



Extractive Industries
Transparency Initiative
Sierra Leone

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OFFICE OF THE VICE PRESIDENT

DRAFT SLEITI BILL

SYNOPSIS OF THE DRAFT SLEITI BILL

The Extractive Industries Transparency Initiative (EITI) supports the good governance of natural resources by promoting transparency and accountability in countries dependent on revenues from oil, gas, mining, and other natural resources. It is envisioned that the contents of this Bill will promote the principles of EITI in the context of Sierra Leone.

The primary purpose of the SLEITI Bill is to provide the legal framework to enhance transparency and accountability in relation to receipts and payments in the natural resources sector.

In the recent past, EITI Reports have lacked disclosures from some extractive companies and some national revenue management institutions for the preparation of the EITI Reports. This Bill seeks to overcome the legal obstacles to implementation of the EITI in Sierra Leone and to ensure that government institutions and all companies in the extractive industry **report and** disclose their payments, receipts and all other relevant information periodically.

The draft Bill expands the scope of the current Sierra Leone EITI to cover the entire natural resources sector (i.e., **minerals, petroleum, forestry and fisheries**).

An important feature of this draft Bill is that it provides for contract transparency. It makes provision for the public disclosure of the contents of extractive industry contracts negotiated and concluded between companies and Government Contract transparency is essential not only for the purpose of tracking revenue streams but also for ensuring the sustainable exploitation of natural resources.

The Bill if passed into law will not only ensure sustainability of the EITI in Sierra Leone but also ease the challenges of accessing receipt and payment data and other critical information from extractive companies and Government agencies. The Bill is expected to complement other existing legislation which aims at institutionalising transparency and accountability in the natural resources sector of the country. The Bill is timely as it aligns with Sierra Leone's Medium-Term National Development Plan 2019–2023 which targets mainstreaming transparency and accountability practices into the extractive sector, in accordance with the EITI Standard.

The draft Bill is divided into 7 parts and 29 sections.

Part I deals with the 'preliminary' which defines some words that are used in the document. Part II deals with the establishment of SLEITI, its objectives, scope, and functions. Part III deals with the Management of SLEITI. In this part, the Multi-stakeholder Group (MSG) is established, its composition, functions, and powers. It also addresses the manner that meetings are held.

Part IV deals with the staff of SLEITI and provides for the appointment of the National Coordinator and its deputy.

Comment [EWW1]: Where report means reporting to the EITI (SLEITI) and disclose means publicly disclose by themselves on their own disclosure instruments (website, reports etc)

Comment [EWW2]: If this is the aim, you may want to consider framing the bill as an (Extractive Industries or Natural Resource) Transparency Bill rather than a SLEITI bill. Such an approach will cater for the specific needs of SLEITI but also give room for addressing wider governance challenges beyond SLEITI and forward-looking transparency measures that may emerge

Part V contains financial provisions and provides for funding of the organisation, accounts and audit, and the preparation of reports.

Part VI deals with offences and penalties that may be incurred when the law is breached. It also empowers SLEITI to seek the assistance of the Attorney-General in matters relating to prosecution.

Part VII is the last part, which provides for general provisions such as SLEITI's power to make regulations.

The Sierra Leone Extractive Industries Transparency Initiative Act, 2023

ARRANGEMENT OF SECTIONS

Section

PART I–PRELIMINARY

1. Interpretation.

PART II – ESTABLISHMENT OF SLEITI

2. Establishment of the Sierra Leone Extractive Industries Transparency Initiative.

3. Common Seal.

4. Objectives and Scope of SLEITI.

5. Functions of SLEITI.

6. Scope of SLEITI

7. SLEITI Not Subject to Any Direction.

PART III – MANAGEMENT OF SLEITI

8. Establishment of the MSG.

9. Composition of the MSG.

10. Tenure of Members.

11. Remuneration of MSG.

12. Filling of Vacancies.

13. Meetings of MSG.

14. Committees of MSG.

15. Disclosure of Interest.

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17. Powers of MSG.

PART IV – EMPLOYEES OF SLEITI

18. Appointment of the National Coordinator.

19. Appointment of the Deputy National Coordinator.
20. Appointment of other staff and employees of the MSG.

PART V – FINANCIAL PROVISIONS

21. Funds of SLEITI.
22. Financial Year of SLEITI.
23. Accounts and Audit.
24. Annual Report of SLEITI.

PART VI – OFFENCES AND PENALTIES

25. False Information.
26. Offences by Body of Persons.
27. False Statement by Government Official.
28. Prosecution by Attorney-General.

PART VII – MISCELLANEOUS

29. General penalty.
30. Regulations.

Short title.

**THE SIERRA LEONE EXTRACTIVE INDUSTRIES
TRANSPARENCY INITIATIVE ACT, 2023**

Being an Act to provide for the establishment of the Sierra Leone Extractive Industries Transparency Initiative and to provide for other related matters.

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ENACTED by the President and Members of Parliament in this present Parliament assembled.

Date of commencement.

