sector.

3.2.3.038.j2: Government’s share in PSC

**Score:** A B C D E

**References:**
No state owned company was found in the extractive sector.

3.2.3.038.j3: Royalties

**Score:** A B C D E

**References:**
No state owned company was found in the extractive sector.

3.2.3.038.j4: Special taxes

**Score:** A B C D E

**References:**
No state owned company was found in the extractive sector.

3.2.3.038.j5: Dividends

**Score:** A B C D E

**Comments:**
No state owned company was found in the extractive sector.

**References:**
No state owned company was found in the extractive sector.

3.2.3.038.j6: Bonuses

**Score:** A B C D E

**References:**
No state owned company was found in the extractive sector.

3.2.3.038.j7: License fees

**Score:** A B C D E
References:
No state owned company was found in the extractive sector.

3.2.3.038.j8: Acreage fees

Score: E

References:
No state owned company was found in the extractive sector.

3.2.3.038.j9: Other (Describe below)

Score: E

References:
No state owned company was found in the extractive sector.

3.2.4    Quality of reports

3.2.4.039: Are the reports published by the state owned company understandable?

Score: E

References:
No state owned company was found in the extractive sector.

3.2.4.040: How often are the reports or statistical databases containing information on revenue generation published by the state owned company?

Score: E

References:
No state owned company was found in the extractive sector.

3.2.4.041: If the SOC is involved with quasi fiscal activities, does it publish information about them?

Score: C

References:
No state owned company was found in the extractive sector.

3.2.4.042: If there are joint ventures, does the SOC (or government) publish information on its share of costs and revenues deriving from its equity participation in joint ventures?

Score: C
**Comments:**
No state owned company was found in the extractive sector.

**References:**
No state owned company was found in the extractive sector.

### 3.2.5.043 Audited reports

#### 3.2.5.043.a: Is the SOC subject to annual audits conducted by an independent external auditor to ensure that the financial statements represent the financial position and performance of the company?

**Score:** A B C D E

**References:**
No state owned company was found in the extractive sector.

#### 3.2.5.043.b: Are SOC audited reports published?

**Score:** A B C D E

**References:**
No state owned company was found in the extractive sector.
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3.3.1 Legal Framework and Practice

3.3.1.044: Does the SOC have a legal obligation to publish financial reports?

**Score:** A B C

**References:**
No state owned company was found in the extractive sector.

3.3.1.045: Does the SOC follow internationally recognized accounting standards?

**Score:** A B C

**References:**
No state owned company was found in the extractive sector.

3.3.1.046: Do SOC audits include consolidated accounts that cover all of the SOC subsidiaries?

**Score:** A B C

**References:**
No state owned company was found in the extractive sector.

3.3.1.047: Are officials of the SOC required to disclose information about their financial interest in any oil, gas or mining projects?

**Score:** A B C

**References:**
No state owned company was found in the extractive sector.

3.3.1.048: Does the SOC publish information on the composition of its Board of Directors?

**Score:** A B C

**References:**
No state owned company was found in the extractive sector.
3.3.1.049: Does the SOC publish information about the rules governing decision making by the Board of Directors?

Score:  A  B  C

References:
No state owned company was found in the extractive sector.