

**MINUTES OF THE ZAMIA EITI COUNCIL MEETING HELD ON WEDNESDAY 18TH DECEMBER 2019 IN THE
GEOLOGICAL SURVEY DEPARTMENT CONFERENCE ROOM**

PRESENT

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|----------------------------|---|---|
| 1. Mr. Edward Lange | - | Civil Society(SARW),Member/Vice Chairperson |
| 2. Mr. Marford Mumba | - | Mining Industry (FSSMAZ) Proxy |
| 3. Mr. Sokwani Chilembo | - | Mining Industry (CMZ) Member |
| 4. Mr. Edgar Siakacoma | - | Civil Society (NEF) Member |
| 5. Mr. Hugh Carruthers | - | Mining Industry (FQM) Member |
| 6. Mr. Mubiana Akakandelwa | - | Mining Industry (KCM/CMZ) Member |
| 7. Mr. Goodbye Chinyama | - | Civil Society (Action Aid Zambia) Member |
| 8. Mr. Francis Chilunga | - | Government (MOJ) Member |
| 9. Mr. Wilmort Sinyangwe | - | Government (MMMD) Proxy |
| 10. Mr. Mtwalo Msoni | - | Civil Society (PWYP) Member |
| 11. Mr. Adrian Zulu | - | Government (MLG) Member |

IN ATTENDANCE

- | | | |
|--------------------------|---|---------------------------------|
| 1. Mr. Ian Mwiinga | - | Secretariat (ZEITI Acting Head) |
| 2. Mr. Lupinda Chimwasu | - | Secretariat (ZEITI Economist) |
| 3. Mr. Emmanuel Sibongo | - | Secretariat (ZEITI Accountant) |
| 4. Mr. Julius Matutu | - | MMMD (MDD) |
| 5. Mr. Tabila Mazhamo | - | MMMD (Cadastre) |
| 6. Ms. Grace Chanda | - | Office of the Auditor General |
| 7. Mr. Evans Buumba | - | Office of the Auditor General |
| 8. Mr. Godsave Nhekede | - | BDO Consulting |
| 9. Mr. Chaanza Chifwepa | - | MMMD (GSD) |
| 10. Mr. Nickson Tembo | - | MMMD (GSD) |
| 11. Ms. Christabel Ncube | - | BDO |
| 12. Ms. Sthat Shabangu | - | BDO |

ABSENT WITH APOLOGY

1. Mr. Fredson Yamba - Government (MOF) ZEC Chairperson
2. Mr. Barnaby Mulenga - Government (MMMD) Member
3. Mr. Kamwi Mulele - Bank of Zambia (BOZ) Proxy
4. Mr. Spyton Phiri - Zambia Revenue Authority (ZRA)
5. Mr. Andisen Zulu - Civil Society (CCZ)
6. Mr. Jeston Lunda - Civil Society (Action Aid Zambia) Proxy
7. Mr. Mwiya Mwandawande - Civil Society (EITA)

1.0 OPENING REMARKS

In the absence of the Chairperson, the Zambia EITI Council (ZEC) Vice Chairperson presided over the proceedings of the meeting. The meeting was called to order at 10:29hrs.

In his welcoming remarks the Chairperson welcomed the members, as well as the team of Consultants from BDO Tunisia and Zambia and the observers from the Ministry of Mines and Minerals Development and the Office of the Auditor General.

The Chairperson encouraged members to be as concise as possible in their deliberations as the documents were shared with them ahead of time.

2.0 ADOPTION OF THE AGENDA

The agenda was adopted through a proposal from Mr. Adrian Zulu and seconded by Mr. Mubiana Akakandelwa.

3.0 APOLOGIES

The list of apologies is given on page 1.

4.0 CORRECTION OF PREVIOUS MINUTES

The minutes of the ZEC meeting that was held on 11th October, 2019 were adopted as a true record of the proceedings after three corrections were made;

- i) Mr. Adrian Zulu's name was added to the list of Apologies
- ii) Page 1 under Members Present Mr. Mubiana Akakandelwa's name was corrected in the text.
- iii) Page 2 under Opening Remarks (paragraph 2) should read 'as a member of ZEC representing the constituency of the mining industry.

5.0 MATTERS ARISING

There were no matters arising.

6.0 PRESENTATION FOR APPROVAL OF THE DRAFT 2017 ZEITI REPORT BY BDO TUNISIA AND BDO ZAMBIA

The presentation of the draft 2017 ZEITI report was done by Mr. Godsave Nhekede. The presentation highlighted the various sections of the report including the reconciliation process. The Presentation is attached to these minutes.