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PART I – PRELIMINARY

- In this Act, unless the context otherwise requires –
 - “EITI” means the Extractive Industries Transparency Initiative;
 - “Chair” means the head of SLEITI and its Multi-Stakeholders Group appointed under Section 8;
 - “Government” refers to the Government of the Republic of Sierra Leone;
 - “MSG” means the Multi-Stakeholder Group referred to in section 7;
 - “National Coordinator” means the National Coordinator appointed under section 17;
 - “President” means the President of the Republic of Sierra Leone;
 - “SLEITI” means the Sierra Leone Extractive Industries Transparency Initiative established in section 2;

Comment [EWW3]: You may also include the definition of extractives sector to cover oil, gas, mining, forestry, fishery and other natural resource sectors as deemed, from time to time, appropriate by SLEITI

And

Extractives sector information: which could include information that is useful to understand the role of the extractives sector in the economy and its impact on society and the environment and includes, but is not limited to information relating to: exploration, construction, production and rehabilitation authorisations; exploration and production agreements with Government, landowners and other involved persons; fiscal revenues; contracts, beneficial ownership of extractives sector interests; imports and exports; SOEs, social expenditures; and other natural resource sectors information deemed, from time to time, appropriate by SLEITI

Comment [EWW4]: Consider using Chair throughout to address potential gender bias in the current wording

“Statutory recipient” means any entity to who by law, extractive industry companies or Government are obliged to make payments.

Comment [TL5]: If the intended scope is to be extended to forestry, fisheries or any other natural resources sectors, this definition also needs to capture those sectors, not only the extractive industries.

PART II – ESTABLISHMENT OF SIERRA LEONE EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE

Comment [EWW6]: It may be useful to place this act within the context of other existing legal frameworks. This can be done by including another section under Part 1 that capture the relevant legal provisions that this proposed bill will align or will be compliance with

E.g., included the relevant compliance provisions on Right to information, freedoms of expression/association, local governance, natural resources belonging to the people of SL, etc Both the national constitution, the recent MMDA, the Petroleum Act and Extractive Industries Revenue Act etc would have relevant acts.

Comment [TL7]: Is SLEITI to be (or may already be) a company with share capital? If so, it may be useful for this clause to also specify the ownership of those shares.

Establishment of the Sierra Leone Extractive Industries Transparency Initiative.

2. (1) There is established a body to be known as the Sierra Leone Extractive Industries Transparency Initiative (SLEITI).

(2) The SLEITI shall be a body corporate, having perpetual succession and capable of acquiring, holding and disposing of any property, whether movable or immovable, and of suing and being sued in its corporate name and, subject to this Act, of performing all such acts as bodies corporate may by law perform.

Common Seal.

3. (1) The SLEITI shall have a common seal, the affixing of which shall be authenticated by the signatures of –

- (a) the Chair or other member of the MSG generally or specifically authorized by the MSG for that purpose; and
- (b) the National Coordinator or other officer of the SLEITI authorized by the MSG for that purpose.

(2) Every document purporting to be an instrument executed or issued by or on behalf of the SLEITI and to be sealed with the common seal of the SLEITI authenticated in the manner stated in subsection (1) shall be

deemed to be so executed or issued without further proof unless the contrary is proved.

**Objectives
of SLEITI.**

4. (1) The primary objectives of the SLEITI are:
 - (a) institutionalise good governance in the management of natural resources for the benefit of the people of Sierra Leone;
 - (b) to ensure due process, transparency and accountability in the payments made by all extractive industry companies to the Government;
 - (c) to strengthen public financial management by monitoring and ensuring accountability in the revenue receipts of the Government from extractive industry companies;
 - (d) to work together with and support the efforts of accountability and anti-corruption actors to eliminate all forms of corrupt practices in the determination, payment receipts and posting of revenue accruing to the Government from the extractive industry companies;
 - (e) to ensure conformity with the principles of Extractive Industries Transparency Initiative and in particular to include its principles and requirements.
- (f) to promote the public disclosure of Contracts, permits, licences and concessions bearing relationship with the

Comment [TL8]: These clauses restrict aspects of transparency to the extractive industries, and excludes forestry, fisheries or other natural resources sectors. If this is not what is intended, a common term should be developed to describe the scope of all these measures.

extraction of mineral and other extractive resources;

Comment [TL9]: Same comment as for (b)-(d) above

(g) to assist, by working with other relevant institutions of Government and through independent periodic post-award audits or investigations, in ensuring that the process of awarding public concessions, contracts, licenses, permits and any other rights concerning the exploitation of solid minerals, oil & gas, forestry, and marine resources of Sierra Leone is in compliance with applicable laws; and

Comment [EWW10]: Suggest keeping this consistent. It states “fisheries” above. Perhaps define scope earlier, clearly and consistently.

(h) to encourage and facilitate discussion and adoption of appropriate policies for fair sharing of the benefits accruing from exploration and exploitation of the natural resources of Sierra Leone;

(i) to roll out SLEITI to the provinces/decentralising to promote transparency of public financial management at sub-national level and between national and sub-national level;

Comment [EWW11]: Consider including an objective that ensures full, active and effective participatory oversight by government, civil society and the private sector in the administration of extractives sector transparency and accountability

(j) to support the transparency and availability of information on the Community Development Agreements (CDA) processes.

Comment [EWW12R11]: Consider rephrasing existing objectives/including an objective to institutionalising an openness culture by promoting routine disclosure of relevant information by companies and government agencies

**Functions
of
SLEITI.**

5. (1) The object for which the SLEITI is established is to develop a framework for transparency and accountability in the reporting and disclosure of all payments and revenues due to, paid to and received by, the Government by all extractive industry companies and Government Ministries, Departments and Agencies, local councils and chiefdom councils.

(2) Without prejudice to the generality of subsection (1), the SLEITI shall-

- (a) require all extractive companies and covered agencies and levels of government to routinely publish on their websites/portal, relevant information in respect of the extraction of Sierra Leone's mineral, oil/gas, agriculture & forestry, and fisheries and disclose, at least once every year, the data of all payments made and revenues received in respect of the extraction of Sierra Leone's mineral, oil/gas, agriculture & forestry, and fisheries resources;
- (b) conduct, through independent firms, a reconciliation of all payment data disclosed by extractive companies and all revenues data disclosed by all agencies and levels of Government pursuant to Section (1) (a) hereof;
- (c) evaluate without prejudice to any

Comment [EWW13]: Some of the functions are similar or appear repetitive. Consider succinctness where possible

Comment [TL14]: This scope would appear to need to include companies in the other natural resources sectors listed below.

Comment [EWW15]: Consider including functions that align with the spirit of systematic disclosure. This could include:

require extractive companies and covered agencies and levels of government to routinely publish on their own appropriate website/portal, relevant information in respect of the extraction of Sierra Leone's mineral, oil/gas, agriculture & forestry, and fisheries resources

Comment [EWW16R15]: Again, the scope isn't clear here. Including "agriculture" would seem like a significant addition.

Comment [TL17]: If the data from other sectors is going to be reconciled, it would be helpful to specify this here.

relevant contractual obligations and sovereign obligations the practices of all extractive industry companies and the Government respectively regarding acquisition of acreages, budgeting, contracting, materials procurement and production cost profile in order to ensure due process, transparency and accountability;

Comment [TL18]: Similar comment on scope.

- (d) ensure transparency and accountability in the management of the Government's investment in all extractive industry companies;

Comment [TL19]: Similar comment on scope.

- (e) obtain from any extractive industry company an accurate record of the cost of production and volume of sale of mining, oil, gas, forestry, fisheries or other extractive resource by the company at any period, provided that such information shall not be used by the SLEITI in contravention of its functions in any manner prejudicial to the contractual obligation or proprietary interests of the extractive industry company;

Comment [TL20]: Similar comment on scope.

- (f) request from any company in the extractive industry, or from any relevant organ of the Government, an accurate account of money paid by and received from the company at any period, as revenue accruing to the Government from such company for

that period; provided that such information shall not be used by the SLEITI in contravention of its functions in a manner prejudicial to contractual obligations or proprietary interest of the extractive industry company or sovereign obligations of Government;

Comment [TL21]: Similar comment on scope.

- (g) monitor and ensure that all payments due to the Government from all extractive industry companies including taxes, royalties, dividends, bonuses, penalties, levies and such like are duly made;

- (h) develop and update reporting templates to be used by all concerned agencies/ levels of government and extractive companies for the regular disclosure and reporting, on a disaggregated basis, of all taxes, royalties and other fees paid to all agencies and levels of the Government and the revenues received by the Government from the Companies;

Comment [TL22]: If there is a requirement to update the templates, it might be helpful to specify what triggers an update, or require that potential updates are considered annually.

- (i) To serve as one of the national repositories of all concessions, contracts, and licenses and similar agreements and rights granted by the Government of Sierra Leone to individuals and companies in respect of mining, oil, logging, forestry, agriculture, fishing and other designated sectors; and to grant members of the public access to such

Comment [EWW23]: Below, you may want to consider including functions to assess, investigate, verify information, and impose penalties for non-compliance

Such a penalty point should be clearly stated, and should be dynamic to reflect changing times

Comment [EWW24]: Is this defined?

Comment [EWW25]: In the long-term view, would this be necessary for SLEITI to be the host of this info or rather the relevant entity aka NMA for contracts, licenses etc, NRA for financial data, MLGRD for subnational data etc?

Perhaps SLEITI role here could be to ensure promote interoperability and collate, analyse and disclosure relevant information where necessary to inform relevant public debate/government reform.

concessions and agreements in keeping with their status as public documents;

(j) To bring to the attention of the Government, as part of its EITI Report and for appropriate actions, all institutional and procedural deficiencies as well as lapses, understatements, misrepresentations, and violations of law, including tax delinquencies observed during the audits, investigations, or reconciliations of payments and revenues data submitted by all companies and the relevant agencies and levels of Government;

(k) refer discrepancies and allegations of non-compliance to the relevant statutory authorities responsible for investigation, prosecution or punishment of violations of the law;

Comment [EWW26]: Point J and K are similar as both call for escalation of any perceived illegality to the government

(l) enhance the capacity of any relevant organ of the Government having statutory responsibility to monitor revenue payments by all extractive industry companies to the Government;

Comment [TL27]: Similar comment on scope.