The proposal to adopt and approve the draft 2017 ZEITI report was made by Mr Sokwani Chilembo and seconded by Mr Martford Mumba. However, the consultant was tasked to resolve following issues listed below to validate the approval of the report.

- i) The production values of all minerals must be published. The Ministry of Mines was requested to help in obtaining the information;
- ii) First Quantum Mining Operations Limited should not be listed as mining company but as a contractor;
- iii) Annual license fees should not be listed as a revenue stream in the report;
- iv) Page 21 a correction needs to be made on the high and low range;
- v) Page 29 clarity on the tiers as well as Page 33;
- vi) Correction on Articles of Parliament it should be stated that only the Constitution has Articles;
- vii) Page 40 the figure is wrong. It should read \$0.03 Million and not \$0.33 Million;
- viii) Page 43 data on Gold Production should be corrected;
- ix) Page 44 the ZZCM-IH Portfolio is incorrect and clarity needs to be made on what 'Other Investments' are being undertaken;
- x) Page 56 it should be indicated that License Fee and Application fee after one and the same under the current Mining Act same applies for Page 59;
- xi) Page 65 the revenue is being indicated in Euros and not Zambian Kwacha;
- xii) Unilateral Disclosures need to be put in a spreadsheet;
- xiii) Page 75 and 76 the numbers indicated in the pie chart are different from those in the table;
- xiv) Page 79 License number 19946-HQ-SML does not belong to Kansanshi. Companies 5-9 in the table need data on them and not the N/A comment;
- xv) Page 83 the first recommendation is incorrect and item 7.1.4 should state that some mining companies do not contribute to the EPF;
- xvi) Pages 93, 96 and 97 the tables need titles;

At the close of the agenda item on the presentation of the report, the Chairperson appealed to all the ZEC members to exercise collective ownership of the 2017 ZEITI report as it has now been approved collectively by the members.

7.0. UPDATE ON THE ZEITI 4TH QUARTER ACTIVITIES AND PRESENTATION OF THE 2020 WORK PLAN THEMATIC AREAS

The meeting was informed that the implementation of EITI in Zambia is currently evolving to now focus on mainstreaming. This means that institutions such as the Office of the Auditor General (OAG) will play a leading role in the production of EITI reports. This will help in reducing the cost of EITI reports thereby helping the ZEITI to be on a sustainable path.

This information was given on the basis of a question from a member who expressed concern on the ability of the OAG to undertake such a huge task in time for EITI deadlines to be met in future.

8.0 PRESENTATION OF THE 2019 ZEITI FINANCIAL REPORT AND APPROVAL OF THE 2020 ZEITI BUDGET

There were no issues brought up by the ZEC members.

9.0 DISCUSSION ON ZEITI STAFFING NEEDS

On the issue of ZEITI staff needs, the meeting was informed of two issues that required their attention.

- I. The first one relates to the need for the ZEC to make a decision on the confirmation of Mr Ian Mwiinga as Head of the ZEITI Secretariat; and,
- II. The second issue relates to what should happen to the position of Communications Officer when Mr Ian Mwiinga is confirmed as Head of the ZEITI Secretariat.

The ZEC resolved that the ZEC Vice Chairperson should consult the leaders of the various sectors on the ZEC to ensure the two decisions are made before the acting period for Mr Ian Mwiinga expires. Currently, the ZEITI Communications work is being handled by an intern.

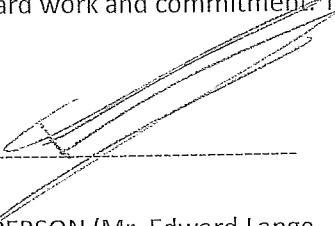
The Vice Chairperson was thereafter tasked to brief the Permanent Secretary at the Ministry of Mines and Minerals Development for his action on the outcome of the consultations.

The Vice Chairperson would then communicate to all the members via email and at the next ZEC meeting on the outcome of the process.

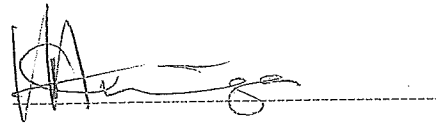
10. CLOSING REMARKS

The Chairperson thanked all the members for their active participation during the meeting. In his closing remarks he also thanked and commended Mr. Ian Mwiinga for his dedication to the ZEITI Secretariat and

for ensuring that the 2017 ZEITI report is on course. He further commended the ZEITI secretariat staff for their hard work and commitment. The meeting closed at 12:50 hrs.

A handwritten signature in black ink, appearing to be 'E. Lange', written over a horizontal dashed line.

CHAIRPERSON (Mr. Edward Lange)

A handwritten signature in black ink, appearing to be 'M. Lange', written over a horizontal dashed line.

SECRETARY (ZEITI Secretariat)