(m) to conduct, as frequently as may be necessary and through independent firms:

(i) appropriate audits and/or investigations of the payments and revenues data submitted pursuant

to Section 4.1(b) hereof in order to determine that the payments made and revenues received correspond with what ought to have been paid and/or received; and

(ii) appropriate audits and/or investigations of the process by which each material concession, contract, license, and other right is awarded by the Government in respect of forestry, mining, oil, agriculture and other designated resource sectors of Sierra Leone in order to determine that each concession, contract, license, and similar right was awarded in compliance with applicable laws;

Comment [TL28]: Similar question on scope. This clause does not refer to fisheries.

(n) To promptly publish the reports of all audits, investigations, and reconciliations, and to disseminate such published reports through widely accessible media;

(o) ensure that disseminated information, such as published reports, are accessible to the public, using language that can be understood by a lay person who is not in the accounting or extractives sectors;

Comment [TL29]: Natural resources would be a better term here.

(p) ensure that all fiscal allocations and statutory disbursements due from the Government to statutory recipients are duly made;

Comment [TL30]: This is a potentially significant obligation to place on SLEITI. Will SLEITI be empowered to "ensure" this? It may be better to require SLEITI to report on whether such allocations are made.

Scope of SLEITI

(q) coordinate with the EITI to ensure maximum compliance with the EITI process including its Principles and Criteria; and

Comment [TL31]: Presumably this is intended to mean the EITI International Secretariat, rather than EITI as defined. It might be better to specifically refer to EITI International Secretariat here.

(r) promote or undertake any other activity related to its functions and which in its opinion, is calculated to help achieve its overall objectives as enumerated in section 4 of this Act.

6. (1) The scope of the SLEITI shall be to promote –

(a) revenues transparency, and

(b) contract transparency in the natural resource sectors specified in Section 6(3).

(c) systematic disclosure of EITI data

Comment [EWW32]: Is there a way to tie this to the EITI and the EITI Standard? Otherwise, aspects of the Standard would be missed, and this section would not account for an evolving mandate.

Comment [EWW33R32]: Several aspects of the standard will be missing eg. BO, SOEs, license allocation etc

How about emerging issues such as Energy transition etc

(2) For the purpose of this Act, revenues transparency shall mean regular disclosure, reconciliation or audit and publication of all data of material payments and revenues connected with the extractive sectors covered by the scope of the SLEITI.

(3) For the purpose of this Act, contract transparency shall mean-

(a) public accessibility of material concessions/licenses and agreements related to the sectors within the scope of the SLEITI as per Section 5(4); and

(b) the post-award review and/or audit of the process by and through which concessions, contracts, and licenses are awarded for exploration and/or exploitation of minerals, forests and other

resources in order to ascertain that each award was made in compliance with applicable laws.

(4) The sectors of extractive and other natural resources covered by and within the scope of the SLEITI are -

- (a) the Mining Sector;
- (b) the Oil and Gas Sector;
- (c) the Agriculture and Forestry Sectors;
- (d) the Marine Resources Sector
- (e) such other sectors as the MSG may subsequently determine with the consent of the Government.

Comment [EWW34]: Consider 'such other sectors as may be identified by the MSG and ratified by the minister in charge

Comment [TL35]: It may be more effective to define this scope earlier in the Bill, and define a term (eg "natural resources") for use throughout

7. Except otherwise provided in this Act, the SLEITI, in the performance of its functions under this Act or any other enactment shall not be subject to the direction or control of any person or authority.

SLEITI not subject to any direction.

PART III – MANAGEMENT OF SLEITI

Establishment of the Multi-Stakeholder Group.

8. (1) The governing body of the SLEITI shall be the Multi-Stakeholder Group (in this Act referred to as "the MSG").

(2) The Management of the SLEITI along with the implementation of all activities and programs of the SLEITI shall be done by or under the authority and supervision of the MSG.

(3) Without prejudice to the generality of subsection (2) of section 7, the MSG shall –

Composition of the Multi-Stakeholder Group.

- (a) establish a Secretariat to be responsible to carry out and coordinate the day-to-day operations of the SLEITI;
- (b) have the powers to adopt any and all rules necessary for the internal governance of the SLEITI; and
- (c) to adopt measures and take actions necessary for achieving the mandate and objectives of the SLEITI.

9. (1) The MSG shall consist of a **Chairman** who shall be appointed from persons of the highest calibre of personal integrity and demonstrated professional knowledge and experience in the extractive industry, and **at least twenty-three (23) substantive members consisting of -**

- (a) **a representative from the office of the Presidency**
- (b) **Chamber of mines, Petroleum & Marine and forestry representatives from relevant industry associations, representing the minerals, oil/gas, fisheries and forestry industries;**
- (c) **six** representatives of civil society organisations engaged in extractives industry governance issues;
- (d) a representative of the national institution that deals with the exportation of extractive resources;

Comment [EWW36]: See previous comment above

Comment [EWW37R36]: Kindly consider including gender provision e.g. Of the 23 members no more than two-thirds shall belong to one gender at any time.

Kindly consider a provision to the effect that the Chair and National Co-ordinator should be of different genders.

Comment [EWW38]: The representation here seems not well balanced. The idea of the multi-stakeholder platform is to have somewhat equal voice from the three groups—government, industry, and civil society. Here, the focus is **heavy** on government. There appear to be very few industry representatives. In effect this could just become a pseudo-government agency without somewhat equal representation, especially from industry.

Comment [EWW39R38]: In line with the EITI Standard, ensure that the MSG have adequate and inclusive representation of key stakeholders (encompassing geographic and production areas, diverse civil society, key government agencies, key industry actors, gender balance)

Comment [MB40]: The number of representatives from industry should be specified and should be in line with number of representatives from government and civil society. Also should be expanded to allow individual companies to be represented. As currently drafted, the government appears to be over-represented compared to civil society and industry. This is not in line with EITI practice of having equal representation of each of the 3 stakeholder groups.

- (e) a representative of the ministry responsible for finance;
- (f) representatives of the ministry responsible for minerals and regulatory body;
- (g) a representative of the ministry responsible for fisheries;
- (h) a representative of the ministry responsible for forestry;
- (i) a representative of the ministry responsible for local government;
- (j) a representative of the national institution responsible for oil and gas sector;
- (k) a representative from the Association of Local Councils (LoCASL) of areas affected by a large mining site in Sierra Leone;
- (l) a representative of the National Council of Paramount Chiefs;
- (m) a representative of the Office of National Security;
- (n) a representative of the Environmental Protection Agency;
- (o) a representative from the National Revenue Authority;
- (p) a representative from the Sierra Leone Association of journalists;

- (q) a representative from the National Audit Service
- (r) a representative from the Business Registration agency and;
- (s) a presentation from the Parliament of Sierra Leone

(2) The Chairman and persons referred to in paragraph (b), (c), (k) and (l) of subsection (1) shall be appointed by the president and subject to the approval of parliament.

(3) The National Coordinator of SLEITI shall be an ex-officio member and Secretary to the MSG.

10. (1) The **Chairman** and members of the MSG who are not ex-officio shall hold office for three years and shall be eligible for re- appointment for not more than one further term.

(2) A person shall cease to be a member of the MSG on any of the following grounds –

- (a) for his inability to perform the functions of his office by reason of infirmity of mind or body;
- (b) for proven misconduct;
- (c) if the member becomes bankrupt or insolvent;

Comment [EWW41]: This approach may not be an ideal approach to ensure robust debate and independence. For eg, the role of CSOs appear completely absent.

Consider revising/adding a provision to ensure the independence of the Chair. For example, the appointment should be based on a consensual recommendation by the MSG.

Comment [EWW42]: It would be useful to stipulate the nomination process that precedes appointment and approval. The EITI recommends that each constituency should **autonomously** and **independently** nominate their representatives. More guidance can be accessed on the Guidance for multi-stakeholder groups (MSGs) on the establishment and governance of MSGs: <https://eiti.org/guidance-notes/establishment-and-governance-multi-stakeholder-groups>

Tenure of Members.

- (e) if the member is convicted of an offence involving fraud or dishonesty;
- (f) if the member fails to attend three consecutive meetings of the MSG without reasonable cause; or
- (g) if the member resigns his office by written notice to the President.

Comment [EWW43]: Please address the issue of gendered framing throughout the bill

Remuneration of Multi-Stakeholder Group.

11. The Chairman and the other members of the MSG and any person co-opted under subsection (8) of section 12, shall be paid such remuneration, fees and allowances and shall be reimbursed by the SLEITI for expenses incurred in connection with the discharge of their functions as the MSG may determine.

Comment [EWW44]: This seems potentially problematic. Will the MSG be deciding how much SLEITI should be paying them? What is the approach adopted by other similar statutory bodies as SLEITI? What are the checks and balances?

Filling of vacancies.

12. (1) Where the Chairman or a member of the MSG dies, resigns, is removed from office or is absent from Sierra Leone for a continuous period exceeding three months or by reason of illness unable to perform the functions of his office-

- (a) the Presidency shall appoint another person to replace the SLEITI Chairman immediately until such time as the Chairman resumes his/her office or another is appointed in his/her stead; and
- (b) in the case of the members, the Chairman shall arrange, subject to this Act, to have another person appointed to the MSG.

**Meetings of
Multi-
Stakeholder
Group.**

(2) Where a person is appointed as Chairman or appointed as a member to fill a vacancy, he shall hold office for the remainder of the term of the previous Chairman or member, as the case may be and shall, subject to this Act, be eligible for reappointment.

13. (1) The MSG shall meet for the dispatch of its business at such time and place as the Chairman may determine, but shall meet at least once every quarter.

(2) A special meeting of the MSG shall be summoned by the Chairman or at the written request of not less than two-thirds of other members of the MSG.

(3) The Chairman shall preside at meetings of the MSG at which he is present and, in his absence, a member elected by the members present from among their number, shall preside.

(4) Each member shall have one vote but where there is an equality of votes, the Chairman or other member presiding shall have a casting vote.

(5) All acts, matters or things authorized or required to be done by the MSG shall be decided at a meeting where a quorum is present and the decision is supported by the votes of a majority of the members present.

a) (6) The quorum for a meeting of the MSG shall be attendance of the three constituencies (government, CSO and Oil, Gas, and Mining Companies through the Chamber of Mines or one-third of its members).

(7) Any proposal circulated among all members and agreed to in writing by a majority of all members shall be of the same force or effect as a decision made at a duly constituted meeting of the MSG and shall be incorporated in the minutes of the next succeeding meeting of the MSG:

Comment [EWW45]: It would be useful to clarify the rules around observers

Comment [EWW46]: You may want to note that collaboration and cooperation to reach general agreement (consensus) among all MSG members on all decisions is a fundamental part of the EITI process. The EITI Standard requires an inclusive decision-making process throughout implementation with each constituency being treated as a partner (Requirement 1.4.b.vi). Experience with implementation shows that where decisions are taken without consensus, stakeholders could lose trust in the EITI process and implementation may be jeopardised.

Comment [EWW47R46]: In cases where it is not possible to reach a consensus, voting may be the recommended approach

Comment [EWW48]: This seems problematic. Will the chambers constitute the industry constituencies? If there is just one member, will they have a weighted vote? It is not clear how representation is equal? Also, what if a company is not part of the chambers? How does the bill address inclusion on non-chamber members?

Provided that, if a member requires that such proposal be placed before a meeting of the MSG subsection (7) shall not apply to such proposal.

(8) The MSG may co-opt any person to attend and participate in its deliberations on any matter but such person shall not vote on any matter for decision by the MSG.

(9) The MSG shall cause minutes of all its meetings to be taken and signed by the Chairman and kept in proper form as a public record on the SLEITI website.

(10) Subject to this section, the validity of the proceedings of the MSG shall not be affected by the absence of any member, vacancy among its membership or by any defect in the appointment of any of the members.

MSG shall respond to all emails and other electronic correspondences within **1 week** of receipt or depending on the timelines stipulated in the mail. Non-receipt of response from any member group will constitute an agreement to the decisions/ activities - (No Objection)

(11) Subject to this Act, the MSG shall regulate its own procedure.

Committees of Multi-Stakeholder Group.

14. The MSG may, for the discharge of its functions, appoint one or more Committees to perform such functions as it may determine.

Disclosure of Interest.

15. (1) Any member having a **personal interest** whether pecuniary or otherwise, direct or indirect through any member of his immediate family or business partner, in any matter to be considered by the MSG shall disclose the fact of such interest and the nature thereof, and such disclosure shall be recorded in the minutes of the MSG, and such member shall

Comment [EWW49]: In addition, consider including provisions in the bill to mandate Chair/members of the MSG/SLEITI to declare all legal and beneficial ownership interests /PEP status that they or any immediate family member holds that relate to extractive industries within fourteen (14) days of his appointment as a Chair/member

A register of legal and beneficial interests of MSG/SLEITI may be hosted by SLEITI and shall be publicly disclosed.

Functions of Multi-Stakeholder Group.

take no part in any deliberation or discussion of the MSG relating to such matter.

(2) Any member who contravenes subsection (1) shall be guilty of misconduct and shall be liable to removal from the MSG.

16. (1) Subject to this Act, the MSG shall have the control and supervision of the SLEITI and to establish a Secretariat to be responsible to carry out the day-to-day operations of the SLEITI.

(2) Without prejudice to the generality of subsection (1), it shall be the function of the MSG -

- (a) to build the enabling environment to carry out the independently verified reconciliation or audit exercise of the extractive sectors in Sierra Leone, as required by the EITI;
- (b) to prepare, approve and review the SLEITI Work Plan;
- (c) to prepare and/or approve the budget of the SLEITI;
- (d) To recruit and dismiss the National Coordinator and the Deputy National Coordinator of the SLEITI Secretariat, and to approve the recruitment of all other staff and consultants;
- (e) To hire or approve the engagement of the Independent Administrator and/ or Auditor to be responsible to perform any of the reconciliations, audit and investigations provided herein;

Comment [EWW50]: Consider including strategic functions such as

- Develop and implement policies to promote transparency and accountability in the extractives/natural resource sector through the implementation of the EITI in SL; and

-provide a balanced forum for dialogue, debate, and consensus on transparency and accountability specific issues relating to the extractives/natural resource sector

Comment [EWW51]: See comment above.

Comment [EWW52]: •With the view of ensuring that the workplan aligns internally with the EITI Standard and nationally to broader policy priorities

Comment [EWW53]: Related to this would be to exercise technical and administrative oversight in the management and performance of projects/programme

- (f) to approve the commissioning of all consultancies and studies;
- (g) to approve and authorize the publication of the SLEITI reports;
- (h) to develop and/or approve a SLEITI strategy and policy and all other policies and procedures associated with or required for effective and transparent implementation of the SLEITI;
- (i) to continuously monitor and evaluate the EITI process;
- (j) to work closely with extractive industry companies, relevant ministries, agencies and development partners to ensure the effective implementation of this Act.

Comment [EWW54]: Consider including functions to facilitate informed public understanding and policy reforms on NR and Extractive issues

Comment [EWW55R54]: This may include considerations to facilitate inter-ministerial/agency committees/taskforce to expediate implementation of relevant recommendations emanating from implementation of the Act

Comment [EWW56]: Are there similar provisions for government entities?

Powers of Multi-Stakeholder Group.

17. (1) In the discharge of its functions under this Act, the MSG shall have power -

- (a) by notice in writing, to require any extractive industry company to furnish in such form and manner and within such time as may be specified in the notice, periodical or other information, estimates or returns concerning such matters as may be specified in that notice;
- (b) to interview any personnel of any extractive industry company and require such personnel to furnish such particulars as the MSG may require;

(c) by notice in writing, to require any extractive industry company in writing, to complete a form contained in the notice with particulars relating to any matter specified in the notice and to return it in such manner and within such time as may be specified;

Comment [EWW57]: Ensure that the language and wording in the provisions does not appear to confer arbitrary powers to the MSG.

(d) To determine the sanctions to be applied against any company and/or agency government failing to submit a report required by the EITI, or otherwise comply with requirements of the SLEITI;

Comment [EWW58]: The approach appears arbitrary. It may be useful to consult, stipulate and apply specific penalties, sanctions and compliance mechanisms commensurate to that of other similar statutory bodies.

(e) To develop and/or approve a SLEITI financial and procurement policy, and all other policies and procedures associated with or required for effective and transparent implementation of the SLEITI;

Comment [TL59]: It may be helpful to require that the procurement policy is made public.
Also, it may be helpful to stipulate that the selection and appointment of all independent administrators or other staff or consultants is carried out in a transparent manner, with advertisements and/or terms of reference published on the SLEITI website in a timely way.

(f) to direct the National Coordinator to furnish the MSG with information, report or other documents which the MSG considers necessary for the performance of its functions;

(g) to give instructions to the National Coordinator in connection with the management and performance of the SLEITI; and

(h) To take any and all other actions necessary for achieving the objectives of SLEITI.

PART IV – EMPLOYEES OF SLEITI

**Appointment
of the
National
Coordinator.**

18. (1) The SLEITI shall have a National Coordinator who shall be appointed by the MSG subject to the approval of parliament on such terms and conditions as maybe specified on his letter of appointment.

(2) No person shall be approved National Coordinator unless he has -

- (a) a formal qualification in any profession or discipline relevant or appropriate to the object and functions of the SLEITI;
- (b) proven ability in public administration and financial management

Comment [TL60]: Does this clause restrict the role of National Coordinator to a former Government employee? This may reduce the pool of talent available for selection.

(3) Subject to the general supervision of the MSG, the National Coordinator shall be responsible to the MSG for-

- (a) the day-to-day administration of the SLEITI;
- (b) the supervision and discipline of other staff of the SLEITI;
- (c) the arrangement of the business and the recording and keeping of minutes of the meetings of the MSG;
- (d) the execution of the policies of the MSG;
- (e) performing such other duties as may be determined by the MSG.

**Appointment
of the Deputy
National
Coordinator.**

19. (1) The MSG shall have a Deputy National Coordinator who shall be appointed by the MSG and shall hold office on such terms and conditions as may be determined by the MSG.

(2) The Deputy National Coordinator shall have the competence and experience that will enable him, subject to this Act, to perform the duties of the National Coordinator and shall be charged with the performance of any of the functions of the National Coordinator when the National Coordinator is absent from Sierra Leone or is otherwise incapacitated from performing his functions under this Act and who shall otherwise assist the National Coordinator in the performance of his functions and perform such functions as the National Coordinator and MSG may delegate to him.

**Appointment
of other staff
and employees
of the SLEITI.**

20. (1) There shall be appointed by the MSG on such terms and conditions as the MSG may determine such other employees as the SLEITI Secretariat may require for the efficient discharge of its functions under this Act.

(2) The MSG may delegate to the National Coordinator power of appointment of such grade or category of staff as the MSG may define.

(3) Public officers may be seconded or otherwise give assistance to the MSG.

(4) The MSG may engage the services of such consultants and advisers as it considers necessary for the efficient discharge of its functions.

PART V – FINANCIAL PROVISIONS

Funds of SLEITI.

21. (1) The activities of the SLEITI shall be financed by a fund consisting of –

- (a) moneys appropriated by Parliament for the purposes of the SLEITI;
- (b) moneys accruing to the SLEITI in the course of its operations, including moneys paid for services rendered by the SLEITI;
- (c) money from development partners
- (d) any investment revenue;
- (e) loans; and
- (f) gifts, grants or donations from any person, body or organization made for the purposes of the SLEITI.

(2) The funds of the SLEITI shall be applied only for the purposes of the approved budget of the MSG.

Financial Year of SLEITI.

22. The financial year of the SLEITI shall be the same as the financial year of the Government.

Accounts and Audit.

23. (1) The SLEITI shall keep proper books of account and proper records in relation to the activities, property and finances of the SLEITI in a form approved by the Auditor-General, and shall prepare in respect of each financial year of the SLEITI a financial statement which shall include-

Comment [EWW61]: Does this comply with Public Finance (Management) Acts and regulations in SL?

- (a) balance sheet accounts;
- (b) income and expenditure accounts; and
- (c) source and application of funds.

(2) The accounts of the SLEITI kept under subsection (1) shall, not later than four months after the end of each financial year be audited by the Auditor-General or an auditor appointed by him.

(3) For the purposes of subsection (2), the Auditor-General or the auditor appointed by him, shall be entitled to have access to all books of account, vouchers and other financial records of the SLEITI and to require such information and explanation thereon as he may think fit.

(4) The SLEITI shall provide the Auditor-General or the auditor appointed by him with all necessary and appropriate facilities for the examination of the accounts and records of the Authority.

(5) The Auditor-General or the auditor appointed by him shall submit to the SLEITI a report on the audited accounts and the financial statements referred to in subsection (1) and shall, in his report draw attention to –

- (a) any irregularities in the accounts;
- (b) any matters that are likely to adversely affect the operations of the SLEITI; and
- (c) any other matter which, in his opinion, ought to be brought to the notice of the SLEITI.

24. (1) The National Coordinator shall, within four months after the end of each financial year, submit for the approval of the MSG, an annual report of the activities, undertakings, property and finances of the SLEITI for that year.

**Annual
report of
SLEITI.**

(2) An annual report shall include a copy of the audited accounts of the SLEITI together with the audit report on it.

(3) The Chairman shall lay copies of the annual report before parliament within two months after he has received the report.

Part VI - Offences and Penalties

Comment [EWW62]: Are these in line with the companies Act or Penal Code of SL?

False information.

25. (1) Any extractive industry company who knowingly and wilfully -

- (a) gives false information or report to the Government or its agencies regarding its volume of production, sales and income; or
- (b) renders false statement of accounts or fails to render a statement of accounts required under this Act to the Government, or agencies, resulting in the underpayment or non-payment of revenue accruable to the government, or statutory recipient commits an offence and is liable on conviction to a fine not exceeding two hundred thousand United States dollars or its equivalent in Leones.

(2) Where the Extractive industry company has been convicted of an offence under sub-section (1) of this section, the court shall in addition to the penalty prescribed

there under, order the company to pay the actual amount of the revenue due to the government.

(3) An extractive company which delays or refuse to give information or report under this Act, or wilfully or negligently fails to perform its obligations under this act, commits an offence and is liable on conviction to a fine not exceeding two hundred thousand United States dollars or its equivalent in Leones.

**Offences
by body
of
persons.**

26. (1) Where an offence under this Act is committed by a body of persons –

- (a) in the case of a body corporate, any person who at the time the offence was committed was a director, manager or corporate officer of that body corporate; or
- (b) in the case of a firm, every person who at the time the offence was committed was a partner or officer of that body shall be deemed to have committed an offence and is liable on conviction to a fine not exceeding fifty thousand United States dollars or its equivalent in Leones or a term of imprisonment not exceeding five years or to both such fine and imprisonment.

(2) In any proceedings for an offence under this section it shall be a defence for the person charged to prove that-

- (a) the offences were committed without his knowledge or consent; or
- (b) he took all reasonable precaution and exercised all due diligence to prevent the commission of the offence.

**False statement
by
Government
Official.**

27. (1) Any government official who renders false statement of accounts or fails to render a statement of accounts required under this act to the government or its agencies, resulting in the underpayment or non-payment of revenue accrual to the government or statutory recipients, commits an offence and is liable on conviction to a fine **not exceeding fifty thousand United States dollars or its equivalent in Leones** or a term of **imprisonment not exceeding five years or to both such fine and imprisonment.**

(2) In any proceedings for an offence under this section it shall be a defence for the person charged to prove that-

- (a) the offences were committed without his knowledge or consent; or
- (b) **he** took all reasonable precaution and exercised all due diligence to prevent the commission of the offence.

**Prosecution
by
Attorney-
General.**

28. The SLEITI may request the Attorney-General to institute and prosecute all necessary proceedings for the enforcement of this Act and for punishment of any contravention defined in this Act.

PART VII - MISCELLANOUS

**General
penalty.**

29. (1) Any person who commits an offence under this Act for which no penalty is expressly provided shall, on conviction be liable to a fine not less than twenty thousand United States Dollars or its equivalent in Leones or to a term of imprisonment not exceeding twelve months.

(2) Where an offence under this Act, to which no penalty is expressed is committed by-

(a) a body corporate, that body corporate shall be liable on conviction, to a fine of not less than ten thousand United States Dollars or its equivalent in Leones.

(b) a partnership, every partner shall be liable on conviction, to a fine not less than five thousand United States Dollars or its equivalent in Leones or to imprisonment to a term not exceeding twelve months.

(3) No person shall be guilty of an offence under subsection or subsection (2) if he proves that the act in respect of which he is charged was committed by some other person without his consent or connivance and that he exercised all due diligence to prevent the commission of the offence, as he ought to have exercised having regard to all the circumstances.

Regulations

30. The MSG may make such regulations, orders and rules, as it considers necessary or expedient to give effect to and for the better carrying out the objects and purposes of this Act.

Comment [EWW63]: It is the understanding that usually under common law, only the Minister in charge can pass regulations. You may want to check with relevant laws the possibility for the MSG to have these powers